

SSTDC Advisory Board Meeting  
April 8, 2009 @ 7:00pm  
Conference Room, Corporation Office

Members present: Joseph Shea, Chairman, Abington  
Laurie Delano, Weymouth  
Sue Abbott, Weymouth  
Stan Littlefield, OCPC  
Martin Pillsbury, MAPC  
Kevin White, S. S. Chamber  
Eugene Blanchard, R. E. Development  
Bruce Hughes, Alternate OCPC

Members absent: Robert Long, Rockland  
William Koplovsky, Hingham

Also present: Kevin R. Donovan, Chief Executive Officer  
Patricia Petrillo, Controller  
Eric Kfoury, Consultant  
Bill Ryan, LNR

The Chairman called the meeting to order at 7:05pm and introduced Kevin Donovan, Chief Executive Officer.

#### Chief Executive Officer Update

Mr. Donovan updated the Board on Budget, Tax Plan, Economic Development Conveyance (EDC) and the East/West Parkway. Discussion ensued on the FY09 Budget and the work with DOR to certify land values and set the tax rate. A Classification Hearing was tentatively scheduled for April 27<sup>th</sup>, with tax bill issuance on May 1<sup>st</sup> and taxes due by June 1<sup>st</sup>. Estimated tax revenue (\$750K) for FY09 should result in \$110,000 of free cash to carry over to FY10. Mr. Donovan noted that Legislation had identified the redevelopment of SWNAS as a Smart Growth District, making SSTDC eligible for incentive payments (estimated at \$600K) from the housing allotment fund. The FY10 budget was still a work in progress.

The Board was informed that the original DDA called for LNR to make Developer Contributions until Dec. 31, 2008, the expected date of the EDC transfer that did not happen. Negotiations continue with LNR to amend the DDA. In the meantime, SSTDC was working with DOR to set the tax rate and the levy limit for bond market purposes. Discussion ensued on the federal TARP program allowing credit enhancements that could get SSTDC into a more favorable position on the bond market with a wider distribution, and with the land used as collateral. Mr. Donovan noted excellent support from the Congressional Delegation and hoped to soon resolve EDC issues. Negotiations continue with Navy.

Mr. Donovan noted that Congress required the East/West Parkway project to be included in the Transportation Improvement Program (TIP) in order to access stimulus funds. Currently only the MBTA and Rte 18 improvements were included in the TIP. It was noted that the Parkway Bids were back, SSTDC was ready to award the design/build contract to Barletta/VHB pending available funds, and that MassHighway would review the designs to make sure their standards were met. Tri-Town would oversee the build. Mr. Ryan noted the Parkway project was already certified as shovel ready, but must be included in the amended TIP due out in August. Right of Way access across Navy property was also

needed. Navy indicated a willingness to allow an easement on the parkway footprint across their property.

Mr. Ryan commented on recent news articles, noting that LNR had covered all Phase 1A infrastructure expenses on FOST 1 & 2 land through equity. SSTDC must obtain bond financing for Phase 1B. He indicated that the journalists failed to report that very productive meetings were ongoing between LNR and SSTDC to keep the project moving forward, and also stated if the Corporation could not get bond financing, then only FOST 1 & 2 would be developed at this time. LNR was confident that the full buildout vision was still valid and that a master plan community south of Boston was still very attractive.

All agreed that the Advisory Board, the Host Communities and the regional Planning Councils should ask State and Federal delegations to provide assistance to the largest active economic development project in Boston to gain access to financial resources in order to maintain a long term sustainable development. They also agreed that the project had the ability to create several thousand jobs in a short period of time.

It was suggested that requesting a meeting with the State and Federal decision makers and sending two or three representatives from the Advisory Board (and Host Communities and Planning Councils) might be more effective.

**VOTED: Motion of Martin Pillsbury, seconded by Bruce Hughes, to authorize the Chairman to work with the Chief Executive Officer to draft a letter of support for the project and request assistance to the Corporation in their mission to secure bond financing**  
**Unanimous vote**

Mr. Ryan noted there were indications that President Obama's Administration may revisit the No-Cost EDC, which could result in a \$10M savings on the land transfer, and that U.S. Senator Snow (Maine) intended to file a bill to return to a No-Cost EDC. Mr. Donovan reported that he received a call from a representative of the Mayor of San Francisco looking for sponsors to combine the Bases closed, but not transferred, under the original BRAC (1995) to help make the No-Cost EDC bill stronger. It was not known how long the approval process would take, if there was enough bipartisan support in the New England Region it would have a better chance.

Mr. Donovan noted that a Cost EDC was still being discussed with Navy, and that the Corporation was still planning strategy for bond financing. Discussion ensued on the Corporation's viable debt load based on FOST 1 & 2 and the cleanup process on remaining land if transferred under a No Cost EDC. It was noted that the original purpose of BRAC was to realize potential equity value, clean up the mess, get the land into active development and create jobs.

Mr. Ryan apologized that the Advisory Board's November tour was cancelled, stated he would get it worked out this spring and then proceeded to outline the development activity to date. He noted that Phase 1A infrastructure was all done and the north/south runway was prepared for residential parcels. Mr. Ryan stated Phase 1A land absorption would drive the pace for Phase 1B infrastructure development. LNR anticipated closing a land deal with the movie studio in mid-summer and had a tentative purchase & sale agreement with an assisted living facility community (contingent upon parkway construction).

Mr. Ryan informed Board members that funds in Host Community Agreements were linked to the final EDC transfer and that it would not be economically possible to release those funds until that closing

occurred. He stated that LNR was very clear explaining the triggers in the agreement at the time of signing with each Town.

Further discussion ensued on the onsite wastewater system supported by MAPC as a real smart growth project, and the cost factors versus the number of projected users to support the system. Mr. Donovan stated he would meet with Mayor Kay later in the week to discuss water capacity and wastewater options.

Board members considered another meeting to discuss the Budgets for FY09 and FY10, the tax rate certification and the status of water/wastewater issues, and to take a tour of Phase 1A development (tentatively June 13, 2009 @ 10am).

Minutes

**VOTED: Motion of Gene Blanchard, seconded by Bruce Hughes, to accept the minutes of Nov. 5, 2008. Unanimous vote**

By-Laws

Mr. Blanchard updated the Advisory Board By-Laws to include a determination of compensation for the Board of Directors in Article I, Section 5. An amendment was also made, striking a sentence, from Article III, Section 5, Action at Meetings.

**VOTED: Motion of Martin Pillsbury, seconded by Gene Blanchard, to approve the By-Laws to the SSTTDC Advisory Board as amended Unanimous vote**

**VOTED: Motion of Sue Abbott, seconded by Martin Pillsbury, to adjourn the meeting Unanimous vote**

The meeting ended 8:50pm

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Mary Cordeiro, Recording Secretary

Joseph D. Shea, Chairman