



Town of Barnstable Town Council

367 Main Street, 2nd floor,
James H. Crocker, Jr. Hearing Room
Hyannis, MA 02601
Office 508.862.4738 • Fax 508.862.4770

MEETING AGENDA February 04, 2021 7:00 PM

Councillors:

Matthew Levesque
President
Precinct 10

Paula K. Schnepf
Vice President
Precinct 12

Gordon Starr
Precinct 1

Eric R. Steinhilber
Precinct 2

Paul Hebert
Precinct 3

Nikolas Atsalis
Precinct 4

David W. Bogan
Precinct 5

Paul C. Neary
Precinct 6

Jessica Rapp Grassetti
Precinct 7

Debra S. Dagwan
Precinct 8

Tracy Shaughnessy
Precinct 9

Kristine Clark
Precinct 11

Jennifer L. Cullum
Precinct 13

Administrator:
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Cynthia.Lovell@
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Administrative
Assistant:
Kelly Crahan
Kelly.Crahan@
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The February 04, 2021 meeting of the Barnstable Town Council will be held remotely and shall be physically closed to the public to avoid group congregation.

Remote Participation Instructions

1. Real-time public comment may be addressed to the Barnstable Town Council utilizing the Zoom video link or telephone number and access meeting code:

Meeting ID: **984 1045 9180** Join Zoom Meeting <https://zoom.us/j/98410459180>

Public comment call 1-888 475 4499 US Toll-free

2. Written Comments may be submitted to:

https://tobweb.town.barnstable.ma.us/boardscommittees/towncouncil/Town_Council/Agenda-Comment.asp

3. The meeting will be televised live via Comcast Channel 18 access:

<http://streaming85.townofbarnstable.us/CablecastPublicSite/watch/1?channel=1>

PUBLIC SESSION

1. ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. MOMENT OF SILENCE

4. PUBLIC COMMENT

5. COUNCIL RESPONSE TO PUBLIC COMMENT

6. TOWN MANAGER COMMUNICATIONS

- Zoning Ordinances & Amendments: Process, Communications, and Updates
- Local Comprehensive Plan: Overview and Phase One - Data/Existing Conditions and Community Visioning

7. ACT ON MINUTES (Including Executive Session)

8. COMMUNICATIONS- from elected officials, boards, committees, staff commission reports, correspondence and announcements

9. ORDERS OF THE DAY

A. Old Business

B. New Business

10. ADJOURNMENT

NEXT REGULAR MEETING: February 18, 2021

ITEM NO.	INDEX TITLE	PAGE
A.	OLD BUSINESS	
2021-058	Amending the Zoning Map of the Town of Barnstable to expand the Multifamily Affordable Housing District to include Map 250 Parcel 160 at 3 Whitehall Way, Hyannis, MA (Public Hearing) (Roll Call 2/3 of Full Council)	5-9
2021-059	Amending Article III, Chapter 240, Section 16.1 of the Zoning Ordinance to modify the required percentage of affordable units and revise the definition of affordable unit and Article XI, Chapter 240, Section 116 of the Zoning Ordinance to exempt development under the Multifamily Affordable Housing (MAH) from Growth Management (Public Hearing) (Roll Call 2/3 of Full Council)	10-13
2021-067	Appropriation Order in the amount of \$45,000 for the purpose of acquiring an easement on a portion of the property located at 528 Craigville Beach Road, Barnstable (Centerville) Massachusetts shown on Assessors Map 246 as Parcel 071 to be associated with the construction of new sewer infrastructure (Public Hearing) (Roll Call Majority of Full Council)	14-15
2021-068	Order authorizing a Housing Development Incentive Program Tax Increment Exemption Agreement between the Town of Barnstable and Pearl Street Holdings, LLC for 9 new market rate residential units located at 39 Pearl Street, Hyannis, MA (May be acted upon) (Roll Call Majority of Full Council)	16-26
B.	NEW BUSINESS	
2021-070	Appointments to a Board/Committee/Commission: Barnstable Historical Commission: Jack Kay, from an alternate member to a regular member to a term expiring 06/30/2021; Comprehensive Financial Advisory Committee: Adam Carter, as a regular member to a term expiring 06/30/2021; Charles McKenzie, as a regular member to a term expiring 06/30/2022; Human Services Committee: Carlos Barbosa, as a regular member to a term expiring 06/30/2023; Licensing Authority: John G. Flores, as a regular member to a term expiring 06/30/2022; Zoning Board of Appeals: Aaron Webb, as an associate member to a term expiring 6/30/2022 (First Reading) (Refer to Second Reading 02/18/2021)	27
2021-071	Supplemental Appropriation Order in the amount of \$29,800 for the Fiscal Year 2021 Airport Operating Budget for the purpose of funding Airport Website Redevelopment Services (First Reading) (Refer to Public Hearing 02/18/2021)	28-30
2021-072	Authorizing the Town Manager to enter into and execute on behalf of the Town an employment contract with Mark A. Milne to serve as the Director of Finance (May be acted upon) (Roll Call Majority)	31
2021-073	Authorization of a Tax Increment Financing Agreement among the Town of Barnstable, WORDSMITH INK, INC. and SB NOMINEE TRUST for the property located at 1254 Main Street, Osterville, MA. Assessors Map 119 and Parcel 056 (First Reading) (Refer to Second Reading 02/18/2021)	32-39
2021-074	Supplemental Appropriation Order in the amount of \$37,726 for the Barnstable Police Department Fiscal Year 2021 Operating Budget for the purpose of funding the hiring of three current patrol officer vacancies (First Reading) (Refer to Public Hearing 02/18/2021)	40-41

Approve Minutes: January 21, 2021

Please Note: the lists of matters are those reasonably anticipated by the council president to be discussed at the meeting. Not all items listed may be discussed and other items not listed may be discussed to the extent permitted by law. It is possible that if it so votes, the Council may go into executive session. The Council may also act on items in an order other than they appear on this agenda. Persons interested are advised that in the event any matter taken up at the meeting remains unfinished at the close of the meeting, it may be continued to a future meeting with proper notice.

A. OLD BUSINESS (Public Hearing) (Roll Call 2/3 of Full Council)

BARNSTABLE TOWN COUNCIL

ITEM# 2021-058

INTRO: 12/17/2020, 02/04/21

2021-058 AMENDING THE ZONING MAP OF THE TOWN OF BARNSTABLE TO EXPAND THE MULTIFAMILY AFFORDABLE HOUSING DISTRICT TO INCLUDE MAP 250 PARCEL 160 AT 3 WHITEHALL WAY, HYANNIS, MA

ORDERED: That the Code of the Town of Barnstable, Part I General Ordinances, Chapter 240 Zoning be amended as follows:

By amending Article II, Section 6, The Zoning Map of the Town of Barnstable to rezone property from the Residence C-1 Zoning District to the Multifamily Affordable Housing Zoning District as shown on maps entitled:

- “Proposed Amendment to the Town Zoning Map expanding the MAH District in Hyannis” and
- “Proposed Amendment to the Hyannis Zoning Map expanding the MAH District in Hyannis – Sheet 3 of 7” and
- “Proposed Amendment to the Centerville Zoning Map expanding the MAH District in Centerville – Sheet 4 of 7”

Dated August 6, 2020 as prepared by the Town of Barnstable GIS (Geographical Information System) Unit.

SPONSOR: Eric Steinhilber, Town Councilor, Precinct 2

DATE	ACTION TAKEN
<u>12/17/2020</u>	<u>Refer to Planning Board</u>

- _____ Read Item
- _____ Motion to Open Public Hearing
- _____ Rationale
- _____ Public Hearing
- _____ Close Public Hearing
- _____ Council Discussion
- _____ Vote

BARNSTABLE TOWN COUNCIL

ITEM#2021-058

INTRO: 12/17/2020, 02/04/2021

SUMMARY

TO: Town Council
FROM: Mark S. Ells, Town Manager
THROUGH: Elizabeth Jenkins, Director, Planning & Development Department
DATE: December 17, 2020
SUBJECT: Amending the Zoning Map of the Town of Barnstable to expand the Multifamily a Affordable Housing District to include Map 250 Parcel 160 at 3 Whitehall Way, Hyannis, MA

BACKGROUND: The Multifamily Affordable Housing (MAH) District was created by the Town in 2008 for the purpose of creating off-site inclusionary affordable housing in conjunction with a proposed continuing care retirement community. The District was amended in 2018 to provide added flexibility for stand-alone, mixed-income, multi-family residential development. The site is the former location of the Whitehall Nursing Home and is now vacant. The MAH District currently allows, by Special Permit, for multi-family residential development at 16 units per acre, with 25 percent of those units required to be deed restricted affordable for residents at 65% of the Area Median Income.

RATIONALE: The proposed Zoning Map Amendment would expand the MAH District to include the adjoining parcel at 3 Whitehall Way, Hyannis. The prospective developer of the MAH parcel purchased the property and has agreed to deed restrict it from development. The parcel would be utilized for the purpose of calculating density, setbacks, and compliance with open space requirements.

FISCAL IMPACT: There is no significant fiscal impact of the proposed zoning map amendment.

TOWN MANAGER RECOMMENDATION: Mark S. Ells, Town Manager, recommends the proposed Zoning Map amendment.

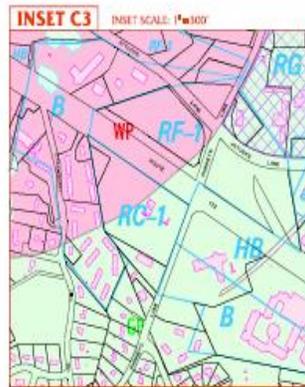
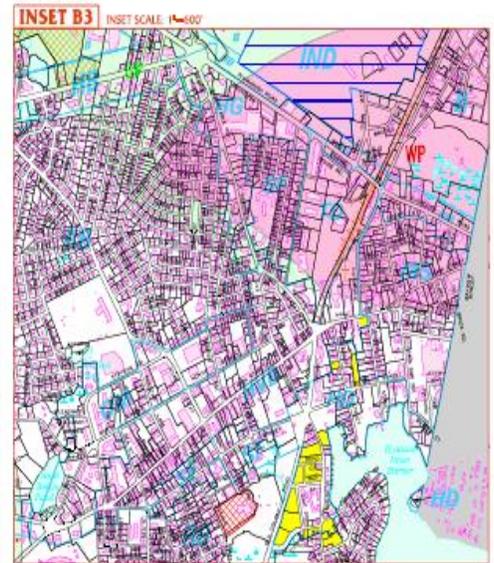
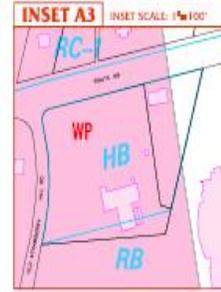
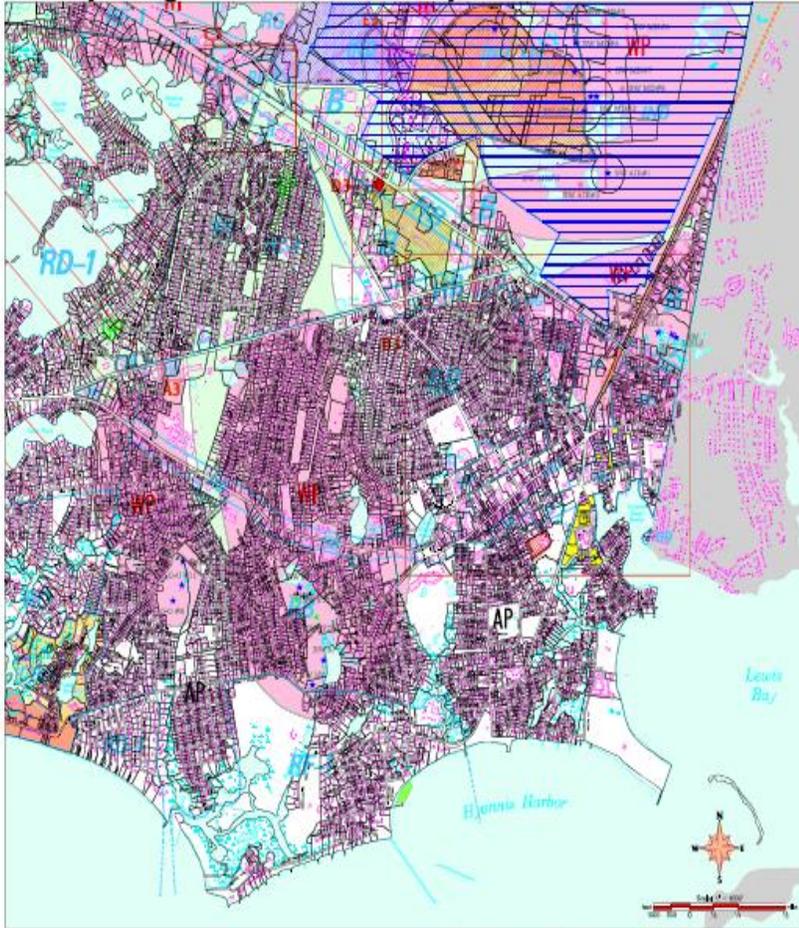
STAFF SUPPORT: Elizabeth Jenkins, Director of Planning & Development; Kate Maldonado, Senior Planner



PROPOSED AMENDMENT to the HYANNIS ZONING MAP Expanding the MAH DISTRICT in Hyannis

AUGUST 6, 2020

HYANNIS - SHEET 3 OF 7



Map Legend	
	Zoning District
	Wellhead Protection Overlay District
	Coastal Protection Overlay District
	Aquifer Protection Overlay District
	Milk Use Overlay District
	Duck and Pier Overlay District
	Former Grade 5 School/Parochial Unit Development Overlay District
	Medical Services Overlay District
	Resource Protection Overlay District
	Shipping Center Redevelopment Overlay District
	Drive Through Restaurant Sub-Zone of the Shipping Center Redevelopment Overlay Dist.
	Senior Continuing Care Retirement Community - SCORCDD (2006)
	International Terminal Area and Maritime Relay Area (Duck & Pier Overlay District)
	Coastal Managed Siltation Phosphatidic Overlay District
	Medical/Medical Office Overlay District
	Craigville Village Neighborhood Overlay
	Long / Short Beach Neighborhood Overlay
	Craigville Beach Neighborhood Overlay
	Centerville River North Bank Neighborhood Overlay
	Hyannis Parking Overlay District
	Existing Public Well Site
	Proposed Future Public Well Site
	Proposed Future Public Well Site
	Facilities (BY 2022)
	Buildings
	Railroad Track
	Town Boundary Line
	Marsh Area
	Stream / Edge of Water
	Coastline Ring

TOWN OF HYANNIS, MASS. 01901 | 781-946-2000 | www.townofhyannis.com | I.S. 84.100

A. OLD BUSINESS (Public Hearing) (Roll Call 2/3 of Full Council)

BARNSTABLE TOWN COUNCIL

**ITEM# 2021-059
INTRO: 12/17/2020, 02/04/2021**

2021-059 AMENDING ARTICLE III, CHAPTER 240, SECTION 16.1 OF THE ZONING ORDINANCE TO MODIFY THE REQUIRED PERCENTAGE OF AFFORDABLE UNITS AND REVISE THE DEFINITION OF AFFORDABLE UNIT AND AMENDING ARTICLE XI, CHAPTER 240, SECTION 116 OF THE ZONING ORDINANCE TO EXEMPT DEVELOPMENT PERMITTED UNDER THE MULTIFAMILY AFFORDABLE HOUSING FROM GROWTH MANAGEMENT

ORDERED: That the Code of the Town of Barnstable, Part I General Ordinances, Chapter 240 Zoning be amended as follows:

SECTION 1

By amending Article III, Section 16.1(F) by striking in the first sentence “25%” and replacing it with “18%” so it reads as follows:

F. Affordable Units. At least **18%** of the dwelling units shall be affordable units, subject to the following conditions:

SECTION 2

By amending Article III, Section 16.1(I) by striking in the definition of AFFORDABLE UNIT the phrase “as defined in §9.2 of the Code” and replacing it with the phrase “as defined herein” so it reads as follows:

AFFORDABLE UNIT

A dwelling unit reserved in perpetuity for rental or ownership by a qualified affordable housing unit tenant or purchaser as defined herein and priced to conform with the standards of the Massachusetts Department of Housing and Community Development (DHCD) Local Initiative Program Guidelines, in order that such affordable units shall be included in the DHCD Subsidized Housing Inventory.

SECTION 3

By amending Article III, Section 16.1(I) by adding a definition of “Qualified Affordable Housing Unit Purchaser or Tenant” as follows:

QUALIFIED AFFORDABLE HOUSING UNIT PURCHASER OR TENANT

A. An individual or household with total annual income that does not exceed the following percentages of the area median income for the Town of Barnstable, as determined annually by the United States Department of Housing and Urban Development:

- (1) For the purchaser of a condominium unit: 50%.
- (2) For the tenant in a rental unit: 50%.

SECTION 4

By amending Article XI Growth Management, Section 116 by adding the following:

(G) Development permitted under the Multifamily Affordable Housing Residential District.

SPONSOR: Eric Steinhilber, Town Councilor, Precinct 2

DATE	ACTION TAKEN
<u>12/17/2020</u>	<u>Refer to Planning Board</u>

- ___ Read Item
- ___ Motion to Open Public Hearing
- ___ Rationale
- ___ Public Hearing
- ___ Close Public Hearing
- ___ Council Discussion
- ___ Vote

BARNSTABLE TOWN COUNCIL

ITEM# 2021-059

INTRO: 12/17/2020, 02/04/2021

SUMMARY

TO: Town Council
FROM: Mark S. Ells, Town Manager
THROUGH: Elizabeth Jenkins, Director, Planning & Development Department
DATE: December 17, 2020
SUBJECT: Amending Article III, Chapter 240, Section 16.1 of the Zoning Ordinance to modify the required percentage of affordable units and revise the definition of affordable unit and Article XI, Chapter 240, Section 116 of the Zoning Ordinance to exempt development under the Multifamily Affordable Housing (MAH) from Growth Management

BACKGROUND: The Multifamily Affordable Housing (MAH) District was created by the Town in 2008 for the purpose of creating off-site inclusionary affordable housing in conjunction with a proposed continuing care retirement community. The District was amended in 2018 to provide added flexibility for stand-alone, mixed-income, multi-family residential development. The site is the former location of the Whitehall Nursing Home and is now vacant. The MAH District currently allows, by Special Permit, for multi-family residential development at 16 units per acre, with 25 percent of those units required to be deed restricted affordable for residents at 65% of the Area Median Income.

RATIONALE: The proposed zoning text amendment would reduce the percentage of total units required to be deed restricted affordable in a new development built under the MAH Zoning District from 25% to 18%. Additionally, the amendment would modify the current requirement for units to be restricted affordable for residents at 65% of the Area Median Income to require units to be affordable for residents at 50% of the Area Median Income. Overall, the result would be a decrease in the number of affordable units, but the designated affordable units would be available to those with lower incomes.

The current MAH ordinance requires affordable units to be in compliance with the Inclusionary Affordable Housing Requirements. This amendment modifies the required affordability level from 65% to 50%, but all other requirements for constructing and deed restricting the units remain the same.

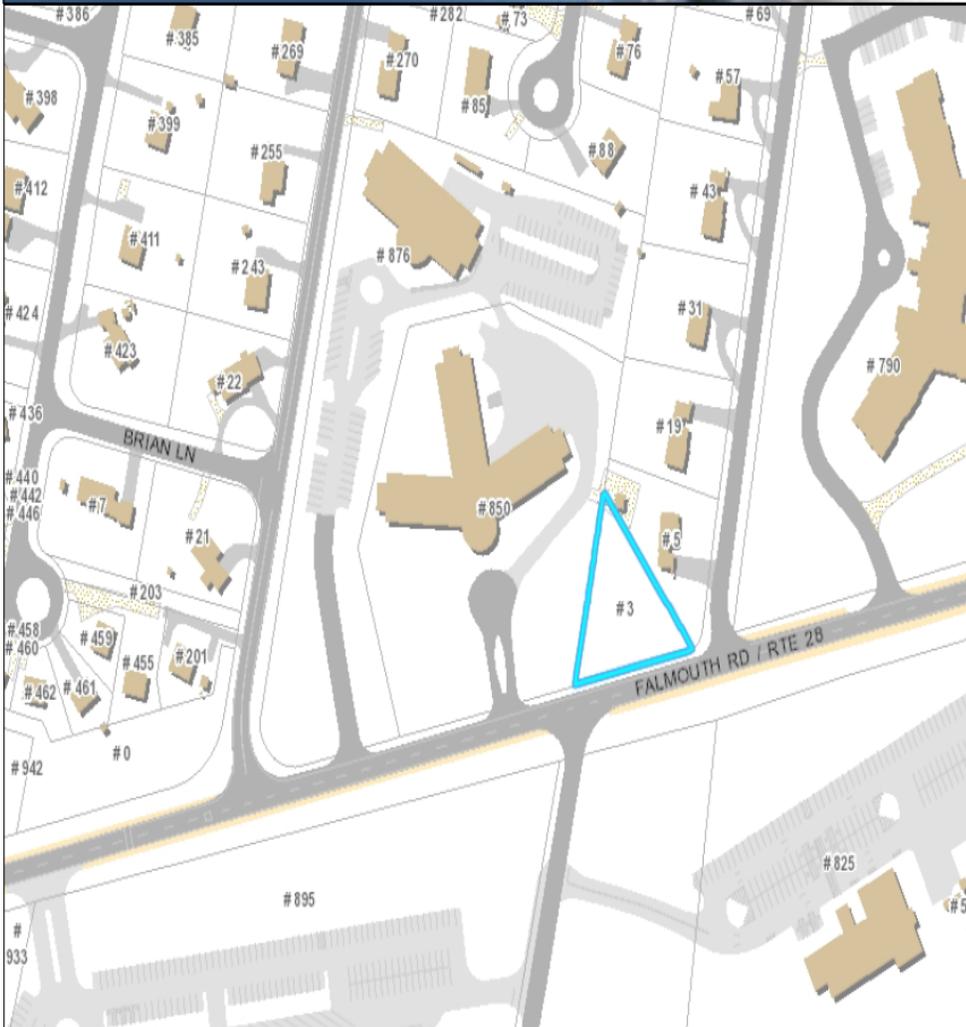
This amendment is being proposed by the prospective developer of the property, who is seeking to apply for local tax relief and state tax credits under the Housing Development Incentive Program. That program, which is designed to promote market-rate rental housing, requires at least 80% of the units in a project to be market rate (not deed restricted).

Further, the amendment clarifies that the proposed development is not subject to the restrictions on issuance of building permits in Article XI Growth Management of the Zoning Ordinance. This section restricts the number of building permits issued annually and per owner.

FISCAL IMPACT: There is no significant fiscal impact of the proposed zoning amendment.

TOWN MANAGER RECOMMENDATION: Mark S. Ells, Town Manager, recommends the proposed text amendment.

STAFF SUPPORT: Elizabeth Jenkins, Director of Planning & Development; Arden Cadrin, Housing Coordinator; Kate Maldonado, Senior Planner



Legend

- Parcels
- ** Town Boundary
- Railroad Tracks
- Buildings
 - Approx. Building
 - Buildings
- Painted Lines
- Parking Lots
 - Paved
 - Unpaved
- Driveways
 - Paved
 - Unpaved
- Roads
 - Paved Road
 - Unpaved Road
- Bridge
- Paved Median
- Streams
- Marsh
- Water Bodies

Map printed on: 8/4/2020

0 167 333 Feet

Approx. Scale: 1 inch = 167 feet

This map is for illustration purposes only. It is not adequate for legal boundary determination or regulatory interpretation. This map does not represent an on-the-ground survey. It may be generalized, may not reflect current conditions, and may contain cartographic errors or omissions.

Parcel lines shown on this map are only graphic representations of Assessor's tax parcels. They are not true property boundaries and do not represent accurate relationships to physical objects on the map such as building locations.



Town of Barnstable GIS Unit
 307 Main Street, Hyannis, MA 02601
 508-862-4624
gis@town.barnstable.ma.us

A. OLD BUSINESS (Public Hearing) (Roll Call Majority of Full Council)

BARNSTABLE TOWN COUNCIL

**ITEM # 2021-067
INTRO: 01/21/2021, 02/04/2021**

2021-067 APPROPRIATION ORDER IN THE AMOUNT OF \$45,000 FOR THE PURPOSE OF ACQUIRING AN EASEMENT ON A PORTION OF THE PROPERTY LOCATED AT 528 CRAIGVILLE BEACH ROAD, BARNSTABLE (CENTERVILLE) MASSACHUSETTS SHOWN ON ASSESSORS MAP 246 AS PARCEL 071 TO BE ASSOCIATED WITH THE CONSTRUCTION OF NEW SEWER INFRASTRUCTURE

ORDERED: That the sum of **\$45,000** be appropriated for the purpose of acquiring an easement and other costs incidental thereto, and to fund this appropriation, that **\$45,000** be transferred from the available balance in the Sewer Construction and Private Way Maintenance and Improvement Special Revenue Fund; and that the Town Council hereby authorizes the Town Manager to purchase, take by eminent domain under chapter 79 of the General Laws of Massachusetts, or otherwise acquire for sewer infrastructure and related purposes, an easement on a portion of the parcel of land located at 528 Craigville Beach Road, Barnstable (Centerville) Massachusetts, as show on the Plan entitled “Sewer Easement Plan, 528 Craigville Beach Road, Village of Centerville, Barnstable Massachusetts”, prepared by, and on file with, the Barnstable Department of Public Works.

SPONSOR: Mark S. Ells, Town Manager

DATE	ACTION TAKEN
<u>01/21/2021</u>	<u>Refer to Public Hearing 02/04/2021</u>

- ___ Read Item
- ___ Motion to Open Public Hearing
- ___ Rationale
- ___ Public Hearing
- ___ Close Public Hearing
- ___ Council Discussion
- ___ Vote

BARNSTABLE TOWN COUNCIL

ITEM # 2021-067

INTRO: 01/21/2021, 02/04/2021

SUMMARY

TO: Town Council
FROM: Mark S. Ells, Town Manager
THROUGH: Daniel W. Santos, P.E., Director of Public Works
DATE: January 21, 2021
SUBJECT: Appropriation Order in the amount of **\$45,000** for the purpose of acquiring an easement on a portion of the property located at 528 Craigville Beach Road, Barnstable (Centerville) Massachusetts shown on Assessors Map 246 as Parcel 071 to be associated with the construction of new sewer infrastructure

BACKGROUND: The Town is proceeding with plans to install sewers and related infrastructure as part of the Strawberry Hill Road Sewer Expansion Project. Town Engineers have identified the property at 528 Craigville Beach Road as an ideal technical location for the construction of sewer pump station infrastructure. Siting this infrastructure in this location would significantly reduce excavation depths and construction costs, and removes the need to site a pump station at the property at Covell's Beach.

Direct negotiations with the property owners produced an Agreement that damages for an Eminent Domain Taking of an Easement will be in the amount of \$40,000. This comprehensive agreement will be executed by both the Owners and the Town, subject to Town Council Approval. It is anticipated that an Order of Taking will be recorded after 30 days have passed from the Council vote, whereupon the easement would transfer to the Town. An additional \$5,000 has been added for costs associated with this taking, including title examination, recording fees, etc.

ANALYSIS: The acquisition of this easement is essential to the anticipated Strawberry Hill Sewer Expansion Project and future sewer expansion in the region. Siting sewer infrastructure in this location will reduce sewer excavation depths and significantly reduce construction costs. The acquisition of this parcel by eminent domain taking has been thoroughly discussed with the owners and their counsel and they have agreed to the compensation resolution of their prospective claim for eminent domain damages. Utilizing the eminent domain procedure will assure clear title to the property and allow engineering staff to include the easement in the sewer construction planning.

FISCAL IMPACT: There is no annual operating budget impact as a result of acquiring this easement. Funding for the acquisition will be provided from the available reserves in the Sewer Construction and Private Way Maintenance and Improvement Special Revenue Fund which has an available balance of \$14.7 million.

TOWN MANAGER RECOMMENDATION: Mark S. Ells, Town Manager, recommends approval of this appropriation order.

STAFF ASSISTANCE: Daniel W. Santos, P.E., Director of Public Works

A. OLD BUSINESS (May be acted upon) (Roll Call Majority of Full Council)

BARNSTABLE TOWN COUNCIL

ITEM# 2021-068
INTRO: 01/21/2021, 02/04/2021

2021-068 AUTHORIZATION OF A HOUSING DEVELOPMENT INCENTIVE PROGRAM TAX INCREMENT EXEMPTION AGREEMENT BETWEEN THE TOWN OF BARNSTABLE AND PEARL STREET HOLDINGS, LLC FOR 9 NEW MARKET RATE RESIDENTIAL UNITS LOCATED AT 39 PEARL STREET, HYANNIS, MA

ORDERED: That the Town Council hereby authorizes a Tax Increment Exemption (TIE) Agreement between the Town of Barnstable and Pearl Street Holdings, LLC pursuant to the Housing Development Incentive Program, M.G.L. c. 40V, and the regulations promulgated thereunder at 760 CMR 66.00, for nine (9) new market rate residential units located at 39 Pearl Street, Hyannis, MA (Assessor’s Map 308, Block 089), substantially in the form as presented to the Town Council at this meeting, and further authorizes the Town Manager to execute the TIE Agreement and submit it to the Massachusetts Department of Housing and Community Development for approval.

SPONSOR: Town Council Tax Incentive Committee: Nikolas Atsalis, Councilor Precinct 4; Matthew Levesque, Councilor Precinct 10; Eric Steinhilber, Councilor Precinct 2

DATE	ACTION TAKEN
<u>01/21/2021</u>	<u>First Reading</u>

- _____ Read Item
- _____ Rationale
- _____ Council Discussion
- _____ Vote

BARNSTABLE TOWN COUNCIL

ITEM# 2021-068
INTRO: 01/21/2021, 02/04/2021

SUMMARY

TO: Town Council
FROM: Mark S. Ells, Town Manager
THROUGH: Elizabeth S. Jenkins, Planning & Development Director
DATE: January 21, 2021
SUBJECT: Authorization of a Housing Development Incentive Program Tax Increment Exemption Agreement between the Town of Barnstable and Pearl Street Holdings, LLC for 9 new market rate residential units located at 39 Pearl Street, Hyannis, MA

RATIONALE: The Tax Incentive Committee of the Town Council recommends approval of the Housing Development Incentive Program Tax Increment Exemption request from developer Jacob Dewey for property located at 39 Pearl Street, Hyannis known as Captain Bearse Residences. The proposed development will consist of 9 new market rate rental units on an undeveloped parcel.

In January 2018, the Barnstable Town Council approved the Downtown Hyannis HD Zone and Plan and in March 2018 the Town received approval of its Zone from the Massachusetts Department of Housing and Community Development. Approval of this Zone allows the Town to enter into Tax Increment Exemption Agreements with property owners within the Zone.

The goals of the Housing Development Incentive Program, which authorizes Tax Increment Exemption Agreements, are to increase residential growth, expand diversity of housing supply, support economic development and promote neighborhood stabilization.

The Housing Development Program (HDIP) Staff Review Committee and the Town Council Tax Incentive Committee reviewed the application from Pearl Street Holdings, LLC and found it to be complete and that this development meets the objectives of the HDIP Plan including increasing residential stock and diversity of housing choice. The Operating Pro Forma is reasonable and in line with industry standards. The proposed rents, at \$1,800 per month plus utilities, are priced consistently with prevailing rents. The development will have a positive impact on housing supply and in turn support economic development. The TIE Agreement is a contract between the property owner and the municipality which sets forth the amount of the tax exemption and the duration of the benefits. The Sponsor has requested, and the Tax Incentive Committee recommends, an 85% Tax Exemption for years 1-5, a 60% Tax Exemption for years 6-10, and a 50% Tax Exemption for years 11-20 on the increased value, anticipated to be \$2.4 million.

If approved by the Town, this project and TIE Agreement must also be approved by the Massachusetts State Department of Housing and Economic Development.

FISCAL IMPACT: The estimated value of the new residential portion of this parcel when developed as proposed is \$2.5 million resulting in an increase of \$2,400,000 in residential value.

As proposed, the total value of the TIE is \$345,953. By approving the TIE Agreement, the Town agrees to forgo an estimated \$235,953 in tax revenue over 20 years in turn for an investment of \$2.4 million in downtown Hyannis.

STAFF ASSISTANCE: Mark A. Milne, Finance Director; Ed O'Neil, Assessor; Karen L. Nober, Town Attorney; Charles S. McLaughlin, Senior Town Attorney; Arden Cadrin, Housing Coordinator

HOUSING DEVELOPMENT INCENTIVE PROGRAM

TAX INCREMENT EXEMPTION (TIE) AGREEMENT

between

Town of Barnstable

and

Pearl Street Holdings LLC

This AGREEMENT is made this _____ day of _____, 20____ by and between the Town of Barnstable, (“Municipality”) _____ and Pearl Street Holdings LLC, a Massachusetts Limited Liability Corporation with an address at, 17 High School Road B Hyannis, Massachusetts (“Sponsor”).

Section 1 – Agreement

The Municipality and the Sponsor, for good and valuable consideration and in consideration of the covenants and agreements herein contained, hereby make this agreement regarding a tax increment exemption pursuant to the Housing Development (HD) Incentive Program, M.G.L. c. 40V, and the regulations promulgated thereunder at 760 CMR 66.00 (HD TIE), with respect to the Property as herein defined.

Section 2 – Definitions

Each reference in this Agreement to the following terms shall be deemed to have the following meanings:

Act: M.G.L. c. 40V, as may be amended from time to time.

Completion: Certificates of occupancy have been issued for the entire Project.

DHCD: Department of Housing and Community Development

Event of Default: An “Event of Default” as defined in Section 5 below.

Final Certification: Determination by DHCD that the Sponsor has completed the new construction or substantial rehabilitation of the Property, consistent with the New Construction or Rehabilitation Plans, including the creation of MRRUs, as set forth in the Act and the Regulations.

Fiscal Year: An annual period of July 1 through June 30.

HD Project: A Certified Housing Development Project as defined in the Act and the Regulations.

HD Zone: The Housing Development Zone adopted by Town of Barnstable Town Council on January 18, 2018, and approved by DHCD as evidenced by a Certificate of Approval dated March 9, 2018, and recorded with the Barnstable County Registry of Deeds at Book 32703, Page 1.

Lead Municipality: Town of Barnstable

MRRU: Market Rate Residential Unit(s) as defined at Section 3.B.1.

Property: and further described in Exhibit 2, “Legal Description of Property”.

Regulations: 760 CMR 66.00.

New Construction or Rehabilitation Plans: The material submitted for Conditional Certification pursuant to 760 CMR 66.05(3) (a) and approved by DHCD.

Sponsor: Pearl Street Holdings LLC, a Massachusetts Limited Liability Corporation, with an address at 17 High School Road B, Hyannis, Massachusetts 02601, its successors and assigns.

Section 3 – Sponsor’s Covenants

A. New Construction or Substantial Rehabilitation of the Property. Sponsor will undertake the new construction or substantial rehabilitation of the Property in accordance with the work and schedule set forth in the New Construction or Rehabilitation Plans.

B. Market Rate Residential Units.

1) There shall be a total of nine (9) residential rental units created in the Project of which 9 shall be MRRUs comprised of 9 two Bedroom, 1.5 Bath townhouse apartments. The monthly rent for such units shall be priced- consistently with prevailing rents or sale prices in the Municipality as determined based on criteria established by the Department, as set forth in Exhibit 3, “Market Rate Residential Units – Pricing Plan”.

2) Sponsor shall use good faith efforts to maintain the units as MRRUs for a minimum of twenty (20) years.

C. Marketing. Sponsor shall cause the MRRUs to be marketed in a manner that is consistent with the strategies, implementation plan and affirmative fair housing efforts set out in the New Construction or Rehabilitation Plans.

D. HD Project Certification. Sponsor shall take all actions reasonably necessary to obtain Final Certification of the Property as an HD Project, including but not limited to submitting applications to DHCD for Conditional Certification and Final Certification consistent with the requirements of the Act and the Regulations.

Section 4 – Tax Increment Exemption

Municipality agrees to grant Sponsor an exemption to the real property taxes due on the Property pursuant to G.L. c. 59 according to the following terms:

A. Base Value. \$92,900.

B. MRRU Percentage. One hundred (100%) of total market rate residential units on site, exclusive of commercial use. The MRRU Percentage shall be confirmed as required in paragraph F, below.

C. Exemption Percentage. Commencing on the Effective Date which shall be Fiscal Year 1: 85% years 1-5, 60% years 6-10, 50% years 11-20

D. The Increment. As defined at 760 CMR 66.06(1) (b) (1).

E. Calculation. For each Fiscal Year during the term of this Agreement, the HD TIE shall be determined by applying the Exemption Percentage to the property tax on the Increment.

F. Confirmation or Amendment of Calculation. Upon Completion, and prior to applying for Final Certification of the Project, the Sponsor and Municipality shall file a “Tax Increment Exemption – Confirmation of Calculation” in the form attached as Exhibit 4 (“TIE Confirmation”). To the extent that the dates or figures in the TIE Confirmation differ from those set forth in this Agreement, the contents of the TIE Confirmation shall control and shall be deemed to have amended this Agreement.

Section 5 – Default

A. Event of Default. An “Event of Default” shall arise under this Agreement upon the occurrence of any one or more of the following events:

- 1) Breach of Covenant Prior to Final Certification. Subject to the limitations set forth in the Regulations at section 66.05(4)(b), Sponsor defaults in the observance or performance of any material covenant, condition or agreement to be observed or performed by Sponsor pursuant to the terms of this Agreement, and the continuance of such default for thirty (30) days after written notice thereof from the Municipality; provided, however, that if the curing of such default cannot be accomplished with due diligence within said period of thirty (30) days, then Sponsor shall have such additional reasonable period of time, not to exceed thirty (30) days, to cure such default provided the Sponsor shall have commenced to cure such default within the initial thirty (30) day period, such cure shall have been diligently prosecuted by the Sponsor thereafter to completion.
- 2) Breach of Covenant Subsequent to Final Certification. Sponsor’s conduct is materially at variance with the representations made in its New Construction or Rehabilitation Plans; such variance is found to frustrate the public purposes that Final Certification was intended to advance, and the continuance of such default for thirty (30) days after written notice thereof from the Municipality; provided, however, that if the curing of such default cannot be accomplished with due diligence within said period of thirty (30) days, then Sponsor shall have such additional reasonable period of time, not to exceed thirty (30) days, to cure such default provided the Sponsor shall have commenced to cure such default within the initial thirty (30) day period, such cure shall have been diligently prosecuted by the Sponsor thereafter to completion.
- 3) Misrepresentation. Any representation made herein or in any report, certificate, financial statement or other instrument furnished in connection with this Agreement shall prove to be false in any material respect.

B. Rights on Default.

- 1) Prior to Final Certification. Upon the occurrence of an Event of Default prior to Final Certification, then this Agreement shall become null and void.
- 2) Subsequent to Final Certification. Upon the occurrence of an Event of Default subsequent to Final Certification, then:
 - a. Revocation of Certification. Pursuant to the terms of the Act, the Municipality, may, at its sole discretion, request that DHCD revoke the Final Certification of the Project, such revocation to take effect on the first day of the fiscal year in which DHCD determines that a material variance commenced.
 - b. Termination of Agreement. Upon revocation of certification, this Agreement shall become null and void as of the effective date of such revocation.
 - c. Recoupment of Economic Benefit. Upon revocation of certification, the Municipality may bring a cause of action against Sponsor for the value of any economic benefit received by Sponsor prior to or subsequent to such revocation.
- 3) Other Remedies. The Municipality’s rights upon the occurrence of an Event of Default are in addition to those granted to DHCD and the Massachusetts Commissioner of Revenue under the terms of the Act.

Section 6 – Miscellaneous

A. Effective Date. The effective date of the HD TIE shall be July 1st of the first Fiscal Year following DHCD's Final Certification of the HD Project pursuant to the requirements of the Act and the Regulations, which date is anticipated to be 2021. The Effective Date shall be confirmed as required under section 4.F above

B. Term of Agreement. This Agreement shall expire upon the Municipality's acceptance of the annual report, as required below, for the final Fiscal Year for which the Municipality is granting the TIE.

C. Reporting. Sponsor shall submit reports to the Municipality not later than thirty (30) days after June 30 of each Fiscal Year for the term of this Agreement. Each report shall contain the following information:

1) Until Completion, the status of construction in relation to the schedule contained in the New Construction or Rehabilitation Plan;

2) Until Completion, the status of marketing in relation to the New Construction or Rehabilitation Plans; and

3) For each MRRU, the number of bedrooms in the unit, whether it was leased as of the end of the most recent fiscal year and the monthly rent charged.

D. Assignment. The Sponsor shall not assign any interest in this Agreement, and shall not transfer any interest in the same, without the prior written consent of the Municipality, which approval shall not be unreasonably withheld. The foregoing notwithstanding, the rights and obligations of this Agreement shall inure to the benefit of any entity succeeding to the interests of the Sponsor.

E. Notices. Any notice, request, instruction or other document to be given hereunder to either party by the other shall be in writing and delivered personally or sent by recognized overnight courier, receipt confirmed or sent by certified or registered mail, postage prepaid, as follows, and shall be conclusively deemed to have been received and be effective on the day on which personally delivered or, if sent by certified or registered mail, three (3) days after the day on which mailed or, if sent by overnight courier, on the day after delivered to such courier.

1) Municipality: Town Manager
Town of Barnstable
367 Main Street
Hyannis, MA 02601

2) Sponsor: Pearl Street Holdings LLC
17 High School Road B
Hyannis, MA 02601

3) Copy to DHCD: All such notices shall be copied to DHCD at:

HDIP Program Coordinator
Department of Housing & Community Development
100 Cambridge Street, Suite 300
Boston, MA 02124

4) Change of Address. Either party may change the address to which notices are to be sent to it by giving written notice of such change of address to the other party in the manner herein provided for giving notice.

F. Modifications. No modification or waiver of any provision of this Agreement, nor consent to any departure

by the Sponsor therefrom shall in any event be effective unless the same shall be in writing, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No failure or delay on the part of Municipality in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

IN WITNESS WHEREOF, the Sponsor has caused this Agreement to be duly executed in its name and behalf and its seal affixed by its duly authorized representative, and the Municipality has caused this Agreement to be executed in its name and behalf and its seal duly affixed by its Town Manager as of the day and year first above written.

Town of Barnstable
(Municipality)

(Sponsor)

By: Mark S. Ells, Town Manager

By: Jacob Dewey for Pearl Street Holdings LLC

EXHIBIT 1

MAP OF PROPERTY

EXHIBIT 2

DESCRIPTION OF PROPERTY

EXHIBIT 3

MARKET RATE RESIDENTIAL UNITS – PRICING PLAN

| Pricing Area: Town of Barnstable
Proposed Initial
Monthly Rent: \$1800

EXHIBIT 4

TAX INCREMENT EXEMPTION – CONFIRMATION OF CALCULATION

In connection with the Tax Increment Exemption Agreement dated _____, 20____ by and between the Town of Barnstable, and Pearl Street Holding LLC, a Massachusetts Limited Liability Corporation with an address at 17 High School Road B Hyannis, MA 02601, with respect to the property at 39 Pearl Street Hyannis, Massachusetts (the “Agreement”), the parties hereby confirm the following elements of the Agreement. Unless otherwise stated, capitalized terms have the meaning set forth in the Agreement.

1. The effective date of the Agreement is: _____
2. The MRRU is: 9 units, 100%
3. The assessed value of the of the residential portion of the Property upon Completion is: 2021

To the extent that the dates or figures in this “Tax Increment Exemption – Confirmation of Calculation” differ from those set forth in the Agreement, the contents of this document shall control and shall be deemed to have amended the Agreement.

MUNICIPALITYSPONSOR

By: Town Manager

By: Jacob Dewey, Pearl Street Holdings LLC

Dated: _____

B. NEW BUSINESS (First Reading) (Refer to Second Reading 02/18/2021)

BARNSTABLE TOWN COUNCIL

**ITEM# 2021-070
INTRO: 02/04/2021**

2021-070 APPOINTMENTS TO A BOARD/COMMITTEE/COMMISSION

RESOLVED: That the Town Council appoints the following individuals to a multiple-member board/committee/commission: **Barnstable Historical Commission:** Jack Kay, from an alternate member to a regular member to a term expiring 06/30/2021; **Comprehensive Financial Advisory Committee:** Adam Carter, as a regular member to a term expiring 06/30/2021; Charles McKenzie, as a regular member to a term expiring 03/30/2022; **Human Services Committee:** Carlos Barbosa, as a regular member to a term expiring 03/30/2023; Licensing Authority: John G. Flores, as a regular member to a term expiring 06/30/2022; **Zoning Board of Appeals:** Aaron Webb as an associate member to a term expiring 6/30/2022

SPONSOR: Appointments Committee

DATE	ACTION TAKEN
_____	_____
_____	_____

- Read Item
- Rationale
- Council Discussion
- Vote

B. NEW BUSINESS (Refer to a Public Hearing 02/18/2021)

BARNSTABLE TOWN COUNCIL

**ITEM #2021-071
INTRO: 02/04/21**

**2021-071 SUPPLEMENTAL APPROPRIATION ORDER IN THE AMOUNT OF \$29,800
FOR THE FISCAL YEAR 2021 AIRPORT OPERATING BUDGET FOR THE
PURPOSE OF FUNDING AIRPORT WEBSITE REDEVELOPMENT SERVICES**

ORDERED: That the sum of **\$29,800** be appropriated for the purpose of funding website redevelopment services; and that to meet this appropriation that \$29,800 be transferred from the Airport Enterprise Fund reserves; and that the Airport Commission is authorized to contract for and expend the appropriation made available for these purposes and is further authorized to accept any grants or gifts in relation thereto.

SPONSOR: Mark S. Ells, Town Manager

DATE	ACTION TAKEN
_____	_____
_____	_____

- Read Item
- Rationale
- Council Discussion
- Vote

BARNSTABLE TOWN COUNCIL

ITEM #2021-071
INTRO: 02/04/2021

SUMMARY

TO: Town Council
FROM: Mark S. Ells, Town Manager
THROUGH: Katie R. Servis, Airport Manager
DATE: February 04, 2021
SUBJECT: Supplemental Appropriation Order in the amount of **\$29,800** for the Fiscal Year 2021 Airport Operating Budget for the purpose of funding Airport Website Redevelopment Services

BACKGROUND: A total of \$29,800 is requested for Website Redevelopment Services for the Airport to assist in meeting the goals of the 2018 Airport Business Plan and Marketing Plan. As part of the airport rebranding effort and Goal D of the Airport Business Plan (see below), updates to the Airport Website are necessary.

Airport Business Plan Goals:

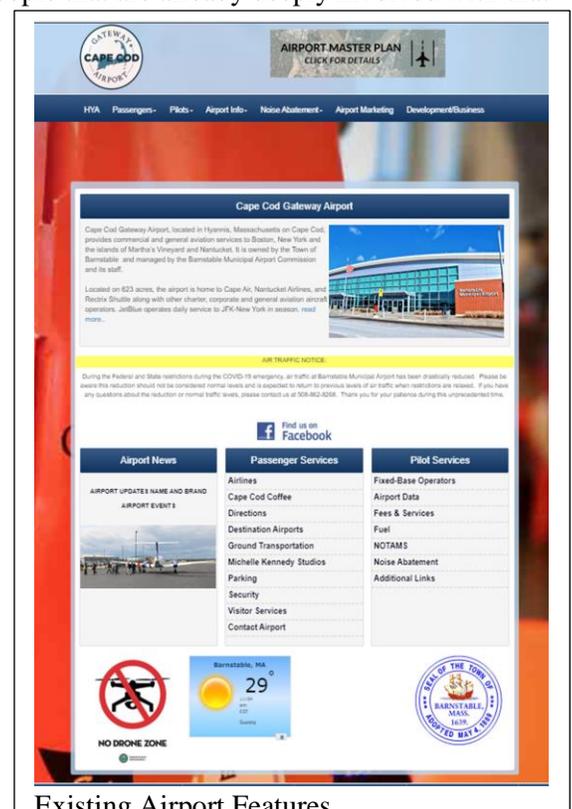
- Goal A: Maximize General Aviation Activity at HYA
- Goal B: Diversify Revenue Streams
- Goal C: Become a Regional Air Transportation Leader
- Goal D: Enhance Airport Image & Branding

The Quotient Group (TQG), the Airport's on-call Marketing Team, has been selected to implement that change and have presented a proposal to revamp and manage the airport's website. As part of the original Request for Proposal (RFP) for on-call marketing services, TQG was hired as the Airport's On-Call Airport Marketing, Advertising and Public Relations/Media Services team. Because the marketing team has extensive airport experience and because the team touches each element of our Business Plan – it is key to maintain continuity in all forms of marketing, including the airport website.

Currently TQG maintains all social media outlets for the Airport. The website acts as an additional social media outlet and the message needs to be consistent and from staff and people that are already deeply involved with that message. Although the Airport has used Town of Barnstable staff to update and maintain the website to date, as we delve further into rebranding the Airport, it is critical that we work with marketing professionals that have extensive airport marketing experience. Additionally, modification of the website meets many goals, objectives and tasks of the 2018 Airport Business Plan and Marketing Plan.

The Airport needs a cleaner less cluttered site that is easy to navigate. The current site does not tell a good story of who we are and where we fly nor does it focus on important information that will be key marketing elements such as enticing users to fly from Hyannis versus Providence or Boston. See below. Additionally, TQG will: update and maintain the site on our behalf, be our dedicated team to continue honing our image, continue marketing the airport through various media outlets, and be our central repository for all things Gateway! Experience in airport marketing and website development has assisted a number of airports within TQG resume. See below.

TQG proposal to update the Airport website for \$29,800 based on research of other web producers. This is well below fees



Existing Airport Features

charged by other entities to conduct the same level of work. The scope includes:

- Developing a new Word Press theme
- New homepage layout
- New navigation options
- Integration of a trip cost calculator
 - As a marketing tool = i.e., *think of Hyannis first*
- Content modifications
- ADA accessibility
- Search Engine Optimization (SEO) to increase quantity/quality of traffic to your website through conscious search engine results
 - Quality of traffic = You can attract all the visitors in the world, but if they're coming to your site because Google tells them you're a small general aviation airport when really you're a commercial service facility that provides connections to the national airspace system, that is not quality traffic. Instead you want to attract visitors who are genuinely interested in products that you offer.
 - Quantity of traffic. Once you have the right people clicking through from those search engine results pages (SERPs), more traffic is better.
 - Organic results. Ads make up a significant portion of many SERPs. Organic traffic is any traffic that you don't have to pay for.

FISCAL IMPACT: This appropriation will be provided from the Airport Enterprise Fund's cash reserves. The reserve balance was certified on July 1, 2020 at \$3,885,899. This project is eligible for 100% CARES Act grant funding reimbursement which will replenish the reserves used to fund this request.

STAFF ASSISTANCE: Mark A. Milne, Director of Finance

The screenshot displays the SBN International website interface. At the top, there is a navigation menu with links for 'FLIGHTS & AIRLINES', 'PARKING & TRANSPORTATION', 'IN THE TERMINAL', 'ABOUT SBN', and 'CONTACT'. The main content area features a 'TRIP COST CALCULATOR' with a table of costs for three destinations: SBN, ORD, and MDW. To the right of the table is a map of the United States with blue arrows indicating flight routes from SBN to various cities including Las Vegas, Phoenix/Mesa, Dallas/Fort Worth, Atlanta, Tampa/St. Petersburg, Sarasota/Bradenton, Orlando/Sanford, Punta Gorda/Ft. Myers, Charlotte, Detroit, Chicago, Minneapolis, and New York/Newark. Below the calculator is a 'More options >>' link and a 'Go Back' button. A section titled 'Need more info on travel costs?' leads to 'FEATURED DESTINATIONS', which includes three cards: 'Where to go for your fall...', 'Phoenix/Mesa', and 'Tampa/St. Petersburg'. Each card has a 'Read More' link.

	SBN	ORD	MDW
Airfare	\$315.00	\$250.00	\$270.00
Parking	\$45.00	\$119.00	\$105.00
Mileage	\$0.00	\$126.35	\$112.93
Tolls	\$0.00	\$17.40	\$17.40
Travel Time	\$0.00	\$69.69	\$61.26
TOTAL	\$360.00	\$582.44	\$566.58

More options >> Go Back

Need more info on travel costs?

FEATURED DESTINATIONS

- Where to go for your fall...**
People across the country are once again looking at...
[Read More](#)
- Phoenix/Mesa**
When you think of the Phoenix/Mesa (AZA) area or Arizona...
[Read More](#)
- Tampa/St. Petersburg**
Tampa/St. Petersburg (PIE) offers unexpected beauty and fun in a...
[Read More](#)

Potential Website Features

B. NEW BUSINESS (May be acted upon) (Roll Call Majority)

BARNSTABLE TOWN COUNCIL

**ITEM# 2021-072
INTRO: 02/04/2021**

2021-072 AUTHORIZING THE TOWN MANAGER TO ENTER INTO AND EXECUTE ON BEHALF OF THE TOWN AN EMPLOYMENT CONTRACT WITH MARK A. MILNE TO SERVE AS THE DIRECTOR OF FINANCE

RESOLVED: That the Town Council hereby authorizes the Town Manager to enter into and execute on behalf of the Town an employment contract with Mark A. Milne to serve as the Town’s Director of Finance for a term commencing on July 1, 2021 and ending on June 30, 2026, with all other terms and conditions the same as those in the employment contract currently in effect between the parties.

SPONSOR: Mark S. Ells, Town Manager

DATE	ACTION TAKEN
_____	_____
_____	_____

- ___ Read Item
- ___ Rationale
- ___ Council Discussion
- ___ Vote

B. NEW BUSINESS (First Reading) (Refer to Second Reading 02/18/2021)

BARNSTABLE TOWN COUNCIL

**ITEM# 2021-073
INTRO: 02/04/2021**

2021-073 AUTHORIZATION OF A TAX INCREMENT FINANCING AGREEMENT AMONG THE TOWN OF BARNSTABLE, WORDSMITH INK, INC. AND SB NOMINEE TRUST FOR THE PROPERTY LOCATED AT 1254 MAIN STREET, OSTERVILLE, MA, MAP 119, PARCEL 056

ORDERED: That the Town Council hereby approves a Tax Increment Financing Agreement (the “TIF Agreement”) among the Town of Barnstable, WORDSMITH INK, INC. (Lessee) and Amie M. Smith and James P. Smith, as Trustees of SB NOMINEE TRUST (Applicant and Lessor), for the property within the Barnstable County Economic Target Area located at 1254 Main Street, Osterville, MA, Map 119, Parcel 056, substantially in the form as presented to the Town Council at this meeting, and further authorizes the Town Manager to execute and submit the TIF Agreement to the Massachusetts Economic Assistance Coordinating Council for approval pursuant to G.L. c. 40, § 59.

SPONSOR: Town Council Tax Incentive Subcommittee (voted June 25, 2019)

DATE	ACTION TAKEN
_____	_____
_____	_____

- ___ Read Item
- ___ Motion to Open Public Hearing
- ___ Rationale
- ___ Public Hearing
- ___ Close Public Hearing
- ___ Council Discussion
- ___ Vote

BARNSTABLE TOWN COUNCIL

ITEM# 2020-073
INTRO: 02/04/2021

SUMMARY

TO: Town Council
FROM: Mark S. Ells, Town Manager
THROUGH: Elizabeth S. Jenkins, Planning & Development Director
DATE: February 04, 2021
SUBJECT: Authorization of a Tax Increment Financing Agreement among the Town of Barnstable, WORDSMITH INK, INC. and SB NOMINEE TRUST for the property located at 1254 Main Street, Osterville, MA, Map 119, and Parcel 056

BACKGROUND: This Tax Increment Financing (TIF) Agreement is between the Town of Barnstable, WORDSMITH INK, INC (Lessee), and Amie M. Smith and James P. Smith, Trustees of SB NOMINEE TRUST (Applicant and Lessor). The Agreement must also be approved by the Economic Assistance Coordinating Council (EACC). TIF agreements are authorized by Massachusetts General Law c. 40, §59 which allows the Town to enter into this Agreement with the property owner and the operating business to support new development that produces new jobs through investment in structures and/or equipment. The TIF Agreement exempts a percentage of the increase in valuation resulting from the new investment for the period described in the Agreement

The TIF Agreement is a contract between the municipality, the property owner and the job creating business whereby each party agrees to undertake certain actions for the benefit of the other in order to achieve the common goal of having the business locate or expand within the Town and receive the local benefits available to it as a Certified Project. The TIF Agreement sets forth the amount of the tax exemption and the duration of the benefits, and describes the responsibilities of the business towards the municipality that has made these benefits available.

Amie M. Smith and James P. Smith, Trustees of SB NOMINEE TRUST, opened Amie Bakery in 2014 in a leased space located at 3 Wianno Avenue, Osterville, and in 2017, in order to grow their business, purchased the property at 1254 Main Street, Osterville, the site of an abandoned garage. The applicants invested over \$780,000 to construct a new state-of-the-art baking facility and retail bakery. The taxable value of the property is estimated to increase from \$270,500 in Fiscal Year 2019 to \$1,210,000 in Fiscal Year 2021. The TIF would begin in Fiscal Year 2022.

The original bakery at 3 Wianno Avenue employed 4 people, who remain employed at the new facility. In addition to relocating those employees, the applicant has hired 2 additional full-time and 4 additional part-time, year-round employees. Four additional new full-time employees are anticipated to be added due to the increase in scope of the business, which includes offering larger and more frequent baking classes, working with culinary educational programs, and provide more job training/internships in the culinary arts.

The applicants worked with Town staff to develop this TIF Agreement through the Town Council Tax Incentive Committee. The Tax Incentive Committee members, at their meeting on June 25, 2019 voted to recommend this matter to the full Council for their action.

FISCAL IMPACT: By approving this TIF agreement the Town agrees to forgo the collection of a total of \$34,786 in net tax gain over a period of 10 years in return for the creation of jobs and the investment of \$782,300 in land and building acquisition, new construction, and equipping the site and building for the business. The Town would collect a total of approximately \$57,002 in net taxes on the property over the same 10-year period.

STAFF ASSISTANCE: Mark A. Milne, Finance Director; Karen L. Nober, Town Attorney; Charles S. McLaughlin, Senior Town Attorney; Elizabeth Jenkins, Planning & Development Director; Gloria McPherson, Planning & Economic Development Coordinator

TAX INCREMENT FINANCING AGREEMENT

BY AND BETWEEN

THE TOWN OF BARNSTABLE,

SB NOMINEE TRUST

AND

WORDSMITH INK, INC.

THIS TAX INCREMENT FINANCING AGREEMENT ("AGREEMENT") is made this ____ day of _____ 2021, by and between the TOWN OF BARNSTABLE, a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts, having a principal place of business at Town Hall, 367 Main Street, Hyannis, MA 02601 (hereinafter referred to as the "TOWN"), WORDSMITH INK, INC., a Massachusetts corporation, having a principal place of business at 1254 Main Street, Osterville, MA 02655 (hereinafter referred to as the "LESSEE"), and Amie M. Smith and James P. Smith, Trustees of SB NOMINEE TRUST under Declaration of Trust dated July 17, 2017 with Certificate of Trust recorded in Barnstable County Registry of Deeds in Book 30659, Page 178 having a principal place of business at 55 Cedar Lane, Osterville, MA 02655 (hereinafter referred to as the "LESSOR").

WITNESSETH

WHEREAS, the property is located at 1254 Main Street, Osterville, Massachusetts and shown as the land described in Barnstable Assessors' records Map 119, Parcel 56, together with any buildings and improvements thereof (the "SITE"), which is part of the Town of Barnstable which is a member of the Barnstable County Economic Target Area ("ETA") as certified by the Massachusetts Economic Assistance Coordinating Council ("EACC");

WHEREAS, the LESSOR is the owner of the above property;

WHEREAS, the LESSEE is responsible for the payment of all taxes for the SITE during the EXEMPTION PERIOD;

WHEREAS, the CERTIFIED PROJECT, when completed and fully operational, will employ approximately eight (8) permanent full-time employees, with room for the LESSEE to add more jobs over time. It is also anticipated that the CERTIFIED PROJECT will represent an investment of at least seven hundred eighty-two thousand three hundred and 00/100 (\$782,300.00) dollars in the CERTIFIED PROJECT;

WHEREAS, the LESSOR is seeking a Tax Increment Financing Exemption from the TOWN (the "EXEMPTION") in order to benefit the LESSEE, in accordance with the Massachusetts Economic Development Incentive Program (the "EDIP") and Chapter 23A of the Massachusetts General Laws;

WHEREAS, the assessed valuation of the SITE for Fiscal Year 2019 was \$270,500;

WHEREAS, the TOWN strongly supports increased economic activity at the SITE to provide additional jobs for residents of the TOWN, the ETA and Massachusetts and to expand commercial, retail and industrial activity within the TOWN, and to develop a healthy economy and strong tax base;

WHEREAS, the CERTIFIED PROJECT will further the economic SITE goals and the criteria established for the ETA.

NOW, THEREFORE, in consideration of the mutual promises of the parties contained herein and other good and valuable consideration each to the other paid, receipt of which is hereby acknowledged, the parties hereby agree as follows:

A. TAX INCREMENT FINANCING EXEMPTION

1. The TOWN, as authorized by vote of its Town Council passed on _____ hereby enters into this Tax Increment Financing Agreement (the "AGREEMENT") with the LESSOR and the LESSEE for the CERTIFIED PROJECT.
2. The EXEMPTION is hereby granted by the TOWN to the LESSOR in accordance with Chapter 23A, Section 3E; Chapter 40, Section 59; and Chapter 59, Section 5 of the Massachusetts General Laws.
3. The EXEMPTION shall be for the period of ten (10) years (the "EXEMPTION PERIOD"), commencing with Fiscal Year 2022 (which begins July 1, 2021) and ending with Fiscal Year 2031 (which ends June 30, 2031) and shall provide a percentage EXEMPTION from taxation, as described in the Local Incentive Valuation table below, on the increased value of the SITE calculated from the base year 2019 valuation. The EXEMPTION shall be calculated and remain unchallenged for each fiscal year as follows:

YEAR	FISCAL YEAR	TAX EXEMPTION
1	2022	100% of the increase in valuation
2	2023	80% of the increase in valuation
3	2024	60% of the increase in valuation
4	2025	60% of the increase in valuation
5	2026	40% of the increase in valuation
6	2027	20% of the increase in valuation
7	2028	10% of the increase in valuation
8	2029	10% of the increase in valuation
9	2030	10% of the increase in valuation
10	2031	10% of the increase in valuation

4. The EXEMPTION formula for the CERTIFIED PROJECT will be calculated as prescribed by the Massachusetts General Laws Chapter 40, Section 59 and in 760 CMR 22.00. The EXEMPTION formula shall apply to the incremental difference in the assessed valuation of the SITE between the base valuation in the base year, which shall be Fiscal Year 2019, and the increase in assessed valuation of the SITE for ten (10) years.
5. The base valuation of \$270,500 for Fiscal Year 2019 is the assessed value of the SITE prior to the fiscal year in which the property becomes eligible for the EXEMPTION.
6. The TOWN hereby agrees to reduce the LESSOR'S real estate taxes it pays for its occupancy of the SITE according to Section 3 above.

B. CONDITIONS

The EXEMPTION granted to the LESSOR by the TOWN hereby is in consideration of the LESSOR'S and LESSEE'S commitments stated hereafter as follows:

1. To invest at least seven hundred eighty-two thousand three hundred and 00/100 (\$782,300.00) dollars in land/building acquisition, new construction and equipping the SITE for the CERTIFIED PROJECT as described in the CERTIFIED PROJECT APPLICATION which is scheduled to be placed in use by the end of Fiscal Year 2020;
2. To cooperate with the TOWN, the local Office of the Massachusetts Department of Labor and Workforce Development and other agencies, as appropriate, in seeking to fill job vacancies as they develop, and operate a job outreach program whereby Barnstable and other ETA residents are made aware of job opportunities at the CERTIFIED PROJECT, including advertising in the local newspapers encouraging such residents to apply for employment any time advertisements are otherwise placed for employment at the SITE and hiring properly qualified Barnstable and ETA residents on a priority basis consistent with any applicable laws;
3. To submit the official EDIP annual reports on job creation, job retention and new investments at the SITE to the TOWN, and the EACC by September 30th of each year during the EXEMPTION PERIOD, or as otherwise required by the EDIP. The annual report shall be the reports required to be filed pursuant to the EDIP;
4. To pay all taxes owed the TOWN relating to the SITE in a timely fashion; and
5. To permit the TOWN, through its Town Manager, or the Town Manager's designee, to manage, administer, monitor and enforce this AGREEMENT.

C. ADDITIONAL PROVISIONS

6. The LESSOR and the LESSEE agree that the TOWN has the right to petition to the EACC to decertify the project and revoke this AGREEMENT if the TOWN, acting through its Town Manager, determines that the LESSOR and LESSEE have failed in any material way to meet any of the obligations as set forth in this AGREEMENT. Upon decertification by the EACC, the TOWN shall discontinue the EXEMPTION benefits described above, commencing with the fiscal year immediately following the year for which the LESSOR or LESSEE have so failed to meet its obligations. Prior to filing any such petition for de-certification, however, the TOWN shall give the LESSOR and the LESSEE written notice of the alleged defaults and an opportunity to be heard at a public hearing on the matter. After hearing, if the Town finds that the Lessor and/or Lessee is in violation of this Agreement, the Town shall have the right to file a decertification petition.
7. The LESSOR shall give the TOWN thirty (30) days written notice prior to any proposed substantial change in the use of, or transfer of title to the SITE. Said notice shall be given to the TOWN at the address listed above. The TOWN shall not, except as required by law, disclose any information provided by the LESSOR regarding the proposed change in the use of, or proposed disposition of the SITE by the LESSOR and the LESSEE.
8. Pursuant to 760 CMR 22.05 (8) (d), this AGREEMENT shall be binding upon all parties to it, and be binding upon the LESSOR and the LESSEE and their successors and assigns, and shall inure to the benefit of the LESSOR and the LESSEE and their affiliates, successors and assigns so long as the CERTIFIED PROJECT has not been de-certified by the EACC. If the LESSOR

or the LESSEE decides to sell or lease the SITE, respectively, the LESSOR shall give the TOWN at least thirty (30) days written notice of said sale or lease. Said notice shall be given to the Town Manager at the above address.

9. The CERTIFIED PROJECT becomes eligible for the EXEMPTION according to the terms described above, on the July 1st following the date on which the EACC approves the TIF Plan pursuant to which this AGREEMENT is executed, as provided in 760 CMR 22.05 (4)(d). Failure of the EACC to approve the TIF Plan, shall render this AGREEMENT null and void.
10. If any provision of this AGREEMENT shall be found invalid for any reason, such invalidity shall be construed as narrowly as possible and the balance of this AGREEMENT shall be deemed to be amended to the minimum extent necessary to provide to the TOWN and the LESSOR and to the LESSEE, substantially the benefits set forth in this AGREEMENT.
11. All notices permitted or required under the provisions of the AGREEMENT shall be in writing, and shall be sent by registered or certified mail, postage prepaid, or shall be delivered by private express carrier to the addresses listed above or at such other address as may be specified by a party in writing and served upon the other in accordance with this section.
12. If and to the extent that any party is prevented from performing its obligations hereunder by an event of force majeure, such party shall be excused from performing hereunder and shall not be liable in damages or otherwise, and the parties instead shall negotiate in good faith with respect to appropriate modifications to the terms hereof. If the parties fail to agree to such modifications within 30 days from Lessor and/or Lessee notifying the town of an event of Force Majeure, all terms of this agreement shall then remain in full force and effect and the Town shall be entitled, in its absolute discretion, to proceed under the terms of this agreement as originally written, or as previously modified by written agreement, without respect to any claim of force majeure. For purposes of the AGREEMENT, the term force majeure shall mean any supervening cause beyond the reasonable control of the affected party, including without limitation requirement of statute or regulation; explosion, actions of the elements, war, terrorism, riots, mob violence, inability to regulatory authority, or public authority having jurisdiction; acts of God, fire, earthquake, floods, procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions of labor unions, condemnation, laws or orders of governmental or military authorities, denial of, refusal to grant or appeals of any permit, approval or action of any public or quasi-public authority, official, agency or subdivision and any litigation relating thereto, or any other cause similar to the foregoing, not within the control of such party obligated to perform such obligation.
13. After receiving written notice from any person, firm or other entity, that such party holds a mortgage which includes as part or all of the mortgaged premises, any part of the SITE, the TOWN shall, so long as such mortgage is outstanding, be required to give to such holder the same notice as is required to be given to LESSOR under the terms of this AGREEMENT, but such notice may be given by the TOWN to LESSOR and such holder concurrently. It is further agreed that such holder shall have the same opportunity to cure any default as is available to LESSOR and that such holder shall have forty five (45) days more to cure any such default than would be available to LESSOR or the LESSEE under the provisions of this AGREEMENT. In addition, so long as any such holder, within seventy five (75) days of receiving any such notice from the TOWN, shall commence proceedings for foreclosure of any such mortgage and shall, in the meantime, keep and perform or cause to be kept and performed all the obligations of LESSOR and the LESSEE, or shall undertake to cure any default under or failure of LESSEE to satisfy any condition of this AGREEMENT, to the extent that any such actions can be

performed or undertaken by a party proceeding under foreclosure under applicable law, no default or failure of any condition shall exist under this AGREEMENT.

14. The LESSOR agrees that should a final un-appealed decision be rendered on application for a real estate tax abatement filed by LESSOR for the SITE while this AGREEMENT is in force, any reduction granted by said final decision shall reduce the exempted taxable value total by the same amount for the next available tax year and for any subsequent tax year for which an abatement is granted.

15. Notwithstanding the foregoing, any late payments of property taxes due under this AGREEMENT shall be subject to the same interest and penalty charges that would otherwise be levied in case of a failure to timely pay property taxes.

WITNESSETH, the execution and delivery of this AGREEMENT by the TOWN OF BARNSTABLE, Amie M. Smith and James P. Smith, Trustees of SB NOMINEE TRUST and WORDSMITH INK, INC., as an instrument under seal as of the date first above written.

THE TOWN OF BARNSTABLE

LESSOR: SB NOMINEE TRUST

By: _____
Mark S. Ells, Town Manager

By: _____
Amie M. Smith, Trustee

By: _____
James P. Smith, Trustee

LESSEE: WORDSMITH INK, INC.

By: _____
Amie M. Smith, President

Exhibits:

Exhibit A – Map of SITE



B. NEW BUSINESS (First Reading) (Refer to Public Hearing 02/18/2021)

BARNSTABLE TOWN COUNCIL

**ITEM# 2021-074
INTRO: 02/04/2021**

2021-074 SUPPLEMENTAL APPROPRIATION ORDER IN THE AMOUNT OF \$37,726 FOR THE BARNSTABLE POLICE DEPARTMENT FISCAL YEAR 2021 OPERATING BUDGET FOR THE PURPOSE OF FUNDING THE HIRING OF THREE CURRENT PATROL OFFICER VACANCIES

ORDERED: That the sum of \$37,726 be added to the Fiscal Year 2021 Police Department General Fund Operating Expense Budget for the purpose of funding the expenses related to hiring and equipment purchases for three new officers; and that to fund this appropriation that \$37,726 be transferred from the General Fund Reserves.

SPONSOR: Mark S. Ells, Town Manager

DATE	ACTION TAKEN
_____	_____
_____	_____

- ___ Read Item
- ___ Motion to Open Public Hearing
- ___ Rationale
- ___ Public Hearing
- ___ Close Public Hearing
- ___ Council Discussion
- ___ Vote

BARNSTABLE TOWN COUNCIL

ITEM# 2021-074
INTRO: 02/04/2021

SUMMARY

TO: Town Council
FROM: Mark S. Ells, Town Manager
THROUGH: Matthew K. Sonnabend, Chief of Police
DATE: February 04, 2021
SUBJECT: Supplemental Appropriation Order in the amount of **\$37,726** for the Barnstable Police Department Fiscal Year 2021 Operating Budget for the purpose of funding the hiring of three current patrol officer vacancies

BACKGROUND: The department has 3 patrol officer vacancies they can fill at this time and is currently in the hiring process. We will be enrolling 2 of these new police officer recruits in the next available police training academy starting on March 1, 2021 at the Plymouth Academy. The department will also be hiring 1 transfer officer from another civil service police department. At the time of the preparation and finalization of the Fiscal Year 2021 Budget, the Police Department did not have confirmation on the number of retirements to take place nor the availability of police academy seats that would be available. The costs of hiring and securing 2 academy seats and finalize the transfer officer arrangements relative to the costs and the outfitting of these officers requires a supplemental appropriation.

ANALYSIS: This supplemental appropriation request totals \$37,726 and is comprised of several parts: 1) pre-employment requirements including medical exams and psychological assessments; 2) academy tuition; 3) ammunition 4) equipment including radio and firearm; and 5) uniform. The items listed below will need to be funded in Fiscal Year 2021 in order to complete the hiring components required by the Plymouth Academy (Medical & Psychological) and enough ordering time for the remaining equipment and uniforms.

<u>Expense Item</u>	<u>Unit</u>	<u>Total -3 Recruits</u>
Medical Exams (x 3)	\$946	\$2,838
Psychological Assessment (x 3)	\$500	\$1,500
Recruit Ammunition (2)	\$1,460	\$2,920
Transfer Ammunition (1)	\$1,237	\$1,237
Academy Tuition \$ Books (2)	\$3,015	\$6,030
Recruit Equipment (2)	\$5,331	\$10,662
Transfer Equipment (1)	\$4,646	\$4,646
Recruit Uniform/Academy & Initial Service (2)	\$2,891	\$5,782
Transfer Uniform (1)	\$2,111	<u>\$2,111</u>
Total Supplemental Budget Request		<u>\$37,726</u>

FISCAL IMPACT: Funding for this request will be provided from the General Fund Reserves. The General Fund Reserve balance was last certified on July 1, 2020 at \$18,524,376. The appropriation will not be added to the department's Fiscal Year 2022 base Operating Budget.

TOWN MANAGER RECOMMENDATION: Mark S. Ells, Town Manager, recommends approval of this Supplemental Appropriation and Transfer request.

STAFF ASSISTANCE: Matthew K. Sonnabend, Chief of Police; Anne Spillane, Director of Finance and Support Services