

**TOWN OF WINCHENDON
BOARD OF SELECTMEN
EXECUTIVE SESSION NO. 1 MINUTES
MONDAY, APRIL 27, 2015**

4TH Floor Conference Room, Town Hall, 109 Front St.

Present: Fedor Berndt, Chairman
Elizabeth R. Hunt, Vice-Chair
Robert O’Keefe
Keith Barrows

James M. Kreidler, Jr., Town Manager
Linda A. Daigle, Executive Assistant

List of Documents Presented at Meeting:

- Brandywine Farms, Inc. Executive Summary 4.27.15 (attached)
- Draft Economic Development Incentive Program Local Incentive-Only Application (filed)
- Letter of Support from Joe Manning, Lewis Hine Project 4.23.15 (filed)
- Letter of Interest from GALA dated 4.27.15 (filed)
- Letter of Support from Winchendon Historical Society dated 4.26.15 (filed)
- Bruce Tease, PHD, LSP, PG Environ Resume (filed)
- Digital Orthophotography Brandywine Farms, Inc. (filed)

EXECUTIVE SESSION No. 1 - Chairman Berndt called to order Executive Session at 6:35 p.m.

Exemption No. 6 - To consider the purchase, exchange, lease or value of real estate, if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body: Subject: Potential TIF (Tax Increment Financing) agreement with Brandywine Farms, Inc., 155 Mill Circle

Present for this Executive Session representing Brandywine Farms, Inc. were Amelia Giovanoni, Eric Sawyer, VP of Operations and Lucky Belcamino, Chief Finance Officer. Kreidler said this is a cool thing they want to do but it is going to take a lot of resources outside of their control to make the things happen for this project. He said a Tax Incrementing Finance (TIF) agreement is one of those pieces which is in control of the Board. His position on these agreements in the past has been that a local TIF should be as small as possible because it opens the door to bigger state incentives. There is a unanimous agreement this is a cool thing and asked if the Board wanted to do a TIF.

O’Keefe asked what attracted them to Winchendon. Amelia said they came to buy a landfill to put a pellet mill on and when she came to the office, the Town Manager spoke to her about White’s Mill. He made a phone call while sitting in his office and she then went to see the mill after that and soon thereafter made a deposit. We closed in a month and had the deed in three weeks. The mill is really in mint condition, she said. The Assessment has been kept artificially low on it. As it stands, right now it’s worth \$4,000,000.00. There is no mortgage on it; we have assumed clean-up of the oil spill and the dam. They are working with DCR, filling out registration for ownership at the same time they are sending in for emergency preservation funds to stabilize the property. In their packet, she said they would see a resume and will be hiring Environ. They need big dollars for the project. They are planning on getting off the grid and have reached out to state agencies for assistance and grant funding. The grants are all going in by July 15. There is a silver lining to this. She said they had purchased a school in Athol and had hoped to be able to do something similar there. In that effort they started a nonprofit, they were qualified by USDA for funding to purchase that building and to run a non-profit out of that building to farm fresh foods for food stamps and

on a scale for others. If you can't pay anything, you don't pay and would work through the pantries for that. They got approval last Wednesday to move the program which is also a work/transportation program that takes people to better living wage jobs along the route 2 corridor. We were program eligible for money as of March 3. We didn't meet that application because even though that their town approved it at Town Meeting, we found ourselves in the position of arguing the Right to Farm. They didn't farm last year and you can't do that with a USDA contract, she continued. They went to mediation and got a deal that everybody could live with. The property is being sold; USDA will fund the non-profit here at the Mill to do the same thing. They have to drop Athol and Orange. They will have access of at least \$2,000,000 from them that is program eligible as of March 3rd. She said they don't have a mortgage. They are going to get claiming monies on the mortgage. They didn't think they would have to do this this quick. They are asking for a TIF for over the course of eight years where the town will then be getting full property tax. In the meantime, they will incubate businesses in the office of the Post Office part and they are going to restore it historically. She said she did an internship with the National Trust and can bring some of those relationships to bear on this project. They have toured with Rep. Zlotnik and letters of recommendations are coming from him and Senator Gobi to help receive preservation stabilization funds. Letters are enclosed from GALA who want to rent space at a \$1 a sq. ft. with a fundraising component with the preservation fund and they are going to ask them to join in with them. Three events a year they will co-sponsor with them and they will write one grant a year with them to get their rent paid. They need \$50,000 in cash, \$80,000 in kind painting and yard work and \$50,000 in federal bridal for extra taxes. Mr. Joe Manning is interested in putting in a gallery of the history of the children of the Mill that would be great. He will also do lectures and presentations. Another resource, Dr. Mullins, an expert from UMASS Amherst, will bring in his interns and resources.

Hunt recused herself from the table due to business she is conducting with GALA in regards to renting property of hers.

The proposed TIF agreement is:

First year -	15%
Second year -	30%
Third -	45%
Fourth year -	56%
Fifth year -	67%
Sixth year -	78%
Seventh year -	89%
Eighth year -	100%

Kreidler said we have Town Meeting open, and apologized of the short notice. He asked if it pleased the Board to consider an offer of a TIF as asked or a counter they might offer, process a vote of the Board and then the article on Town Meeting that's a placeholder in the warrant becomes live and moved on the floor. If it passes, the TIF is real and one more piece is behind them.

The Board expressed their love for the project saying it is a great opportunity for the community and they are in full support. O'Keefe moved to extend the offer of a TIF of eight years as delineated; Barrows seconded. For information purposes for the Executive Assistant it is 3 years incrementing at 15% , 5 years incrementing at 11% with being at 100% in the eighth year. By roll call vote of all aye, the motion carried unanimously.

O'Keefe moved to adjourn into recess and move downstairs; Barrows seconded. By roll call vote of all aye, the meeting recessed to return to Open Session at 6:52 p.m.

Respectfully submitted,

Linda Daigle
Executive Assistant