

**Resolution Approving Certified Project Application and Special Tax Assessment  
Agreement with Atlantic Red Crab Company LLC**

**Whereas**, Atlantic Red Crab Company LLC has applied for designation as a Certified Project under the Massachusetts Economic Development Incentive Program created by Chapter 23A of Massachusetts General Laws; within an Economic Opportunity Area ("EOA") within the New Bedford Economic Target Area ("ETA") for a period of 5 years ending June 30, 2026 pursuant to the authority granted by and meeting the requirements of 402 C.M.R. 2.10(3).

**Whereas**, Atlantic Red Crab Company LLC meets the minimum standards and is consistent with the Economic Development Incentive Program and the local economic development goals and criteria established as part of the documents creating the Greater New Bedford Economic Target Areas shall be expected to benefit significantly from inclusion in said ETA:

**Whereas**, the proposed Certified Project is located at Parcel 66 138A on 48 Antonio L. Costa Blvd. New Bedford, MA and shown on the City of New Bedford's real property assessment database on July 1, 2020;

**Whereas**, the project, together with all other projects previously certified and located in the same expansion project EOA will not overburden the City's infrastructure and utilities servicing the EOA;

**Whereas**, the City of New Bedford has agreed to offer Atlantic Red Crab Company LLC a Special Tax Assessment Agreement, for the project described in the application proposal that will have a reasonable chance of increasing employment opportunities for residents of the expansion project area, ETA. Said Agreement is hereby approved by the City Council and the STA Plan is incorporated by reference herein;

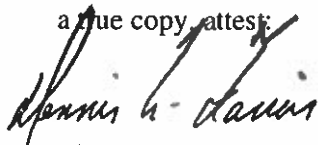
**Whereas**, Atlantic Red Crab Company LLC is going to invest at least \$3,000,000 in the acquisition of the facility, renovations and other capital expenditures, and will retain 39 permanent full time jobs and create 28 new permanent full time jobs over a period of five years;

**Now Therefore be it Resolved** that the City Council of the City of New Bedford approves the Certified Project application of Atlantic Red Crab Company LLC and forward said application for certification to the Massachusetts Economic Assistance Coordinating Council for its approval and endorsement.

**Further**, the City Council of the City of New Bedford authorizes the Mayor to enter into a Special Tax Assessment Agreement between the City of New Bedford and Atlantic Red Crab Company LLC. Said Agreement will provide for an exemption on property taxes on the full assessed valuation of the property at 95% for year one, 75% for year two, 50% for year three, 25% for year four, 5% for year five of a five-year Agreement according to the requirements and regulations established which govern the implementation of such Special Tax Assessment Agreements. The Agreement will be in effect as of FY2022 through FY2026.

**IN CITY COUNCIL, December 9, 2020**

Referred to the Committee on Finance – Yeas 11, Nays 0. Dennis W. Farias, City Clerk  
a true copy attests:

  
City Clerk



**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:**  
**STA - proposed 5 -year agreement**

**Atlantic Red Crab Company LLC**  
**48 Antonio L. Costa Blvd.**  
**New Bedford, MA 02740**

**Contact Information:**  
**Jonathan Williams, Owner**  
**jwilliams@atlanticredcrab.com**

**132 Herman Melville Blvd.**  
**New Bedford, MA 02740**

**Company Background**

The Atlantic Red Crab Company was founded with a single boat by Jon Williams in 1996. In 2008, the company purchased its current facility at 132 Herman Melville Blvd., and has since called the historic port of New Bedford, MA its home. Its namesake product, the Atlantic Red Crab has an average weight of one-pound, is known for its delicious, sweet taste and red-tinted meat. Red crab is recommended by both the Monterrey Bay Aquarium's Seafood Watch and the New England Aquarium.

Through self-imposed regulation and routine assessment, the company quickly became renowned for its sustainable practices. The company has a well-known reputation for industry preservation, fisheries management support and year-round employment.

Over the years, the company has not only grown in volume, it has grown in people, employing approximately 80 people both full and part-time.

**Current Employment**

Currently, over 125 people are proud to call The Atlantic Red Crab Company LLC and its affiliates their Massachusetts home.

**Proposed Project**

This project includes the acquisition, renovation, and equipping of 48 Antonio L. Costa Blvd. The property has suffered from deferred maintenance over the years and requires external repairs as well as internal upgrades. This expansion project will also require the purchase of new machinery and equipment the addition of a blast freezer as well as improvements to the Company's other two facilities in New Bedford.

The company plans to complete renovations and streamline operations across its properties then complete the move into the new facility by the end of Q1 2021.

**Proposed Investment**

The proposal requires an investment of approximately \$3MM. The acquisition price was \$1.2MM, renovations are budgeted at \$2M, and equipment, machinery, and furniture are budgeted at \$1.6MM.

The property has a total assessed value of \$918,800 (FY20).

**Employment Projections**

The project proposes the retention of 39 full time equivalent Atlantic Red Crab Company jobs as well as an additional 50 jobs at its affiliates.

The Atlantic Red Crab Company will create 28 new jobs over the next 5 years consisting of:

Job Category	Number	Average Salary
Management	2	\$85,000
Professional	2	\$50,000
Skilled labor	2	\$45,000
Unskilled labor	22	\$27,000

The company does offer health insurance to its employees.

**EDIP Participation**

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

COMMONWEALTH OF MASSACHUSETTS  
ECONOMIC ASSISTANCE COORDINATING COUNCIL  
MASSACHUSETTS OFFICE OF BUSINESS DEVELOPMENT

**EDIP Supplemental Application Exhibit 2: Local Incentive Valuation for The Atlantic Red Crab Company, LLC (New Bedford)**

FY	Municipal Tax Rate Per Thousand	Incremental Assessed Value	Projected Annual RE Property Tax Bill for Incremental Assessed Value	TIF/STA Yearly Exemption %	Exempted Annual RE Property Taxes	Exempted Annual Personal Property Taxes	Total Yearly Value of Local Tax Incentives
2022	\$33.59	\$918,800.00	\$30,862.49	95%	\$29,319.37	\$0.00	\$29,319.37
2023	\$33.59	\$918,800.00	\$30,862.49	75%	\$23,146.87	\$0.00	\$23,146.87
2024	\$33.59	\$918,800.00	\$30,862.49	50%	\$15,431.25	\$0.00	\$15,431.25
2025	\$33.59	\$918,800.00	\$30,862.49	25%	\$7,715.62	\$0.00	\$7,715.62
2026	\$33.59	\$0.00	\$0.00	5%	\$0.00	\$0.00	\$0.00
<b>TOTALS</b>					<b>\$75,613.11</b>	<b>\$0.00</b>	<b>\$75,613.11</b>

Note: In Massachusetts, Proposition 2½ operates at the level of a municipality's total tax levy. Due to Proposition 2½, it is impossible to make reliable projections for individual parcels, whose taxes may increase much more or much less than the municipality's total taxes. As a result, this spreadsheet does not include an assumed increase in either the tax rate or the assessed value. This spreadsheet is intended to provide an estimate of the total value of property tax exemption as a result of the yearly TIF or STA exemption percentage negotiated between a company and a municipality.

Total Yearly Value of Local Tax Incentives minus PILOT = \_\_\_\_\_

**Location:** 48 ANTONIO L COSTA BLV**Parcel ID:** 66 138A**Zoning:** WI**Fiscal Year:** 2020**Current Owner Information:**

NB PROPERTIES LLC

C/O MARDER NORTH REALTY LLC

28 UNION STREET

NEW BEDFORD, MA 02740

**Current Sales Information:****Sale Date:**

09/11/2009

**Sale Price:**

\$0.00

Card No. 1 of 1

**Legal Reference:**

9500-21

**Grantor:**

DOLINSKY, MARVIN

This Parcel contains 0.8631 acres of land mainly classified for assessment purposes as MFG with a(n) Fish Processing Plant style building, built about 1987, having Metal exterior, Metal and Tin roof cover and 14224 Square Feet, with 1 unit(s), total room(s), total bedroom(s) total bath(s), 0 3/4 baths, and 5 total half bath(s).

**Building Value:**

739800

**Land Value:**

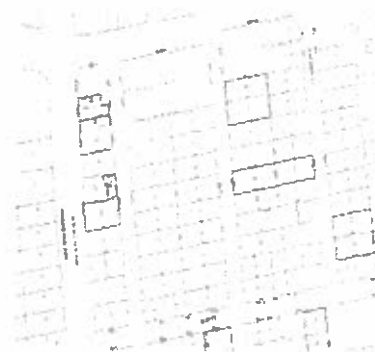
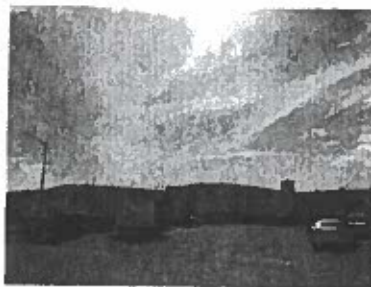
171800

**Yard Items Value:**

7200

**Total Value:**

918800

**Fiscal Year 2020**

Tax Rate Res.: 16.16  
 Tax Rate Com.: 33.59  
 Property Code: 400  
 Total Bldg Value: 739800  
 Total Yard Value: 7200  
 Total Land Value: 171800  
**Total Value:** 918800  
**Tax:** \$30,862.49

**Fiscal Year 2019**

Tax Rate Res.: 16.47  
 Tax Rate Com.: 34.84  
 Property Code: 400  
 Total Bldg Value: 769500  
 Total Yard Value: 7200  
 Total Land Value: 171800  
**Total Value:** 948500  
**Tax:** \$33,045.74

**Fiscal Year 2018**

Tax Rate Res.: 16.63  
 Tax Rate Com.: 35.65  
 Property Code: 400  
 Total Bldg Value: 558200  
 Total Yard Value: 7200  
 Total Land Value: 171800  
**Total Value:** 737200  
**Tax:** \$26,281.18

Disclaimer: Classification is not an indication of uses allowed under city zoning.  
 This information is believed to be correct but is subject to change and is not warranted.