

J/6

ACCEPTED AND FILED

SUSPENSION

Chelsea, Massachusetts December 9, 2019

A Regular meeting of the Chelsea City Council was held. The meeting was held at the Chelsea City Hall located at 500 Broadway Chelsea Massachusetts 02150. The following Councilors were present: Councilors Garcia, Vidot, Avellaneda, Rodriguez, Lopez, Brown, Perlatonda, Tejada, Robinson, Bishop, and Recuperero. Council President Vidot presided over the meeting. The meeting opened at 7:00 p.m.

Public Speaking:

The public speaking portion opened at 7:03 p.m. The following came forward to speak:

Roman Pucko 191 Lynfield Street Peabody Mass. Spoke about the need for Carter Street to be repaired from Washington Ave. to Everett Ave. He also addressed the concern with the Building being open on time when there is a meeting here at City Hall. The people need access to the Handicap Ramp door.

The public speaking portion closed at 7:07 p.m.

The minutes of the City Council meeting dated November 25, 2019 were approved at the request of Councilor Lopez under suspension.

Communications from City Manager

The following communication was read from City Manager Thomas G. Ambrosino. A motion from Councilor Robinson moved the communication to a second reading under suspension.

The Honorable Chelsea City Council
Chelsea City Hall
500 Broadway
Chelsea, Massachusetts 02150

Re: *Appointments to Boards and Commissions*

Dear Councilors:

Pursuant to Section 4-2 of the Charter of the City of Chelsea, I am writing to recommend the following individuals to Boards and Commissions in the City.

For re-appointment to the Board of Registrars of Voters, Mr. Jacob Resnek, 68 Captains Row Rear, Chelsea, for a new three year term expiring in 2022.

For appointment to the Licensing Commission, Ms. Emily Cherniack, 183 Congress Ave., #2, Chelsea, to serve the remainder of the term of Roseann Bongiovanni, who has resigned. This term expires on February 25, 2022.

For re-appointment to the Community Schools Advisory Board, Mr. Mohamed Qasim, 3 Clinton Court, Chelsea, for a new three year term expiring in 2022.

I respectfully request your approval of these appointments. I have attached the resume of Ms. Cherniack.

Sincerely,
Thomas G. Ambrosino
City Manager

The following communication was read from City Manager Thomas G. Ambrosino. A motion from Councilor Brown to accept and file was adopted under suspension.

The Honorable Chelsea City Council
Chelsea City Hall
500 Broadway
Chelsea, Massachusetts 02150

Re: *Request for Bond Refinancing*

Dear Councilors:

As part of our annual review of outstanding bond issues, we have determined that we can save money by refinancing the City's 2009 bonds. Our financial advisor is estimating that a refinancing of these 2009 bonds with current interest rates could save the City approximately \$200,000 over the remaining six year life of the bonds.

There does not appear to be any downside to this refinancing. Accordingly, I respectfully request City Council approval for this effort. I have attached the necessary Orders to accomplish this refinancing.

The following communication was read from City Manager Thomas G. Ambrosino. A motion from Councilor Garcia was made to send it to conference. Councilor Robinson requested roll call. The roll call passed to send to conference 9-2-0-0. Voting yes were Councilors Garcia, Vidot, Avellaneda, Rodriguez, Lopez, Brown, Tejada, Bishop, and Recupero. Voting no were Councilors Perlatonda and Robinson.

The Honorable Chelsea City Council
Chelsea City Hall
500 Broadway
Chelsea, Massachusetts 02150

Re: *TIF Agreement for Chelsea Housing Authority/Joseph J. Corcoran Joint Venture*

Dear Councilors:

I am writing to formally request that the City Council approve a 15 year Tax Increment Financing Agreement for the Innes Apartment Redevelopment. This TIF Agreement is critical for this important project to proceed.

Many of you are familiar with at least some aspect of this innovative joint venture between the Chelsea Housing Authority and developer Joseph J. Corcoran. The project involves the demolition of the existing 96 unit Innes Apartment public housing development and the construction on that site of a new, \$120 million development of 330 residential units and 7,000 sq. ft. of commercial space. Within the development, 96 units, scattered throughout the complex, will be reserved for Chelsea Housing Authority tenants. In essence, the Chelsea Housing Authority will be able to replace its existing 96 dated and distressed Innes units with brand new accommodations. Given the dearth of funding in the Commonwealth for rehabilitation of existing public housing properties, this project provides a rare opportunity to develop new affordable housing for existing public housing tenants.

Because the affordable component of this project is so significant, a generous amount of public support is necessary to make the project viable. The Chelsea Housing Authority is providing the land. The Commonwealth of Massachusetts is contributing approximately \$22 million in a combination of direct funding and infrastructure grants. The City's contribution will consist of relief on building permit fees, a share of the 40R funding provided by the state and, if approved by this City Council, this property tax relief.

The specific TIF proposal for this project is 15 years broken down as follows: 80% tax relief for Years 1-5; 60% for Years 6-10; and 50% for Years 11-15. The City estimates that the total amount of tax relief over the 15 years will be approximately \$6.5 million. Even with this TIF, the City will still earn more than \$4.6 million in new tax dollars over the 15 year life of this TIF on a parcel that currently generates no tax dollars for the City. (A spreadsheet illustrating the anticipated TIF impact is attached.)

The City has been supportive of this project because it promises significant housing benefits to 96 economically disadvantaged families in Chelsea. The reality is that, without this project and the TIF proposed here, these units will likely remain in their current distressed condition for many years. For these reasons, I respectfully ask that the City Council approve this TIF proposal.

Because this TIF applies to a housing project, it is subject to different statutory rules than the normal commercial TIF. Adoption of this TIF also requires the creation and approval of a Urban Center Housing Tax Increment Financing ("UCH-TIF") Plan, a UCH-TIF Zone and the actual UCH-TIF Agreement. The necessary Orders, as well as copies of all of the documents, are also attached.

Sincerely,
Thomas G. Ambrosino
City Manager

New Business:

The following order was introduced by Councilor Brown. A motion from Councilor Brown referred it to a second reading under suspension.

ORDERED: That in order to reduce interest costs, the Treasurer, with the approval of the City Manager, is authorized to issue refunding bonds. At one time or from time to time, pursuant to Chapter 44, Section 21A of the General Laws, or pursuant to any other enabling authority, to refund all or any portion of the City's general obligation bonds outstanding as of the date of adoption of the Order, and that the proceeds of any refunding bonds issued pursuant to this vote shall be used to pay the principal, redemption premium and interest on the bonds of the city to be refunded, and cost of issuance of the refunding bonds; and that the Treasurer is authorized to execute such documents as may be necessary or desirable to carry out this transaction, including one or more refunding trust agreements with a bank or trust company.

The following order was introduced by Councilor Brown. A motion from Councilor Bishop moved the order to a second reading under suspension.

ORDERED: That the Treasurer is authorized to file an application with the appropriate officials of The Commonwealth of Massachusetts (the "Commonwealth") to qualify under Chapter 44A of the General Laws any and all bonds of the City to be issued pursuant to this Order, and to provide such information and execute such documents as such officials of the Commonwealth may require.

The following order was introduced by Councilor Brown. A motion from Councilor Brown moved the order to a second reading under suspension.

AN ORDER ADOPTING AN URBAN CENTER HOUSING TAX INCREMENT FINANCING ("UCH-TIF") ZONE and UCH-TIF PLAN AS PRESENTED, OR TAKE ANY OTHER ACTION IN RELATION THERETO, FOR THE EXPRESS PURPOSE OF FURTHERING AFFORDABLE RESIDENTIAL HOUSING AND COMMERCIAL DEVELOPMENT, PURSUANT TO 760 CMR 58.00, AS AUTHORIZED BY CHAPTER 40, SECTION 60 OF THE GENERAL LAWS.

Ordered: That in accordance with Chapter 40, Section 60 of the General Laws, and pursuant to 760 CMR 58.00, the Urban Center Housing Tax Increment Financing ("UCH-TIF") Zone, entitled the Central Avenue Commerce District, and roughly bounded by: Marginal St., from Willow St. to Parcel 14-21 to the east; Watts St., from Parcel 14-21 to Parcel 22-17 to the north; the boundaries of Parcel 22-17, from Watts St. to Central Ave., to the west; the center line of Central Ave., from Parcel 22-17 to Willow St., to the south; and Willow St., between

Central Ave. and Marginal St. to the south, as depicted in “Central Avenue Commerce District UCH-TIF Zone Map,” attached hereto, is hereby adopted.

The following order was introduced by Councilor Brown. A motion from Councilor Brown moved the order to a second reading under suspension.

Ordered: That in accordance with Chapter 40, Section 60 of the General Laws, and 760 CMR 58.00, the UCH-TIF Plan for the Central Avenue Commerce District, prepared by the Department of Planning and Development and attached hereto, is hereby adopted.

The following order was introduced by Councilor Brown. A motion from Councilor Brown moved the order to a second reading under suspension.

AN ORDER (A) APPROVING THE URBAN CENTER HOUSING TAX INCREMENT FINANCING (“UCH-TIF”) AGREEMENT (“UCH-TIF AGREEMENT”) BY AND BETWEEN THE CITY OF CHELSEA AND JOSEPH J. CORCORAN COMPANY LLC, PURSUANT TO CHAPTER 23B; CHAPTER 40, SECTION 59; CHAPTER 40 SECTION 60, AS AMENDED; AND 760 CMR 58.00, FOR THE REDEVELOPMENT OF REAL PROPERTY SITUATED AT 170 CENTRAL AVENUE, CATALOGUED IN THE ASSESSOR’S MAPS UNDER MAP 22, LOT 17, MAP 22, LOT 106; AND MAP 22, LOT 107, AND OWNED IN FEE BY THE CHELSEA HOUSING AUTHORITY, WHO HAVE ENTERED INTO A 99-YEAR LEASE AGREEMENT WITH THE JOSEPH J. CORCORAN COMPANY LLC FOR THE REDEVELOPMENT OF THE PROPERTY; (B) AUTHORIZING THE CITY MANAGER TO SUBMIT A CERTIFIED PROJECT APPLICATION TO THE MASSACHUSETTS DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR APPROVAL; AND (C) AUTHORIZING THE CITY MANAGER TO EXECUTE THE UCH-TIF AGREEMENT AND ANY OTHER RELATED DOCUMENTS AND TAKE SUCH OTHER AND FURTHER ACTIONS AS MAY BE NECESSARY OR APPROPRIATE TO IMPLEMENT THE UCH-TIF AGREEMENTS, AND TAKE SUCH OTHER AND FURTHER ACTION AS MAY BE NECESSARY OR APPROPRIATE TO OBTAIN APPROVAL OF THE CERTIFIED PROJECT APPLICATION OR TO CARRY OUT THE PURPOSES OF THIS ORDER, AND TO TAKE ANY OTHER ACTION RELATIVE THERETO.

The Chelsea City Council (a) hereby approves, in accordance with Chapter 23B; Chapter 40, Section 59; Chapter 40, Section 60, as amended; and 760 CMR 58.00, the Urban Center Housing Tax Increment Financing (“UCH-TIF”) Agreement (“UCH-TIF Agreement”) between the City of Chelsea and Joseph J. Corcoran Company LLC for the redevelopment of real property situated at 170 Central Avenue, Assessors Map 22, Lot 17; Map 22, Lot 106; and Map 22, Lot 107, attached hereto; (b) hereby authorizes the City Manager to submit a Certified Project Application to the Massachusetts Department of Housing and Community Development for approval; and (c) hereby authorizes the City Manager to execute the UCH-TIF Agreement on behalf of the City and take such other and further action as may be necessary or appropriate to obtain approval of the Certified Project Application, to carry out the purposes of this Order, and take any other action to carry out the purposes of this vote.

The following Order was introduced by Councilors Recupero, Vidot, Lopez, and Garcia. A motion from Councilor Recupero to adopt under suspension was adopted.

Ordered, that the City Manager instruct the Chief of Police to put more police visibility in Sector 4.

The following order was introduced by Councilor Recupero. A motion from Councilor Recupero to adopt under suspension was adopted.

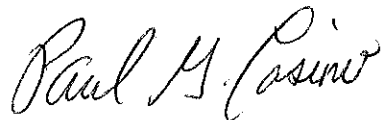
Request, that the City Manager provide an account of when he will put \$300,000 aside from the Massport grant for soundproofing in the City of Chelsea.

The following Order was introduced by Councilor Vidot. A motion from Councilor Vidot to adopt under suspension was adopted.

Ordered, that the City Manager explore the opportunity of Robert "Duke" Bradley Community Cable expanding their video coverage of meetings to include ZBA, Traffic and Parking, Licensing and any other board meetings of interest, and have the meetings be aired on Channel 3.

The meeting adjourned at 7:35 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Paul G. Casino".

Paul G. Casino
Clerk of the Chelsea City Council