

Developers eye \$500M N. Britain tech park

BY **MATT PILON**

11/21/2016



RENDERING | CONTRIBUTED

Developers want to turn this legacy Stanley Works building in New Britain into a state-of-the-art data center.

Developers hope to redevelop Stanley Black & Decker's legacy manufacturing properties in New Britain into a state-of-the-art technology park that could include \$500 million in capital investment from outside investors, the Hartford Business Journal has learned.

The plans, developed quietly over the past eight years and revealed in detailed bidding documents submitted to state officials in May, show a state-of-the-art data facility to be powered by nearly 20 megawatts of Doosan fuel cells and low-cost hydropower from a Stanley-owned utility company in Farmington.

The developer, Farmington-based Thunderbird CHP, hopes the data center will be a draw for big data users like ESPN, UConn, Yale and others, and that it would spur some companies to relocate operations to as many as

four retrofitted New Britain buildings proposed in the plan.

The Hardware City's state legislative delegation said the potential \$500 million investment could help revitalize an economically depressed area of the city.

The project could create average incremental employment of nearly 1,000 jobs over a four-year period, according to an analysis by UConn economist Fred Carstensen commissioned by Thunderbird, which has secured rights to a long-term lease of roughly half of the Stanley Works campus. The project would also mean more tax revenue for New Britain and help secure Stanley's presence in the city.

Under the proposed arrangement, Stanley would lease the properties to Thunderbird, which would be in charge of developing and potentially subleasing them, as well as securing financing for the project. That investment would not come from Stanley, Thunderbird said.

Thunderbird likens the proposed data center to one in Holyoke, Mass., that opened in 2012. MIT, Harvard and other major institutions that helped fund the Massachusetts Green High Performance Computing Center (MGHPCC) send data there to perform complex calculations used in bioscience and other modern research.

But just as the public is learning of Stanley's plans, developers have run into a roadblock. The project has not been selected to participate in a major state-run procurement of clean and renewable power. The New Britain technology park was one of 100 bids submitted to the Department of Energy and Environmental Protection (DEEP) as part of an RFP seeking projects — between two and 20 megawatts — to sign long-term contracts to sell power to Connecticut utilities.

A winning bid could have allowed the developers to secure a contract to sell the project's fuel-cell power to Eversource, providing an annual revenue stream that would make the Stanley redevelopment more financially viable. The energy revenues could have totaled \$4 million a year, according to Carstensen's analysis.

As of Nov. 17, DEEP had not yet publicly released its list of winning bidders, but Thunderbird official Mark Wick confirmed that the New Britain project was not chosen.

Wick said Stanley and its partners are already evaluating other alternatives to make the project a reality.

"We are actively exploring other opportunities to move this project forward," Wick said. "The demand for data centers, as well as reliable and renewable sources of energy to power them, will continue to increase significantly in the years ahead."

Wick said the project "continues to generate strong private-sector interest."

He said Thunderbird is in talks with "several world-class providers" to operate the data center, which would be located in a vacant seven-story building at the intersection of Myrtle and Curtis streets. Meanwhile, the fuel cells would be located behind that building.

Former Mayor Timothy Stewart, now president of the New Britain Chamber of Commerce, has been in the loop on the planning process for years. Stewart said last week that the RFP result is a disappointment for the city, but expressed confidence the developers will find a way to make the project a reality.

"It's a bump in the road for them, but it would have been a nice validation of their plan to be funded through this RFP," Stewart said.

He said the proposed project "has a lot of positive potential for that underutilized site."

Mayor Erin Stewart said the Myrtle Street corridor has long been on the city's targeted areas for redevelopment, and that Stanley has been working toward that goal.

"Our biggest thing about this project is the adaptive reuse of those buildings," said Erin Stewart. "It's a huge corridor of this industrial wasteland."

Despite the RFP results, Stewart said she is hopeful that Thunderbird is able to secure financing commitments from outside investors soon.

As proposed, the tech park would be built in phases. Fuel cells would come first, followed by the buildout of the data center. Under the bid, Doosan had committed to completing delivery of the miniature power plants by the third quarter of 2018. Renovating additional buildings for potential commercial tenants would come at a later, yet-to-be-determined date.

Job creation, retention

Besides boosting New Britain's tax base, officials say the project is also important for its potential to secure jobs in the city.

A number of Stanley's older buildings are underutilized, which could incentivize the company to move or consolidate operations, either in New Britain or elsewhere, according to Carstensen's report.

Stanley announced in August that it would move 200 jobs from New Britain to Southington.

The company did not respond to questions for this story, including whether it concurs with Carstensen about the potential impacts of utilizing its properties more efficiently.

In an Oct. 25 letter to DEEP, state Sen. Terry Gerratana (D-New Britain) and her five fellow delegation members highlighted the economic impacts of the proposed project, appealing to DEEP to "carefully evaluate the economic development potential."

Gerratana said she was disappointed the project hadn't been selected as part of the RFP process. She said she has stayed informed about the project because of how important Stanley is to the city's economy.

"Of course we want to keep Stanley around," Gerratana said. "They're a Fortune 500."

Editor's note: This story has been modified to clarify that any capital investment in the redevelopment of the Stanley Works properties would come from outside investors, not from Stanley Black and Decker.