



Brockton Redevelopment Authority

Brockton Redevelopment Authority
50 School Street, Brockton, MA 02301
Board of Directors Meeting Minutes
Wednesday, October 10th, 2018 at 3:30PM

Board of Directors in Attendance: Phil Griffin, Eugene Marrow, and Richard Johnson.

Staff: Robert Jenkins, Zaias Andrade, Emily Arpke, Laura Chau, and Cindy Kong.

Guests: Rob May, E.D. – Dept. of Planning & Economic Development

Welcome – Phil Griffin, Chairman.

Meeting opened at 3:30PM and welcomed everyone.

Approval of minutes from Board Meeting on September 5th, 2018. Richard Johnson made a motion to approve the minutes from Board meeting on September 5th, 2018, Eugene Marrow seconded. All in favor.

Approval of minutes from Board Conference Call Meeting on September 18th, 2018. Richard Johnson made a motion to approve the minutes from Board Conference Call on September 18th, 2018, Eugene Marrow seconded it. All in favor.

Vote to engage Cree, Alessandri & Strauss to perform BRA's FYE June 30, 2018 audit (Treasurer & E.D. signature required). Robert Jenkins informed that for the last three years, Siegrist, Cree, Alessandri & Strauss conducted the audit for the BRA and Siegrist is no longer a member of this firm. Robert Jenkins proposed putting out an RFP for audit next year. This year's audit will take place on October 23rd, 2018 with a fee of \$18,000. Eugene marrow made a motion to engage Cree, Alessandri & Strauss to perform BRA's FYE June 30, 2018 audit, Richard Johnson seconded. All in favor.

New Business/Old Business

93 Center Street: The building owner's attorneys filed a civil action of the eminent domain of 93 Center Street against the City of Brockton and the BRA. The action was filed incorrectly, and the civil action lawsuit should have been addressed to Robert Jenkins by a sheriff, but he received it by mail, and the BRA's attorney received it by mail. If they had

filed an injunction, it would have stopped the taking of 93 Center Street. However, BRA's attorney is confident that there is an 85-90% chance that the case will be dismissed because this matter relates to the eminent domain case (Kelo vs. City of New London) which the U.S. Supreme Court of Justice, in a 5-4 opinion, ruled in favor of the City of New London. Robert Jenkins pointed some findings in regard to 93 center, which he stated that one individual (owner) could not stop urban renovations because of not wanting to fix the building, and the purchase price offered in the range of \$1Mil was more than enough since the property was appraised between \$600-800K. Robert mentioned that the Board would have to vote once again in the taking since the 30 days timeframe to take the building has elapsed. Robert reported that Ted Carman has the money but will advise if the lender (PCI) will do the financing since it's likely they would step out due to the controversial situation of the civil action. There are other parties interested that wants to step in if Ted Carman can't move forward. Jason Corb Company is interested, and they would like to do Low Income Housing Tax Credits (LIHTC), A.W. Perry, and Drouskas Real Estate are the other parties interested. Ted Carman's Purchase and Sales Agreement expired on the 28th of September, if he can't move forward the BRA has the option to negotiate with another party. Eugene Marrow posed a question regarding the timeframe of the civil action case be dismissed and it was reported that it takes about 30-60 days, more or less. If the attorneys had filed an injunction opposed to the civil action, there would be 21 days for the BRA to respond. Ted Carman has until 10/11 to inform the BRA if his investors are willing to proceed and a vote regarding the eminent domain will be taken when there is a development team ready to move forward.

Petronelli Municipal Garage: The BRA is expecting to receive the signed Purchase and sales agreement by the end of today's date. The easements agreement and notice to proceed have been ready for about 6 months now. Trinity had read on the paper about the \$5Mil budget gap and they have concerns and wish not to sign until they see proof of the \$5Mil gap. Extension, Note, and closing docs were given and expected to receive by Wednesday and such documents are not yet at the disposal of the BRA. Brent advised that he'll go to Superior Court to file a motion for Trinity to sign the Purchase and Sales Agreement. Eugene Marrow asked how will the \$5Mil gap be filled and it was reported that Robert Jenkins and Rob Mally (E.D. – Parking Authority) met with the city councilors and they are all on board and the only councilor left to speak to is Councilor At-Large Jean Bradley Derenoncourt. Robert Jenkins expressed that the gap is due to the tariffs since prices are going. Trinity had provided a memo to Rob May stating if such is done then it would cost \$12Mil, however they excluded the site conditions, steel/bumper tariffs, timing, cost of labor, which are factors of the \$5Mil gap. Brockton's City Councilors held their 1st hearing about a month ago and the 2nd reading is scheduled for Monday, October 15th.

19 Main Street: The BRA sent out Request for Proposals (RFP) for the roof and masonry. Bids are due back no later than October 16 at 3:00PM. Two appraisals were conducted for the state are two offers were made to the BRA. One offer was to acquire the commercial property for \$150K and the other offer for \$200K. Robert expressed that he must first

analyze the proposals/intent use of the property with Rob May will assist in revising the proposals

Urban Revitalization: Rob May advised that an update on the Urban Revitalization Plan is being worked on and it will include buildings/properties to be acquired. There are 2 census tracts in downtown have been identified as opportunity zones that attracts private capital to our community. Opportunity zones are federal deferment on your capital gains tax. With this investment, the loan would be deferred and in the first five years it's reduced by 10%. If it is held for another two years, to get to the seven years it is reduced by another 5%. If you keep it in there for an additional 10 years or beyond, not only do you have the deferment and the reduced capital gains exposure, and capital gain generated from your investment is tax free. The lowest you can reduce it to is 15%. What the planning Dept. goal is working with Mass Development, Eastern Bank and a few others is to package projects to development communities working with the property owners. Will include marketing material and the Brockton Partnership to create a video for downtown Brockton that shows the current site, morphing into what could be there.

Budget: The NCDA is hosting their Winter Legislative, Policy and Professional Development Meeting in Washington D.C. from January 22nd through the 26th. The overall budget for Robert Jenkins, Zaias Andrade, and Emily Arpke-Hall falls in the \$5K range including flights, hotel stay, and conference fees. This conference will entail Advanced HOME & CDBG basics and other topics/updates. A vote to approve the budget and the out of state travel will be taken in the November's Board of Directors Meeting. On the other hand, Emily Arpke-Hall will attend a HOME Certification Training in Newton, MA on December 12th to the 14th. Last, Laura gave a brief overview of the Lead program stating some units are ready for the work to take place and there were some push backs from the owners. Laura is working on a mitigation process to accommodate situations that would benefit the homeowners and the BRA in reaching the quarterly goals.

The open meeting was adjourned at 4:15PM. Eugene Marrow made a motion, Richard Johnson seconded. All in favor.

Prepared by: Zaias Andrade

Signed by: Phil Griffin, Chairman

Date