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## LAW OF THE LAND

### FAST TRACK

# In Andover, a Welcome Mat for Biotech Growth

Platinum Rating from MassBio Reflects Lab-Friendly Environment

BY CHRISTOPHER R. VACCARO

SPECIAL TO BANKER & TRADESMAN



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The Massachusetts Biotechnology Council is a private nonprofit located near the Massachusetts Institute of Technology and Kendall Square in Cambridge. Its members include biomedical firms, academic hospitals and allied organizations, and its mission is the advancement of Massachusetts's leadership in the life sciences industry.

MassBio's 2022 snapshot summarizes the growth of that industry in Massachusetts. According to the report, life sciences employment in Massachusetts has grown by 131 percent since 2006, with 13 percent growth in 2021 alone. There are over 106,000 people employed in the Massachusetts biopharma industry, with average salaries above \$200,000 per year.

In 2021, venture capital firms invested \$13.7 billion in biopharma companies headquartered in Massachusetts, and the National Institute of Health invested another \$3.3 billion in Massachusetts. Massachusetts real estate used for life sciences in-



Pfizer broke ground on a 180,000-square-foot expansion of its Andover campus in 2017 after receiving a tax increment financing agreement from town officials.

creased from 18 million square feet in 2011 to 40 million in 2021, and it is expected to reach 56 million square feet this year.

### Communities Go Platinum

Much of the Massachusetts life sciences industry is situated in Middlesex and Suffolk Counties, mostly in Cambridge, Boston and Waltham, but MassBio also recognizes

several other "BioReady" communities that can accommodate life science developments. It awards bronze, silver, gold and platinum ratings to Massachusetts communities, based on their ability to offer favorable land use laws and necessary infrastructure to life science firms

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MassBio reserves its platinum rating for communities that are best prepared for life science developments. To earn a platinum rating, a community must either have a board of health that adopted NIH guidelines on rDNA activity, and permitted buildings with at least 20,000 square feet available for biotech uses, or have shovel-ready, pre-permitted land sites with municipal water and sewer capacity and completed reviews under the Massachusetts Environmental Protection Act.

MassBio has awarded platinum ratings to 37 communities – Andover, Bedford, Beverly, Billerica, Boston, Burlington, Cambridge, Canton, Chelmsford, Devens, Fitchburg, Framingham, Franklin, Gloucester, Grafton, Haverhill, Leominster, Lexington, Lowell, Lynn, Malden, Marlborough, New Bedford, Newton, North Andover, Norwood, Quincy, Revere, Shrewsbury, Somerville, Southfield, Springfield, Taunton, Waltham, Westborough, Woburn and Worcester.

### Expedited Permitting at the Interstate Crossroads

Andover is among several communities outside the Route 128 belt that have earned MassBio's platinum rating. Located at the intersection of two interstate highways, and hosting an attractive town center, dedicated open space, and two commuter rail stations, Andover is a desirable place to live and work. Its zoning bylaw establishes expansive industrial zones along Interstate 93, where research laboratories and manufacturing facilities for pharmaceuticals, biologics, and medical devices are specifically al-

lowed as of right. The town offers an expedited permitting process for specified priority development sites under Massachusetts General Laws Chapter 43D, which guarantees local permitting decisions within 180 days.

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Andover already has about 2 million square feet of building space devoted to life sciences, of which Pfizer Pharmaceuticals occupies over 1 million square feet. Other life science firms such as Draeger Medical Systems, Smith & Nephew and Straumann USA have significant presences in Andover. The town has an additional 500,000 square feet of new life science space in its pipeline. This includes 100,000 square feet of new construction at 4 Corporate Drive, which IQHQ purchased in 2020. That property is leased to University of Massachusetts-Lowell and Ora Inc.

Andover is willing to consider tax increment financing to encourage life science developments. In 2017, Pfizer used a TIF to

expand its Andover campus by 180,000 square feet. Under the five-year TIF, the town agreed to 100 percent real estate tax relief on Pfizer's expansion for three years, plus 65 percent relief in years four and five, capped at \$2.9 million total tax relief. Andover expects to realize a \$3.8 million TIF benefit over 10 years from the expansion. Pfizer's expansion not only benefits people locally. Its Andover campus is instrumental in manufacturing the COVID-19 vaccine, which benefits people worldwide.

Paul Materazzo, Andover's director of planning and land use, points out that Andover encourages employee amenities such as restaurants and daycare facilities near life science firms.

"It has been a remarkable ride witnessing Andover's transformation into a life science cluster," Materazzo said. "The hard work put in by Andover's boards and committees over the years has distinguished Andover as a life science leader in the commonwealth. As we continue to welcome new life science companies seeking space near Cambridge and Boston, Andover has become an attractive alternative, based upon our understanding of their needs, location, and available incentives."

Andover has available sites with excellent infrastructure, an accommodating regulatory environment, and a willingness to provide tax incentives. Its welcome mat is out for more life science developments. ◀

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