



CITY OF SOMERVILLE, MASSACHUSETTS

CLERK OF COMMITTEES

October 6, 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	Present	
John M Connolly	Alderman At Large	Present	
Rebekah L. Gewirtz	Ward Six Alderman	Absent	
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	
Robert C. Trane	Ward Seven Alderman	Present	
Sean T. O'Donovan	Ward Five Alderman	Absent	
Robert May	OSPCD	Present	
Monica Lamboy	OSPCD	Present	
Anne Thomas	OSPCD	Present	
Stephen Houdlette		Present	
Omar Boukili	Administrative Assistant	Present	
Denise Provost	State Representative	Present	
Stephen Mackey	Exec. Director	Present	

- Public Hearing regarding the District Improvement Financing (DIF) Program

A Public Hearing was held to receive public input related to the city's proposal to create a District Improvement Financing (DIF) Development District and Program pursuant to M.G.L.C. 40Q. Ms. Lamboy made it known that the document presented was only a draft for further discussion and then went on to speak about Somerville's history, new revitalization from rapid transit development and some of the opportunities and challenges to come.

The area in question is comprised of many small irregular parcels totaling 460 acres and accounts for 17.4% of the city's land area. The base value of the property is \$951 million and the city prefers to act now while prices are low. The DIF is expected to free up private capital with funds being passed to the general fund. The goal of the proposal is to capture land that would be able to generate revenue after redevelopment.

Ms. Lamboy told the members that the proposed DIF would be the largest in the state and that the city cannot afford not to move forward with this proposal, noting that the infrastructure at Boynton Yards is so outdated that it can't sustain new development. Mr. May discussed how degradation impedes development and pointed out that the area being considered doesn't have sufficient underground utilities to service the development being proposed. Mr. Houdlette told

the members that new growth is paramount for the city and spoke about both short and long term impacts. Among the parcels being considered for eminent domain taking are the Union Square Post Office and Ricky's Flower Mart. Meetings will be held with property owners in the future to discuss possible takings.

Representative Provost spoke about bonding and said that Massachusetts is the highest state in debt and that its bond rating is low and said that tying up future revenues would restrict future growth.

Members had concerns about the negative impact on the value of properties listed for possible takings.

Several members of the public spoke on both sides of the issue with many commenting on the manner in which property owners were notified.

The following information was requested by the committee:

- A copy of the applicable state regulation(s)
- An explanation of why each individual parcel was selected
- A proposed timeline for adoption of the DIF
- An opinion of counsel to point out in the DIF statute that the Board of Aldermen will have the power to determine where money would be allocated.
- A legal opinion on the process before the Board of Aldermen regarding eminent domain takings
- Examples of other DIF projects on the east coast and where the money came from
- A list of uses for the proposed DIF

The record will be left open until the close of business on December 1, 2010.

190118 - That the Director of SPCD Inform This Board of the Results of a Public Hearing Held on Sept. 15, 2010 Regarding the District Improvement Financing (DIF) Proposal.:

RESULT: KEPT IN COMMITTEE

190159 - Requesting approval to create a District Improvement Financing (DIF) Development District and a DIF Development Program pursuant to M.G.L C. 40Q and 402 CMR 3.00 Et Seq.:

RESULT: KEPT IN COMMITTEE
