

North Adams, MA. Developer Announces Another Wal-Mart Superstore Plan

Contributed by Al Morman
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Louis J. Ceruzzi likes making money selling land for Wal-Mart supercenters. For more than three years, the developer from Connecticut has been trying to win approval for a 160,000 s.f. big box store in Greenfield, Massachusetts that he refuses to identify. Opponents of the Greenfield project have said since the beginning that the big box store is Wal-Mart, but Ceruzzi Properties of Fairfield, Connecticut insists that a tenant for the project is still not selected since he began marketing the project in 2007.

This is the second time around for Wal-Mart in Greenfield. In 1993 the giant retailer lost a well-publicized battle in this community of 17,000 people when voters overturned a vote of their city council to change industrial zoning to commercial. The original parcel reverted back to industrial, but was later sold by the Mackin Construction company to a Native American group. The same landowner, Mackin Construction, now has a buy/sell agreement with Ceruzzi for land just across Route 2A corridor from the original disputed site. Only this time around, Wal-Mart is leaving no fingerprints. The world's largest retailer is trying to hide behind the developer, but the company is finding that there's nowhere to hide. This week, the same development company, owned by Louis Ceruzzi, submitted plans for a 160,000 s.f. Wal-Mart supercenter 25 miles west along Route 2 in the town of North Adams in Berkshire County. In another parallel, the site in North Adams is located in an old gravel pit--just like the Mackin gravel pit in Greenfield. Like the Greenfield site, which abuts the White Ash Swamp, the North Adams parcel abuts nearly 13 acres of wetlands. There already is a 97,000 s.f. Wal-Mart discount store in North Adams, which will be closed down and sold by Wal-Mart realty. The existing store is located on Curran Highway, the same road on which the larger supercenter would be located. North Adams is located 15 miles from an existing Wal-Mart store in Bennington, Vermont, which the company also is trying to expand, and 17 miles from another Wal-Mart discount store in Pittsfield, Massachusetts. The Bennington, Vt. Banner newspaper describes Ceruzzi as "one of the largest developers of malls and retail stores in the country." In the North Adams case, the land was once owned by the Della Concrete company. The project will take its first hearing on December 14th before the city's Planning Board. North Adams is actually smaller than Greenfield, with a population under 14,000 people. The North Adams superstore will include an outdoor garden center, and a grocery store, in addition to the discount business already located in the current Wal-Mart. A spokesman said that the expanded facility will bring 85 full and part time jobs to North Adams--not counting the grocery store jobs that will be lost at other merchants in the trade area. Wal-Mart told The Banner that the company would not let the existing store on Curran Highway sit vacant. "Wal-Mart has a real estate division dedicated to finding uses for vacant stores," the spokesman told The Banner. But the retailer currently has 2 "dark stores" for sale in Massachusetts, in Plymouth and Natick. These two properties have been on the market each for several years. What you can do: North Adams Mayor John Barrett III, and incoming Mayor Mayor-elect Richard J. Alcombright have both expressed support for the Wal-Mart supercenter project. Ceruzzi, chief executive of Ceruzzi Properties, a Connecticut real-estate developer, also is president of Starwood Ceruzzi, a real-estate holding company affiliated with Starwood Capital Group. Founded in 1998, Ceruzzi Properties rapidly became a leading developer of "big-box" retail "power centers" throughout the northeastern United States. Mayor Barrett has some history with Mr. Ceruzzi. Several years ago Mayor Barrett closed down two buildings, a restaurant and a movie theater in North Adams, owned by Starwood Ceruzzi, citing "rusted doors, exposed electrical wires and walls covered with mold" that he called "absolutely deplorable" violations of health and building codes. Barrett described Starwood Ceruzzi LLC of Fairfield, Conn., as a "slum landlord, nothing better." The retail development company purchased a 92,000-square-foot building in May 2004 for \$2.5 million. "We've been very patient with this," Barrett said at a press conference. "We just could not allow it to continue. ... We're not going to put up with it." Barrett apparently is willing to put up with this new Ceruzzi proposal because the Mayor believes the project "would help usher in a proposed Lowe's home improvement store at Ceruzzi's other property, the former North Adams Plaza, which is farther south on Curran Highway," according to the Banner. Not surprisingly, an anti Wal-Mart group with more than 200 local residents has started, charging that the Wal-Mart plan "has the potential to not only drive existing small businesses, like Big Y and Mister Tire, out of business, but to ensure that starting a small retail business is a virtual impossibility." The group adds, "In addition, big-box stores have driven retail further and further from our downtown area, first with Kmart, then Wal-Mart and now with the Wal-Mart Supercenter, even further from downtown. If we want a vibrant downtown that will serve existing residents and attract new residents and small businesses, we should not allow the Wal-Mart Supercenter project to go forward." In October of 2006, the former K-Mart building, which was killed off by Wal-Mart, located in the center of downtown reopened with two new retail stores, Peebles and Staples. This project and local grocery stores in North Adams will all suffer with the arrival of a larger Wal-Mart. Ceruzzi has invested nearly \$5.4 million for its two Curran Highway projects--the Wal-Mart and the Lowe's sites. Ceruzzi bought an 8 acre gravel bank from the city two years ago, and bought another 50 acres abutting the gravel pit. Developers often buy up land around a project so that they become their own abutters. Readers are urged to email the new Mayor-Elect of North Adams, Mayor Richard Alcombright at mayors_office@northadams-ma.gov with the following message: "Dear Mayor Alcombright, Just what North Adams needs: a bigger Wal-Mart with another grocery store in it! Go talk to the managers at Big Y, Stop & Shop and Price Chopper about how many grocery stores your little city can absorb. This is not economic development. If Peebles goes under, how does that help your downtown? North Adams is drifting without a plan. All you are doing is shifting market share. This is the same developer that Mayor Barrett once described as a "slum landlord." You don't keep the sales tax

generated by this project. You displace current jobs, and you continue developing suburban sprawl projects in an urban area. This project makes no sense from an economic, environmental, or quality of life perspective. One Wal-Mart is one more than enough for North Adams. And if you think the 'old' Wal-Mart is going to be easy to fill, call up city officials in Plymouth and Natick and ask them how they feel about the marketability of empty Wal-Marts in their community. You should require Ceruzzi to put up a demolition bond to pay for the razing of the existing Wal-Mart if it sits empty for longer than 12 months. North Adams doesn't need more 'ghost boxes.'