

City of Chelsea
Economic Development Board
City Hall – Room 101
Chelsea, MA 02150
(617)466-4180

MEETING MINUTES

March 13, 2012

The meeting convened at 6:07p in the City Manager's Conference Room. In attendance were Chairman Richard Pantano, Members Tim Fraser, Ted Coates and Anthony Gonsalves and City Manager Jay Ash.

PUBLIC SPEAKING

Chrm Pantano opened the meeting for public speaking. Hearing no members of the public wishing to speak, Chrm Pantano closed that portion of the meeting.

ADOPTION OF MINUTES

Chrm Pantano said the adoption of the December minutes would be postponed.

URBAN RENEWAL – CHELSEA GATEWAY

Mgr Ash reported the hotel is going great. Only issues were the need to move the lines on the NSTAR poles and the poles themselves and to move the sidewalk across the street. The move of sidewalk divide by jersey barriers has been terrific, in that the kids are now walking on a sidewalk and not the street. Weather has been great so the work is continuing fast. Still pointing to a July opening.

Coming soon will be a trailer for vendors and as a showroom of what will be happening, a place to coordinate job seekers and those industry professionals who will be servicing the project.

Mr. Coates asked if we get excise tax. Mgr Ash answered yes, on the order of \$250k from the Wyndham last year.

Mgr Ash said there were no pressing hotel issues at this time.

URBAN RENEWAL – CROP

Mgr Ash told the Board that Chelsea North was seeking FHA financing, but the prevailing wage issue has rendered that nearly impossible to secure. The open shop number is doable with the FHA, but the wage is too low to qualify for FHA. The prevailing wage adds another 25% to the project, and that has been confirmed by bidding out the project several times. He thought the project could be in jeopardy, but CN has been talking to many about private financing, as many

as 12 groups, 4 of whom couldn't get over Chelsea's perceived negative, the others who were interested, and it looks like 2 or 3 might be very interested. Negotiations are ongoing. Would be an open shop job. The unions have not been very much help. The potential of the Marriott, FBI and Starbucks, especially Starbucks, is making the conversation with the 2 or 3 easier to have. Webster Block is up for sale and that will set the market for the CROP project.

Chrm Pantano asked if One Webster was fully occupied. Mgr Ash said it was up to 100, then clarified that it was 100 units of 120, not 100%.

Mr Gonsalves asked if there was any affordable in One Webster. Mgr Ash said it had not been envisioned that way and that CND did the affordable development already.

Chrm Pantano asked how the Standard Box project was going. Mgr Ash said it is struggling, despite the City's great help and the generally favorable market for that type of project now.

Mr Gonsalves asked if the CROP was still on for Aug. Mgr Ash said yes, he was getting more optimistic about that. He noted it could be successful because it will have bigger common spaces and more amenities than the other successful projects in Chelsea.

URBAN RENEWAL – EMERALD BLOCK

Mgr Ash said there was no news on the FBI building. Symbolis have a lease, but the FBI has not given the go ahead yet. The clock is not running on the project yet.

Mr Coates asked if the Ethanol train is slowing down the process. Mgr Ash says he doesn't know. He assumes the FBI knows about it and would do something about it if it was going to be a problem. In general, his research is that the rail line is very stable, with devices available to tell if there is something wrong with the tracks. Terrorism is another story and it is baffling why in this post 9/11 environment that such a use would be considered.

Mgr Ash talked about the FBI more and said that he would be concerned if there was no word on when the project was going to get going at the end of April. The concern would be that the project couldn't then get through design and permitting for a 2012 start..

OTHER

Everett and Spruce widening project is almost ready with owners of 100 Everett Avenue the last piece to put together the land necessary for the project to happen. Chelsea Commons is considering a Phase I of a residential build-out that could happen behind Planet Fitness by Federal Realty Trust. No word on Starbucks yet, although they seem to have the space under control.

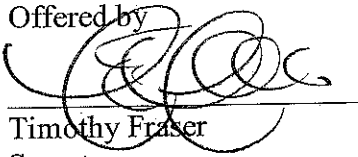
Mr. Coates asked if Lowes was dead at Thibeault – Ash said yes. Chrm Pantano asked if there were any issues with Thibeault – Ash said no. Mr Coates asked if the Lowes deal was dead because of the economy – Ash said yes.

Mgr Ash informed the Board of the WAVE committee being assembled for waterfront advisory and that Mr Coates and Chrm Pantano would serve on it. Mr Gonsalves asked what the Board's role was – Mgr Ash said it wasn't a formal role, but there could be an advisory role down the road.

MOTION to adjourn.

Offered by Mr. Fraser and seconded by Mr. Coates. On the motion, the Board voted 4-0 and adjourned at 6:47p.

Offered by



Timothy Fraser
Secretary