



CITY OF SOMERVILLE, MASSACHUSETTS

CLERK OF COMMITTEES

November 22, 2010

REPORT OF THE FINANCE COMMITTEE

Attendee Name	Title	Status	Arrived
Maryann M. Heuston	Chair	Present	
William A. White Jr.	Vice Chair	Present	
Bruce M. Desmond	Alderman At Large	Absent	
John M Connolly	Alderman At Large	Absent	
Rebekah L. Gewirtz	Ward Six Alderman	Present	
William M. Roche	Ward One Alderman	Present	
Walter F. Pero	Ward Four Alderman	Present	
Dennis M. Sullivan	Alderman At Large	Present	
Thomas F. Taylor	Ward Three Alderman	Present	
Sean T. O'Donovan	Ward Five Alderman	Present	
Joseph Curtatone	Mayor	Present	
Monica Lamboy	Exec. Dir. OSPCD	Present	
Robert May	OSPCD	Present	
Steve Azar	OSPCD	Present	
Ed Bean	Finance Director	Present	
Eddie Nuzzo	OSPCD	Present	
Stephen Mackey	Chamber of Commerce	Present	
Janice Delory	Chief of Staff	Present	
Greg Mennis	Asst. Sec. Administration and Finance	Present	
Don Briggs	Senior V. P.	Present	
Cindy McNerney	Financial Advisor	Present	

190360 - Requesting approval to create an Assembly Row DIF Development District and an Assembly Row DIF Development Program pursuant to M.G.L. C. 40Q and 402 CMR 3.00 Et Seq.:

Public Hearing:

The Mayor discussed the IKEA funding and benefits to the city, as well as the efforts of the city, Governor Patrick and Congressman Capuano to get the infrastructure at Assembly Square built. The Orange Line stop is at 100% design, however the infrastructure must be in place before the process can proceed. Ms. Lamboy gave a presentation and discussed the proposed development, benefits, boundaries, improvements to Assembly Square, DIF generating properties, private land that will eventually be transferred to the city and the \$23 million shortfall for the Orange Line station. Ms. Lamboy noted that the DIF is only a portion of the project and that it is necessary for the project to move forward.

Assistant Secretary Mennis discussed the economic challenges and a commitment from the state of additional funds, noting that there is an \$18 million advance from I-Cubed to fill the gap being faced today.

Mr. Briggs told the members that FRIT would submit a revised plan for approval by the Board of Aldermen. He stressed the importance of a public/private partnership and said that for \$1 the public invests, FRIT invests \$13. When Assembly Square is complete, FRIT will have invested \$1.5 billion in the project. Mr. Briggs said that IKEA's decision not to build at the present time changed the plan, but that the Orange Line stop still needs to be built.

Members of the public spoke on the issue and expressed concern about the lack of office development in this phase, the fear that DIF funding will take away from I-Cubed, the tax burden for city services and schools, the lack of information being provided, who would be guarantying the performance of the infrastructure, whether the major streets would be complete streets, the hastiness of the proposal and the lack of figures of additional costs to the taxpayers. Stephen Mackey submitted comments in favor of the proposal.

Alderman Pero explained that a December 6th deadline for the Board of Aldermen to make a decision on this matter doesn't allow enough time for information to be provided, adding that he is concerned that this meeting isn't being broadcast on cable. Alderman Pero believes that this is a major issue for the residents of Ten Hills and Winter Hill and he requested that residents be notified by ResiStat of the next Finance Committee meeting.

Alderman White requested a printout of the debt service to be paid on the bond and stated that he fears that the generated tax might not be enough to make the bond payments. He also asked how much development and growth would be necessary in order to pay the bond.

Chairman Heuston asked about the connection between I-Cubed and the DIF and what the city's potential liability might be in the worst case scenario.

Chairman Heuston requested that the Administration provide responses to all of the questions asked at this meeting, prior to the next Finance Committee meeting on November 30th, during which this item will continue to be discussed. Alderman White requested that a representative from Congressman Capuano's office attend the next Finance Committee meeting.

Public Hearing closed.

RESULT:	KEPT IN COMMITTEE
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Next: 12/31/2010 12:00 AM

190164 - Requesting the creation of the Alpine Restaurant Stabilization Fund and acceptance of a mitigation payment to the Fund of \$2,500 from the Alpine Restaurant Group for pedestrian and bicycle safety measures.:

Alderman Sullivan requested that the plans be provided to him for review.

Alderman Taylor's motion *that the Administration provide an update on the establishment of the Bicycle Safety Committee*, was approved.

RESULT:	APPROVED
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