

**TOWN COUNCIL MINUTES  
BUDGET/MANAGEMENT COMMITTEE  
Town Hall Council Chambers  
February 4, 2019, Monday**

Present: Michael Molisse, Chairman  
Jane Hackett, Vice Chairman  
Christopher Heffernan, Councilor  
Maureen Kiely, Councilor

Absent: Brian McDonald, Councilor

Also Present: Ted Langill, Chief of Staff  
Brian Connolly, Chief Financial Officer  
Joseph Callanan, Town Solicitor  
Robert Luongo, Director of Planning  
Eric Schneider, Principal Planner  
Christine Howe, Program Manager-Grants & Procurement

Recording Secretary: Mary Barker

Chairman Molisse called the meeting to order at 6:04 PM.

**19 004-Appointment to the Cultural Council-Catherine Bevans**

This matter was referred to the Budget/Management Committee on January 22, 2019. Ms. Bevans was invited to the table to review her qualifications and interest in the appointment.

A motion was made by Vice Chair Hackett to forward measure 19 004 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Heffernan. UNANIMOUSLY VOTED.

**19 005-Appointment to the Commission on Disabilities-Ronald Rizzo**

This matter was referred to the Budget/Management Committee on January 22, 2019. The chair reported that Mr. Rizzo is out of the country, but that his qualifications were well known based on his previous committee service.

A motion was made by Councilor Kiely to forward measure 19 005 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Heffernan. UNANIMOUSLY VOTED.

**19 006-Appointment to the Community Events Committee-Casey Tocchio**

This matter was referred to the Budget/Management Committee on January 22, 2019. Ms. Tocchio was invited to the table to review her interest and qualifications.

A motion was made by Vice Chair Hackett to forward measure 19 006 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Heffernan. UNANIMOUSLY VOTED.

### **19 007-Reserve Fund Transfer-Unpaid Bills**

This matter was referred to the Budget/Management Committee on January 22, 2019. Brian Connolly presented the measure. He reported that Auditor Swanson reviewed and confirmed the bills.

A motion was made by Vice Chair Hackett to forward measure 19 007 to the full Town Council with a recommendation for favorable action and was seconded by Councilor Heffernan. UNANIMOUSLY VOTED.

### **19 012-GND Realty Trust Agreement**

This matter was referred to the Budget/Management Committee on January 22, 2019. Director Luongo presented the measure. The Powerpoint was provided by Mr. Dann, Project Manager for EMJ Construction to answer questions on the development. If the project is to move forward, it needs a TIF approved by February 19<sup>th</sup>, followed by submittal to the state by February 20<sup>th</sup> for final approval. The Economic Commission meets only once per quarter. If it isn't approved now, it would wait to June. Mr. Delegas will not go forward without support and he can't do without a TIF. It also requires special permitting and is on BZA's agenda in February. Eric Schneider and Christine Howe presented the PowerPoint.

### **Tax Increment Financing Agreement between Town of Weymouth and GND Realty Trust**

#### **- Site Timeline**

- 1999 - GND Realty Trust acquires the site
- 2005- 14,000 square foot Walgreens proposed for site but abandoned after heavy neighborhood and political opposition
- 2010- Town adopts Village Center Overlay District
- 2014- GND proposes 54 unit mixed-use building; withdrawn after opposition from town officials and residents- raise parking issues
- 2015- Town of Braintree approves Landing 53 (mixed use project with 172 residential units and 11,000 square feet of commercial space); Approval comes with \$1.6M tax relief
- 2016-
  - GND negotiates purchase of additional land from Archdiocese of Boston for \$850,000
  - Weymouth applies for state MassWorks Grant to fund design and construction of Smelt Brook daylighting. Town is advised that at least 87 new units would be needed to justify grant consideration
  - Town awarded \$1.6M MassWorks Grant Phase 1 Smelt Brook Daylighting project in November.

- 2017-
  - GND submits new proposal with 87 units, retail, and additional parking. Proposal receives local approvals from Weymouth Conservation, Braintree Conservation and Weymouth BZA.
  - Through Army Corps permitting process, GND discovers that building their foundation over the ACOE pipe will add approximately \$1 million to the project.
- 2018- GND approaches the town to discuss potential incentives to make project viable and to allow progress on daylighting project
- Importance of site
  - Highly visible gateway into Weymouth
  - Vacant and blighted site is a detriment to future economic growth in the area
  - Collaboration with GND needed to secure easements to allow town to fulfill Greenbush mitigation obligations
  - MassWorks Grant totaling \$2.2M are predicated on significant private sector investment. Losing the 87-unit project jeopardizes the grant.
- Site complications
  - Site multi-jurisdictional requiring permitting from both Weymouth and Braintree
  - 96” Army Corps pipe and easement traverse the site requiring additional federal permitting
  - Proximity to Smelt Brook triggers extensive environmental permitting from local, state and federal agencies
  - Costly acquisition of Archdiocese property was required to make expanded project feasible
  - Construction season limited due to work stoppages while smelt are active
  - Construction techniques required add expense compared to similar projects
- Agreement components
  - Tax on commercial portion of project waived for a period of 10 years
  - Building permit fees paid in full after 5 years
  - Water and sewer fees deferred for 12 years and then paid in full over next 5 years at 0% interest
- Local TIF Agreement Details
  - Over the past ten years these properties have generated a total of \$230K in tax revenue. In FY19 the total was less than \$7K
  - Commercial taxes to be waived for a period of ten years with a total estimated benefit to GND of \$533,000
  - Residential taxes will be paid as normal with an estimated increase in revenue to the Town of \$2.1 million over the ten year period.
- Summary
  - Decades of delays and complications have left a major gateway to Weymouth vacant and blighted

- GND Realty has worked with the Town to secure grant funding and fulfill mitigation obligations
- Overall, the completion of the project will revitalize the landing and the Town will receive net revenue during the lifespan of the TIF

Councilor Hackett asked if there are any performance requirements that the town can monitor? Ms. Howe responded that ultimately the Council signs off. Mr. Schneider noted that the benefit in commercial tax forgiveness does not go in the pocket of developer but gets passed on to the commercial tenants. It provides an attractive entry to commercial tenants. Retail is more viable. In the Landing, past retail was completed as an afterthought. This will have high visibility, and tax incentives will help the owner attract solid tenants.

Mr. Luongo noted that this differs from some TIF's in that some jobs will be created in the construction but not in the creation of permanent jobs. This is a local TIF that requires state approval. It will be driven by economic development opportunities in the Landing. What is Weymouth getting out of the deal? Daylighting money. They are leveraging private money for public money, and getting a permanent easement so they can fulfill the obligation with the Greenbush mitigation to complete daylighting. They will also get growth in the Landing. The TIF goes with the project. If Mr. Delegas sells the project, the water, sewer and permitting fees become due and payable upon the sale. Timing is an issue.

Councilor Kiely asked what is the value of water & sewer? \$270K is due in full in 5 years. \$264K due after 12 years and is separate from the tax agreement.

Ed Dann, Project Manager for EMJ, noted that the market makes this not viable. The owner is invested in the community. It's a great project but without the incentive, he will not be able to move it forward.

Vice Chair Hackett asked to walk through the Town Council expectation timeline. Mr. Luongo responded that the application must be submitted to the state by February 20<sup>th</sup> in order to get on the Coordinator's agenda in March. The intent is to break ground in June with everything in place. Chair Molisse asked about parking. Mr. Luongo responded that there could be cooperative parking; he can't make the representation that public parking spaces will be available. The Town of Braintree sold the municipal parking lot and 35 spots were to be set aside, but it does not appear to be working. Weymouth will keep its municipal parking. They are working on additional parking strategies to increase parking in the Landing. This is a different tax structure deal than Braintree. The important part is that the savings does not go into the owner's pockets. Councilor Kiely asked for another review of the financial details.

Vice Chair Hackett noted she is exceptionally frustrated that the town has been looking at this project for 18 years, and now they are being told they have two weeks to make a decision or they will have to look at it forever. She noted she admired the Mayor's

approach. Chair Molisse agreed with her, and said he appreciated it being brought forward but it is a lot of information to absorb.

Mr. Dann responded that if it goes to June, then it pushes off the construction to the following spring and the market then becomes the challenge.

Chair Molisse noted the measure will have to go to the Economic Development Committee for further deliberation. He asked if the TIF follows the property if this project doesn't go through. Mr. Luongo responded that if the construction is not started by April, 2020 then this TIF goes away. Vice Chair Hackett responded that she would like to see a firm commitment on the parking. She asked if the measure requires a public hearing. It does not. She also noted the Mayor's presence and asked if he is in full support. He responded in the affirmative.

A motion was made by Vice Chairman Hackett to forward measure 19 012 to the Economic Development Committee with no recommendation and was seconded by Councilor Kiely. UNANIMOUSLY VOTED.

#### ADJOURNMENT

At 7:06 PM, there being no further business, a MOTION was made by Councilor Hackett to adjourn and was seconded by Councilor Heffernan. UNANIMOUSLY VOTED.

Respectfully Submitted by Mary Barker as Recording Secretary.

Approved by Michael Molisse as Budget/Management Committee Chairman  
Voted unanimously on 19 February 2019