



CITY OF NEW BEDFORD TAX INCREMENT FINANCING BOARD

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Jonathan F. Mitchell, Mayor

TIF/STA PROJECT OVERVIEW

Project:

TIF - proposed 10 -year agreement

ServedWell New Bedford LLC
1480 E. Rodney French Blvd.
New Bedford, MA 02745

Contact Information:

Stephen Silverstein, Manager
Steve@theblackwhale.com

Bob Feingold, Attorney
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Company Background

ServedWell New Bedford LLC is the operating company formed by New Bedford businessman and restaurateur, Stephen Silverstein, for the purpose of redeveloping and operating a destination restaurant and entertainment center on the New Bedford waterfront using the abandoned Edge restaurant facility and premises (formerly known as Davy's Locker.)

Current Employment

None.

Proposed Project

This project includes the acquisition and renovation 1480 E. Rodney French Blvd. (The Edge) and adjacent site at 1495 E. Rodney French Blvd.

The properties were acquired by Cisco New Bedford, LLC of which Mr. Silverstein is also a member, and Cisco New Bedford LLC will make the investment for the redevelopment of the properties which will be managed and then triple net leased to ServedWell New Bedford LLC.

The proposed redevelopment includes:

(1480 E. Rodney French Blvd.)

- Converting and upgrading the existing restaurant to a Cisco Kitchen + Bar Restaurant
- Improving the structure by: residing, installing new windows and doors, installing new heating and HVAC systems, rehabbing the outdoor patio/deck area, and adding a new sidewalk with granite berms.
- Removing and replacing the existing restaurant parking lot to improve drainage and pedestrian access.
- Expanding the existing ground-level deck for improved seasonal use.
- Establishing a new parking lot on the north side of the restaurant.

(1495 E. Rodney French Blvd.)

- Creating a sand event area for outside live music, food, and beverage service.
- The addition of portable kiosks for food and beverage service (Seasonal: May - October).
- Improving the waterfront access with an extensive boardwalk connecting E. Rodney French on the southwest corner of the site to the City owned pedestrian area located to the north of the project.
- Replacing dock piling and decking, installing moorings, and eventually installing floating docks for boat access.
- Installing an enhanced storm water treatment and on-site recharge system for improved water quality and run off control
- Providing improved curb cuts, ADA parking, public walkways, and extensive landscaping.

As there will be no permanent building structures added to 1495 E. Rodney French Blvd., this proposed TIF is for improvements made to 1480 E. Rodney French Blvd.

Proposed Investment

The proposal requires an investment of approximately \$4.4MM. The acquisition price was \$2.2MM, renovations and redevelopment are budgeted at \$2MM - \$2.2MM.

The 1480 E. Rodney French Blvd. property has a current total assessed value of \$740,700 (FY20).

Based upon the renovations proposed, the increase in value to 1480 E. Rodney French Blvd., is projected to be \$370,350.

Employment Projections

The project proposes the creation of 45 new jobs full-time equivalent jobs over the next 5 years. Also, the company expects to employ an additional 100 part-time seasonal workers.

Job Creation will consist of managers, chefs, cooks, kitchen staff, bartenders, and servers.

EDIP Participation

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

Hypothetical TIF 1480 E. Rodney French Blvd.

		Current Assessed Value		Current Tax			Tax without TIF		Proposed TIF Structure			
Fiscal Year	Year	Base Value	Building Assessment Increase	Total Assessment	Current Tax Rate	Tax Base on Value	Tax on New Investment	Total Tax Paid w/o TIF	Tax % Paid on New Investment	Tax Paid on New Investment	Tax Benefit	Total Tax Paid
2020	Base	\$ 740,700	\$ -		33.59	\$ 24,880	\$ -	\$ 24,880		\$ -	\$ -	\$ 24,880
2021	1	\$ 740,700	\$ 370,350	\$ 1,111,050	33.59	\$ 24,880	\$ 12,440	\$ 37,320	5%	\$ 622	\$ 11,818	\$ 25,502
2022	2	\$ 740,700	\$ 370,350	\$ 1,111,050	33.59	\$ 24,880	\$ 12,440	\$ 37,320	15%	\$ 1,866	\$ 10,574	\$ 26,746
2023	3	\$ 740,700	\$ 370,350	\$ 1,111,050	33.59	\$ 24,880	\$ 12,440	\$ 37,320	25%	\$ 3,110	\$ 9,330	\$ 27,990
2024	4	\$ 740,700	\$ 370,350	\$ 1,111,050	33.59	\$ 24,880	\$ 12,440	\$ 37,320	35%	\$ 4,354	\$ 8,086	\$ 29,234
2025	5	\$ 740,700	\$ 370,350	\$ 1,111,050	33.59	\$ 24,880	\$ 12,440	\$ 37,320	45%	\$ 5,598	\$ 6,842	\$ 30,478
2026	6	\$ 740,700	\$ 370,350	\$ 1,111,050	33.59	\$ 24,880	\$ 12,440	\$ 37,320	55%	\$ 6,842	\$ 5,598	\$ 31,722
2027	7	\$ 740,700	\$ 370,350	\$ 1,111,050	33.59	\$ 24,880	\$ 12,440	\$ 37,320	65%	\$ 8,086	\$ 4,354	\$ 32,966
2028	8	\$ 740,700	\$ 370,350	\$ 1,111,050	33.59	\$ 24,880	\$ 12,440	\$ 37,320	75%	\$ 9,330	\$ 3,110	\$ 34,210
2029	9	\$ 740,700	\$ 370,350	\$ 1,111,050	33.59	\$ 24,880	\$ 12,440	\$ 37,320	85%	\$ 10,574	\$ 1,866	\$ 35,454
2030	10	\$ 740,700	\$ 370,350	\$ 1,111,050	33.59	\$ 24,880	\$ 12,440	\$ 37,320	95%	\$ 11,818	\$ 622	\$ 36,698

Totals \$ 273,681 \$ 124,401 \$ 398,082

\$ 62,200 \$ 62,200 \$ 335,881.53

**Resolution Approving Certified Project Application and Tax Increment Financing Agreement
with Served Well New Bedford LLC and
Cisco New Bedford LLC.**

Whereas, Served Well New Bedford LLC 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 **Ten (10)** years ending **June 30, 2030** pursuant to the authority granted by and meeting the requirements of 402 C.M.R. 2.10(3).

Whereas, Served Well New Bedford 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 **1480 E. Rodney French Blvd.,** New Bedford, MA and shown on the City of New Bedford’s real property assessment database as Parcel ID **12 287** on **February 17, 2021;**

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 **Served Well New Bedford LLC** a Tax Increment Financing 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 reference herein;

Whereas, Served Well New Bedford LLC is going to invest at least **\$2.2 Million** in the **acquisition, construction, and other expenses associated with the project,** and will **create 45** permanent full time jobs over a period of **five (5)** years;

Now Therefore be it Resolved that the City Council of the City of New Bedford approves the Certified Project application of **Served Well New Bedford 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 Tax Increment Financing agreement between the City of New Bedford and **Served Well New Bedford LLC.** Said Agreement will provide for an exemption on property taxes on the assessed valuation of improvements to the property at **95%** for year one, **85%** for year two, **75%** for year three, **65%** for year four, **55%** for year five, **45%** for year six, **35%** for year seven, **25%** for year eight, **15%** for year nine, **5%** for year ten, of the Agreement according to the requirements and regulations established which govern the implementation of such Tax Increment Financing Agreements. The Agreement will be in effect as of **FY2022** through **FY2031.**