



CITY OF NEW BEDFORD  
TAX INCREMENT FINANCING BOARD

1213 Purchase Street  
New Bedford, MA 02740

Tel. (508) 991-3122  
Fax (508) 991-7372

Jonathan F. Mitchell, Mayor

**MINUTES OF THE TIF BOARD**

**5.13.16**

**133 William Street**

**Mayor's Office**

*Members Present:*

Mayor Jonathan F. Mitchell, Chairman  
Linda Morad, City Council President  
Carlos Amado, Assessor's Office  
Ari Sky, City of NB CFO  
Derek Santos, NBEDC

*Members Absent:*

*Guests:*

Doug Glassman, SERVPRO

*Staff:*

Ramon Silva, NBEDC

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1. Call to order:  
Mayor Mitchell called the meeting to order at 12:31 p.m., calling the role of board members in attendance and confirming a quorum.
  2. Approval of minutes:  
The Mayor confirmed that all members received the minutes of the previous meeting with their meeting materials from staff via email. **A motion to approve the minutes of the 8.27.15 meeting as written was moved by Mr. Amado and seconded by Mr. Sky. The motion passed.** Council President Morad abstained since she was not in attendance at the 8.27 meeting. The reading of the minutes was waived.
  3. Certified Project Application:  
SERVPRO Purchase Street—proposed 5-year STA agreement  
Staff presented all application materials including the hypothetical calculations and project overview—first submitted to the members via email. Mr. Silva reviewed the documents and provided a general overview of the SERVPRO proposal to acquire and refurbish the vacant property at 1476 Purchase Street for use as their new headquarters. The project includes the acquisition of the building and renovations and improvements that include interior build-out, new roofing, signage, and a variety of needed site improvements. The acquisition is \$500,000 and the total new investment is \$112,000. Mr. Silva stated that after reviewing the proposal with the Assessor's office, that an STA

structure is proposed, since these investments would not add to the current assessed valued. A separate parking lot parcel is not part of this agreement.

Mr. Silva continued by stating that all eight employees will be retained and five new fulltime employees (at a minimum) will be hired with an average hourly wage of \$14.50.

Members asked about the number of current employees that are New Bedford residents and if this is a new location or a re-location. Mr. Glassman of SERVPRO stated that five of the eight employees are New Bedford residents and this will provide him an opportunity to go from renting space to owning his own facility—one that allows for future growth. Mr. Glassman also committed to offering all new jobs to New Bedford residents and hiring a majority of New Bedford residents for the new jobs stated in this proposed agreement.

Members also asked about how this investment will impact the neighborhood. Mr. Glassman stated that no equipment will be stored outside (aside from vehicles) and he has already made an effort to clean the lot and parcels that face Route 18.

Having no other questions relating the application for the proposed project, Mayor Mitchell asked for a motion on the STA requested.

**A motion to approve the SERVPRO Purchase Street certified project application for a 5-year STA agreement, and submit to City Council was moved by Mr. Sky and seconded by Mr. Amado. All voted in favor and the motion passed.**

4. Old Business:

Staffed briefed members on the status of the application for the proposed boutique hotel on Union Street. The attorneys are drafting the management agreement for the hotel and restaurant functions and we expect to have everything in place for the EDIP preliminary application in the next two weeks. At that point a TIF Board meeting can be scheduled. No further old business was discussed and no motions were made at this time.

5. New Business:

Council President Morad asked staff to review the standing of companies that are not current with their annual reporting (as of the TIF Program annual report submission on 2.3.16) and report back any areas of concern. Staff agreed to have this completed by the next TIF Board meeting. No further new business was discussed and no motions were made at this time.

6. There being no further business, **a motion to adjourn was moved by Mr. Sky and seconded by Ms. Morad. All voted in favor and the motion passed.** The meeting was adjourned at 12:48 p.m.



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Jonathan F. Mitchell, Mayor

**MINUTES OF THE TIF BOARD**

**6.20.16**

**133 William Street**

**Mayor's Office**

*Members Present:*

Mayor Jonathan F. Mitchell, Chairman  
Linda Morad, City Council President  
Ari Sky, City of NB CFO  
Derek Santos, NBEDC

*Members Absent:*

Carlos Amado, Assessor's Office

*Guests:*

Dr. Shiawee Yang and Arthur DeMello of Columbus Group  
Gary Avigne of Waterford Hotel Group

*Staff:*

Ramon Silva, NBEDC

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1. Call to order:  
Mayor Mitchell called the meeting to order at 2:05 p.m., calling the role of board members in attendance and confirming a quorum.
  2. Approval of minutes:  
The Mayor confirmed that all members received the minutes of the previous meeting with their meeting materials from staff via email. **A motion to approve the minutes of the 5.13.16 meeting as written was moved by Ms. Morad and seconded by Mr. Sky. The motion passed.** The reading of the minutes was waived.
  3. Certified Project Application:  
Boutique Hotel at 222 Union Street—proposed 15-year TIF agreement  
Staff presented all application materials including the hypothetical calculations and project overview—first submitted to the members via email. Mr. Silva reviewed the documents and provided a general overview of the proposal to redevelopment the vacant and historic building at 222 Union Street for use as a boutique hotel. The project includes the renovations and improvements that include interior build-out, exterior restoration, and fit-out for 68 rooms, a 3,300 square foot restaurant, and a 5,000 square foot banquet space. The total new investment is \$10M and it is estimated that \$4.7M will be for direct construction costs.

He also stated that this development group is known to the City, from their successful development of the historic Standard Times building, and he outlined the financial stack in place to fund this project—including the private financing, the EB-5 funding, and the MassDevelopment guarantee—which is a bit more complicated than how the Standard Times building was done. The TIF schedule proposed is the same for the waterfront hotel project (both in years and percentages) completed by LaFrance, and the current assessment is \$698K.

Mr. Silva concluded by stating that 24 new full time jobs would be created for hotel and restaurant operations and at least 34 construction jobs are expected to be created during the build-out phases of the project.

At this time the Mayor asked Dr. Yang and her team to offer an overview of the development plan and proposed operations. Dr. Yang offered greater detail regarding their plans for construction and the architect's vision for the interior fit-out. Gary Avigne of the Waterford Hotel Group stated that his company will be managing the day-to-day operations of the hotel and restaurant and described the 30 years of experience and high standards that Waterford brings to such projects.

Members asked questions relating to the financing of the project and the market study that shows a second hotel would be supported, and the project team answered these questions to the satisfaction of the members.

Having no other questions relating the application for the proposed project, Mayor Mitchell asked for a motion on the TIF requested.

**A motion to approve the NBUR II 222 Union Street certified project application for a 15-year TIF agreement, and submit to City Council was moved by Mr. Sky and seconded by Mr. Santos. All voted in favor and the motion passed.**

4. Old Business:  
Staffed briefed members that the full list of active TIF projects is up to date as requested at the last TIF Board meeting and a copy of this report is included in the package for each member. Staff did not have areas of immediate concern at this time, but would do a full review as part of the annual report for the program in January. No further old business was discussed and no motions were made at this time.
5. New Business:  
No new business was discussed and no motions were made at this time.
6. There being no further business, **a motion to adjourn was moved by Mr. Sky and seconded by Ms. Morad. All voted in favor and the motion passed.** The meeting was adjourned at 2:45 p.m.



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Jonathan F. Mitchell, Mayor

**MINUTES OF THE TIF BOARD**

**12.08.16**

**133 William Street**

**Mayor's Office**

*Members Present:*

Mayor Jonathan F. Mitchell, Chairman  
Joseph Lopes, City Council Representative  
Carlos Amado, Assessor's Office

*Members Absent:*

Ari Sky, City of NB CFO

Derek Santos, NBEDC

*Guests:*

Randy Santerre, Freedom Restoration  
Denis Saluti, Quality Custom Packing  
Michael St. Ours, Quality Custom Packing

*Staff:*

Ramon Silva, NBEDC

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1. Call to order:  
Mayor Mitchell called the meeting to order at 4:06 p.m., calling the role of board members in attendance and confirming a quorum.
  2. Approval of minutes:  
The Mayor confirmed that all members received the minutes of the previous meeting with their meeting materials from staff via email. **A motion to approve the minutes of the 6.20.16 meeting as written was moved by Mr. Amado and seconded by Mr. Santos. The motion passed.** The reading of the minutes was waived.
  3. Certified Project Applications:  
Freedom Restoration/Cleaning at 1440 Purchase St.—proposed 5-year STA agreement  
Staff presented all application materials including the hypothetical calculations and project overview—first submitted to the members via email. Mr. Silva reviewed the documents and provided a general overview of the Freedom Restoration proposal to acquire and refurbish the property at 1440 Purchase Street (formally Morency Flooring) which will allow the company to expand from Rhode Island into a larger location and reach new markets. The project includes the acquisition of the building and renovations and improvements that include interior build-out, window replacement, façade

repair/repointing, signage, and a variety of needed site improvements. The acquisition is \$440,000 and the total new investment is \$750,000. Mr. Silva stated that after reviewing the proposal with the Assessor's office, that an STA structure is proposed, since these investments would not add to the current assessed valued.

Mr. Silva continued by stating that all six employees will be retained and six new fulltime employees (at a minimum) will be hired with an average hourly wage of \$15.00.

Members asked about the details of the improvements to the building and the commitment of Mr. Santerre to hire New Bedford residents. Mr. Santerre offered greater detail to the improvements planned for the building and also committed to offering all new jobs to New Bedford residents and hiring a majority of New Bedford residents for the new jobs stated in this proposed agreement.

Members also asked about how this investment would address the highly visible façade on the Route 18 side. Mr. Santerre stated that he has plans to work with his neighbors at SERVPRO to undertake a substantial clean up of the property on that side, which is actually owned by SERVPRO. He also indicated that he has entered into an agreement to not compete for the same services that SERVPRO provides and both will share referrals for the other complimentary services each company provides.

Having no other questions relating the application for the proposed project, Mayor Mitchell asked for a motion on the STA requested.

**A motion to approve the Freedom Restoration and Cleaning Purchase certified project application at 1440 Purchase Street for a 5-year STA agreement, and submit to City Council was moved by Mr. Lopes and seconded by Mr. Amado. All voted in favor and the motion passed.**

Custom Quality Packing at 25 Wright St.—proposed 5-year STA agreement

Staff presented all application materials including the hypothetical calculations and project overview—first submitted to the members via email. Mr. Silva reviewed the documents and provided a general overview of the proposal by Quality Custom Packing to expand by acquiring and refurbishing the property at 25 Wright Street, which will allow the company to greatly increase its capacity and meet the growing processing demands of the NB scallop fleet. The project includes the acquisition of the building, needed renovation, equipment, and moving expenses.

The acquisition is \$775,000 and the total new investment is approximately \$1,000,000. Mr. Silva stated that after reviewing the proposal with the Assessor's office, that an STA structure is proposed, since these investments would not add to the current assessed valued of the 9,240 sq. ft. warehouse style building.

Mr. Silva continued by stating that the 32 current employees will be retained and 21 new fulltime employees (at a minimum) will be hired with an average hourly wage of \$13.00.

Mr. Lopes asked about the details of the improvements to the building and Mr. Saluti explained the planned renovations with emphasis on the loading dock improvements and the specific needs relating to the cooler and freezer components of the project. Mr. Saluti also committed to offering all new jobs to New Bedford residents and hiring a majority of New Bedford residents for the new jobs stated in this proposed agreement.

Having no other questions relating the application for the proposed project, Mayor Mitchell asked for a motion on the STA requested.

**A motion to approve the Quality Custom Packing certified project application at 25 Wright Street for a 5-year STA agreement, and submit to City Council was moved by Mr. Amado and seconded by Mr. Lopes. All voted in favor and the motion passed.**

American Holdco LLC at 10 North Front St.—proposed 10-year TIF agreement

Staff presented the proposed project and agreement as a new model of TIF agreement that is allowed by the State enabling statute for the EDIP program, but not previously used in New Bedford. The proposed project by Seatrade would include \$500,000 in renovations to the property and \$500,000 in new equipment for the half of the facility that is currently not being used. Seatrade is considering making the needed investments to bring lobster value added processing to the New Bedford facility.

The project will allow for the retention of all of the existing employees and would create as many as 90 new full time jobs over the next 2 years.

Staff explained that this agreement type is different because it would apply to the personal property only. Personal property is usually exempt for manufactures that are incorporated, but they are set up as an LLC. Members discussed the matter but since there is not a listing of the personal property (there was no need in the previous INC. structure), a value could not be put on the personal property. Without this, any potential incentive value can not yet be calculated.

It was determined that the company and staff should work with the Assessor's Office to develop a list of property and value before any action could be taken by the Board.

**A motion to table the item was moved by Mr. Amado and seconded by Mr. Lopes. All voted in favor and the motion passed.**

4. Old Business:

Staffed informed members that the proposed modifications to the TIF Program Guidelines are now with the Solicitor's Office for review. These modifications are to address the possibility of a new minimum wage standard and other minor modifications. When a final draft is approved by the Solicitor's Office, it will go to the TIF Board for approval.

No further old business was discussed and no motions were made at this time.

5. New Business:

No new business was discussed and no motions were made at this time.

6. There being no further business, **a motion to adjourn was moved by Mr. Lopes and seconded by Mr. Amado. All voted in favor and the motion passed.** The meeting was adjourned at 4:45 p.m.