



# CITY OF SOMERVILLE, MASSACHUSETTS

## CLERK OF COMMITTEES

November 28, 2017  
REPORT OF THE FINANCE COMMITTEE

Attendee Name	Title	Status	Arrived
Tony Lafuente	Chair	Present	
Maryann M. Heuston	Vice Chair	Present	
Katjana Ballantyne	Ward Seven Alderman	Present	
Matthew McLaughlin	Ward One Alderman	Present	
William A. White Jr.	Alderman At Large	Present	
Robert J. McWatters	Ward Three Alderman	Present	
Mark Niedergang	Ward Five Alderman	Present	
Lance L. Davis	Ward Six Alderman	Present	
John M. Connolly	Alderman At Large	Present	
Mary Jo Rossetti	Alderman at Large	Absent	
Dennis M. Sullivan	Alderman At Large	Absent	

Others present: Rich Raiche - Engineering, Brad Rawson - OSPCD, Emily Hedeman - OSPCD, Emily Monea - SomerStat, Michael Bertino - Treasury, Frank Golden - Assessing, Paul Scapicchio - US2, Tim Snyder - Mayor's Office, Annie Connor - Legislative Liaison, Rositha Durham - Clerk of Committees.

The meeting took place in the Aldermanic Chamber and was called to order at 6:00 PM by Chairman Lafuente and adjourned at 7:25 PM.

The Public Hearings and presentation on items 204437 and 204517 were conducted together.

- 1. Public Hearing - #204437 - Proposed Union Sq DIF Development District** Mr. Raiche gave a presentation and told the committee that the regulatory environment is changing and that the city must be proactive about financing the city's needs for tomorrow's progress or it will lose the opportunity to prioritize the development. He discussed a memorandum that goes into great detail about the request, which will be given to the BOA prior to a vote being taken. Mr. Raiche said that the Spring Hill sewer project will maximize storm water connections and that the Somerville Avenue construction must start bidding soon. The \$13 million grant will be broken out in a two-year period, with the \$6.5 million first part of the funding needing to be spent in FY-18. Approving the DIF gives the city flexible and favorable borrowing terms for bond financing.

Alderman Ballantyne asked when the city would see the revenue and questioned why

pressure is being brought to bear in the city does not yet have a commercial tenant. Mr. Snyder reminded everyone that the purpose of tonight's meeting is to let the public speak. He also said that there would be 3 more Finance Committee of the Whole meetings scheduled for December.

Members were told that \$36.1 million would come from the Sewer Enterprise Fund and another \$13.5 million would come from the city's general fund. The interest on the bonds would be \$50 million. A net breakdown and contributions will be provided at the next meeting of the Finance Committee. Alderman Ballantyne questioned a \$1.5 million figure for the Spring Hill sewer separation project that was presented to the committee on October 11<sup>th</sup> of this year and asked why the city would allocate funds now without knowing how the Nunziato project will move forward, since the Spring Hill separation project works with the Nunziato project.

The issues currently before the BOA are: MGL Ch. 40Q requirements for using DIF; the development district (submitted on 10/12/17); and the development program (submitted on 10/26/17).

Infrastructure program requests are:

- Construction funding of \$63 million for Somerville Avenue Utility and Streetscape Improvement (submitted on 10/26/17),
- Design funding of \$2.1 million for the Poplar Street storm water pump station (submitted on 11/9/17)

**The Public Hearing began at 6:55 PM.** Each speaker was allotted two minutes to speak. Comments included:

- not knowing about the project and not being contacted as a direct abutter,
- current struggles with traffic in the area,
- opposition to the Nunziato project and concern about the city's agreement with US2 and the funds being put into the project,
- a recommendation that these items not be approved until residents are convinced that the developer will meet with the community,
- disappointment that US2 was not in attendance at this meeting,
- concern that the DIF does not capture revenue,
- concerns about the US2 covenant and payments,
- storm water tanks and the lack of a proactive approach by the city,
- pervious pavements and the feeling that the city isn't doing all that it can to address the storm water issue,
- the increase in real estate taxes,
- concern about the city's 140 year old sewer system,
- questioning of the necessity of the work,
- the use of rain barrels, and
- concern about the residents taking on a lot of debt.

**The Public Hearing was closed at 7:14 PM**

The record will be kept open until the December 5, 2017 Finance Committee of the Whole meeting.

Alderman White commented that all meetings should be broadcast live for public viewing.

Mr. Raiche spoke about the city's storm water plans and said that they are built on hydraulic model engineering, adding that there is a lot of ground to evaluate to remove storm water from the city's system.

Alderman White said the incoming BOA will have the ability to vote down this project and he asked if the utility construction is a stand-alone project.

Alderman Ballantyne confirmed that there had been at least one major public meeting run by the city on the Somerville Avenue project and Alderman Heuston spoke about the impervious surface ordinance, saying that the city should start right now to change any city-owned impervious areas to pervious.

**204437: Requesting approval of the proposed Union Square District Improvement Financing Development District.**

<b>RESULT:</b>	<b>KEPT IN COMMITTEE</b>
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**2. Public Hearing - #204517 - Union Sq DIF Development Program** See Public Hearing of item #204437.

The record will be kept open until the December 5, 2017 Finance Committee of the Whole meeting.

**204517: Requesting approval of the proposed Union Square District Improvement Financing (DIF) Development Program.**

<b>RESULT:</b>	<b>KEPT IN COMMITTEE</b>
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**Handout:**

- USQ Infrastructure and DIF (with 204437)