

Economic Development Report; Central and Western Massachusetts

From: Doug McGarrah
December 7, 1981

11/20 Breakfast at the Central Berkshire Chamber of Commerce in Pittsfield. Election of new officers and announcement of the departure of Glenn Harvey as Exec. Dir.

Visit and tour of Beloit/Jones (producer of paper making machines, employing 500 in Pittsfield). Jack Nelson of Beloit/Jones arranged the visit and also provided information, as chairman of the Chamber's Economic Development Committee, on efforts in the Berkshires. Beloit would like to host the Senator when he next comes to the Berkshires.

11/12 Breakfast with John Olver to discuss the plans for the Garden Theatre renovation and how to tie this in with several other agendas at work in Greenfield including the community college and YMCA who are both in need of new facilities. Bill Anderson and Marty Adler of ACT also took part in this meeting. Ann Hamilton, Chairman of the Board of Selectmen, has already expressed an interest in the convention center bill with the Gov's office. Greenfield would need approximately \$1.7 million.

UDAG Meetings (11/12 and 13):

- Springfield is in for an application to help finance renovation and new equipment at Moore Company. This is an especially important application as the Moore Co. was near closing 18 months ago due to foreign competition in the hand tool industry.
- Pittsfield has submitted for its downtown shopping development with the Fisher Group. Conditions with the commitment on this project still require a stronger participation from Old Colony Bank which may mean a 2nd quarter award.
- Chicopee is in for the rehab of Spalding Mills into 90 market rate units with some retail on the ground floor.
- North Adams met with the UDAG staff (after meeting in Wash. with Paul) to discuss their Heritage Park UDAG to be submitted in this Dec. round for small cities. The initial problem raised by Heaton Nash was the low leverage ratio (2½:1).
- Adams also met with UDAG Staff to discuss a possible development with ACT which seems still in very early stages of formulation.

11/17 Ground-breaking for St. Joseph's house in Fitchburg (Dan O'Connell and Sons Developer).

11/25 Marya Sieminski, Economic Development Director for U.S. Senator Don Riegle. General exchange on the nature of economic development efforts and their future. Our efforts differ in that: Michigan's economy is much harder hit (with auto industry problems etc.) and our effort is more proactive -- initiating efforts that

rely on the private sector for success (e.g. local development corporations, meeting with bankers, etc.). Riegle hopes to lay the foundations for a robotics industry in Michigan just as "we" set up the basis for the high tech industry.

12/2 Spoke at the kick-off meeting of the Holyoke Industrial Energy Program which will use infra-red heat scans to determine conservation measures for 90 small businessmen in a targeted area of downtown. The program (funded last year with a HUD Innovative Grant) also provides low interest financing for the energy improvement through a 9 bank loan pool.

12/2 Gave the "keynote" address at the annual dinner meeting of the Gardner Chamber of Commerce. This was followed by a meeting on 12/4 of the 3 major bank presidents with ACT and a HUD UDAG staffer whom I brought out to discuss what is needed to bring together a viable plan for the renovation of Square One. The banks are prepared to commit with further analysis on the market for office space and with 50% ~~tenant~~ leases. This will be a \$500,000 project (\$100,000 UDAG; \$100,000 owners equity; and \$300,000 bank financing through bond issue).