

Board of Directors Meeting
Conservation Commission Meeting
Classification Hearing
Joint Meeting with Advisory Board
March 8, 2010 @ 6:30pm
Conference Room, Corporation Office

Present: Jeffrey Wall, Chairman
James W. Lavin
John Ward
Gerard Eramo
Joseph Connolly

Also Present: Kevin R. Donovan, Chief Executive Officer
James Young, Project Manager
Patricia Petrillo, Controller
Beth Mitchell, Legal Counsel
Bill Ryan, LNR

Advisory Board: Joseph Shea
Robert Long
Bruce Hughes
Martin Pillsbury
Kevin White
Eugene Blanchard

The Chairman called the meeting to order at 6:35pm

SSTDC Conservation Commission

VOTED: Motion of Joseph Connolly, seconded by James Lavin, to open the Conservation Commission meeting

Unanimous vote

The Project Manager noted that the Phase 1A infrastructure project was substantially complete about 18 months ago. The Regulations required a two year guarantee on plantings, and we want to be sure that the replacement plantings in 2009 survive and thrive this year. In addition LNR still needs to complete projects involving removal of invasive species. LNR requested a 12 month extension to complete the work required in the Order.

VOTED: Motion of Gerard Eramo, seconded by James Lavin, to approve an extension of the Order of Conditions for Phase 1A Access Roadway and Infrastructure at SouthField (DEP File #SE 081-1005) for a period of one year to, and including, March 12, 2011

Unanimous vote

VOTED: Motion of James Lavin, seconded by John Ward, to adjourn the Conservation Commission meeting

Unanimous vote

Use Classification Hearing of Property for Tax Purposes

The Public Hearing convened at 6:42pm. The Chief Executive Officer read the public notice into the record:

Pursuant to the provisions of MGL Chapter 40, Section 56, the Board of Directors of the South Shore Tri-Town Development Corporation will hold its annual public hearing on the classification of property for tax purposes. The Corporation shall first determine the percentages of the local tax levy to be borne by each class of real property and personal property for fiscal year 2010. During the hearing, the Assessors shall provide all information relevant to making such determination and the fiscal effect of the available alternatives. Based on information provided the Board of Directors shall adopt a residential factor to be used by the Board of Assessors to determine the percentages of the Fiscal Year 2010 local tax levy to be borne by each class of real and personal property. Said hearing will be held on Monday, March 8, 2010 at 6:35pm at the Corporation office, 223 Shea Memorial Drive, So Wey. MA.

The Board of Assessors voted 2-1 to recommend a split rate with a factor of 1.10 or 10% shift for FY10, the rationale being it was best suited for marketing. Mr. Donovan noted it cleaned up taxation factors for FY10. The Directors considered the recommendation of the Assessors, based on the FY10 Budget with a residential tax rate of \$11.81 and commercial rate of \$17.17 per \$1,000. The Assessors were ready to submit the Recap Sheet and would be ready to send out FY10 Tax Bills pending DOR approval.

Mr. Connolly was informed that the vote was not unanimous because one Assessor felt it crucial to encourage commercial development via a single tax rate and create much needed jobs.

Mr. Lavin was informed the split rate was proposed because of the reality of the market.

Mr. Ryan stated it was important to stay within the tax umbrella of the surrounding Host Communities, the residential market place. The Commercial market place, Quincy and the 128 Beltway, had a higher tax burden. The goal was to position this site with a tax burden respective of the areas of competition. Shifting the tax rate keeps the project within both the commercial and residential markets. If not split it would price residential out of the market place.

Mr. Hughes, Abington, noted that Plymouth and Lakeville had a single tax rate for industrial parks with similar land area (2M S/F) and highway access, and noted other towns not that far away from Weymouth had single tax rates as well. Only Brockton and Avon had dual tax rates.

Mr. Connolly respectfully disagreed that Lakeville and Plymouth were representative of a commercial area in competition with Weymouth.

Mr. Lavin noted that the split rate would be for FY10 and would be reconsidered annually.

Mr. Galluzzo, Weymouth, was informed that 2 million square feet of development (building footprint) could cover 30 to 50 acres but would be less if much of the square footage was captured in multi-story buildings.

VOTED: Motion of John Ward, seconded by Joseph Connolly to close the hearing

Unanimous vote

The Hearing closed at 6:50pm

VOTED: Motion of John Ward, seconded by Joseph Connolly to approve a split rate and a factor of 1.10, and to authorize the Assessors to compile and submit the Recap Sheet to the Dept. of Revenue

Unanimous vote

The Chairman thanked the Assessors for their input.

Joint Meeting with the Advisory Board

The Chairman thanked the Advisory Board for agreeing to a joint meeting, noted that the Corporation went through a difficult time through the summer of 09 and that things had transpired in the past 8 months that should get the project started once and for all.

The Chief Executive Officer had been keeping the Advisory Board informed via emails over the past several months and noted the following updates:

DOR approved the Corporation as a municipal entity, the FY09 and FY10 budget deficits were cleaned up and the Board anticipated FY10 tax approval within the week.

A Draft FY11 Budget was provided to the Advisory Board for review. The Directors would consider approval of this Budget at a subsequent meeting prior to July 1st. FY11 Tax Bills will be ready to send and a full property revaluation will take place during the fiscal year.

State Parkway funding mechanisms (\$30M) were in place. Agreements were reached between the Corporation and the Executive Office of Administration and Finance and with the State Department of Transportation. Federal Highway funds (\$15M) require procurement and re-bid for a portion of the Parkway. Mass DOT would oversee the entire process and both contracts would be likely awarded simultaneously. Mr. Donovan noted Governor Patrick and Congressman Delahunt had been very instrumental in negotiations with Navy in terms of gaining permissions to traverse federal property for Parkway construction until such time as the final transfer takes place.

Congressman Delahunt also sponsored a No Cost EDC Bill for the remaining NAVY land. Final legislation gave the Secretary of the Navy discretion to assign a no cost or low cost value to the project. The Navy was going through an appraisal process on the remaining land. A final transfer was hopeful in the near future.

Mr. Connolly departed the meeting at 7:11pm.

Discussions continued with the Advisory Board. Mr. Ryan noted there were letters of interest LNR received for developing residential products totaling about 600 units, and that the Parkway was as critical to the Commercial Campus as was the railway. Discussions continue between LNR and the ISG movie studios.

Mr. Ryan also noted that LNR was fully committed to the SouthField project, and that the commercial industry, including LNR, had gone through horrid economics. Going into the crisis, LNR used cash, waiting for the market to recover, resulting in a decrease in liquidity that negatively affected their bond rating. LNR continues to make strategic investments into the SouthField project.

The Advisory Board noted some local examples of mega commercial development that had shut down.

Mr. Ryan noted SouthField was still standing because of its location within the 15 mile collar around Boston. Residential construction may commence in the fall. The train station was a huge draw to many developers. The Phase 1A area was all ready for residential development and commercial pads were ready as well. All agreed the job creation would give the project credibility and improve the economy in the Host Communities and the region.

Mr. Ryan noted that LNR spent \$40M on infrastructure thus resulting in 900-1200 jobs. It would be nice to get those people back to work on the Parkway and other vertical opportunities that follow.

The Advisory Board adjourned their meeting.

Minutes

**VOTED: Motion of James Lavin, seconded by John Ward, to approve the minutes of the Directors February 22, 2010 meeting
Unanimous 4-0-0 vote**

Ratification of Finance Documents for the East/ West Parkway

The Executive Office of Administration and Finance and the Department of Transportation authorized the execution of the Agreements to finance and implement the E/W Parkway project. The CEO requested that the Board restate their vote.

Discussion ensued on the 25% contingency cushion and assessment formula of \$6.50 per 1,000 (worst case scenario modeling). Mr. Lavin requested an executive summary of the important items in both contracts, to be provided at the next meeting.

Mr. Ward thanked Mr. Donovan for the great job navigating through and finalizing all the complicated documents related to the project.

Mr. Wall noted the 25% contingency and the \$6.50 assessment formula got the deal done for now and would be reviewed in the future as development moved forward

Mr. Lavin noted that the agreement was negotiated in good faith and that the CEO brought it as far as it could have gone. Tough decisions were made by the CEO, LNR, and the State Delegation in order to proceed forward.

**VOTED: Motion of John Ward, seconded by James Lavin, to ratify the execution of the Memorandum of Agreement between the Commonwealth of Mass and SSTDTC on Financing for the Development of the East West Parkway, and the Amended and Restated Memorandum of Agreement between Mass DOT and SSTDTC for the Implementation of Transportation Improvements for the Parkway Project
Unanimous 4-0-0 vote**

Mr. Donovan informed the Board that a special meeting was needed on Thursday, March 25th for the review of bonding options. The Board agreed to postpone the meeting scheduled for March 22nd to March 25th @ 9am.

Public Comment

Mrs. Parsons, Rockland, was informed any mandatory management & control programs required under MEPA, for Parkway construction to occur, would be in place and implemented on the Parkway project.

Mr. Galluzzo, Weymouth, suggested that the savings gained from the reduced cost for the transfer of remaining Navy property be shared with the Host Communities.

Mrs. Parsons, Rockland, noted a recent RAB meeting presentation said the developer (after final land transfer) would take over the cleanup of Navy property; and stated that LNR should pay for the cleanup. SSTDTC should not go out to bond for that money.

Directors Time

Mr. Lavin noted that the Board owed Congressman Delahunt a great deal of thanks for all his efforts on behalf of the Corporation. All agreed it would be appropriate to send a letter of gratitude to the Congressman for his many years of support on this project.

**VOTED: Motion of John Ward, seconded by Gerard Eramo, to adjourn the meeting
Unanimous vote**

The meeting ended 8:20pm

Mary Cordeiro, Recording Secretary

Jeffrey Wall, Chairman of the Board