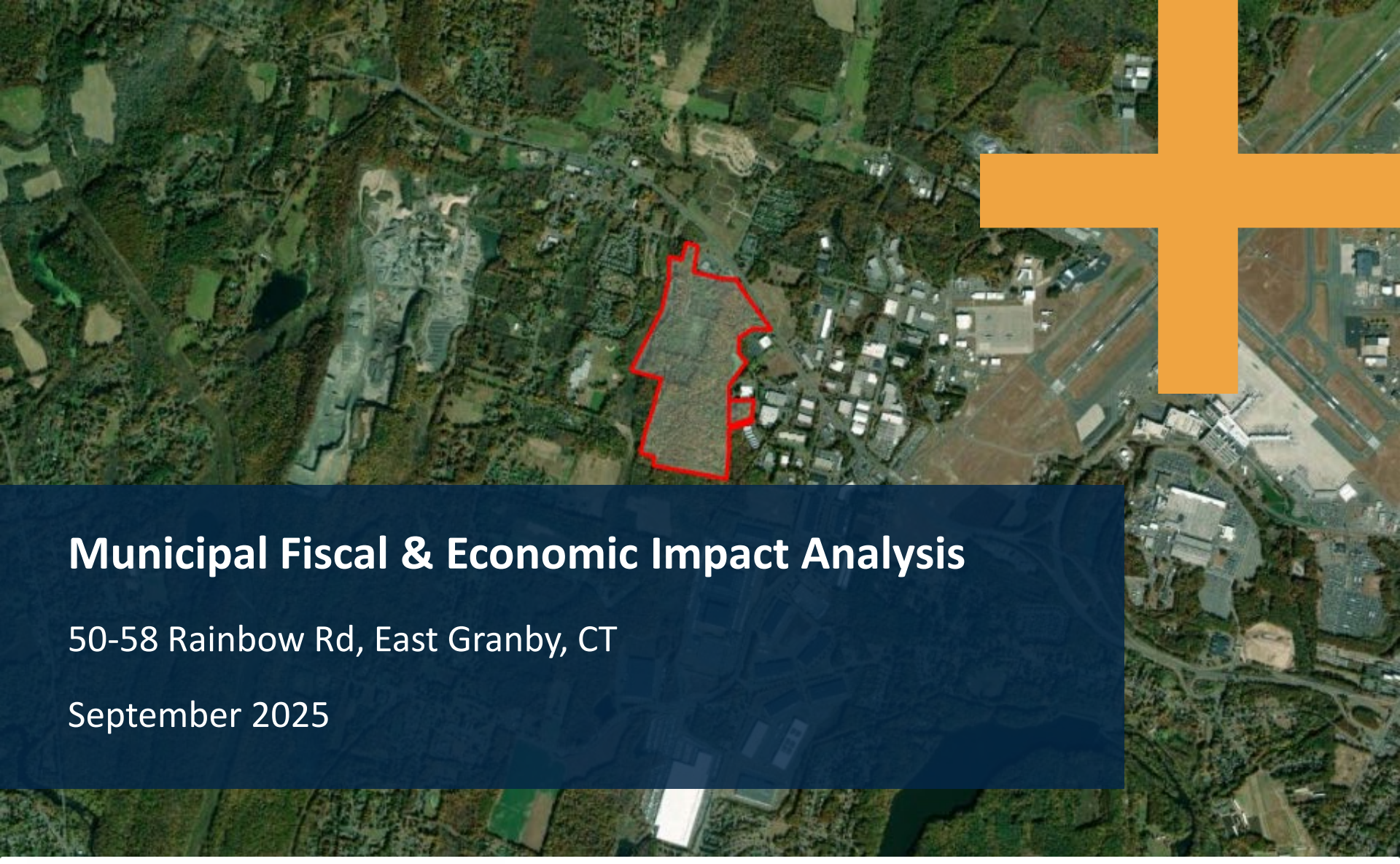


Municipal Fiscal & Economic Impact Analysis

50-58 Rainbow Rd, East Granby, CT

September 2025

GOMAN+YORK
ADVISORY SERVICES

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The Assignment

Market Analysis

The Assignment

Goman+York Property Advisors was asked to conduct a municipal fiscal and economic impact analysis of the proposed industrial development at 50-58 Rainbow Rd, East Granby, Connecticut. The proposed Development consists of two buildings, with Building 1 measuring 400,000 SF and Building 2 measuring 300,000 SF.

Our analysis is designed to determine the municipal fiscal impact (revenues versus expenditures) of the proposed development on the Town of East Granby.

Our analysis includes:

1. Review of East Granby's current POCD as it relates to the proposed development of the subject property.
2. An evaluation and overview of market trends related to the industrial and flex real estate market.
3. Reviewing the development cost pro forma and any related information, as provided by the Silverman Group.
4. Calculations showing the fiscal and economic impact on the Town, including:
    - the ongoing property and vehicle tax revenue likely to be realized by the Town,
    - estimates for one-time revenues to the Town, including building permits and associated fees.

Professional Team



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Planning Report

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Land Use, Zoning, & Special Permit Considerations

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Light Industrial Use

Existing Site

Overview of Site and Land Use

The site for this proposed light industrial use and application is known as 50-58 Rainbow Road (State Route 20). The site is approximately 133.1 acres in size and has access and frontage on Rainbow Road and School Street, as well as limited frontage on both Gateway Boulevard and Connecticut South Drive.

The existing site is primarily wooded, with a cleared area located near the center. Along the eastern side of the site is Sheldens Brook, a wetland, watercourse, and flood zone. The site features varied typography, with a high elevation of approximately 282 feet in the southeastern area and a low elevation of approximately 172 feet in the northwestern area, near School Street. The site elevations, in general, are higher near the center of the site, and the site generally slopes from the center to the east and west. The brook and wetlands along the eastern portion of the site are generally the lowest areas.

The site is zoned CPT (Commerce Park Transitional) Zone, with a small parcel in the Commercial Park A Zone. The Zoning Regulations explain the CPT as a "mixed-use zone that provides for a variety of uses" (P. 49, Zoning Regulations). Permitted, as-of-right uses include, but are not limited to, businesses and professional offices, medical offices, retail and personal services, and restaurants. Special permit uses, or conditional uses, include but are not limited to research and development laboratories, light manufacturing, fabrication, processing, warehouses and distribution centers, hotels, and multi-family residential.

The allowance of a diversity of commercial and industrial uses is understandable, as Route 20 is a major arterial with traffic counts exceeding 20,000 vehicles per day. The 2016 POCD Future Land Use Plan designates most of the subject site as Business Park, with areas along the east and west of the site designated as Environmental Constraints. Along School Street, a portion of the site is designated Village Center.

Light Industrial Use

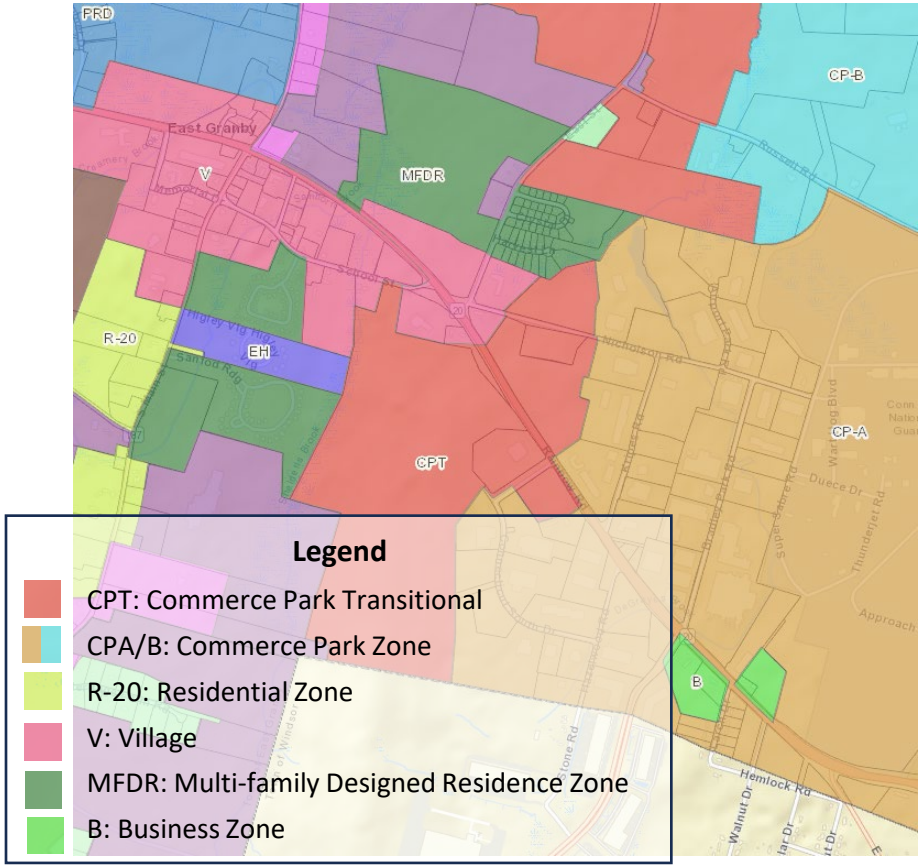
Proposed Development and Special Permit Use (Distribution Center)

Zoning Requirements

This application is for a Site Plan and Special Permit to develop the 133.1-acre site, featuring two industrial buildings, along with associated site improvements. Approximately 125,000 square feet of manufacturing space can also be accommodated based on the provided auto parking. Building A, as proposed, is 400,000 square feet with loading docks and trailer parking on the east and west sides of the building and employee parking to the north and south of the building. Building B, as proposed, is 300,000 square feet with loading docks and trailers along the east side of the building and employee parking along the three other sides of the building. As proposed, the industrial development meets and exceeds all zoning requirements for bulk, area, and parking (see table P. 9).

Most notable about the proposed site design is the access to the site. The access is designed and provided via two access drives from Connecticut South Drive—one located at the intersection of Connecticut South Drive and Gateway Boulevard, and the other further south on Connecticut South Drive. By providing exclusive access from Connecticut South Drive, the design ensures that all traffic to and from the site is channeled through the existing business/industrial area along Connecticut South Drive, while utilizing existing intersections and avoiding direct access and new curb-cuts on State Route 20 (Rainbow Road). Add to this the building being sited toward the south end of the site, and the proposed development is removed from State Route 20 (Rainbow Road), diminishing the physical, visual, and traffic impacts on the community. This design of access and building locations also maintains the integrity of the visual aesthetics of the Route 20 corridor as a gateway to East Granby's Village Center.

East Granby Zoning Map



Light Industrial Use

Neighborhood Area – Existing Conditions

Neighborhood Characteristics

Neighborhoods and towns are not static. They are living and changing environments or ecosystems that shift, change, and evolve. How they evolve is dependent on many factors. Some of these factors include market conditions, relative location within the broader market, consumer preferences, and land-use regulations. In the context of this application, the general neighborhood area is defined as a commercial and industrial area. The commercial and industrial character of the area is a result of the site's frontage along Route 20, as well as the commercial and industrial nature of the land uses along Route 20 from the Townline to the East, and the site's location. In addition, the commercial-industrial nature of the area and proposed site further relates to the proposed access to the site being provided through the existing business/industrial area along Connecticut South Drive.

Another characteristic of the neighborhood to be considered is the residential land uses to the West. Starting at the north end of the site and School Street, there is Schoolhouse Landing, a planned unit style multi-family development featuring single-family detached houses. This development is separated from the site by a commercial office use on School Street and is distanced from the two proposed industrial buildings that are proposed to be located further south, within the proposed site.

Moving south from Schoolhouse Landing is Higley Village at 53 South Main Street. This development is a senior rental development with 44 one- and two-bedroom units. While closer than Schoolhouse Landing to the proposed industrial buildings, Higley Village is also distanced and well north of the location where the two buildings are proposed to be placed on the site.

Connecticut South Drive Industrial Area East of Site



Light Industrial Use

Neighborhood Area – Existing Conditions

Neighborhood Characteristics (Continued)

Sanford Ridge, also a planned unit, multi-family development with single-family detached housing units, is located south of Higley Village and the residential development nearest to the proposed buildings. Between Sanford Ridge and the proposed buildings is Sheldens Brook (a wetland, watercourse, and floodplain area). Sanford Ridge is separated from Sheldens Brook by a wooded area of mature trees. The brook and wetland area is approximately 300 feet across. The nearest residence in Sanford Ridge is approximately 840 feet from Building B. Building B is approximately 500 feet from the Sanford Ridge property line and the MFDR Zone boundary. Building A is approximately 875 feet from the MFDR Zone boundary.

The design of Building B is sensitive to the neighboring residential development, in that it does not contain loading docks on the west side of the building. The west side of the building is only utilized for employee parking, and the traffic circulation patterns for trucks avoid this area of the site. This design element, along with the proposed landscaping and the large and wooded natural buffer that exists between the proposed development and residential uses, minimizes the potential for negative impacts.

Next, and further to the south of Sanford Ridge, is the East Granby Middle and High School campus. Proposed Building A will be opposite the School Campus. The brook and wetlands, along with the campus ball fields, create a great distance between Building A and the school buildings. Building A is designed with loading docks on either side of the building. This further demonstrates the sensitive design approach, where Building A, which is closest to the School Campus, not the residential development, has loading docks on both the east and west sides of the building, while Building B does not have docks on the west side.

Residential Areas East of Site



Light Industrial Use

Planning & Zoning Commission Authority

Special Permit Application Considerations

When considering land use applications, it is important for planning and zoning commissions to have a firm understanding of the specific type of application they are to decide, their authority to decide such an application, and the considerations to be made when delivering a decision on the specific application. This section provides an overview and understanding of special permits (conditional uses) and the authority of the East Granby Planning and Zoning Commission to hear and grant a special permit.

Each municipality in Connecticut, including East Granby, received its authority for zoning from the State. Such authority is granted by *Section 8-2* of the Connecticut General Statutes (CGS). Section 8-2 identifies what a town *shall, may,* and *shall not* regulate through the adoption and implementation of zoning regulations. Examples of such authority include protecting the public health, safety, and welfare through the regulation of things such as "the height, number of stories and size of buildings and other structures; the percentage of the area of the lot that may be occupied; the size of yards, courts and other open spaces; the density of population and the location and use of buildings, structures and land for trade, industry, residence or other purposes."

Section 8-2 also provides a zoning commission (or combined planning and zoning commission) with the authority to "provide that certain classes or kinds of building, structures or uses of land are permitted only after obtaining a special permit from the…combined planning and zoning commission…subject to standards set forth in the regulations and to conditions necessary to protect the public health, safety, convenience and property values."

When considering any application for special exception, the planning and zoning commission "acts in an administrative capacity" and "for an administrative agency to approve a special permit, it must determine that; (1) the proposed use of the property is expressly permitted under the zoning regulations, (2) the standards in the regulations are satisfied, and (3) any conditions necessary to protect public health, safety, convenience and property values as provided by Section 8-2 of the Connecticut General Statutes can be established." (Merriam, *Connecticut Practice Series: Land Use Law and Practice,* page 214, 2004. See also Fuller, 1999).

Therefore, pursuant to the governing statutes and this proposed application for a special permit to allow a warehouse/distribution center use in the CPT zone, the Planning and Zoning Commission must first determine that "the proposed use of the property is expressly permitted under the zoning regulations." The answer to this decision is straightforward: the use (Warehouses and Distribution Centers) is "expressly permitted" in Section V.D.4 (Special Permit Uses), subsection c. Warehouses and Distribution Center (buildings up to 400 thousand square feet). Therefore, the first part of the three-part determination is affirmed.

The second part of the three-part determination is for the Planning and Zoning Commission to determine that "the standards in the regulations are satisfied." The East Granby Zoning Regulations provide 11 standards or considerations that the application must satisfy. The following section addresses those standards.

Light Industrial Use

Planning & Zoning Commission Authority

Special Permit Application Considerations (Continued)

The second determination that the Planning and Zoning Commission (PZC) must make is that the application and use satisfy the general standards established in Section VIII (Special Permit Considerations). While this determination is more subjective than determining if the use is "expressly permitted" in the regulation, it is not entirely subjective. If the applicant demonstrates compliance with the consideration, the application must be approved. This report (and the entirety of the application and supportive materials) will demonstrate that the proposed use and application clearly satisfy the standards in Section VIII of the East Granby Zoning Regulations.

The following pages address each of the decisional criteria in Section VIII (as shown in the text box, right) and demonstrate that this application for a special permit for industrial Warehouses satisfies the Special Permit Considerations and should be approved.

Section VIII. SPECIAL PERMIT CONSIDERATIONS

In considering an application for Special Permit, the Commission shall determine that the following specific conditions are met:

A. SUITABLE LOCATION FOR USE OR ACTIVITY

B. SUITABLE STRUCTURES FOR USE OR ACTIVITY

C. NEIGHBORHOOD COMPATIBILITY

D. SUITABLE ACCESS AND PARKING

E. SUITABLE STREETS FOR USE OR ACTIVITY

F. ADEQUATE EMERGENCY ACCESS

G. ADEQUATE PUBLIC UTILITIES

H. ENVIRONMENTAL PROTECTION & CONSERVATION

I. CONSISTENT WITH PURPOSES

J. CONSISTENT WITH PLAN OF DEVELOPMENT

K. OTHER CONSIDERATIONS

Light Industrial Use

East Granby Zoning Regulations – Special Permit Considerations

Special Permit Application Considerations (Continued)

A. SUITABLE LOCATION FOR USE OR ACTIVITY: That the location and size of the proposed use or activity and the nature and intensity of the use or activity in relation to the size of the lot will be in harmony with the orderly development of the area and compatible with other existing uses.

The proposed application for warehouse uses and the two proposed buildings, Building A (400,000 square feet) and Building B (300,000 square feet), satisfy this standard. The location and lot are zoned CPT, which allows the warehouse and distribution center use. Additionally, the two buildings do not exceed the 400,000 square foot maximum for any individual building, as required by zoning regulations. In addition, the proposed site plan complies with all the bulk and area requirements contained in Section V.D.6 (Height & Area Regulations). Furthermore, in the context of the "proposed use or activity and the nature and intensity of the use or activity in relation to the size of the lot," the CPT zone allows for 65% lot coverage, and the proposed site plan only requires approximately 28.3% lot coverage—far below the intensity allowed. Moreover, the proposed use is "in harmony with the orderly development of the area and compatible with other existing uses."

This compatibility is most notable in the proposed access through the existing commercial and industrial area on Connecticut South Drive. Finally, the lot, the proposed use, the site development design, and intensity of the proposed development are set back in the site, distanced from and naturally screened from residential and institutional uses to the west.

Zoning: Bulk, Area, and Parking Requirements

Bulk & Area	CPT Zone	Proposed
Minimum Lot Area	40,000 Sq. Ft.	5,676,838 Sq. Ft.
Minimum Lot Width	N/A	269.7 Feet
Minimum Lot Frontage	100 Feet	1,517.8 Feet
Minimum Front Setback	50 Feet	1,086.5 Feet
Minimum Side Setback	30 & 100 Feet	219 Feet
Minimum Rear Setback	30 Feet	144.9 Feet
Minimum Building Height	50 feet / 4 Stories	3 Stories
Maximum Lot Coverage	65%	28.3%
Parking Required	.05/1,000 sf. = 519	542
Minimum EV Spaces	10% = 55	56

Light Industrial Use

East Granby Zoning Regulations – Special Permit Considerations

Special Permit Application Considerations (Continued)

B. **SUITABLE STRUCTURES FOR USE OR ACTIVITY:** That the kind, size, location, height, and design of any structures and the nature and extent of the landscaping on the lot are appropriate for the use or activity, the proposed site, and in relation to other structures in the vicinity. That the proposed structures will not hinder or discourage the appropriate use of adjoining property or diminish the value thereof.

The "kind, size, location, height, and design" of the buildings are typical for warehouse uses and are appropriate for such use and activity, and are distanced from other structures and roads. The detailed, comprehensive, and appropriate landscape plan is also relevant. Most importantly, the "proposed structures will not hinder or discourage the appropriate use of adjoining property or diminish the value thereof." For example, the proposed buildings are 840 feet from the nearest residence.

Nothing about the placement of the proposed buildings will hinder or discourage the appropriate use of adjoining property, nor will the development diminish the value of the adjoining property. (Please see the section on Property Value Impact for a detailed discussion on property value.)

Corner Entrance Elevation – Building A



Light Industrial Use

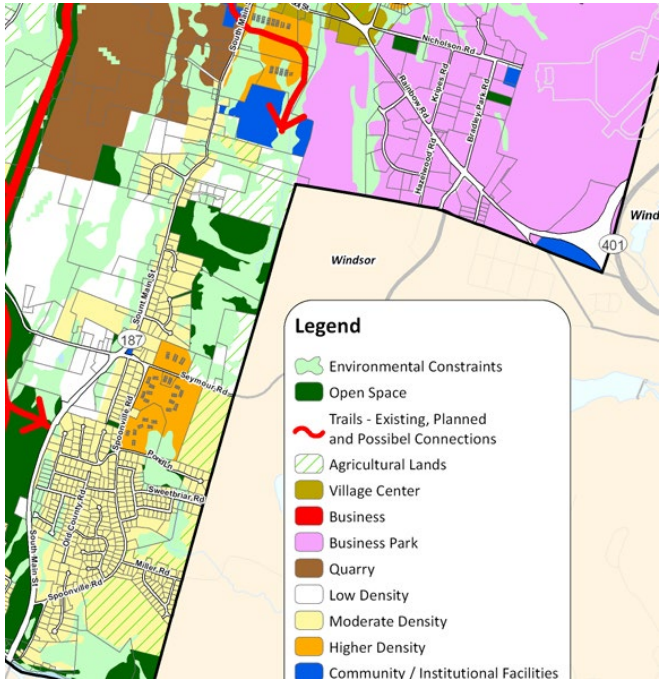
East Granby Zoning Regulations – Special Permit Considerations

Special Permit Application Considerations (Continued)

C. NEIGHBORHOOD COMPATIBILITY: That the design elements of the proposed development are attractive and suitable in relation to the site characteristics, the style of other buildings in the immediate area. That the proposed use or activity will not adversely affect property value in the neighborhood. That adequate provision has been made for the maintenance of the proposed development (structures, streets, and other improvements).

As stated with item B above, "the design element of the proposed development" is typical for these kinds of uses and buildings and fits with the context of the site and immediate area. While the buildings are larger than the buildings on Connecticut South Drive—the area where the site is accessed—the buildings are consistent with the large industrial buildings southeast of the site along Industrial Drive, Windsor. More importantly, the location of these buildings, by placing them to the south center of the site, away from Rainbow Road and School Street, and 840 feet from the nearest residence, greatly reduces their impacts on the surrounding areas and the community. As discussed earlier in the Neighborhood Characteristics section, the proposed location in the southern portions of the site minimizes its physical and aesthetic impacts on the community.

The proposed site development does not include any public streets or public facilities; therefore, all maintenance will be the responsibility of the property owner. The proposed use and associated on-site activity will not adversely affect property value in the neighborhood. As early as the 2004 POCD, the site was recommended for commercial use. (Please see the section on Property Value Impact for a detailed discussion on property value.)



East Granby 2004 POCD – Future Land Use Plan

Light Industrial Use

East Granby Zoning Regulations – Special Permit Considerations

Special Permit Application Considerations (Continued)

D. SUITABLE ACCESS AND PARKING: That the entrance and exit driveways are laid out to achieve maximum safety, especially regarding managing access onto roads and streets, and the parking and loading facilities are adequate and properly located.

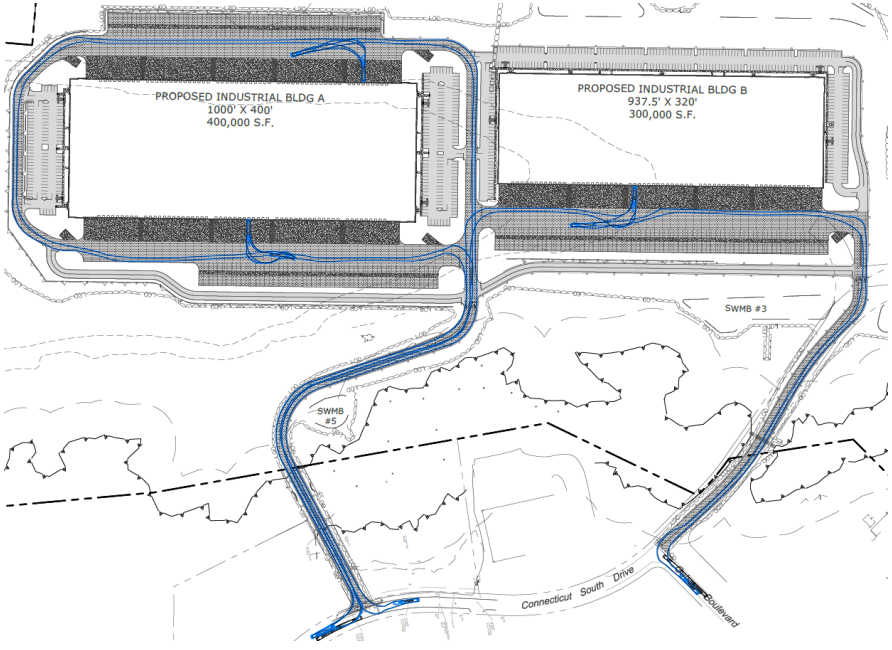
The placement of the two buildings within the interior of the site, along with the proposed accessways from Connecticut South Drive, mitigates negative impacts related to access. With I-91 and Bradley International Airport to the east, the majority of trips generated by the proposed site will be to and from the east, limiting traffic-related impacts to the greater community and limiting truck traffic through the Village Center.

The accessways from Connecticut South Drive, along with the interior site circulation, provide for safe and efficient movements on and off the site. Most importantly, by providing access from Connecticut South Drive, direct access and new curb cuts onto Rainbow Road (State Route 20) are avoided, and existing intersections are utilized for access. This design of access through the industrial development maximizes safety and minimizes the potential for negative impacts to the community and other surrounding areas.

The parking on-site is ample, designed to the standards in the Zoning Regulations, and facilitates safe circulation patterns on the site.

(See Property Value Impact for a detailed discussion on property value.)

On-Site Truck Circulation



Light Industrial Use

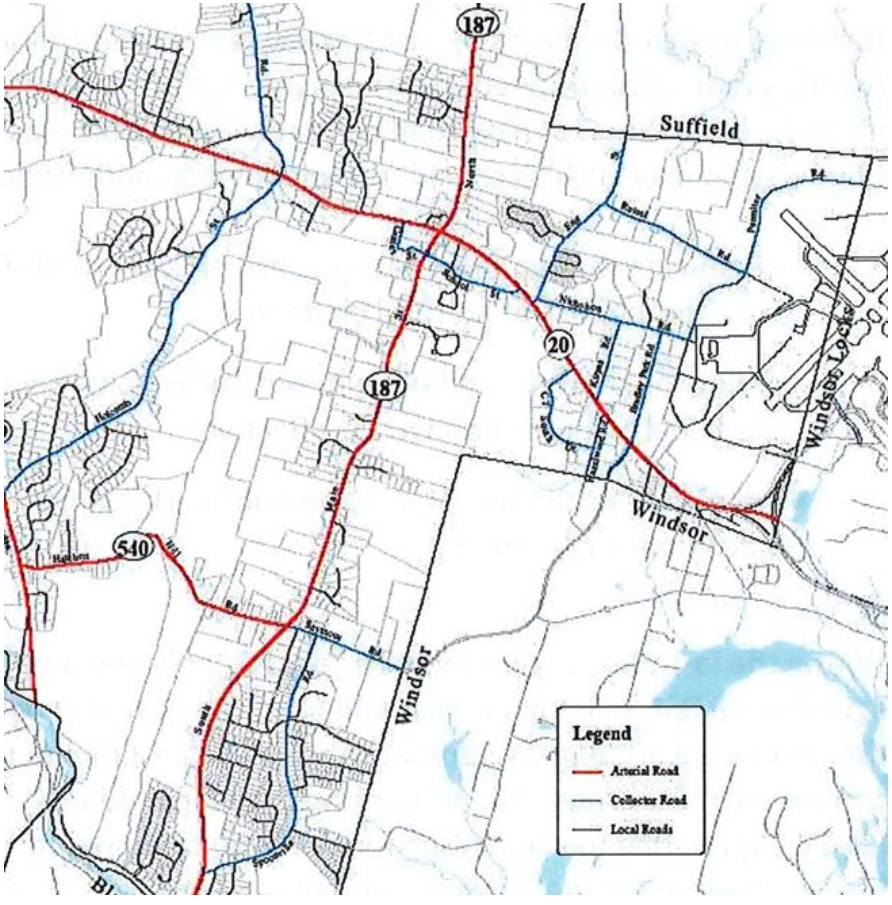
East Granby Zoning Regulations – Special Permit Considerations

Special Permit Application Considerations (Continued)

E. SUITABLE STREETS FOR USE OR ACTIVITY: That streets providing access to the proposed use or activity are adequate in width, grade, alignment, and visibility, and have adequate capacity for the additional traffic generated by the proposed use. That the proposed use or activity will not impede implementation of the Circulation Plan of the East Granby Plan of Development.

The proposed site development and access to the site on Connecticut South Drive is the best alternative for this site. Most importantly, the site access will not negatively impact Connecticut South Drive or the overall Town of East Granby Vehicular Circulation Plan, as shown in the 2014 Plan of Conservation and Development (POCD).

Connecticut South Drive is designated in the POCD as a Collector Road, and Rainbow Road (State Route 20) is designated as an Arterial Road. As stated in the Circulation Plan, arterial roads "are state highways that provide for major regional…needs," and collector roads "serve a secondary role in the regional traffic network." The proposed access on Connecticut South Drive best utilizes the existing road network as designed and avoids all local roads. (Also, please see the Traffic Impact Study prepared by F.A. Hesketh & Associates for further discussion.)



East Granby 2014 POCD – Vehicular Circulation Plan

Light Industrial Use

East Granby Zoning Regulations – Special Permit Considerations

Special Permit Application Considerations (Continued)

F. ADEQUATE EMERGENCY ACCESS: That the proposed use or activity shall have easy accessibility for fire apparatus and police protection, and is laid out and equipped to further the provision of emergency services.

The two accessways to the site provide multiple ingress and egress points for emergency vehicles, while the interior circulation provides "easy accessibility" for emergency services, including 360-degree access to all sides of each building.

G. ADEQUATE PUBLIC UTILITIES: That the water supply, the sewage disposal, and the storm water drainage shall conform with accepted engineering practices, comply with all standards of the appropriate regulatory authority, and not unduly burden the capacity of such facilities.

The site has access to sufficient data, gas, public water, and public sewer (MDC). All of which have adequate capacity. In addition, the stormwater drainage is designed according to the 2023 Connecticut Stormwater Management Guidelines and satisfies the standards for discharge and water quality. (Please see the Stormwater Management Report provided as part of this application.)

H. ENVIRONMENTAL PROTECTION & CONSERVATION: That the proposed plans have provided for the conservation of natural features, drainage basins, the protection of the environment of the area, and sustained maintenance of the development.

The proposed site design is sensitive to environmental conditions and concerns. For example, natural features such as vernal pools will be preserved and protected.

The buildings and parking facilities are located and designed outside of the wetlands, watercourse, and flood zone. Stormwater drainage is designed in accordance with the 2023 Connecticut Stormwater Management Guidelines. Ample and adequate buffers are provided to sensitive areas, and only 28.3% of the site will be developed with impervious coverage, well below the 65% allowed by zoning.

Light Industrial Use

East Granby Zoning Regulations – Special Permit Considerations

Special Permit Application Considerations (Continued)

I. CONSISTENT WITH PURPOSES: That the proposed use or activity will not have any detrimental effects upon the public health, safety, welfare, convenience, or property values. That the proposed use will not conflict with the purposes of the Regulations.

> The proposed use and development "will not have any detrimental effects upon the public health, safety, welfare, convenience, or property values", nor does the use and associated site design "conflict with the purposes of the Regulations." Warehouses are permissible uses within the CPT Zone, and the proposed site plan complies with the bulk and area requirements and development standards such as parking, landscaping, and stormwater management requirements, as required by the Zoning Regulations.
>
> As shown throughout this report and the above answers, the proposed use and development will not create "detrimental effects" or "conflict with the purpose of the [Zoning] Regulations." The applicant's application package has clearly demonstrated that the Special Permit Considerations (Section VIII) have been satisfied. (Please see the section on Property Value Impact for a detailed discussion on property value.)

J. CONSISTENT WITH PLAN OF DEVELOPMENT: That the proposed use or activity will further the goals, objectives, and policies and will be consistent with the recommendations of the Plan of Development.

The proposed development, site plan, and use are consistent with many of the goals, objectives, and policies from the 2016 Plan of Conservation and Development (POCD). For example, the POCD recommended the creation of the Commerce Park Transitional zone, which would

> "provide for a higher flexibility of uses that are currently allowed in the Commerce Park Zone," and that the "use proposed for development on this parcel [the largest vacant commercial parcel, the subject parcel] could either help support or inhibit development of the Village Center. Proposed uses on this parcel should help anchor and attract development in the Village Center."

The proposed development does not inhibit the development of the Village Center. In fact, the potential for large employment numbers at the proposed site has the potential to attract new consumers and consumer spending into the Village Center, adding to a critical mass of daytime population. While POCD conceptualized "a mix of uses, smaller in scale than presently allowed", the CPT zone was created and established to also allow for larger-scale developments, such as warehouses and distribution centers, so long as individual buildings do not exceed 400,000 square feet. This was clearly a recognition of the proximity to the airport and the existing industrial uses in the area.

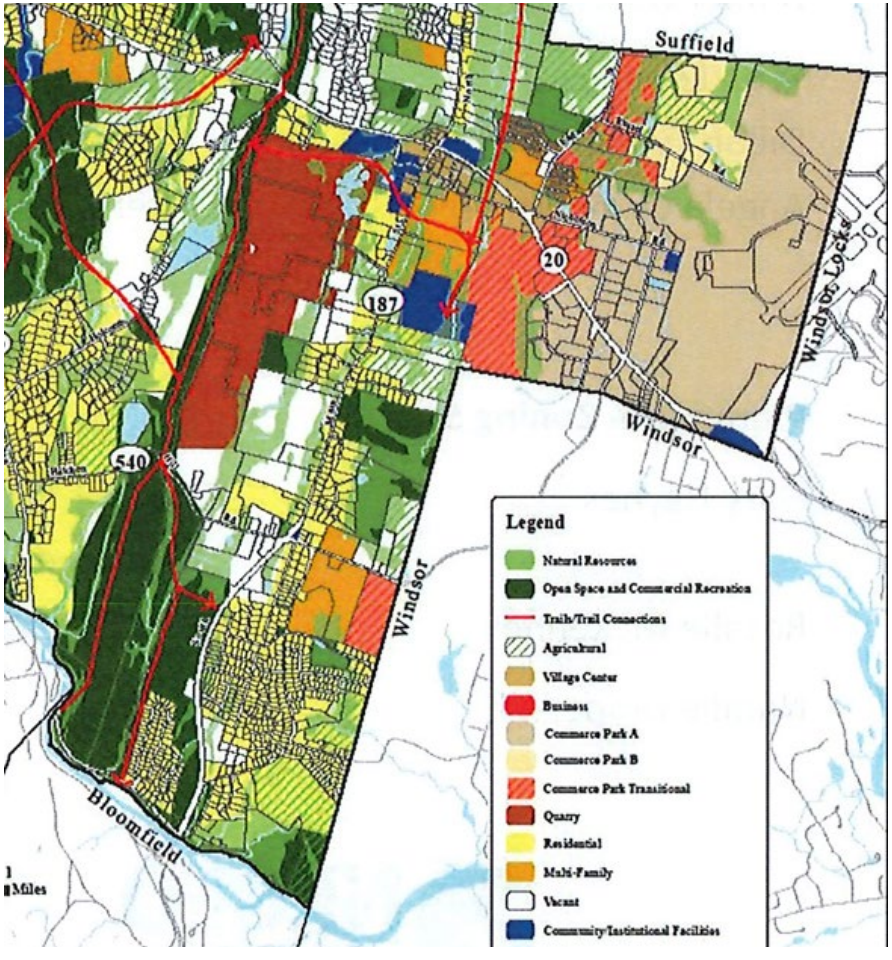
Light Industrial Use

East Granby Zoning Regulations – Special Permit Considerations

K. **OTHER CONSIDERATIONS:** That the location and type of signs or lighting for the proposed use or activity are compatible with these considerations. That the proposed use or activity will provide adequate landscaping and screening for the protection of abutting uses. Passive solar and energy conservation techniques have been considered in the design and orientation of structures, streets, lots, landscaping, use of topography, and protection of solar access within a development. That the proposed development contains appropriate provisions for pedestrians, bicyclists, and handicapped persons within the development and along public streets, and, where appropriate, that adequate provision has been made for transit service.

As proposed, the industrial development and site plan address many of these other considerations, where plausible. The location of signs and lighting complies with zoning regulations, and energy efficiency is addressed through the provision of EV parking spaces. As conceptualized, the buildings could accommodate solar power in the future. In addition, safe and sufficient pedestrian circulation and handicapped parking are provided within the development.

The third part of the three-part determination is for the Planning and Zoning Commission to determine that, "any conditions necessary to protect public health, safety, convenience and property values as provided by Section 8-2 of the Connecticut General Statutes, can be established." This analysis recognizes that reasonable conditions related to the Special Permit Considerations may be requested by the Planning and Zoning Commission as part of the application review and hearing process, and that such conditions would be consistent with zoning law.



East Granby 2014 POCD – Future Land Use Plan

Light Industrial Use

East Granby Zoning Regulations – Special Permit Considerations

Conclusion and Recommendation

As a result of the extensive review and analysis of this proposed special permit application for a warehouse use and consideration of the surrounding areas, it is evident that the application and proposed use comply with the intent and purpose of the CPT Zone and the Special Permit Considerations Section VIII of the Zoning Regulations.

This report has plainly demonstrated that the three criteria for approving the special permit application, "(1) the proposed use of the property is expressly permitted under the zoning regulations, (2) the standards in the regulations are satisfied, and (3) any conditions necessary to protect public health, safety, convenience and property values as provided by Section 8-2 of the Connecticut General Statutes, can be established" have been met.

Based on the findings submitted in this report, as well as those of the other project consultants, it is my professional opinion and recommendation that the East Granby Planning and Zoning Commission must approve this application to allow the construction of two warehouse buildings on property known as 50-58 Rainbow Road. The said approval will promote economic development, create jobs, generate substantial tax revenue, and foster new commercial activity to further support a vibrant and prosperous Village Center.



Property Value Impact

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Understanding Land Use and Property Value

In the previous section, three of the Special Permit Considerations included property value and the impact of a proposed development on the value of neighboring properties. In addition, concerns over the impact of development (i.e., commercial, industrial, and even residential) on property value have become a common concern and consideration in the land use application process. Therefore, we believe it is important to address property value directly.

As an urban geographer and land use planner, my 30 years of experience as a professional planner, academic experience, and research have focused on the intersection of land use, zoning regulations, and real property markets. This has included extensive literature reviews of academic and industry research on the impact of commercial, industrial, and residential development on neighboring and proximate property values. Therefore, to offer a professional planning and expert opinion as to the potential impacts of the proposed application, I will provide a land use perspective as to zoning considerations of use and dissimilar uses. In addition, I will present academic research on this topic. What I will not do is attempt to make a *statement of value* for any specific property or properties. Last, I will provide my professional opinion as to the proposed distribution centers and their relationship to neighboring and proximate residential uses.

A good starting point for this discussion begins with what is typically known as local undesirable land use (LULU). Historically, LULUs were limited to the most undesirable land uses, such as airports, heavy industry, landfills, and refineries.

However, in recent years, resident opposition to land uses has expanded into a multiplicity of land uses, such as retail, mixed-use, distribution, manufacturing, and even multi-family residential uses. Matthews explains

> Local elected officials and policymakers are frequently confronted with homeowners protesting that the presence of new commercial development, especially if it is nearby, will lower their property values. This is the well-known NIMBY (Not In My Back Yard) syndrome. This NIMBY reaction occurs when regulatory permission is sought for developments ranging from "7-11" convenience stores to regional malls. Local homeowners make their claim of threatened property values, arguing that "everybody knows" it is true. Local officials are confronted with difficult choices and little empirical information (Matthews 2006: xiii).

East Granby, like most other communities, has experienced similar NIMBY reactions and claims. A fact that must be considered related to such reactions and claims is that a foundational concept of zoning is that "such regulations shall be made with reasonable consideration…to the character of the district…with a view to conserving the value of buildings" (Zoning Enabling Act, 1922, and CGS Section 8-2 prior to 2021). The Commission not only needs to be conscious that the zoning enabling law allows the consideration of "conserving the value of buildings" *only* when adopting or amending regulations or deciding special permit applications, but that the concept of *a view to conserving the value of buildings* needs to be contextualized to the time when it was written and the problems that zoning was designed to solve.

Understanding Land Use and Property Value (Continued)

The 1920s context was the harsh conditions of the industrial city and the lack of regulatory authority to deal with incompatible uses and the negative consequences of proximity. In addition to the *character of the district* and *conserving the value of buildings*, zoning was intended to protect us from *fire, panic, and other dangers*, conditions that no longer threaten us in the ways they did in the 1920s industrial city. Simply stated, zoning (along with other policies and regulations) has successfully solved the problem of the industrial city and has created stability and predictability in real property markets.

Today, the way to conceptualize the character of the district and conserve *the value of buildings* has changed. That is, in most cases, dissimilar uses have been segregated into individual zones. For example, residential uses in residential zones and industrial uses in industrial zones. In addition, the dissimilarity in uses has been greatly reduced over time, as changes in industry have reduced many of the most noxious uses, not to mention federal and state regulations. Therefore, the negative impacts on adjacent and proximate properties have mostly been reduced to the most undesirable land uses. For example, uses such as airports, landfills, refineries, and superfund sites. (*It is important to note that the proposed site is within 1 mile of the main runway and less than 1.5 miles of the crosswind runway at Bradley International Airport. Therefore, the site and the surrounding properties are already proximate to an undesirable land use that is known for having negative impacts on property value.*) In fact, the impact of such uses on residential and other proximate uses has been extensively studied and documented as having negative impacts on property values (Bell, 1998, 2001; Findlay and Phillips, 1991; Cartee, 1989; Hurd, 2002; Simons, 1997).

However, such concerns and claims of the negative impact created by other dissimilar uses—uses that do not have the same characteristics as these undesirable land uses—have persisted in the land use application process. Fortunately, much academic and industry research has been conducted on the impact of dissimilar uses (commercial, industrial, and residential) and has consistently found either positive impacts, no negative impacts, or inconclusive findings on impact (Pollakowski, et. al, 2005; Hoffman, 2003; Eskic, 2021; Wiley, 2015; Loyer, 2010; Corliga, et al., 2006; Johnson, et al., 2009).

Specific to industrial development, a researcher at Georgia State University conducted a comprehensive analysis of 1.5 million residential property sales, both proximate and distant to new commercial development (for comparison) between 2006 and 2014 throughout Metropolitan Atlanta (Wiley, 2015). In addition, the study made considerable efforts to account for similarities in properties, such as the number of bedrooms, bathrooms, and other characteristics (including property characteristics and amenities that influence value) between proximate and distant properties. Furthermore, the study evaluated three categories of commercial development: industrial, office, and retail. Wiley's findings, specifically related to industrial development, are interesting and relevant to this application. Basically, Wiley found that properties "in close proximity to industrial development sites" can experience "a localized contraction in house price…during the predevelopment period […] yet the existing trend [in property value] is largely unaffected in the period that follows an industrial development completion" (Wiley, 2015: p. 3-4).

Understanding Land Use and Property Value (Continued)

My professional and expert land use experience and opinion is in line with Wiley (2015). Over 30-years of dealing with land use applications, as a municipal planner, a consultant for municipal zoning commissions, and as a consultant for developers, I have consistently found that new commercial development (office, retail, hotel, industrials, and multi-family rental) does not negatively impact property values of neighboring and proximate properties—even though such claims are consistently raised at zoning hearings.

There is nothing unique about the proposed distribution center use and site design that would lead me to believe that this proposal or site will have detrimental impacts on neighboring and proximate properties, including residential uses. As discussed earlier, access to this site and the distribution centers is through an industrial area, the subject site is large, and the building placement is nearer the center of the site, and there is several hundred feet of distance between the buildings and site improvements and the closest residential property—not to mention the existing natural vegetative buffers.

It is my professional opinion that the proposed application for the distribution center use, as designed on the submitted plans, will not have a negative impact on neighboring or proximate properties, including residential uses.

Sources

Bell, Randall, (1998): "The Impact of Detrimental Conditions on Property Values" The Appraisal Journal. 380-391.

Bell, Randall, (2001): "The Impact of Airport Noise on Residential Real Estate" The Appraisal Journal. 312-321.

Department of Commerce, United States, (1922, 1924): Standard State Zoning Enabling Act: Under Which Municipalities May Adopt Zoning Regulations.

Cartee, Charles, P., (1989): "A Review of Sanitary Landfill Impacts on Property Values" The Real Estate Appraiser and Analyst. 43-46.

Findlay, III and G. Phillips, "An Evaluation of the Impact of a Well-Designed Landfill on Surrounding Property Values" The Appraisal Journal (April 1991): 247-52.

Hurd, Brian, H., (2002): "Valuing Superfund Site Cleanup: Evidence of Recovering Stigmatized Property Values" *The Appraisal Journal*. 426-437.

Matthews, J. (2006). *The Effect of Proximity to Commercial Uses on Residential Prices*. Doctoral Dissertation. Atlanta, GA: Georgia State University and the Georgia Institute of Technology.

Simons, Robert A., Bowen, William, and Arthur Sementelli, Author, (1997): "The Effect of Underground Storage Tanks on Residential Property Values in Cuyahoga County, Ohio" *Journal of Real Estate Research.* Vol 14, 29-42.

Wiley, Jonathan, A., (2015): "The Impact of Commercial Development on Surrounding Residential Property Values". *Georgia State University*.

Note: in 2021, P.A. 21-29, the State Legislature changed the Connecticut General Statutes to remove "character" and replace with "physical site characteristics" and deleting reference to conserving building value. Section 8-2 does still allow, in the context of conditions of approval for special permits to protect the public health, safety, convenience and property value.

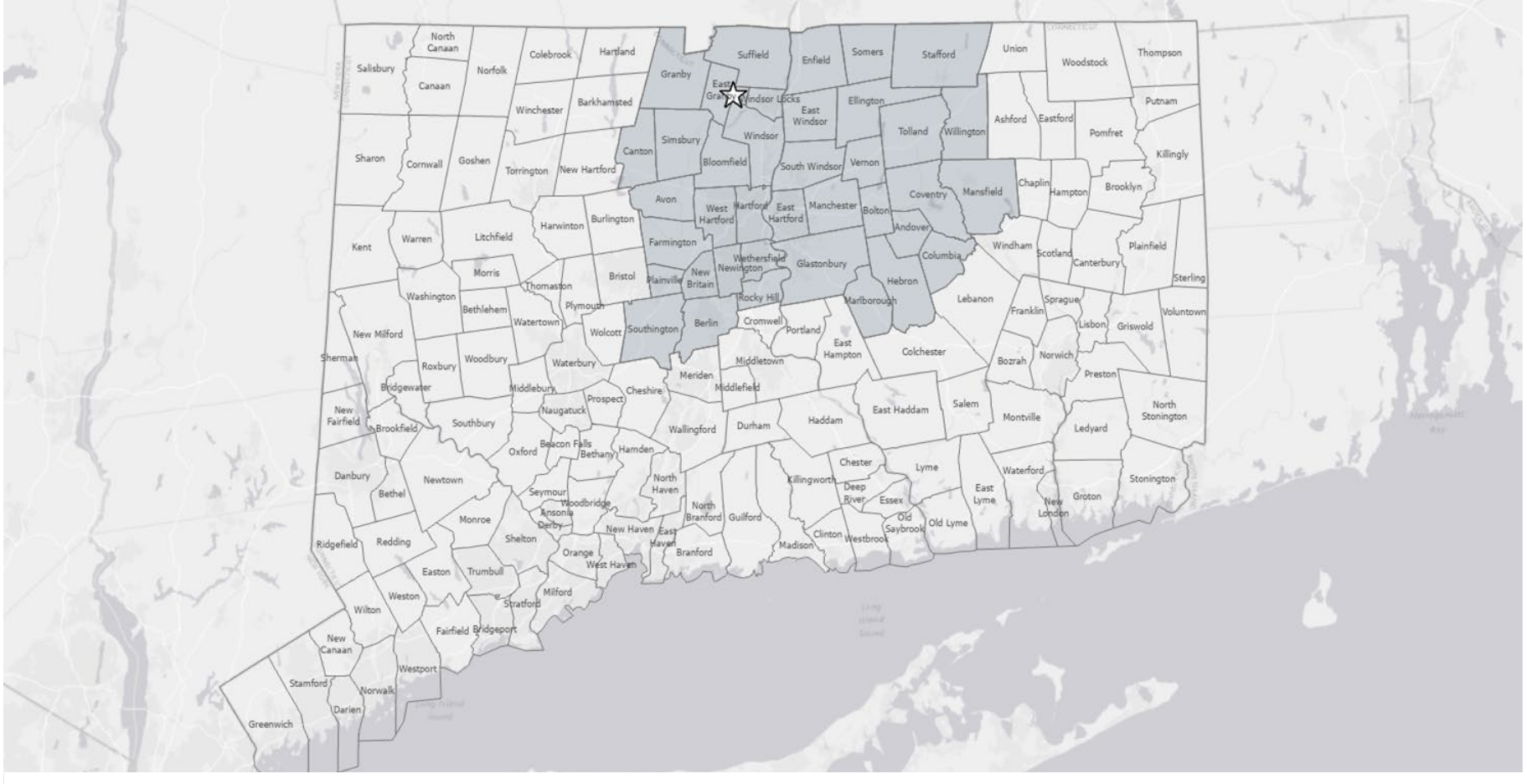
Market Overview

GOMAN+YORK

Industrial

Regional Market Defined

Industrial Market Overview



As displayed by this map, the Regional Market is defined throughout this report as the 38 municipalities that make up the CRCOG Region.

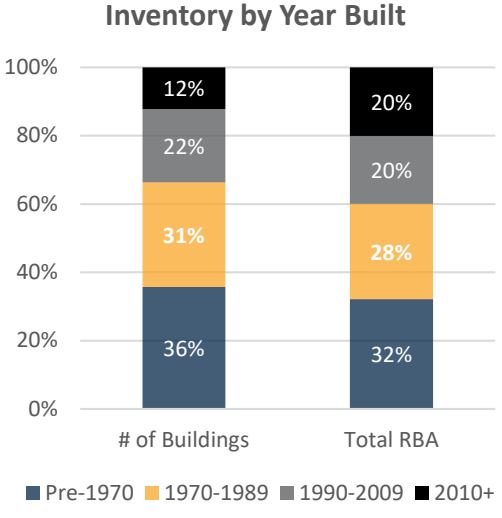
Current Industrial Trends: Regional

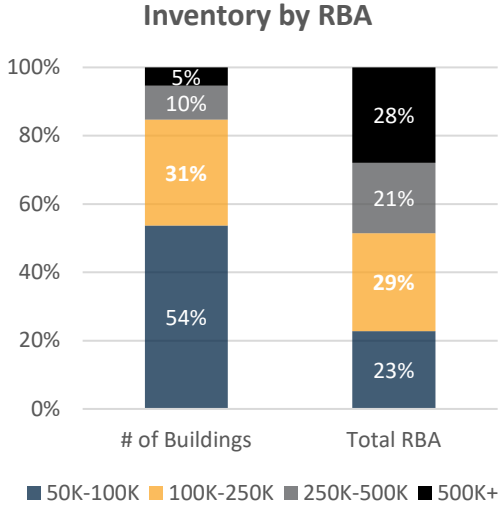
Industrial Market Overview

Overview

- Recent quarters have seen a slight uptick in vacancies.
- Deliveries have been steady over the last five years, though 2025 YTD activity is below average. Q4 2024 was the exception, with 2.5M SF delivered in a single quarter.
- Absorption has slowed in 2025, following a strong 1.5M SF uptick in Q4 2024.
- Construction activity has declined, while NNN rents continue to trend upward
- Nearly 60% of the regional industrial base was built prior to 1990, reflecting the age of the inventory.
- Buildings over 500K SF account for less than 5% of the building count but represent almost 30% of total Rentable Building Area (RBA).

Regional Area KPI's			
Key Performance Indicator	**10-Year Average**	**Current**	**YOY Change**
Total Inventory (SF)	68,604,475	73,430,070	2,885,600
Total Inventory (Buildings)	439	450	2
Vacancy Rate	5.9%	6.1%	0.6%
Availability Rate	7.9%	8.6%	0.9%
(Last 4 Q's) Deliveries	1,081,003	2,885,600	2,656,864
(Last 4 Q's) Absorption	852,471	1,465,965	1,214,436
Under Construction (SF)	1,088,703	250,240	-42.6%
Effective Rent per Unit	$5.41	$6.86	4.7%



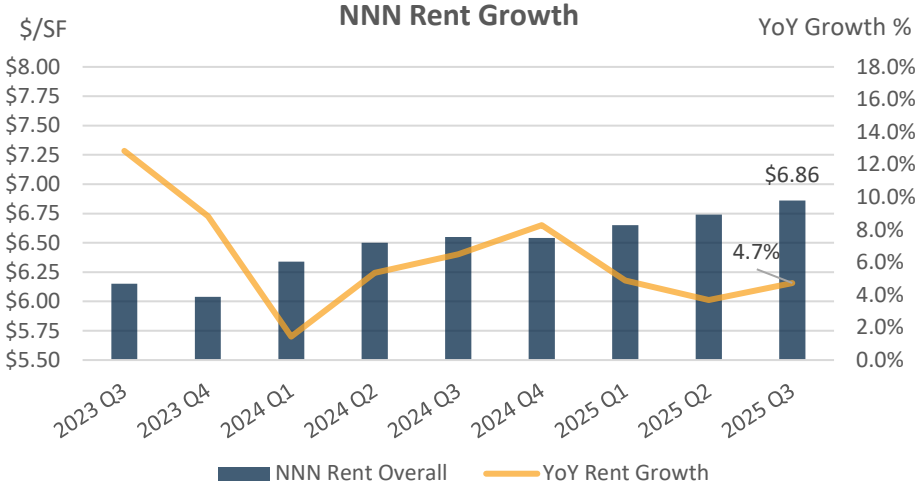


Current Industrial Trends: Regional

Industrial Market Overview

Overview

- The chart illustrates NNN rent levels and YoY rent growth across the past eight quarters.
- Since then, rents have stabilized in the $6.50–$6.65/SF range through early 2025.
- Current rents are $6.86/SF, representing the first meaningful uptick in YoY growth since late 2024.
- Despite weaker construction activity, rising rents suggest ongoing demand pressure and limited new supply.

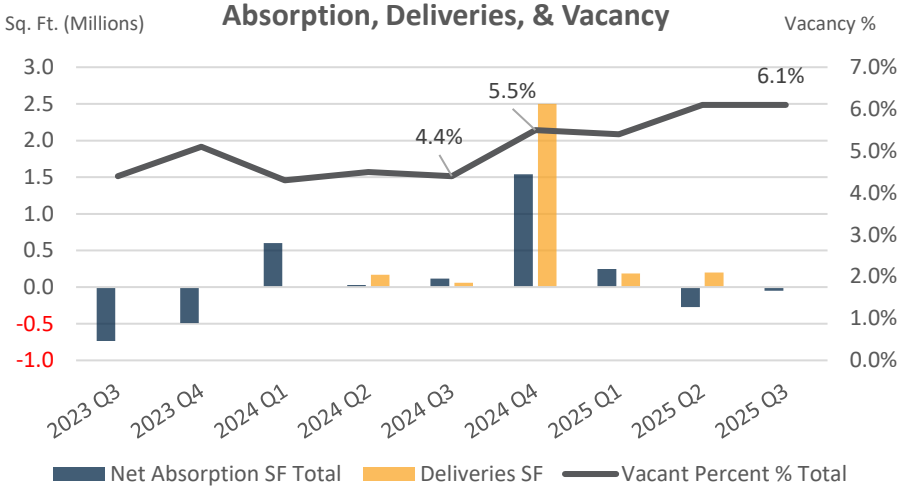


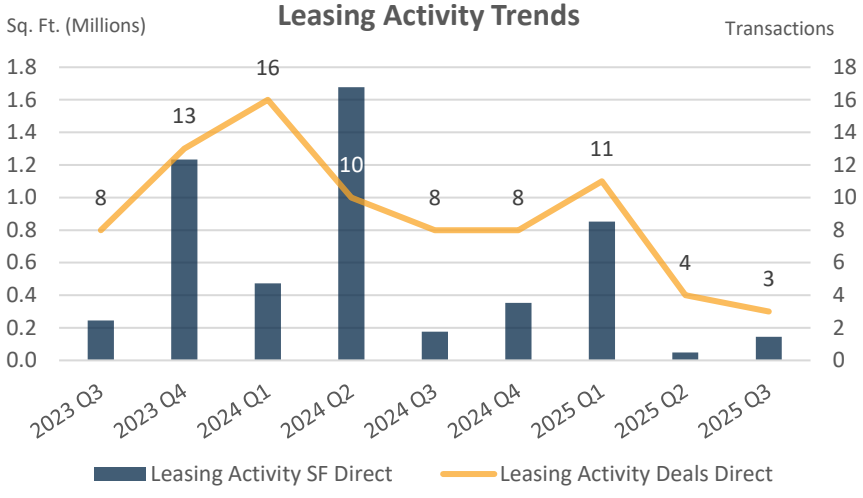
Current Industrial Trends: Regional

Industrial Market Overview

Absorption, Deliveries, & Vacancy

- Vacancy increased at the end of 2023 following two consecutive quarters of negative absorption.
- Heavy deliveries in Q4 2024 (2.5M SF) pushed vacancy up 1.1 percentage points to 5.5%.
- Subsequent quarters have been mostly stagnant, with vacancy edging up further to 6.1%.





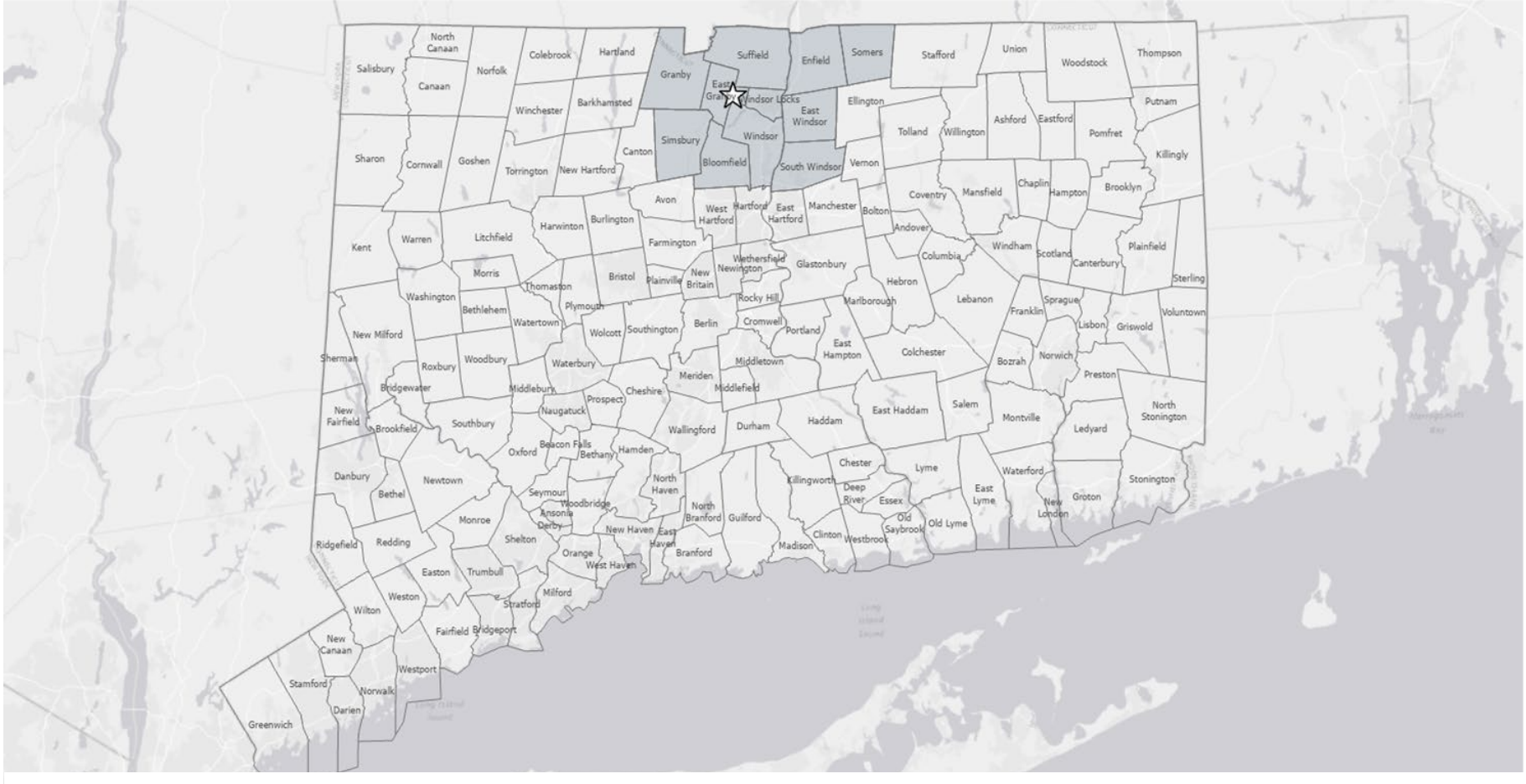
Leasing Activity Trends

Leasing Activity has been uneven:

- Q1 2024 recorded the most transactions (16), though deal sizes were modest.
- Q2 2024 saw the largest square footage leased (1.7M SF).
- Activity has slowed in 2025, with just seven deals and under 200K SF signed YTD

Local Market Defined

Industrial Market Overview



As displayed by this map, the Local Market region is defined throughout this report as Bloomfield, East Granby, East Windsor, Enfield, Granby, Simsbury, Somers, South Windsor, Suffield, Windsor, and Windsor Locks.

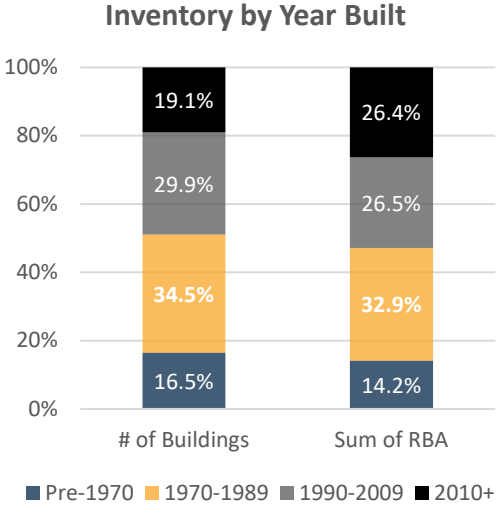
Current Industrial Trends: Local

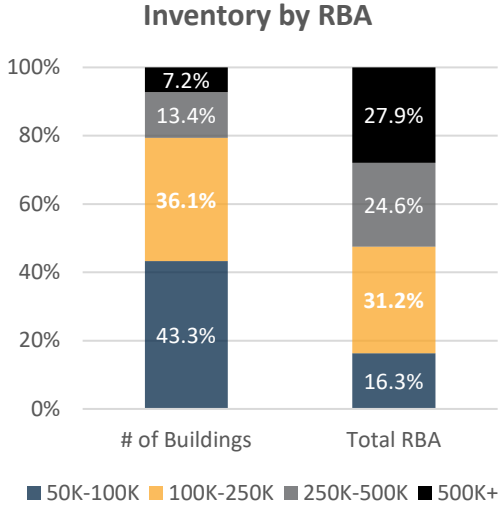
Industrial Market Overview

Overview

- The local market totals 35.4M SF across 194 buildings, representing nearly half of the regional base.
- Vacancy at 6.2% is in line with regional (6.1%) but above the 10-year average
- Deliveries over the past year were 386K SF, well below both local and regional averages
- Absorption of 589K SF YTD is modest versus 1.46M SF regionally but remains above the 10-year average.
- Construction is down 43% YoY, consistent with regional slowdown.
- Effective rents at $7.64/SF outpace regional ($6.86/SF), with 8.1% YoY growth
- Inventory is older, with nearly two-thirds of RBA built before 1990, but newer product (post-2010) accounts for over a quarter of space.

Local Area KPI's			
Key Performance Indicator	**10-Year Average**	**Current**	**YOY Change**
Total Inventory (SF)	32,586,528	35,445,740	385,600
Total Inventory (Buildings)	184	194	2
Vacancy Rate	5.9%	6.2%	-0.6%
Availability Rate	7.4%	8.7%	0.9%
(Last 4 Q's) Deliveries	725,196	385,600	215,300
(Last 4 Q's) YTD Absorption	600,637	588,949	425,350
Under Construction (SF)	667,471	250,240	-42.6%
Effective Rent per Unit	$5.60	$7.64	8.1%



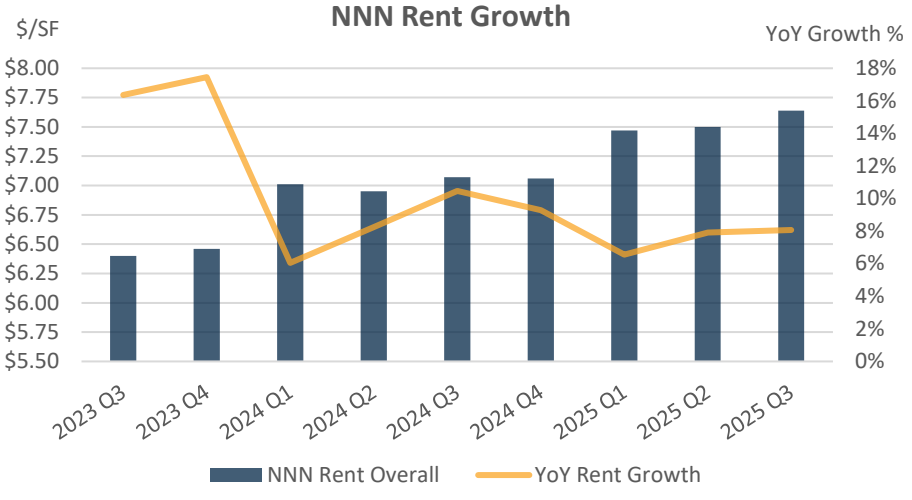


Current Industrial Trend: Local

Industrial Market Overview

NNN Rent Growth

- Local NNN rents have outperformed the regional average, rising to $7.64/SF compared to $6.86/SF regionally.
- YoY growth reached 8%, outpacing the regional 4.7% increase.
- The market experienced volatility in late 2023 and early 2024, with a brief decline followed by stabilization.
- Since mid-2024, rents have trended upward more consistently than in the regional market, underscoring stronger demand relative to supply locally
- Vacancy at 6.2% remains in line with regional levels, suggesting rent gains are not being driven by constrained availability but rather by tenant preference for local product.

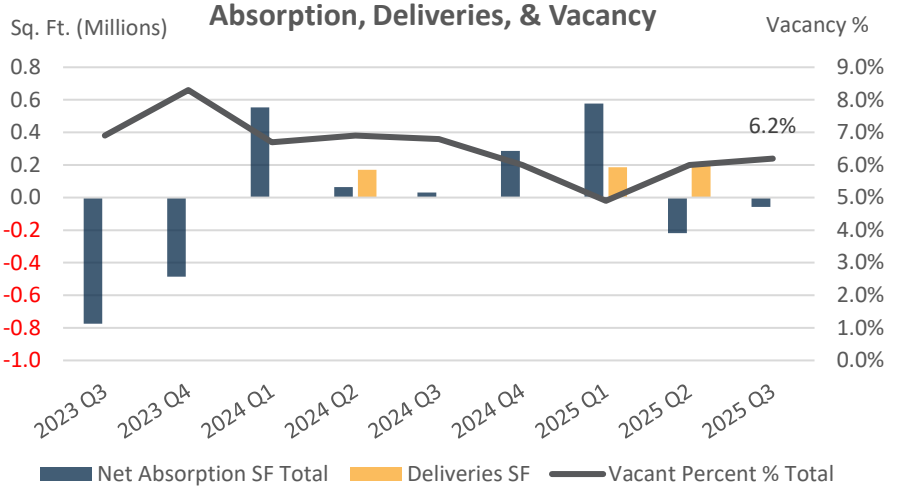


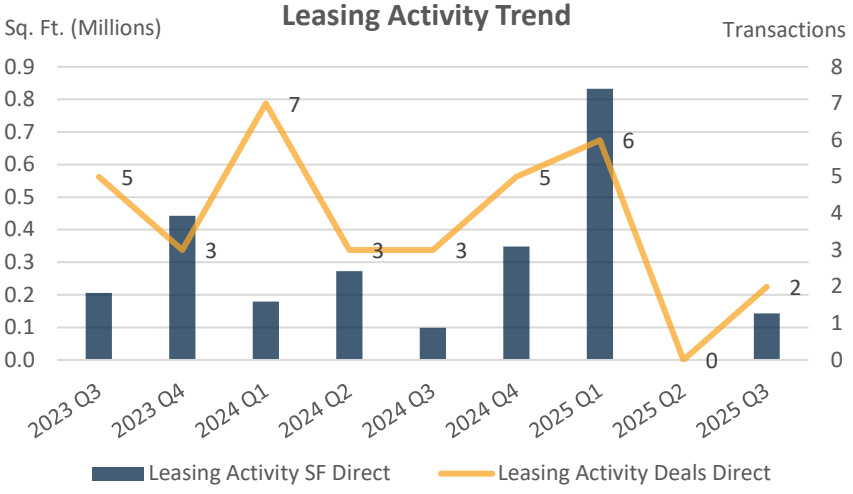
Current Industrial Trends: Local

Industrial Market Overview

Absorption, Deliveries, & Vacancy

- Vacancy rose in late 2023 due to negative absorption, but has remained relatively stable since, holding at 6.2%.
- Deliveries have been minimal, totaling less than 400K SF across the last four quarters, limiting supply pressure.
- Modest absorption has been offset by limited new deliveries, helping to keep vacancy levels relatively stable



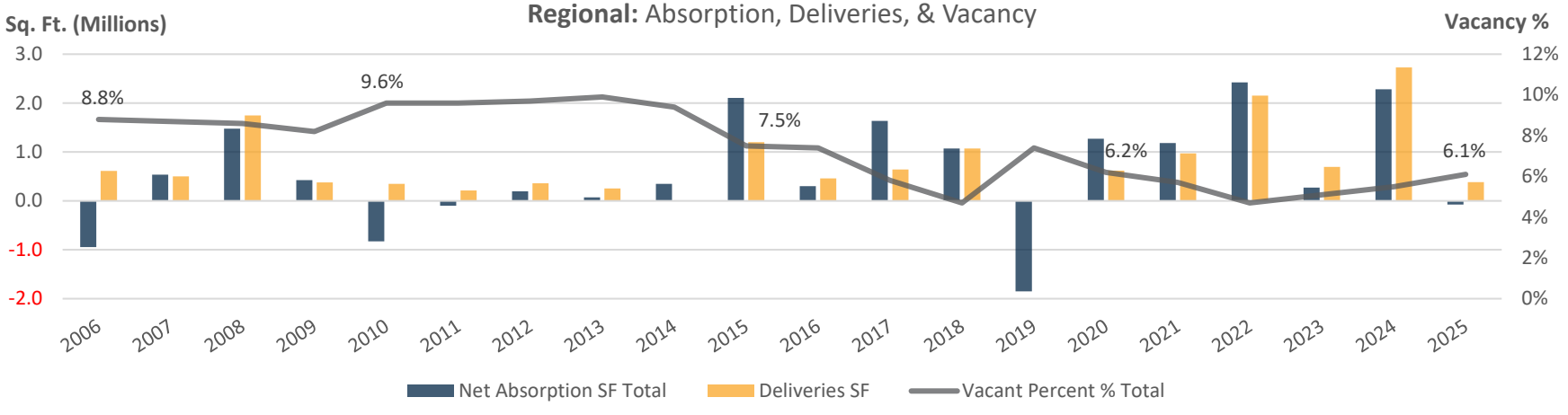


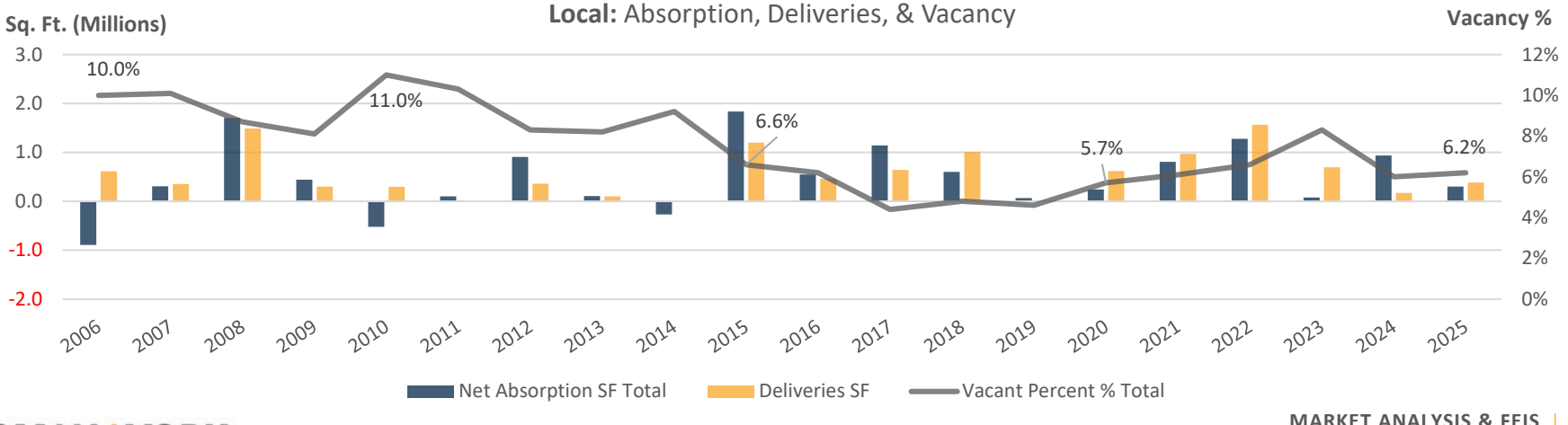
Leasing Activity Trends

- Leasing activity has been relatively thin, with only 2 transactions and minimal square footage in Q3 2025 to date.
- Q1 2025 represented the only strong quarter in the current year, with nearly 900K SF leased across six transactions.

Historical Absorption, Deliveries, & Vacancy: Regional and Local

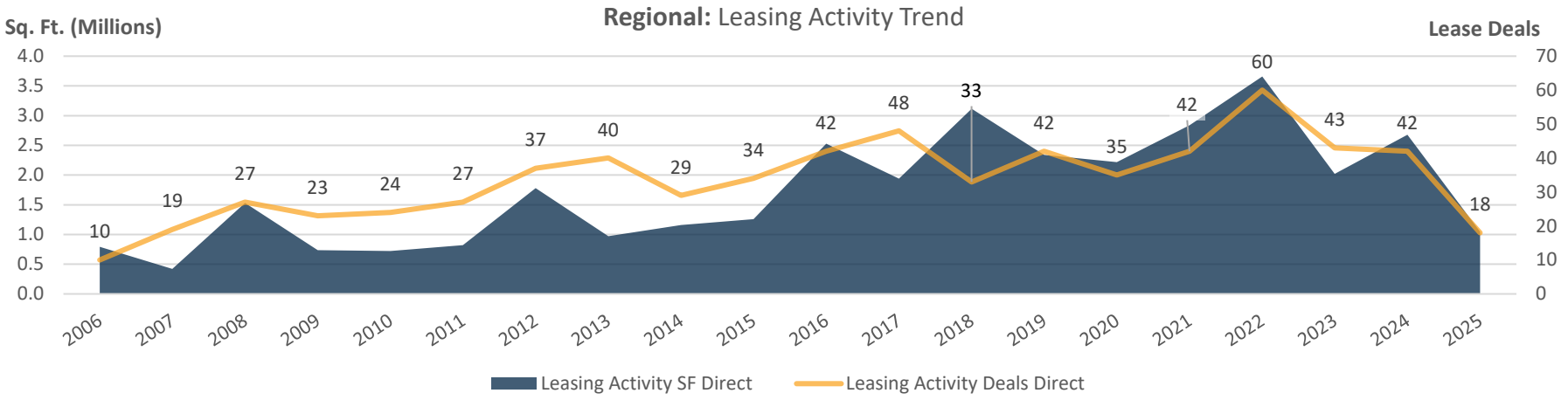
Industrial Market Overview

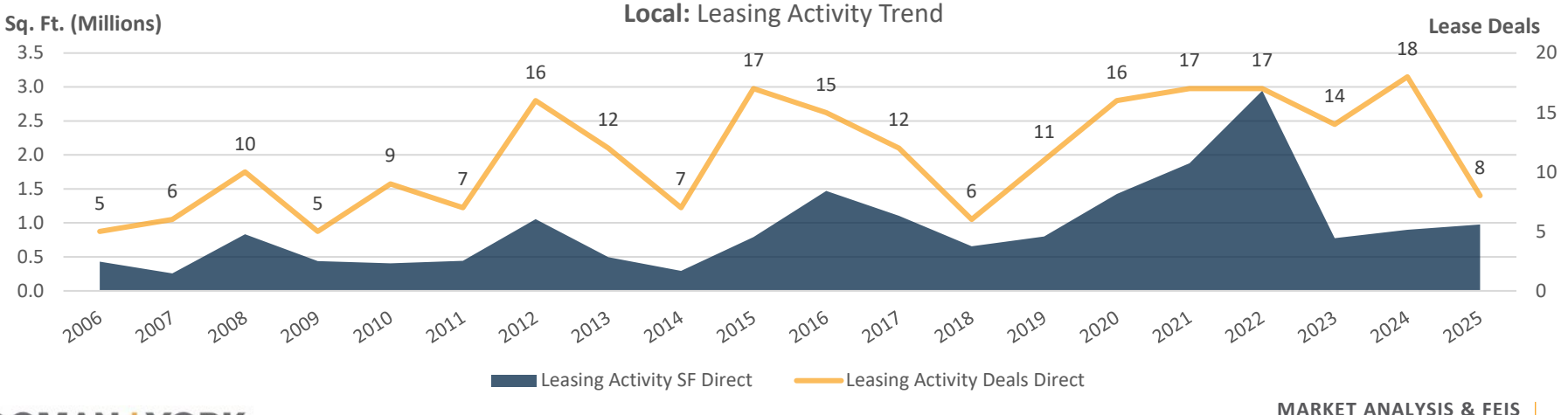




Historical Leasing Activity – Regional & Local

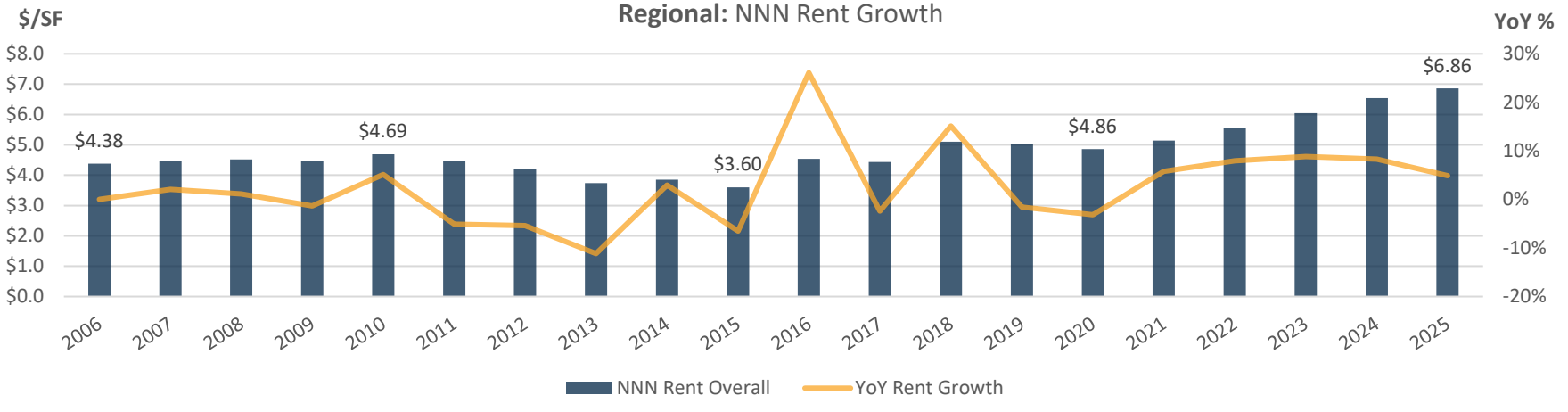
Industrial Market Overview

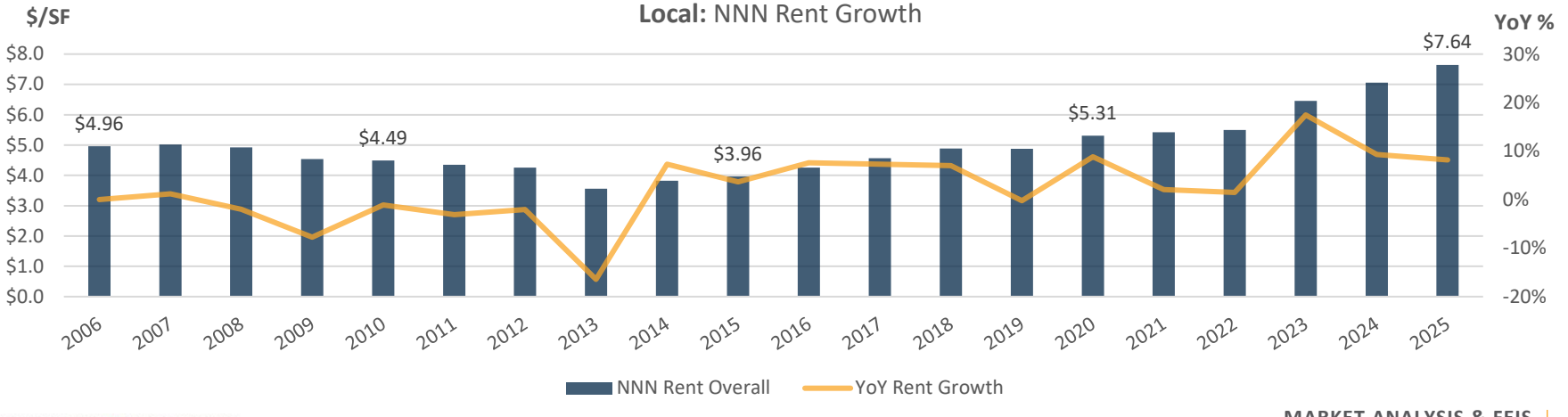




Historical Rent Growth – Regional & Local

Industrial Market Overview

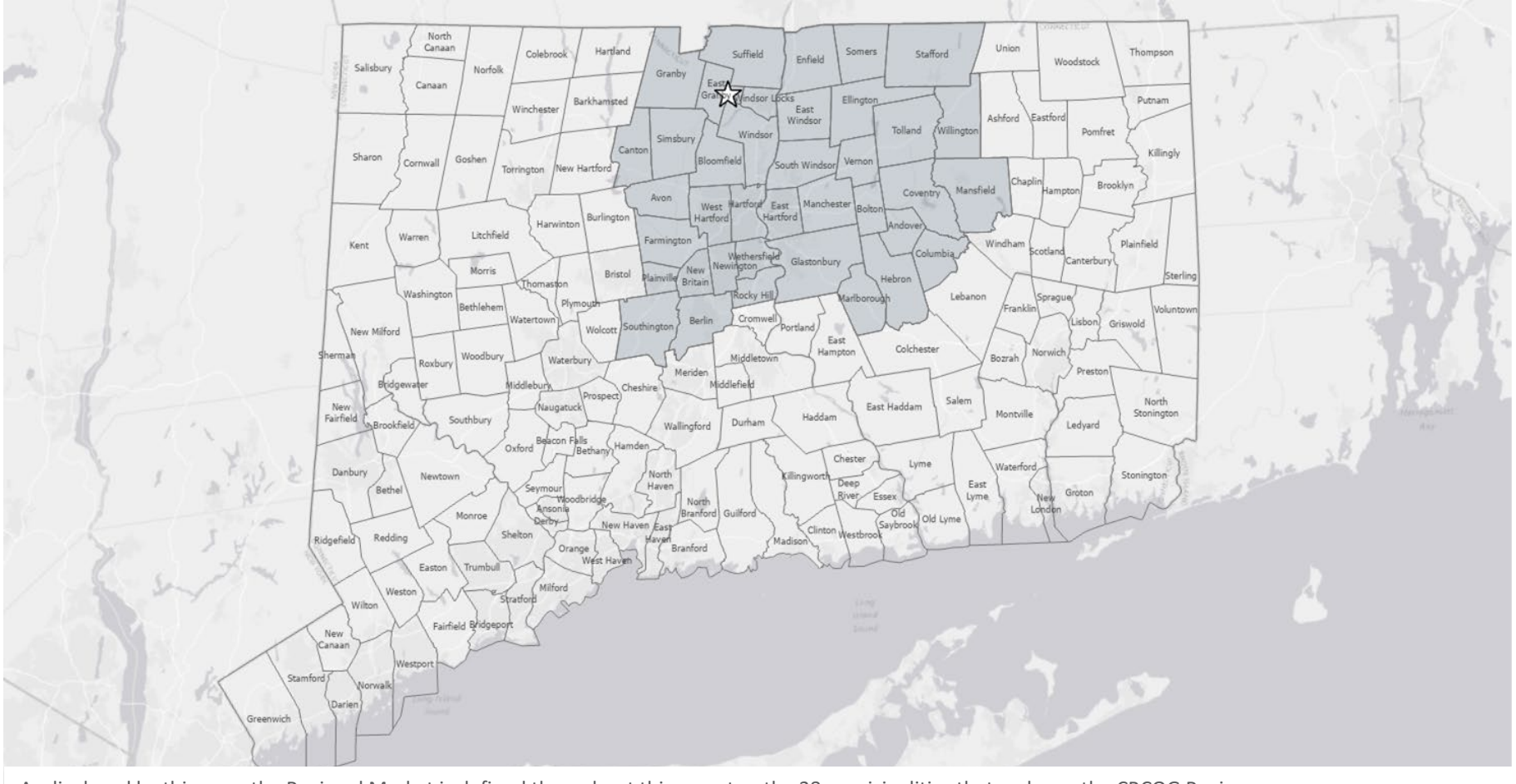




Flex

Regional Market Defined

Industrial Market Overview



As displayed by this map, the Regional Market is defined throughout this report as the 38 municipalities that make up the CRCOG Region.

Current Flex Trends: Regional

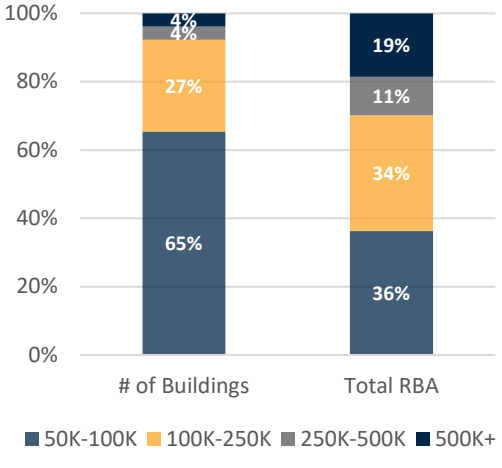
Flex Market Overview

Overview

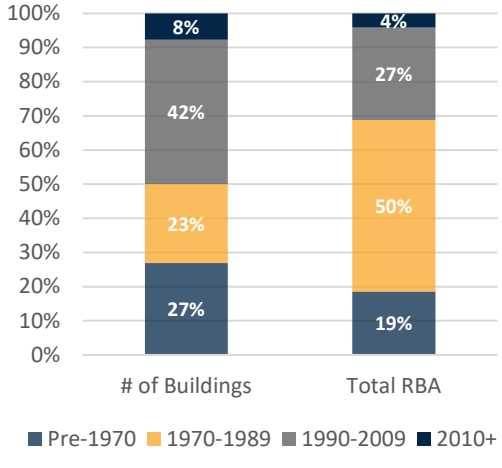
- The Regional Flex Market totals 6.3M SF, made up of 52 buildings larger than 50,000 SF.
- The most recent delivery of Flex space to the Regional Market was the construction of 185,000 SF in 2017.
- Following a trend of negative rent growth year over year from 2008-2018, rents inflated during the pandemic and have since stabilized near $9.00/SF.
- No Flex developments are currently proposed or under construction.
- The Flex stock is aged, with nearly 70% of the market's total square footage developed before 1990.
- The Market is primarily comprised of 50,000-100,000 SF Flex space, which accounts for 65% of the buildings in the market, and represents 36% of the total square footage.

Local Area KPI's			
Key Performance Indicator	**10-Year Average**	**Current**	**YOY Change**
Total Inventory (SF)	6,277,900	6,015,860	0
Total Inventory (Buildings)	52	52	0
Vacancy Rate	8.9%	12.6%	0.8%
Availability Rate	10.7%	12.3%	0.8%
(Last 4 Q's) Deliveries SF	4,625	0	0
(Last 4 Q's) Absorption SF	-7,245	-45,978	-254,963
Under Construction (SF)	27,750	0	0.0%
Effective Rent per Unit	$7.86	$8.99	-23.1%

Inventory by RBA



Inventory by Year Built

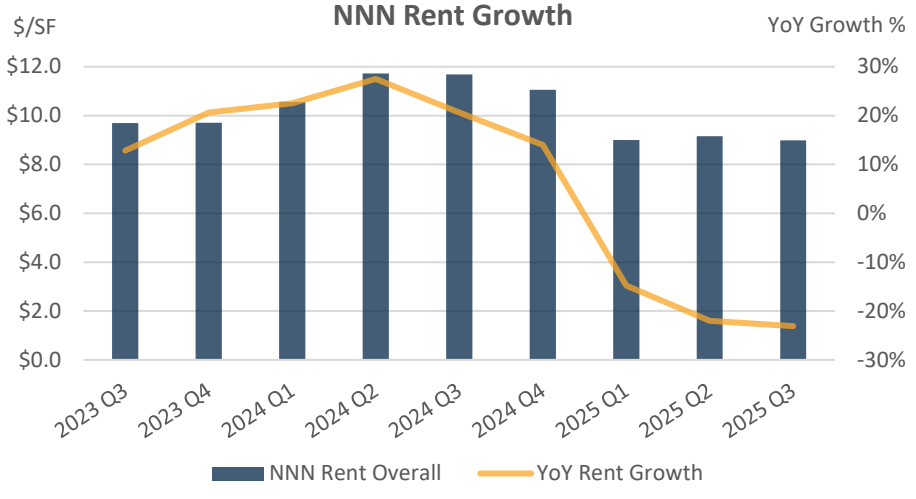


Current Flex Trends: Regional

Flex Market Overview

Overview

- The NNN Rent Growth graph illustrates rent levels and YoY Rent Growth across the past eight quarters.
- Rents inflated during 2024, reaching a peak of $11.73 in Quarter 2. Since then, rents have returned to the more stable prices seen in 2023, around $9.00/SF.
- Rent growth peaked in Q2 2024 at 27.5%, with rents stabilizing in 2025, shown by a current rent growth of -23.1%
- Current rents are $8.99/SF, fairly constant all of 2025 after the drop from 2024.
- No construction activity since 2017, and high vacancy rates suggest an oversupplied market.

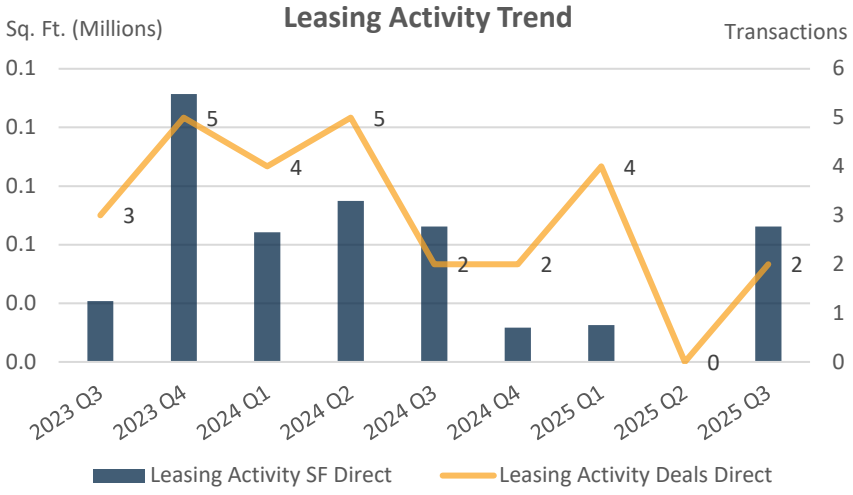


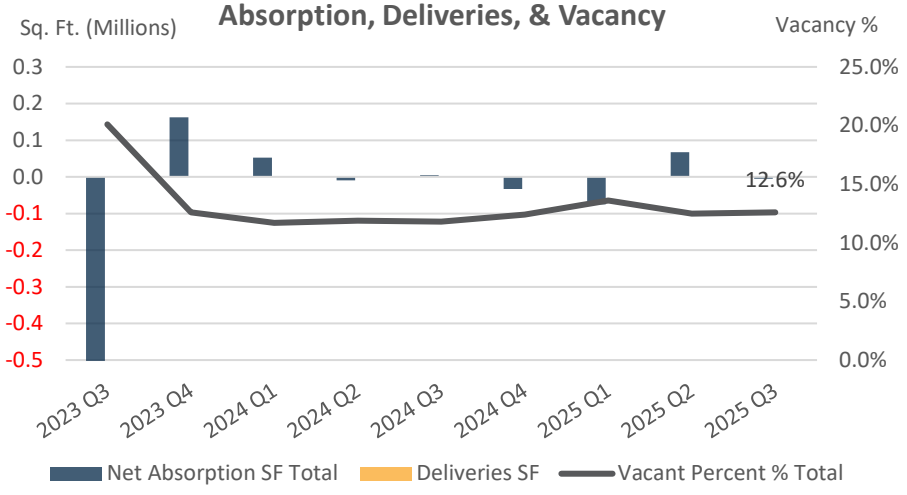
Current Flex Trends: Regional

Flex Market Overview

Absorption, Deliveries, & Vacancy

- Vacancy peaked in Q3 2023 at a rate of 20.1% following negative absorption of 500,000 SF.
- Since Q3 2023, vacancy has remained high, between 11.7% and 13.6%, with only 163,007 SF absorbed since.
- There have been 0 SF of flex space delivered in the past eight quarters.



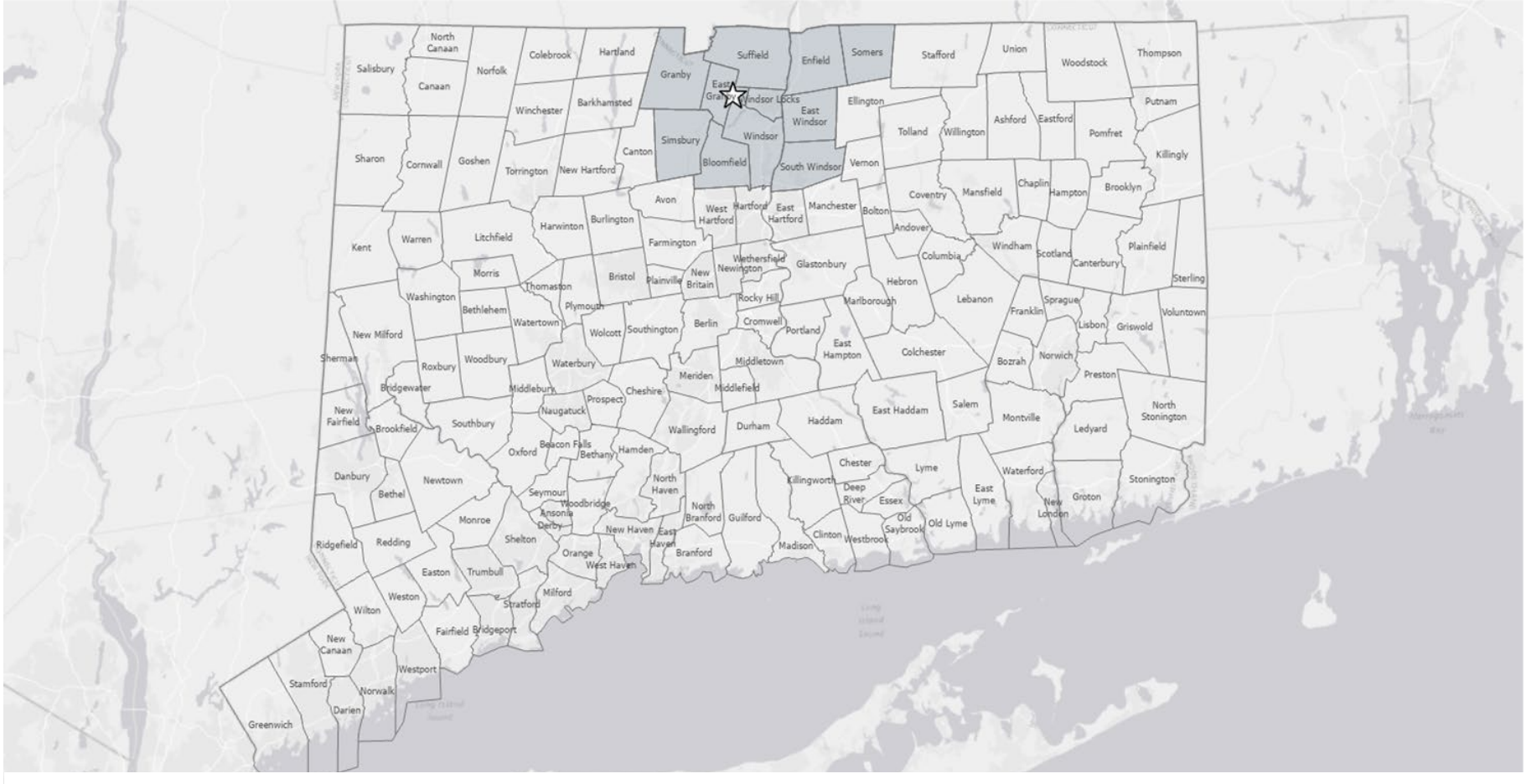


Leasing Activity Trends

- Two quarters recorded the most transactions (5), with the average number of deals at 3.3 per quarter.
- Q4 2023 saw by far the largest square footage leased (114,206 SF), with the average SF leased at 51,244 per quarter.
- Activity has slowed since Q4 2024, with just six deals and under 74,000 SF signed in 2025 to date.

Local Market Defined

Industrial Market Overview



As displayed by this map, the Local Market region is defined throughout this report as Bloomfield, East Granby, East Windsor, Enfield, Granby, Simsbury, Somers, South Windsor, Suffield, Windsor, and Windsor Locks.

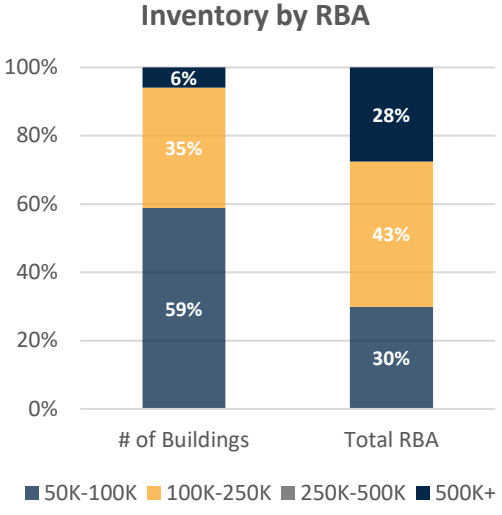
Current Flex Trends: Local

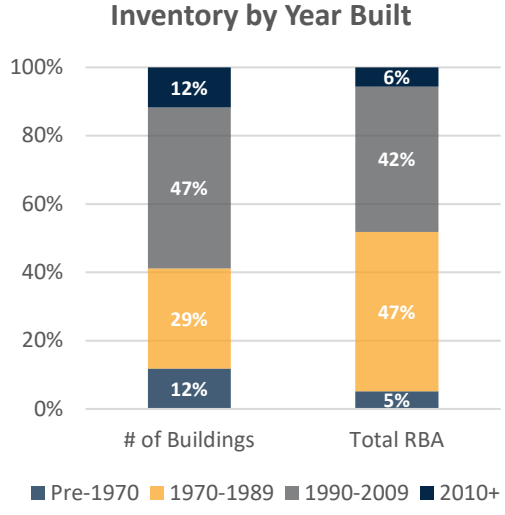
Flex Market Overview

Overview

- The local market totals almost 2.2M SF across 17 flex buildings, representing about a third of the regional stock.
- Vacancy is high at 20.7%, significantly higher than the 10-year average (15.5%) and the regional vacancy (12.6%).
- There are no reported deliveries in the local market in the past 10 years.
- Absorption of 34,302 SF YTD is strong compared to the 10-year average (483 SF), and the regional market's current absorption (-45,978 SF).
- Effective rents at $7.97/SF trail slightly behind the regional market.
- The Local Market has a relatively even distribution of square feet by building size, but has no buildings between 250-500K SF.
- The majority of buildings in the Local Market were built between 1990-2009, with the majority of square feet constructed between 1970-1989, showing very little new construction.

Local Area KPI's			
Key Performance Indicator	**10-Year Average**	**Current**	**YOY Change**
Total Inventory (SF)	2,196,783	2,196,783	0
Total Inventory (Buildings)	17	17	0
Vacancy Rate	15.5%	20.7%	-1.6%
Availability Rate	18.7%	21.3%	-1.7%
(Last 4 Q's) Deliveries SF	0	0	0
(Last 4 Q's) Absorption SF	483	34,302	-158,713
Under Construction (SF)	0	0	0.0%
Effective Rent per Unit	$6.96	$7.97	-



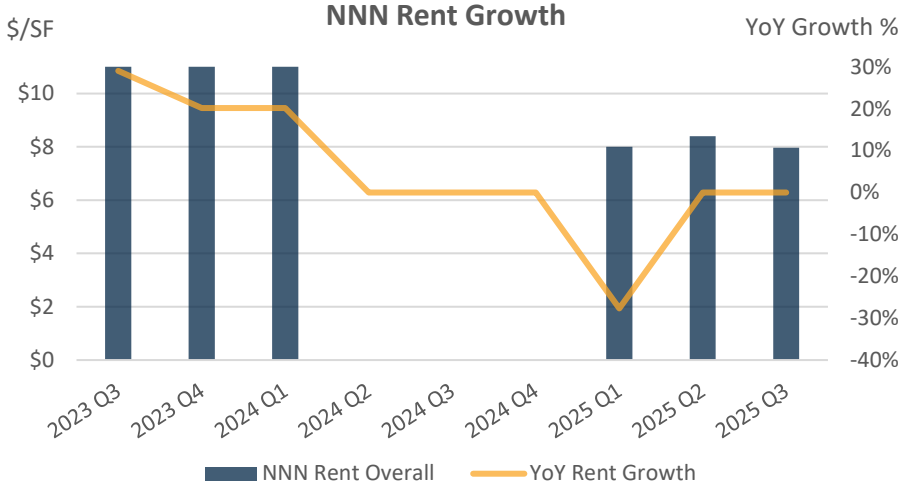


Current Flex Trend: Local

Flex Market Overview

NNN Rent Growth

- Local NNN rents have trailed slightly behind the Regional rents. Local rents in the past 8 quarters peaked in 2023 at $11.06/SF compared to $11.79 regionally, and are currently $7.97/SF, compared to $8.99 regionally.
- 2023 saw highly inflated YOY rent growth peaking at 29.1% in Q3. Rent data is missing for 2024, but 2025 shows rents stabilizing in Q1 2025, contracting by 27.7%. These rate fluctuations are in line with the Regional Market.
- With 0 SF of new Flex space delivered in the past 10 years, vacancy rates higher than 20%, and stabilized rental rates, the market appears oversaturated, without demand for new supply.



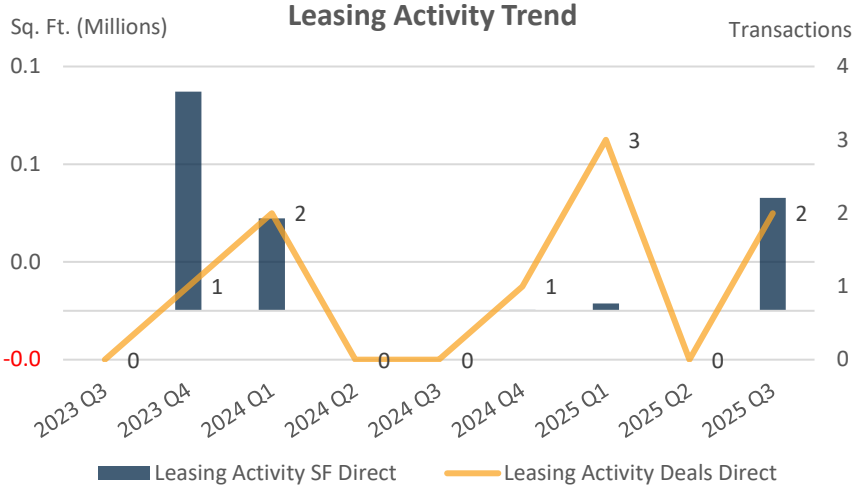
*There is no reported rental rate data in the Local Market during Q2-4 of 2024.

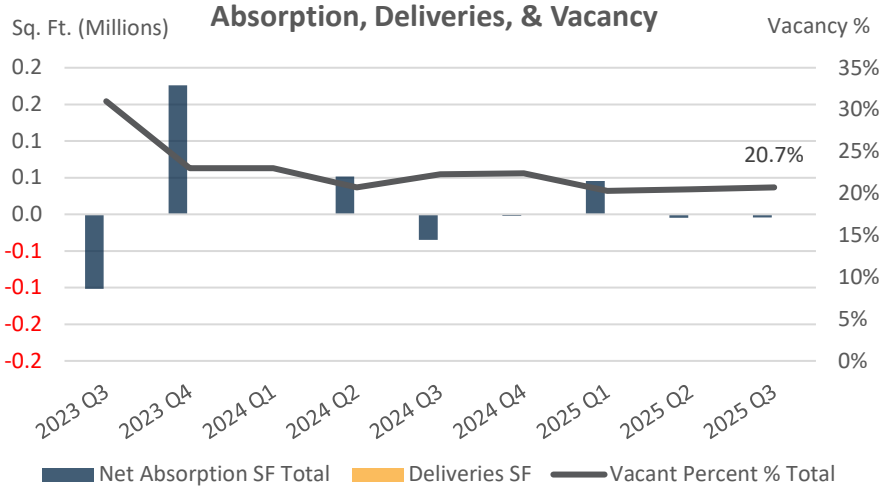
Current Flex Trends: Local

Flex Market Overview

Absorption, Deliveries, & Vacancy

- Vacancy rose to 31% late 2023 due to negative absorption of 101,652 SF, following the same trend as the Regional Market.
- The most recent significant absorption was in Q4 of 2023, with a total absorption of 176,072 SF.
- Vacancy has remained stable but high since Q4 2023, ranging 20.3%-23.0%.
- There have been no deliveries in the Local (or Regional) Market in the past 8 quarters.



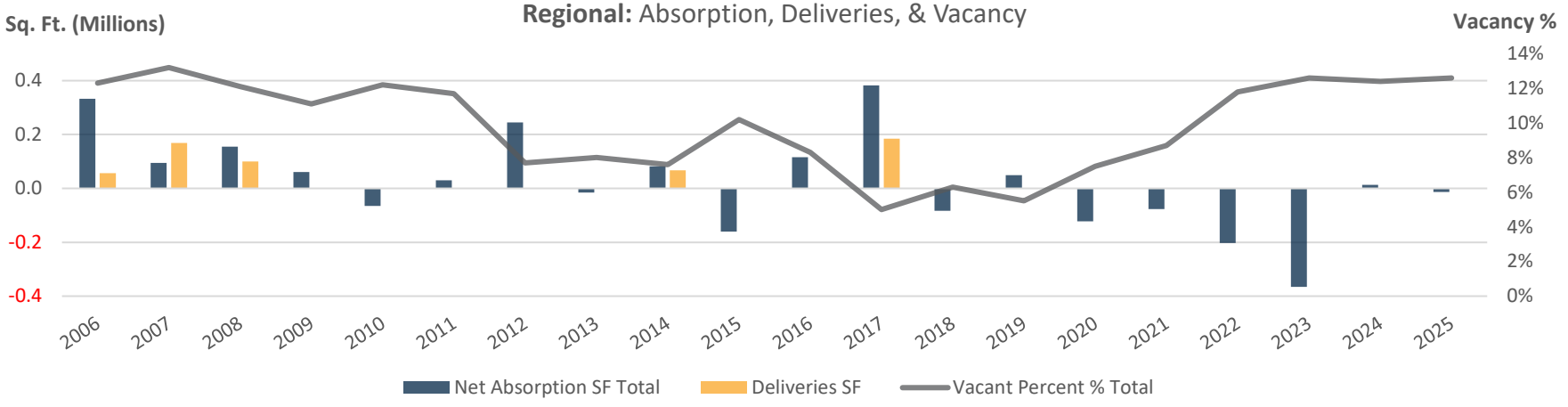


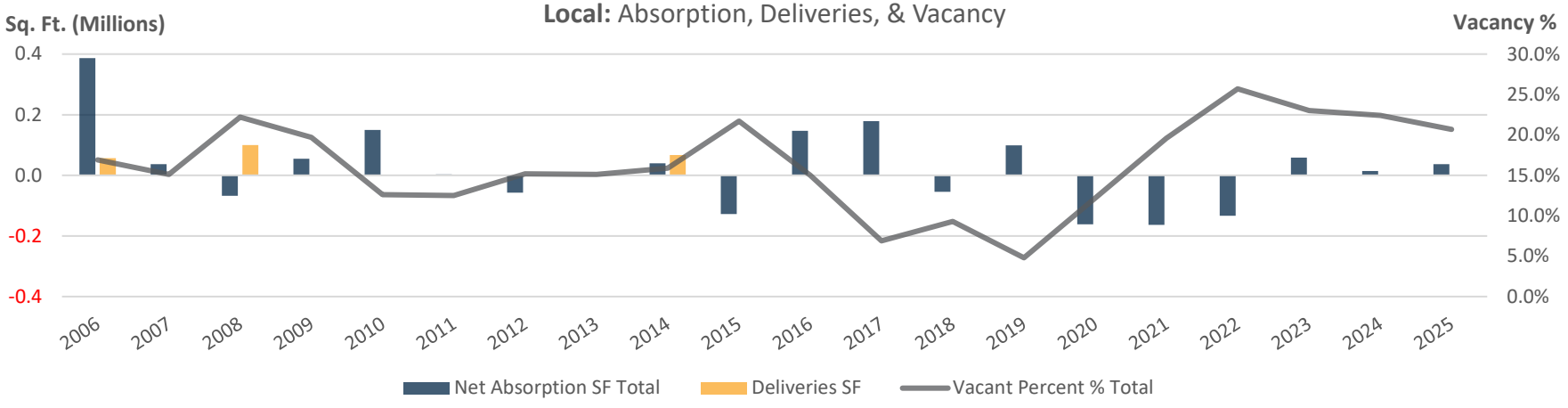
Leasing Activity Trends

- The past 8 quarters saw the most transactions (3) in Q1 2025, with the average number of deals at 1.8 per quarter.
- Q4 2023 saw by far the largest square footage leased (112,206 SF), with the average SF leased at 44,289 per quarter.
- Activity has seen a slight uptick in 2025 after a slow 2024, with five deals and under 61,520 SF signed in 2025 to date.

Historical Absorption, Deliveries, & Vacancy: Regional and Local

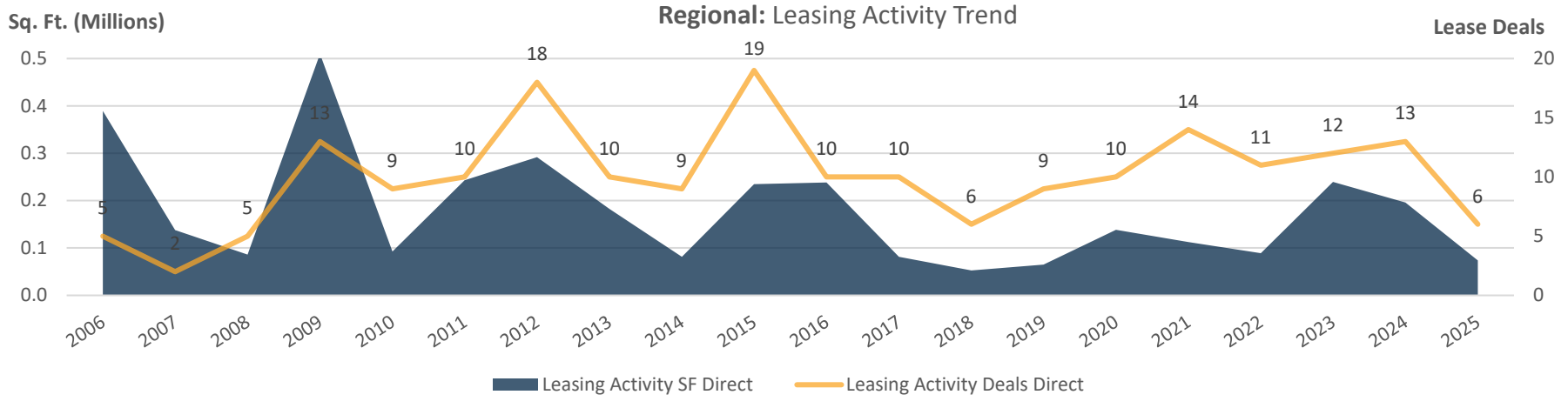
Flex Market Overview

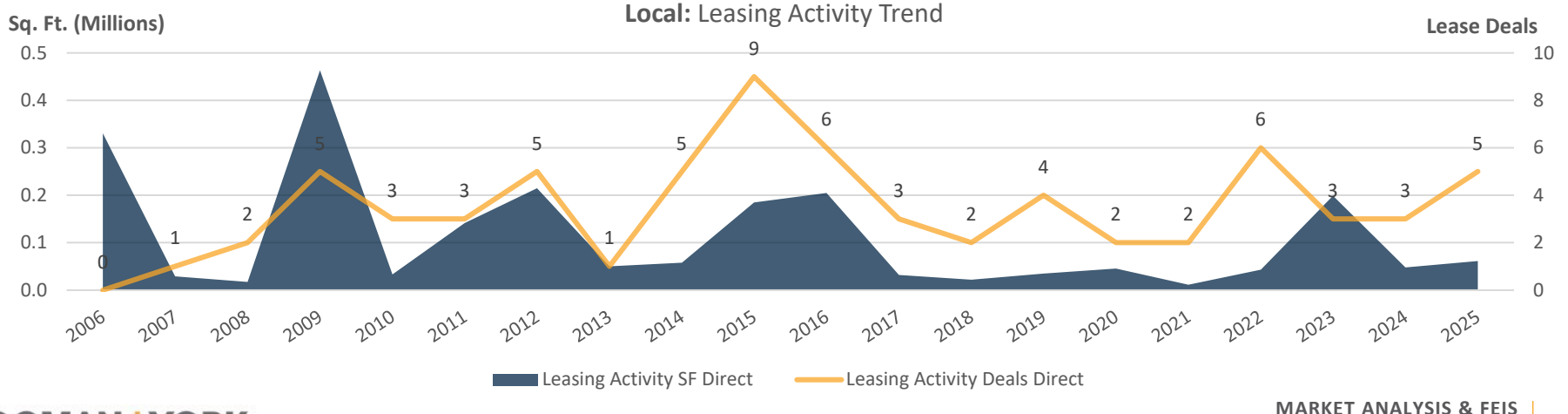




Historical Leasing Activity – Regional & Local

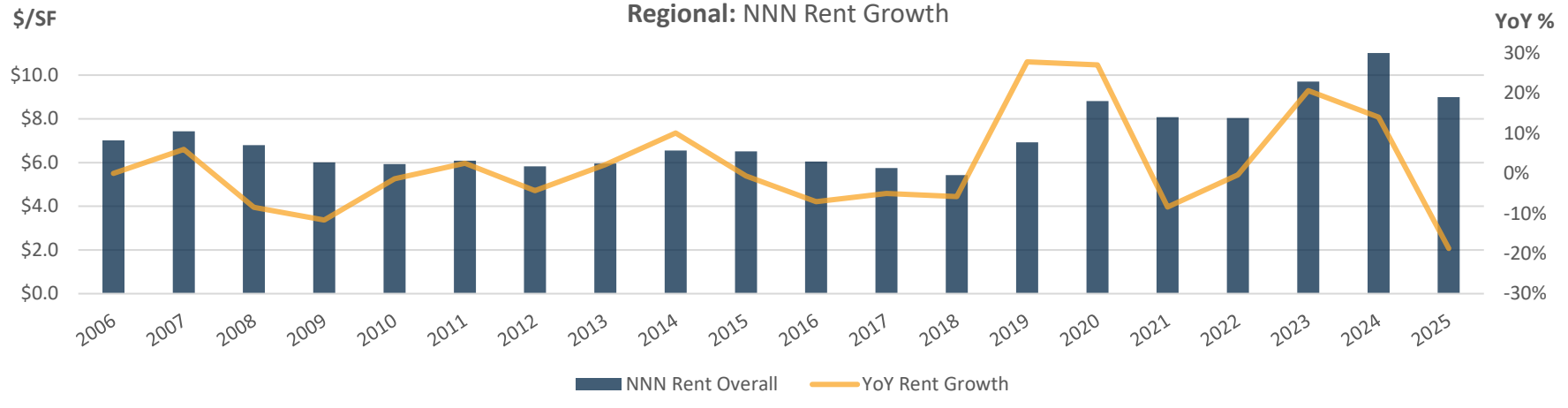
Flex Market Overview

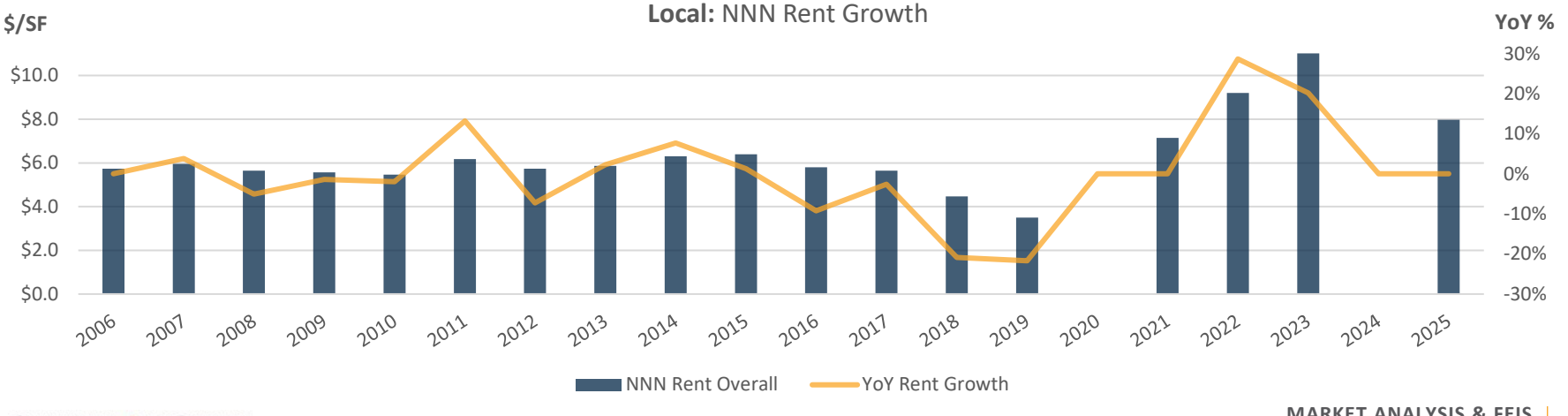




Historical Rent Growth – Regional & Local

Flex Market Overview





Recent Developments & Sales

Local Area: Existing, Approved, and Proposed Developments (200K+ SF)

Recent Developments & Sales

Property Address	Property Name	Property Type	Building Status	City	RBA	Year Built/Approved
500 Groton Rd		Industrial	Existing	Windsor	530,000	2023
110 Tradeport Dr		Industrial	Existing	Windsor	234,000	2022
1190 Kennedy Rd	Bldg 2	Industrial	Existing	Windsor	223,010	2022
1190 Kennedy Rd	Bldg 1	Industrial	Existing	Windsor	268,800	2022
113 N Maple St	Winstanley Logistics Center	Industrial	Existing	Enfield	500,000	2022
1201 Kennedy Rd	Amazon Fulfillment Center	Industrial	Existing	Windsor	820,000	2021
360 Ellington Rd	Home Depot Distribution Center	Industrial	Existing	South Windsor	421,152	2020
Existing Total					***2,996,962***	
30 Hamilton Rd		Industrial	Under Construction	Windsor Locks	250,240	2025
Under Construction Total					***250,240***	
75 Baker Hollow Rd	Baker Logistics Park	Industrial	Approved	Windsor	420,150	2024
1679 King St	Bldg 1	Industrial	Approved	Enfield	500,000	2023
775-A Marshall Phelps Rd		Industrial	Approved	Windsor	231,000	2022
15 Stone Rd	PNK Windsor	Industrial	Approved	Windsor	217,250	2022
170-180 Addison Rd		Industrial	Approved	Windsor	300,000	2025
35 Bacon Rd	Stateline Logistics Park	Industrial	Approved	Enfield	817,696	2023
2195 Day Hill Rd		Industrial	Approved	Windsor	400,000	
400 Groton Rd		Industrial	Approved	Windsor	300,000	
105 International Dr		Industrial	Approved	Windsor	248,000	2022
600 Old County		Industrial	Approved	Windsor Locks	1,154,900	2025
116 W Dudley Town Rd		Industrial	Approved	Bloomfield	521,886	2024
Approved Total					***5,110,882***	
50 Rainbow Rd		Industrial	Proposed	East Granby	300,000	
475 Governors Hwy		Industrial	Proposed	South Windsor	299,700	
Proposed Total					***599,700***	

To better understand comparable activity, Goman+York analyzed industrial and flex properties over **200,000 SF** that were either built in the last **five years**, approved, or currently proposed within the defined local area. **Seven existing** developments met these parameters, totaling nearly **3 million SF**. One project is currently under construction, representing 250,000 SF. In addition, there are **11 approved** projects, spanning approvals from recent years, that collectively total **5.1 million SF**. Finally, **two** projects in the entitlement process were identified, representing roughly **600K SF**.

Regional and Local – Recent Industrial and Flex Sales

Recent Developments & Sales

Overview

Industrial and Flex property sales were analyzed for both the CRCOG Region and the defined Local Area, focusing on transactions over 50,000 SF completed in the past two years (August 2023 – August 2025).

CRCOG Region

A total of 28 qualifying sales were recorded, representing nearly 4.0 million SF. Industrial properties dominated with 24 sales (22 with reported pricing), totaling 3.7 million SF and averaging $77.19 PSF. Flex sales were limited, with four transactions (three reporting pricing), totaling 281,000 SF and averaging $90.76 PSF.

Local Area

The Local Area accounted for 15 sales, totaling 2.8 million SF. Industrial properties again represented the bulk of activity with 14 sales (11 reporting pricing), averaging $83.20 PSF—above the regional benchmark. One Flex property sale occurred, though pricing was undisclosed. The Local Area's higher pricing per SF reflects the premium seen in local rents compared to the broader region.

CRCOG	# of Sales	Total SF	Avg Sale Price	Avg Sale Price PSF
Industrial	24	3,670,349	$12,255,244	$77.19
Flex	4	280,746	$5,475,705	$90.76
Totals	**28**	**3,951,095**	**$11,441,700**	**$77.86**

Local Area	# of Sales	Total SF	Avg Sale Price	Avg Sale Price PSF
Industrial	14	2,735,977	$17,738,527	$83.20
Flex	1	99,750	N/A	N/A
Totals	**15**	**2,835,727**	**$17,738,527**	**$83.20**

Demographics & Socioeconomics

GOMAN+YORK

Industrial Warehousing & Distribution Centers

Demographics & Socioeconomics



Hartford Region Industrial Real Estate:
Warehouse/Distribution Concentration

This map identifies the companies occupying warehousing and distribution facilities in the Hartford Region. It is important to note that many of these facilities are concentrated along the I-84 and I-91 corridors and near Bradley International Airport. With a distance of approximately five miles to access the nearest on-ramp for Interstate 91, the location of the subject property could work for light industrial use or a distribution center.

Population and Income

Demographics & Socioeconomics

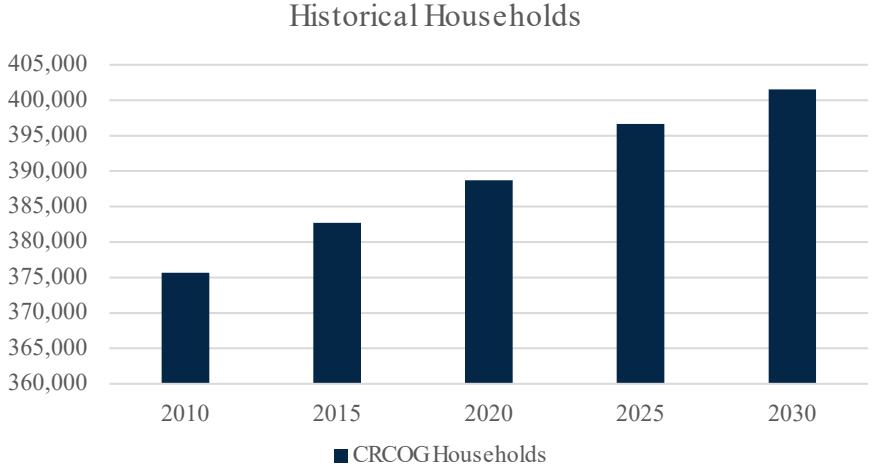
Population & Income

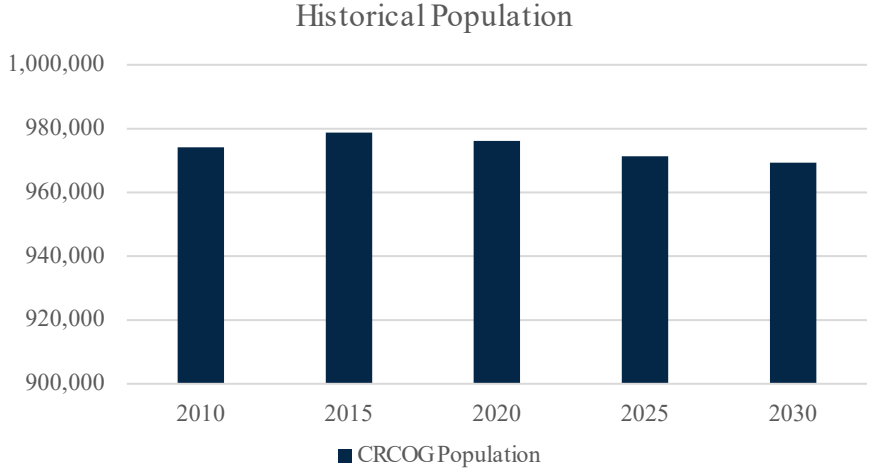
- Above-average concentration in Transportation & Warehousing, 6% compared to the state's 4%, highlighting a strong logistics presence.
- Median household incomes align with CT and remain well above nearby regional averages, reinforcing purchasing power
- Population remains stable, while household growth reflects smaller household sizes.
- **Proximity to I-91: 7 minutes (5 Miles)**
- **Proximity to Bradley: <5 Minutes**

2025 Labor Force – 25 Minute Drive Time

Industry	25 Min Drive Time		CT
	#	%	%
Manufacturing	25,478	10%	10%
Transportation/Warehousing	15,033	6%	4%
Other Industries	218,240	84%	86%
Total	258,751	100%	100%

Area	CRCOG	CT
2025 Median Household Income	$95,817	$95,275





Traffic Counts

Demographics & Socioeconomics



This map illustrates the Annual Average Daily Traffic (AADT) counts on the roads surrounding the subject property. Rainbow Road (Route 20) serves as a major arterial roadway in the area, carrying substantial traffic through East Granby. As a direct connection to I-91, Route 20 experiences AADT levels exceeding 21,000.

Financial Analysis

GOMAN+YORK

Pro Forma Development Costs & Rent Assumptions

Financial Analysis

Summary

Goman+York utilized industry software and comparable recent developments to analyze the developer's proposed construction costs. Land, soft, and financing costs were reviewed and deemed reasonable, as they aligned with market standards and the developer's experience and capitalization.

Hard construction costs were analyzed in greater depth, as they are often the most variable and subject to differences in methodology. Using industry software, Goman+York estimated hard costs at $72,755,609 ($103.94 PSF), compared to the developer's estimate of $70,000,000 ($100.00 PSF). This variance is relatively minor and indicates that the developer's estimates are reasonable and within the expected range for a project of this scale.

Rent Assumptions

While reliable rent data at the property level is limited, making direct comparable analysis difficult, the developer's proposed rent of $11.00 per square foot is consistent with market conditions. As shown in earlier slides, the local market commands a premium relative to the broader region, and consultations with industry professionals confirm that $11.00 reflects current expectations for new construction.

Developer Construction Costs	Total Costs	$/PSF
Land Costs	$8,468,000	$12.10
Hard Costs	$70,000,000	$100.00
Soft Costs	$11,769,390	$16.81
Financing Costs	$975,000	$1.39
Total Development Costs	**$91,212,390**	**$130.31**

Goman+York Construction Costs	Total Costs	$/PSF
Land Costs	$8,468,000	$12.10
Hard Costs	$72,755,609	$103.94
Soft Costs	$11,769,390	$16.81
Financing Costs	$975,000	$1.39
Total Development Costs	**$93,967,999**	**$134.24**

Fiscal Impact Analysis

GOMAN+YORK

The Changing Landscape of Commercial/Industrial Space

Today, with the advent of e-commerce, the retail sector continues to undergo significant changes. However, e-commerce retailing is not simply a spatial shift in the physical location of retail; it is a shift to a virtual space that captures market share, while rendering some physical locations and physical spaces of past and present brick-and-mortar retailing functionally obsolete. With all these shifts and changes in industry, business, and consumption, one constant remains: a continued increase in the need for logistics, which involves the distribution and transportation of goods and services to end users. Most importantly, in addition to the traditional e-commerce of companies such as Amazon, new virtual products and services, including meal delivery services (e.g., Daily Harvest, HelloFresh, and Blue Apron), are further increasing the demand for logistics.

This ever-increasing demand for logistics has given rise to the global logistics and delivery firms such as DHL, UPS, and FedEx. The rise in the need for and importance of logistics has created new demand for fulfillment centers, processing facilities, warehouses, truck terminals, and distribution centers. Most important regarding this application is that the need for warehouses and distribution centers with good access to the regional market is driving demand for industrial land uses. In addition, with limited land available in the urban core of metropolitan regions, suburban locations with good access to highways, airports, and available land are capturing the bulk of this industrial expansion and economic activity. The proposed site offers excellent access to Bradley International Airport and the Interstate 91 corridor, serving both the Hartford and Springfield metropolitan markets.

From the perspective of land use and community planning, we are continually confronted with changing demand for new land uses, even though they often appear uninteresting and mundane. For example, the restaurant pad-site on shopping center parcels, the drive-thru window, and the standalone drive-thru-only coffee shop. Now, state-of-the-art warehouse and distribution centers. *The challenge faced by community planning is not to resist change, but to embrace and manage change.* Adaptation is the foundation of resilience. Foresight and intentional action are the remedies to complacency, uncertainty, and functional obsolescence. Those who act now will stay ahead of the curve and capture new opportunities. “New products and…services are generated…by knowledge, imagination, innovation, risk, trial, and effort…” and those who are first to “innovate and are lucky will take the market.” East Granby has been open to and a leader in adaptation with its efforts to reposition and grow its town center. This application furthers East Granby’s adaptation to ever-changing demand, land use, and economic development opportunities. While entrepreneurial spirit and efforts are often constrained by governance structures, governments can also be entrepreneurial in their efforts, allowing market-driven uses as a means of moving the community forward, while providing jobs, wealth creation, and contributing to the growth of the Grand List.

Expenditures for Government Services

Fiscal Impact Analysis

Expenditures – Education

Commercial properties do not utilize education-related services, which make up 73.91% of the Town of East Granby's 2025-2026 budget.

Expenditures – General Government Services

General government services, for the purposes of this analysis, are all local government functions (i.e., police, fire, town hall office, public works, etc.), excluding education. Therefore, the expenditures for general government services are based on the Town of East Granby's 2025-2026 budget, excluding education, and include debt service and capital reserves. The total East Granby budget for 2025-2026 is $28,308,091, of which $20,923,500 (73.91%) was for education. Less the education budget, General Government Services are $5,865,600 (20.72%), Debt Service is $1,168,991 (4.13%), and Capital Reserve Funds are $350,000 (1.24%). Total general government services for the purpose of this analysis are $7,384,591 (26.09%).

General government services, such as social services, senior centers, parks and rec, are not utilized by commercial and industrial properties. A 2012 study by CCM showed that commercial and industrial uses utilized $0.27 in government services per $1.00 in taxes paid. This aligns closely with the general government services in East Granby, accounting for 26.09% of the total budget. Therefore, it is reasonable to assume that approximately 26% of the municipal expenditures support and provide services to commercial and industrial properties for the purpose of our calculations in this study. Based on this, we assume that $0.74 of every $1.00 paid in taxes by commercial and industrial properties is fiscally positive revenue that helps fund other government services.

Revenues – Real Property Taxes

For the proposed 700,000 sq. ft. of distribution center space, we estimate the property (appraised/market) value when constructed to be approximately $72,755,609. This approach uses a construction cost method to value, and the $72,755,609 represents the hard costs of construction. Therefore, we estimate the assessed value (70% of appraised/market) at $50,928,926. The assessed value multiplied by the Mill Rate (30.50 or 0.03050) estimates that the distribution center space, once developed and occupied, will generate approximately $1,553,332 in real property taxes per year. This amount represents roughly 5% of the Town's 2025-2026 annual budget and is sufficient to cover the entirety of the Town's current debt service.

Revenues – Personal Property Taxes (Commercial Equipment)

Personal property taxes on commercial equipment for distribution centers vary greatly depending on the equipment in the facility. For low-tech facilities, we have found that personal property taxes are approximately 10% of the real property tax value. We use this 10% personal property tax value as the most conservative estimate. The real property taxes for these distribution centers are estimated at $1,553,332 per year; therefore, we estimate the personal property taxes to total approximately $155,333 per year. This does not include motor vehicle taxes, since it is unknown if delivery vehicles will be associated with the facility.

Expenditures for Government Services

Fiscal Impact Analysis

Total Revenues – Real and Personal Property Taxes

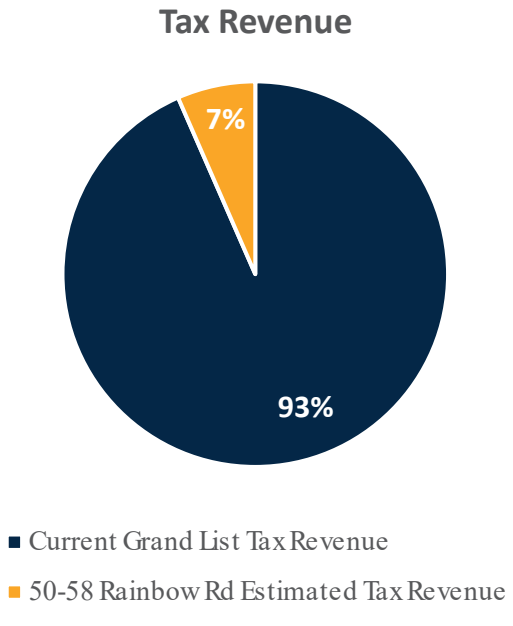
Based on our development proforma calculations above, Goman+York projects the development will generate approximately $1,553,332 in new real property tax revenue per year and $155,333 in personal property tax revenue (commercial equipment) for a total of $1,708,665 in new tax revenue.

Property Taxes as a Percent of Total Town Tax Revenues

The Town of East Granby's Grand List generates $24,330,408 in total property tax revenue, which accounts for 85.9% of total revenue. The total real property and personal property tax revenue of approximately $1,708,665 in new tax revenue would account for approximately 7% of total tax revenues.

Municipal Fiscal Impact

Based on the General Government Services Expenditures accounting for 26% of the total real property taxes ($1,553,332), the proposed development will incur approximately $403,866 in expenditures for the Town. Therefore, the proposed development will generate $1,708,665 in total real and personal property taxes paid by the development, or $1,304,799 more than the cost of general government services. The proposed development will be a fiscal positive for the Town of East Granby.



Evaluation the Value of Building Permit Fees

Fiscal Impact Analysis

Understanding Building Permit Fees

Fees are charged by the government to recoup the reasonable cost of providing the government services directly related to the activity upon which the fee is levied. In the case of building permits, the fees are collected to recoup the actual cost associated with providing the administration and documentation necessary for a building permit. For example, building permit fees can be used to recover the staffing costs associated with processing permit applications, reviewing plans, and conducting on-site inspections to ensure compliance with codes and the proposed plans. It is not uncommon for building permit fees for large construction projects to be tens of thousands and even hundreds of thousands of dollars. Therefore, such fees can be a substantial cost to the developer.

Our experience, as past government officials and developers, has taught us that the structure of building permit fees often underestimates actual cost to the municipality for smaller development projects and overestimates them for larger projects. For the developer, building permit fees are like other soft costs; they are simply part of the cost of doing business and are part of the total cost of the project. However, unlike property taxes, which are paid yearly after construction is completed, building permit fees are paid before construction commences. Therefore, while property taxes impact the operating expenses of the completed development, permitting fees impact the up-front costs of the development and become part of the capital stack (debt and equity investment structure).

One-Time Development Fees

Based on the East Granby Building Permit, Land Use, and WPCA Fees, we estimate one-time development fees to total approximately $628,013.

Permits	Fees/Rate	Base	Total
Building Permit*	$17/$1,000 of construction cost	$36,377,804	$618,422
Planning & Zoning	$160 + $100/acre up to 20-acres + $10/acre over 20-acres	133.1 acres	$3,291
Wetlands Application	Significant Activity $200 + Public Hearing $100	$300	$300
WPCA (Connection)	$1,500/connection plus Inspection Fee $3,000	2	$6,000
		Total	**$628,013**

As a conservative estimate, Goman+York calculated the base construction costs for the building permit fee by taking 50% of the estimated hard construction costs. This conservative estimate accounts for construction costs that are regulated by the building code

Economic Impact Analysis

GOMAN+YORK

Assumptions & Trends

Economic Impact Analysis

Background – Economic and Demographic Trends

Demographics and socioeconomics help inform us about why and how change occurs. In addition, such trends provide context for understanding real estate asset classes, real estate development, and the market conditions that drive real estate investment. The following is a summary of trends at the national and state scales.

United States

- Like many developed countries, the median age in the U.S. is getting older. U.S. Median Age = 38.5
- The expected increase in the U.S. population in the coming years will be mostly the result of immigration, as fertility (birth) rates have been in decline for over half a century. The U.S. fertility rate declined from 2.08 in 2008 to 1.64 in 2020.
- Traditional 'Blue Collar' jobs are being replaced with jobs for 'Knowledge Workers' and 'Service Workers.'
- Commercial space markets (office, retail, and industrial) vary greatly by metropolitan region depending on demand drivers (i.e., employment and population growth). Commercial office space has remained stagnant, except for some activity in medical office space, particularly in aging suburban metropolitan markets. Retail space has been disrupted by e-commerce and shifts in consumer behavior. Newly constructed retail as part of mixed-use developments has fared better than older and conventional retail spaces. Industrial space, especially warehouse, distribution, and procurement centers, is robust and growing.

Connecticut

- Connecticut reflects overall trends in the U.S., as described above.
- Connecticut's increase in population is mostly the result of immigration, as fertility (birth) rates have been in decline for over half a century. The CT fertility rate declined from 1.88 in 2008 to 1.52 in 2020. Connecticut will continue to be older than the U.S. median age. Connecticut Median Age = 41.0
- The U.S. Northeast and New England, especially, are in an extended period of slow or no growth in terms of job creation, population, and business formation (other than the Boston metropolitan area, which has experienced moderate growth). Connecticut has been a slow-to-no-growth state for three decades and has suffered the slowest economic recovery of any state since the 2009 Great Recession.
- Changing demographics, socioeconomics, and consumer preferences/behaviors continue to drive changes in demand across all real estate asset classes.
- Industrial space, especially warehouse and distribution space, is experiencing considerable growth and robust demand. This is, in part, the result of Connecticut's location between the New York and Boston markets, continued increases in e-commerce, and changing needs and requirements for modern warehouse and distribution space. The Greater Hartford market is well-positioned to benefit from this renewed demand in industrial space, and has benefited from this renewed demand.

Assumptions – Construction and Permanent Jobs Impact

To estimate construction jobs created (and/or sustained) by industrial (construction), we use a multiplier of 2.2 labor hours per $1,000 of total construction costs (total project cost less the soft costs) that are derived from various sources on economic impacts.

- **Calculation:** Construction cost multiplied by labor hours of 2.2 hours per $1,000 construction cost and divided by 2,000 hours (average full-time hours worked per year) equals the total number of construction jobs created and/or sustained. For example, if the construction costs are estimated at $10,000,000 x 2.2 (labor hour multiplier) = $22,000,000 / 1,000 (per $1,000 construction cost) = 22,000 hours / 2,000 (full-time employment hours) = 11 jobs.

To estimate permanent jobs created (and/or sustained) by industrial development in the Hartford Region, we derive multipliers from comparable recent developments.

Economic Impact

Our economic impact assessment aims to provide the Town of East Granby with a reasonable and conservative estimate of the economic impact of the proposed distribution center development. To accomplish this, we utilize economic development research studies and industry sources to develop multipliers that allow us to estimate job creation.

Construction Jobs

Per the developer's pro forma and our testing of the pro forma numbers, the hard costs are expected to be approximately $72,755,609. Being conservative in our work and based on the sample calculation below, we project that 80 FTE construction jobs will be created (and/or sustained). The calculation, hard construction costs of $72,755,609 x 2.2 (labor hour multiplier) = $160,062,339 / $1,000 (per $1,000 of construction cost) = 160,062 hours / 2,000 (1-year full-time employment hours) = 80 full-time equivalent (FTE) construction jobs to be created and/or sustained during the construction period of the industrial development.

Permanent Jobs

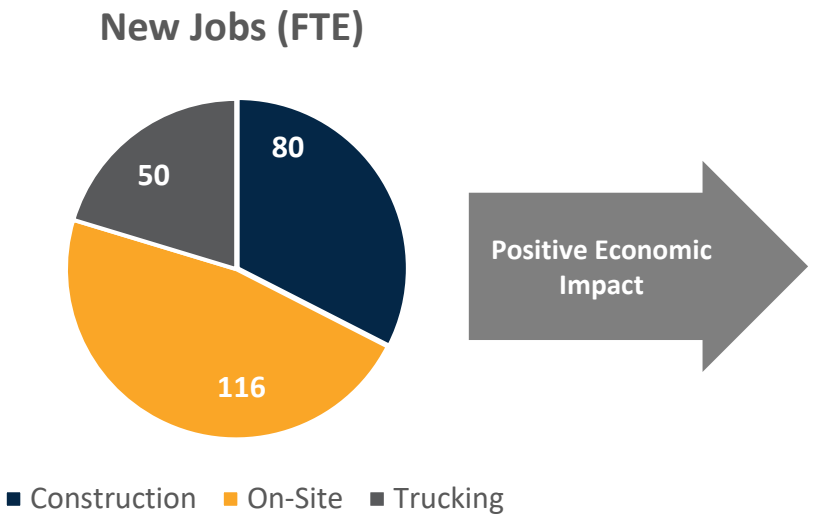
Similar projects that we have worked on in the Hartford Region and recent developments with known tenants have resulted in approximately 1 employee per 6,000 sq. ft. Considering this, we estimate that the 700,000 sq. ft. industrial distribution center space will result in 116 permanent jobs, of which 95 will be Industrial Warehouse workers and 21 will be Management/Office workers. In addition to the 116 warehouse jobs, this development will also create trucking jobs. We conservatively estimate that approximately 50 trucking jobs will be created.

Total Jobs

Based on the estimates above, we conclude that the proposed industrial development will likely result in approximately 80 construction jobs, 116 permanent warehouse jobs, 50 full-time trucking jobs, and $8,588,850 in yearly wealth creation.

Job Creation Estimates

Economic Impact Analysis



Total, temporary, FTE jobs created from construction:

80

New, permanent, FTE jobs created on-site:

116

New, permanent, FTE jobs created from trucking/freight:

50

Job Type	Job Count	Avg Annual Salary	Annual Wealth Creation
Construction	80	$64,890	*$5,191,200*
Industrial Warehouse	95	$44,450	$4,222,750
Industrial Office/Managers	21	$74,600	$1,566,600
Truck Driving/Freight	50	$55,990	$2,799,500
		Total Wealth/Year	**$8,588,850**