



City of Cambridge

R-43.

IN CITY COUNCIL

May 7, 2001

COUNCILLOR SULLIVAN
COUNCILLOR BORN
COUNCILLOR BRAUDE
COUNCILLOR DAVIS
COUNCILLOR DECKER
MAYOR GALLUCCIO
VICE MAYOR MAHER
COUNCILLOR REEVES

WHEREAS: It has come to the attention of the City Council that New England Confectionary Company (NECCO) is relocating to Revere; and

WHEREAS: NECCO has been a pre-eminent Cambridge business for 75 years; and

WHEREAS: Most of us know someone who has worked at NECCO in Cambridge; all of know someone who has had a NECCO wafer if we have not had one ourselves - in short, NECCO is a part of our understanding of Cambridge; and

WHEREAS: An old city, like an experienced parent, wishes the best for the ones who stay and the ones who leave; now therefore be it

RESOLVED: That the City Council go on record expressing its appreciation and best wishes to New England Confectionary Company as it relocates from Cambridge to Revere; and be it further

RESOLVED: That the City Clerk be and hereby is requested to forward a suitably engrossed copy of this resolution to New England Confectionary Company on behalf of the entire City Council.

In City Council May 7, 2001.

Adopted by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

A handwritten signature in cursive script that reads "D. Margaret Drury".

D. Margaret Drury
City Clerk

MS Res

P.43

W/A It has come to the attention of the City Council that New England Confectionary Company (NECCO) is relocating to Rensselaer; and

W/R NECCO has been a pre-eminent Cambridge business for 75 years; and

W/A- Most of us know someone who has worked at ~~Cambridge~~ NECCO in Cambridge; all of us know someone who has had a NECCO wrapper if we have not had one ourselves ~~that~~ - in short, NECCO is a part of our understanding of Cambridge.

W/A and

W/A An old City, like an experienced mother, wishes the best for the ones who stay and the ones who leave; and therefore be it

R That the CC go a round expressing its appreciation and best wishes to New England Confectionary Company as it relocates from Cambridge to Rensselaer; and best wishes

R STE

MAS

Res

4/25

Return-Path: <ginslars@mediaone.net>

Received: from rly-zd05.mx.aol.com (rly-zd05.mail.aol.com [172.31.33.229]) by air-z

Received: from chmls06.mediaone.net (chmls06.mediaone.net [24.147.1.144]) by rly

Received: from mediaone.net (h0050ba87b2f7.ne.mediaone.net [24.147.238.186])
by chmls06.mediaone.net (8.11.1/8.11.1) with ESMTP id f3K2aF812924;

Thu, 19 Apr 2001 22:36:16 -0400 (EDT)

Message-ID: <3ADFA103.238FFEF6@mediaone.net>

Date: Thu, 19 Apr 2001 22:37:55 -0400

From: Jonathan Ginsberg <ginslars@mediaone.net>

X-Mailer: Mozilla 4.76 [en] (Win95; U)

X-Accept-Language: en

MIME-Version: 1.0

To: cambmas1@aol.com, James Rafferty <jrafferty@adamsrafferty.com>

Subject: NECCO

Content-Type: text/plain; charset=us-ascii

Content-Transfer-Encoding: 7bit

COMMERCIAL

Cambridge Landmark Necco Is Relocating After 75
Years

Tribeca Nears Closing on Massachusetts Avenue Site; Confectionary
Company Moving to New Revere Home

By Joe Clements

Call it a case of the wayfaring wafer.

After 75 years in Cambridge, one of the city's most enduring businesses is taking its show on the road, with the New England Confectionary Co. about to announce plans to relocate from 254 Massachusetts Ave. to American Legion Highway in Revere. In its stead, a New York real estate company will reportedly seek to convert Necco's manufacturing facility into nearly 500,000 square feet of commercial space.

"It is under agreement," one source familiar with the property said last week, adding that the major holdup has been the finalization of plans for Necco's new home and tax exchange issues related to the sale. Tribeca Associates reportedly will pay in excess of \$70 million for the

property.

Neither Necco officials nor Tribeca principal William Brodsky returned phone calls to discuss the situation, but the source said Necco will begin moving its operations to 135 American Legion Highway by the end of the year, completing its relocation sometime in late summer 2002. The Revere building is owned by Lyme Properties, ironically one of Cambridge's most prolific developers at present.

Tribeca and Necco have been negotiating on a sale since last summer, but sources also said the company is changing its initial plans to convert the building to telecommunications use. When talks first began, the need for so-called switch hotels to service the burgeoning Internet was at a fever pitch, but the demise of the technology industry apparently has shifted the buyer's strategy. According to one broker familiar with the property, Tribeca has widened its net to include both laboratory and office functions.

"They are smart guys and they are going to design a building that can address what is going on in the marketplace, and if that is telco, biotech or office space, that is what they will do," said the source. "Developers react to the marketplace, and I think that is what is happening here" with the evolving approach.

Other industry professionals following the telecommunications sector agree the climate has shifted dramatically in recent months. Trying to ride the surge of telco activity that arrived in earnest last year, many building owners attempted to reposition their properties for such a use, lured by promises of high rental rates and a perceived demand to quickly build an information infrastructure. When the capital markets turned a deaf ear on such activity late in 2000, however, demand for that space collapsed virtually overnight, acknowledged Insignia/ESG Managing Director Stephen J. Murphy.

"The telecom industry right now is in a pause, and until the excess capacity in the system gets absorbed, you're not going to see any major commitments," said Murphy, who successfully leased up telecom space at iPark in Waltham prior to the market's demise. With an additional 475,000 square feet of lab and office space that could be built at that site, Murphy said alternative uses are being considered while the technology players attempt to regroup.

'Very Quiet'

Murphy declined comment on the Necco situation, but he said many properties being marketed as switch space are now entertaining alternative tenants. "People are looking to be flexible," he said. One source said the new owners of 1100 Massachusetts Ave. in Boston's Newmarket district are expanding their marketing beyond the telco use originally envisioned, while TrizecHahn has put out the word to "bring us a deal" regardless of the tenant for an estimated 400,000 square feet it is developing in Somerville. The two facilities there were initially planned as switch space.

"Clearly, that's a trend," said the broker. "The telecom market is very quiet, and no one knows when it is going to turn around again."

Laboratory space works especially well, according to Murphy, given that the high ceilings, excess power and heavy weight-bearing floors needed for telecom buildings are requirements for research space as well. The most high-profile telecom project, Boston Internet City in Allston, is itself being repositioned as laboratory space after losing a high-tech tenant last summer that would have taken all 450,000 square feet in the building.

As for 254 Massachusetts Ave., most observers seem to feel the building will succeed no matter what function it is ultimately converted into, partly due to its extensive physical capacity and also thanks to a location just up the street from the Massachusetts Institute of Technology. The renovation is likely to receive considerable attention from the city of Cambridge given its presence on bustling Massachusetts Avenue and due to the need to replace the venerable Necco operation with a use that brings life to the streetscape. Former Cambridge economic official Jeanne Strain, who now runs the Cambridge Business Development Center, said she believes street retail will be a necessary element for the project's success.

Rumors of Necco's departure have been prevalent for some time, with the company acknowledging last year that it was unlikely that another Cambridge location would meet its needs. Necco reportedly had agreed to sell the building in the early 1990s for \$15 million, but that deal eventually fell through. Lyme Properties did not return phone calls to

discuss the Revere facility, but Necco is expected to eventually take all of the former warehouse, a single-story building that also has nearly 500,000 square feet available.



City of Cambridge

R-43.

IN CITY COUNCIL

May 7, 2001

COUNCILLOR SULLIVAN

WHEREAS: It has come to the attention of the City Council that New England Confectionary Company (NECCO) is relocating to Revere; and

WHEREAS: NECCO has been a pre-eminent Cambridge business for 75 years; and

WHEREAS: Most of us know someone who has worked at NECCO in Cambridge; all of know someone who has had a NECCO wafer if we have not had one ourselves - in short, NECCO is a part of our understanding of Cambridge; and

WHEREAS: An old city, like an experienced parent, wishes the best for the ones who stay and the ones who leave; now therefore be it

RESOLVED: That the City Council go on record expressing its appreciation and best wishes to New England Confectionary Company as it relocates from Cambridge to Revere; and be it further

RESOLVED: That the City Clerk be and hereby is requested to forward a suitably engrossed copy of this resolution to New England Confectionary Company on behalf of the entire City Council.

692R

Resolution #43

Appreciation and best wishes to
New England Confectionary
Company as it relocates from
Cambridge to Revere.

Councillor Sullivan

In City Council May 7, 2001

ORDER ADOPTED