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Life-Sciences Sector to Look West For Greater Space Opportunities

By D'Anne Hurd

The life sciences sector in Massachusetts is positioned for significant growth in 2008 and much of the new commercial real estate developed to handle that growth will be in the Worcester area and along the Route 495 arc.

The trend is driven by the scarcity of space for new campus-style developments in Boston and Cambridge, significantly lower rental rates in the Worcester region, and the existing critical mass of academic and commercial life sciences entities already operating in the area.

This is not a hypothetical forecast. Several major projects, both public and private, are in the works now, or will be in 2008. Some offer flexible laboratory space, as well as biomedical manufacturing space for companies that are ready to make the transition from discovery and product development, to commercializing their technologies. Others are major infrastructure investments that will serve as magnets to attract even more life sciences companies to the region.

Consider the current landscape. In Worcester, Gateway Park is being built adjacent to the downtown business and cultural district. The 12-acre park, a joint venture of Worcester Polytechnic Institute and the Worcester Business Development Corp., is a mixed-use development that will include five life sciences buildings totaling 500,000 square feet of adaptable lab and office space, priced at nearly half of what similar space would cost in Boston or Cambridge.

The first building at Gateway Park, WPI's \$50 million Life Sciences and Bioengineering Center, opened last year and is fully occupied with a mix of academic labs and private companies. Massachusetts Biomedical Initiatives, a nonprofit

incubator that has spawned numerous biomedical companies, is now at Gateway, as is RXi Pharmaceuticals, a company co-founded by Nobel laureate and UMass Medical School professor Craig Mello. Two additional life sciences buildings of approximately 120,000 square feet each will be in development at Gateway Park in 2008.

Gateway Park will feature 241,000 square feet of market-rate loft condominiums and several retail establishments. With easy highway and commuter rail access, the property will be for Worcester what Kendall Square has been for Cambridge.

Down the road in Worcester, UMass Medical School is the flagship for Gov. Deval Patrick's Life Sciences Initiative – a program to invest \$1 billion to keep Massachusetts at the leading edge of the industry. Part of that money has been released to the school to build the most comprehensive public stem-cell bank in the world.

One of the fastest growing fields in medical research today is focused on stem cells and their ability to grow into any kind of tissue or organ in the body. The UMass stem-cell bank will be the first of its kind, and will be an unprecedented resource for companies engaged in stem cell and regenerative medicine research.

The medical school will build another new research facility on its campus to focus on the science of RNAi (the discovery of which earned Mello the Nobel Prize). The school is nearing completion of a 258,000 square foot Advanced Center for Clinical Education and Sciences, which will expand the school's capabilities for clinical trials of investigational new medicines.

In Grafton, Tufts University's Cummings School of Veterinary Medicine is building the New England Regional Biosafety Laboratory, another unique resource for the region. Tufts has a major research program studying the development, detection and potential treatments for infectious diseases that are food- or water-borne, or that originate in animals and spread to people. The

new lab will not only extend Tufts' world-leading work in that area, but the facility will be open for collaborations with other researchers. The \$26 million lab is the anchor tenant for the Grafton Science Park – a multibuilding life-sciences park carved out of Tufts' rural 585-acre campus in Grafton.

The list goes on. Bristol-Myers Squibb is building a \$1 billion biologics manufacturing facility in Devens. Charles River Labs, a contract research organization used by a range of life sciences companies, is nearing completion of a major expansion of its Shrewsbury location. The company's stated goal is to make the Shrewsbury campus the center of its pre-clinical program for the entire East Coast, eventually housing 800 employees. Abbott Labs recently finished a significant expansion of its biologics research and early-stage manufacturing facility in Worcester. The Massachusetts Biotechnology Park in Worcester, which was a fallow field 25 years ago, is built-out with 2,000 people working in five major buildings.

Today, 49 of the state's largest 100 life sciences companies are located west of Route 128. All the westward activity is no accident. The combination of available land, lower costs and quality-of-life factors such as reasonable housing costs and strong public schools, coupled with the growing academic and clinical resources at WPI, UMass and Tufts, has made the greater Worcester area the western anchor of the Massachusetts life sciences "super cluster".

The idea that Worcester, Boston and Cambridge are part of a unified economic cluster is not always readily apparent to us. But when people from around the country or the world look at Massachusetts, they see things differently. At the Bio 2007 conference in Boston, out of more than a dozen companies interested in building in Massachusetts, seven were based abroad. When they looked at Massachusetts, it was immediately clear to them that we have one very compact life sciences cluster, and the cost model of developments now under way in the Worcester region were the most attractive. ■



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