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GARELICK FARMS SITE TO GO UNDER AGREEMENT IN LYNN

BY GAYLA CAWLEY | December 16, 2020



Boston-based real estate firm A.W. Perry plans to close on the sale of the former Garelick Farms site at the end of the year. (Olivia Falcigno)

LYNN — Plans to redevelop the former Garelick Farms site on the Lynnway are finally moving forward.

Boston-based real estate firm A.W. Perry plans to close on the property by the end of the year after receiving approval from Massachusetts Land Court on Tuesday, according to James Moore, the company's attorney.

The firm plans to invest \$11 million into the sale and rehabilitation of the site in the short-term, and develop plans over the next several years for a long-term reuse of the property, Moore said.

“They’re looking for tenants to occupy the property as it is now while they develop a long-term development plan for the parcels,” said Moore. “They want to repurpose buildings for short-term tenants while they go about preparing their long-term development plans.”

A.W. Perry will be seeking tenants that would use the property as it has traditionally been used, such as for light industrial, storage and office space. But the former use, dairy manufacturing, which many of the existing buildings were built around, will not be continued.

The firm is still a few years away from developing a long-term plan for the property, said Moore, noting that his client was “very happy” to be starting on the development process, the first phase of which is getting some new tenants.

“They’re looking at every possible type of development and they will examine them and see which ones look best for the decision they make for the next three or four years,” said Moore. “They’ll develop plans over the next few years as they learn more about the property and the market develops. It will all be market-driven.”

At the time of the company’s purchase agreement, representatives outlined a vision for the site that included waterfront apartments, retail, restaurant, and possibly a hotel.

Last February, the Lynn Planning Board and City Council approved waterfront zoning changes that were aimed at spurring that type of development at the site, which had previously only been zoned for dairy manufacturing.

The zoning changes, which were negotiated between the developer and the city, will allow A.W. Perry to use the property for warehouse use and light manufacturing until it is cleaned up and larger, mixed-use development can occur.

The new zoning allows for light manufacturing, hotels, an apartment house, assisted living facility, and fitness center on the 17-acre site, which currently includes a 40,000 square-foot warehouse, 60,000 square feet of cold storage, a processing plant, and a 10-acre lot at the rear of the building.

While city officials were in favor of many of the new zoning changes, some were concerned about some of the other negotiated uses — such as allowing for a truck repair facility, warehouse, and fish market — which would extend to other parts of the waterfront district.

It won’t be easy to transform the site into the mixed-use neighborhood envisioned by the real estate firm, something that was noted by the company’s executive vice president Robert Maloney, at the time of the agreement last year.

“The site has its challenges,” Maloney said last year. “It’s located next to a wastewater treatment plant and a transfer station. There’s an interesting bouquet of scents that would make it impossible for any of those uses to make economic sense today.”

Moore said his client was prepared to close on the property in September, but the process was delayed due to an issue with the bankruptcy proceedings that were initiated last year by Texas-based Dean Foods, which owns Garelick Farms.

A.W. Perry had been purchasing the property out of bankruptcy, but Massachusetts Land Court rejected the documents the firm had prepared, citing technical issues stemming from the Texas legal proceedings, Moore said.

New documents were prepared for the firm, which received approval from Massachusetts Land Court to record those documents on Tuesday.

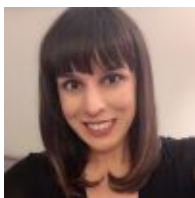
“We’re cleared to close,” said Moore. “They’re pleased as punch, very happy. It’s always frustrating to get to a closing and have it postponed because of something technical. They’ve been biding their time and dying to get it closed. I would say they’re very happy to proceed to closing and very excited to get the project underway.”

The technical “glitch” was yet another hurdle in A.W. Perry’s road toward purchasing and potentially redeveloping the property, but Moore said the year-plus long wait was not “shocking” to the firm, which he characterized as long-term real estate investors.

“They like to buy and they like to own for (the) long-term, so their plans are to buy, develop and own it for the long-term,” said Moore. “They didn’t have to do something quickly with the property in order to buy it. They had the ability to buy it and develop long-term plans to own it long-term.”

James Cowdell, Economic Development & Industrial Corporation (EDIC/Lynn) executive director, said he was “really happy” that the firm was moving forward with purchasing the property, citing the jobs that would be created at the site.

“The building has been empty for over a year now,” said Cowdell. “A.W. Perry is a legitimate company. They will invest a lot of money into that building and it will create a lot of jobs for the city, which is very important.”



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