

Comune di Cerro Maggiore
Provincia di Milano

Cerro Maggiore Business Park

Pre-Feasibility Study

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Introduction

The township of Cerro Maggiore has approved a General Revision of the Town Plan which includes the identification of a significant area (375,000 sq. Meters, located at the Northern boundary of the territory) as a possible location for a Business Park and Convention Facility.

The area is bordered on the Southwestern side by the A8 Highway, to the North and North-East by the A8 Highway Exchange and by State Road 537, and to the East by a planned road. The site is bisected by an existing road, maximizing accessibility.

The area was chosen on the basis of the following considerations :

- ◆ The highway exchange bordering the area is almost exactly midway between the International Milan Airport (Malpensa) and the Milan Trade Fair. Both the airport and the trade fair generate a major amount of business traffic year-round, and there is proven demand for suitable facilities to accommodate travelers and business people.
 - ◆ No existing facility in Northern Italy may be compared to the proposed area, either in terms of accessibility and visibility or in terms of business and services integration. In particular, a number of studies have recognized and documented the significant lack of essential services required by the economical ambience of Northern Lombardy. The proposed Business Park would therefore have no major competitor.
 - ◆ The area is completely separated from urban texture, and borders existing industrial and commercial areas. At present , it is exploited for agricultural purposes (corn mono-culture). This intensive farming is not beneficial, resulting in a depauperation of the soils. There are other existing circumstances (e.g., the existing O/H transmission line) which badly affect environment, and could be overcome and improved by the implementation of the proposed Business Park. It is expected that the proposed development should have zero impact on environment : final design will be assessed and certified in terms of environmental impact by an independent, internationally- recognized agency.
 - ◆ Cerro Maggiore, as well as the general area to the North of Milan, has been badly affected by phenomena of de-industrialisation. This situation is fully recognised by the EEC, which allocated funds for the economic rehabilitation of the area bordering the Sempione State Road. Cerro Maggiore is included in this area, and funding might be obtained to offset a portion of infrastructures costs.
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Scopes and Characteristics of the Business Park

The Cerro Maggiore Business Park, in order to contribute positively to the economic rehabilitation of the area, is planned to become a highly-integrated and quality-oriented facility, which will be easily identifiable from the highway, and likely to turn into a significant landmark.

The preliminary design has therefore been oriented toward the configuration of significant features which would strengthen the unification of the business park concept : the critical unifying elements have been identified in a single landscape entrance, and in the development of the buildings along a single major boulevard.

A substantial improvement of the environment has also been considered elemental to the success of the development : significant portions of the area will be landscaped, and made available to the public and all the land bordering the highway will be completely re-forested.

It is assumed that the Business Park will naturally tie in with both Malpensa Airport and the Milan Trade Fair. Economic activities to be incorporated in the area should recognise this attraction. It is expected that three core businesses will be included :

1. **Business accommodations** : it is the largest single business in the park and is tentatively planned to include two 4-stars hotels (200 rooms each) plus a residence facility for long-term customers, or for airlines personnel. This outline is completed by a convention center, and by a significant floor space area to be allocated for offices. It is assumed that the hotel complex will be the major identifying feature as seen from the highway.
2. **Fun and leisure** : Recreational offerings, restaurants and entertainment facilities will cater to the needs of the people accommodated in the hotels, but will also capitalize on an attraction to the business area stretching from Milan to the Swiss border. It is assumed that this facility will be accessible to over 3 million people residing in Milan city and its surrounding communities. An additional bonus is represented by the fact that the "fun-and-leisure" activities will extend the daily period of utilization of the infrastructures.
3. **Production / Trade Fair / Commercial** : about one third of the available floor space has been allocated to these purposes. A final selection will be possible only after a dedicated, professional area marketing study. It is however recognised that there is a growing demand for productive areas with high visibility, and located in a quality ambience. Tentatively, the area should be attractive for international high-tech firms, for very specialised trade fairs, or as a center for the pret-a-porter industry. The ease of access and the high-quality design make it an ideal facility for a wide spectrum of activities and events.

Additionally, the designer has been requested to allocate a portion of the area (34,000 sq. meters) for an education and instruction center. The activities in this area will be synergistic with the economic activities of the Business Park : precedence will be given to a highly reputable language school, and to trade schools for hotel personnel. The activities are expected to be implemented as a private facility, with the participation of the Cerro Maggiore township and of economic operators active in the Business Park. It is also worth pursuing potential agreements with private Universities in the area (preliminary discussions have been initiated). The education and instruction center will be completed by a sports facility, a large portion of which will be also accessible to the public.

The single most important limitation to be imposed on the final design will consist in the requirement that all the three main business lines identified hereinabove be represented in the Business Park, to guarantee the implementation of an integrated facility. Presumptive percentages have been allocated to each single business ; they have to be considered as indicative only, and will be subject to revision and rearrangement, in accordance with the actual market demands.

Another interesting possibility points out to a synergy with existing farm buildings (to be completely renovated, and in any case currently not included in the development area) : it is expected that these farm buildings could be integrated with both the accommodation facilities and the instruction center.

The following links are available on Internet :

- <http://web.tiscali.it/forter/cerrom/polo-sf01.zip> : area map, showing existing buildings and interconnections to the A8 Highway and to the State Road 537 (tif format, A3 size)
- <http://web.tiscali.it/forter/cerrom/polo-c2.zip> : C2 Solution Preliminary Layout. C2 rates to be the best solution according to preliminary design evaluation grid (tif format, A3 size)
- <http://web.tiscali.it/forter/cerrom/schemi-polo.zip> : schematic plans of 9 possible solutions, which have been considered during the preliminary design and rated in terms of environmental impact, accessibility and business integration (Word format, A4 size)

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Design Parameters of the Business Park

According to the licensed Town Plan, the Business Park design will have to respect the following basic parameters :

- ◆ Land area : 375,000 square meters
- ◆ Agricultural area (including the wooded areas) : 112,500 square meters
- ◆ Effective building areas : 112,500 square meters
- ◆ Net floor surface : 66,000 square meters
- ◆ Maximum covered surface : 45,000 square meters
- ◆ Maximum building height : 15.50 meters

The Town Plan defines the Business Park as “productive, multifunctions area” and specifies that the final design of the proposed development will be subject to approval by the Town Municipality.

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Preliminary Cost Evaluation

Building costs	75,000,000 Euro
Infrastructure costs	16,000,000 Euro
Land Cost	14,000,000 Euro
Project Development Costs	12,000,000 Euro
Interests during Construction	9,000,000 Euro
Allowances	5,000,000 Euro

Notes :

1. The cost evaluation is based on a parametric estimation, originating from Milan Chamber of Commerce Publications
2. The costs are exclusive of margins
3. No allowance has been made for possible financing incentives
4. The infrastructure costs include the removal and replacement of the O/H High Voltage Transmission Line and Substation, and the building costs for the education and Instruction center, in addition to the conventional infrastructure costs, such as sewage, roads and facility infrastructure
5. Project Development Costs include design costs