



**New Bedford
Economic Development Council**

Open for Business!

1213 Purchase Street
2nd Floor
New Bedford, MA 02740
www.nbedc.org

February 11, 2019

Linda M. Morad, President
New Bedford City Council
133 William Street
New Bedford, MA 02740

**RE: New Bedford Tax Increment Financing Program
Proposed TIF Agreement**

Council President Morad,

The Tax Increment Financing Board has approved the proposed TIF application at their 3.1.19 meeting. This project represents \$8.4 million of new investment in the City and will be responsible for the creation of at least 15 new jobs.

The following proposed project is now ready for submission to City Council:

- Proposed TIF for Northern Wind Inc., – 10 year agreement

On behalf of the TIF Board and the project applicant, we are requesting that this item be placed on the City Council agenda for referral to the Finance Committee.

Attached are 12 copies of the project overview, hypothetical calculation, and City Council Resolution for the above-mentioned projects for the City Council's review. Should any City Councilor request to visit the sites we would be pleased to arrange the details with the company representatives.

Thank you and please do not hesitate to call with any questions.

Sincerely,

Derek Santos
Executive Director

Cc: New Bedford City Council
Mayor Mitchell's Office



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

TIF/STA PROJECT OVERVIEW

Project	Contact Information
TIF proposed 10.5 car agreement	Eric Castro - CEO
Northern Wind Inc.	castro@northernwind.com
75 MacArthur Drive	16 Hasselt Street
New Bedford, MA 02740	New Bedford, MA 02740

Company Background

Founded in 1987 by Kenneth Melanson and Michael Fernandes, Northern Wind Inc. is a direct off-loader, processor, and distributor of fresh and frozen scallops, and other seafood products.

Since its inception, Northern Wind Inc., has grown to approximately 100 employees operating two BRC facilities on New Bedford's waterfront.

Northern Wind Inc., products are sold wholesale and retail through regional and national suppliers, supermarkets, and warehouse club stores. Northern Wind Inc., brands include Five Star Premium, Captain's Call, Mariner's Choice, Sea Spray, Bon Cuisine, and Emperor's Choice. The Northern Wind team is dedicated to supplying customers with high quality product and superior service at competitive prices, while consistently being a good neighbor and leader in the community.

In 2018, the company's gross sales were \$118MM.

Current Employment

Northern Wind Inc., currently employees 15 managerial employees and 85 non-managerial employees. In 2018 the company payroll was approximately \$5.5 MM. The average wage of non-managerial employees was \$34,500 annually and 75% of the company's workforce are New Bedford residents.

Proposed Project

Northern Wind Inc., has ongoing relationships with fishing vessels from Rhode Island and Connecticut and distributes a substantial amount of its products to the New York area. Northern Wind Inc., has been pursuing expansion options within southern Rhode Island, (Point Judith) and New Bedford. Based upon the incentives available through the state EDIP program Northern Wind Inc., prefers to expand within the City. This proposed project will entail the renovation of the vacant building at 75 MacArthur Drive, the construction of a 21,600 ft² freezer facility. The new facility will house a state of the art IQF Freezer Tunnel and Grading machinery.

Northern Wind Inc., would like to commence construction as soon as feasible and expects this project will take 6-7 months to complete.

Proposed Investment

The proposal requires an investment of approximately \$8.4MM. New construction and renovation is valued at \$6.3MM and equipment and machinery at \$2.1MM.

The property has a total assessed value of \$913,900 (FY19).

Employment Projections

The project proposes the retention of 100 and the creation of 15 permanent full-time jobs over the next 2 years. The types of jobs retained and created be management, professional, skilled and non-skilled labor.

The average annual wage for the new hires will be \$38,000.

The company does offer health insurance to its employees.

EDIP Participation

- Local real estate tax incentive beneficiary (hypothetical calculation is attached)
- Abandoned building tax credit
- EDIP State Income Tax Credits

Corporate Citizenship

Northern Wind Inc., is a member of the American Scallop Association and Fair Trade Association.

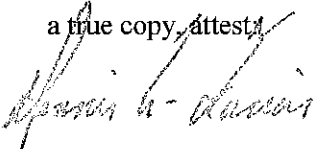
Norther Wind Inc., also supports with direct donations, the Prince Henry Society, Salvation Army, Friendly Sons of St. Patrick, Shepard's Pantry, YMCA, Mo-Life, PACE, and the Community Boating Center.

Referred to the Committee on Finance.

IN CITY COUNCIL, February 14, 2019

Dennis W. Farias, City Clerk

a true copy, attest



City Clerk

Current Assessed Value

* Value based on construction of a 21,600 ft² addition. Assessment is approximately \$35 per square foot.

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