

DEVAL L. PATRICK  
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GLEN SHOR  
SECRETARY

THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE FOR  
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October 21, 2014

Walter Flynn, Jr.  
Chairman of the Board of Directors  
Southfield Redevelopment Authority  
223 Shea Memorial Drive  
Weymouth, MA 02190

Re: Southfield Redevelopment Authority Tax Plan

Dear Mr. Flynn:

In accordance with St. 2014, c. 291, § 19(f), and in reliance on the Commissioner's approval attached hereto, I approve the enclosed Southfield Redevelopment Authority Tax Plan, as adopted by the Authority's Board of Directors at a duly called and posted meeting held on October 13, 2014.

Please convey this approval to the Board of Directors.

Very truly yours,

A handwritten signature in black ink, appearing to read "Glen Shor".

Glen Shor  
Secretary of Administration and Finance



AMY A. PITTER  
COMMISSIONER

*The Commonwealth of Massachusetts*

*Department of Revenue  
Office of the Commissioner  
P.O. Box 9550  
Boston, MA 02114-9550*

October 15, 2014

Matthew G. Feher, Esq.  
Burns & Levinson LLP  
125 Summer Street  
Boston MA 02110

Re: Southfield Redevelopment Authority Tax Plan

Dear Mr. Feher:

In accordance with St. 2014, c. 291, § 19(f), I approve the enclosed Southfield Redevelopment Authority Tax Plan, as adopted by the Authority's Board of Directors at a duly called and posted meeting held on October 13, 2014.

Please convey this approval to the Board of Directors.

Very truly yours,

A handwritten signature in black ink, appearing to read "Amy A. Pitter".

Amy A. Pitter  
Commissioner of Revenue

AAP:KC  
Enclosure

## **Southfield Redevelopment Authority**

### **Tax Plan**

**October 13, 2014**

#### **Brief History of the Authority**

The South Weymouth Naval Air Station (“NAS”) was one of nearly 100 military bases across the country listed as surplus during the first round of the Base Realignment and Closure (BRAC) Act by Congress in 1995. The South Weymouth Naval Air Station was decommissioned by the Department of Defense (“DOD”) on September 30, 1997.

The NAS covers approximately 1,450 acres that traverses the Towns of Abington, Rockland and Weymouth (collectively, the “Towns”). In response to the DOD’s decision to close NAS, the Towns requested that the Governor establish the Naval Air Station Planning Committee (“NASPC”), which was accomplished with the issuance of Executive Order 378 of 1995. The NASPC adopted a first reuse plan on January 27, 1998 to govern reuse of the NAS. Subsequently, Chapter 301 of the Acts of 1998, as amended by Section 37 Chapter 303 of the Acts of 2008, was enacted to establish the

South Shore Tri-Town Development Corporation (“SSTTDC”) to succeed NASPC as the sole entity responsible for pursuing the acquisition and redevelopment of NAS and has since been pursuing redevelopment pursuant to a revised reuse plan adopted by the Towns on May 5, 2005 (the “Reuse Plan”).

In 2014, the SSTTDC was reconstituted and reorganized as the Southfield Redevelopment Authority (“Authority”) pursuant to Chapter 291 of the Acts of 2014 (the “Act”). The Authority is maintained as the central redevelopment entity and the Act vests greater control with the Towns, particularly with regard to land use decisions, collection of taxes and provision of municipal services within the NAS South Weymouth Redevelopment Area. While the Act rescinds the Reuse Plan, it requires that the redevelopment of NAS be accomplished in a manner consistent with the Reuse Plan and codifies the fundamental provisions of the Reuse Plan’s development parameters including the residential maximum and commercial minimum, passive and active recreation amenities and affordable housing. The Act also shifts from the Authority to the Master Developer the obligation to undertake water and wastewater infrastructure to support full build-out at NAS.

The obligations of both the Towns and Master Developer are triggered after satisfaction of several conditions, and the Towns’ obligations are further contingent on the timely submission and approval of this Tax Plan in accordance with Section 19(f) of the Act.

All capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them by the Act.

### **General Authority and Operating Provisions**

The organization, operation and authority of the Authority are established by the Act.

The purpose of the Authority is set out in Section 3 of the Act, namely to secure the redevelopment of the NAS in a manner that maximizes the opportunity for generating revenue to exceed the Towns’ expenses of providing municipal services. The Authority is charged with disposing of all of the property within the NAS South Weymouth Redevelopment Area through sale or other transfer prior to the Authority’s termination as provided in Section 33 of the Act, to the maximum extent feasible and consistent with the Zoning By-laws.

The Authority is a public instrumentality performing public functions. Section 6 of the Act grants plenary powers to the Authority to carry out its purposes, and enumerates a number of specific grants of authority plus the authority to take such further action as it may deem necessary and advisable in furtherance of the purposes of the Act. Additional authorities are delineated in this Tax Plan.

Under Section 9 of the Act, governance of the Authority is established via a nine (9) member Board of Directors (“Board”) appointed as follows: one (1) by the Selectmen of Abington, two (2) by the Selectmen of Rockland, two (2) by the Mayor of Weymouth, two (2) by the Southfield Neighborhood Association (one (1) of whom shall be mutually selected by the Towns of Rockland and Weymouth from a list provided by such Association), one (1) by the building and labor trades and one (1) by the South Shore Chamber of Commerce. Section 12 authorizes the Board to hire employees and engage outside vendors or consultants, or both, to achieve proper functioning of the Authority. Section 13 provides flexibility to the Board in the employment and compensation of employees.

As already touched upon, redevelopment of NAS is governed by the central tenants of the Reuse Plan codified in the Act as well as the zoning by-laws which have been approved by the Towns, as amended (“Zoning By-laws”). The Zoning By-laws shall remain applicable to the NAS South Weymouth Redevelopment Area and will need to be amended by the Authority no later than December 18, 2014 in order to ensure consistency with the Act. Major Revisions to the Zoning By-laws are to be approved only by the town in which the land that is subject to the revision is located. All Minor Zoning revisions are subject only to Board approval. The Act also contemplates the issuance by either the Authority or one of the Towns of a Redevelopment Plan to provide a formula for the timely and deliberate redevelopment of the NAS.

### **Purpose of the Authority**

The following sections of the Act make it clear that the Authority is working for the benefit of the Towns and to work collectively with the Towns and Master Developer to effectuate redevelopment of NAS.

**Section 1.** “It is further found that the full redevelopment of the NAS South Weymouth remains essential for the benefit of the towns of Abington, Rockland and Weymouth, the region and the commonwealth and, to that end, this act shall ... reinforce municipal control over land use and development decisions affecting Abington, Rockland and Weymouth that constitute NAS South Weymouth and strengthen alignment of interests between the authority, the towns and the master developer...”

**Section 3.** “The authority shall, to the maximum extent feasible and consistent with the zoning by-laws, dispose of all of the property within the NAS South Weymouth redevelopment area through sale or other transfer prior to the authority’s termination as provided in Section 33.”

### **Governance of the Authority**

The Board has the authority and power to manage all aspects of the operation and may implement all of the powers of the Authority in accordance with the Act. The Board shall have all the powers and duties of mayor, town council, selectmen and town meeting relating to taxation and municipal finance, such to include but is not limited to adoption of by-laws, acceptance of local option statutes, choice of residential factor, approval of tax increment financing (TIFs), residential exemption percentage, and the like.

An advisory board has been established, by Section 11 of the Act, to provide oversight for the citizens of the Towns, the region and the state in connection with the review of the Authority's budgetary process, annual report and to determine the compensation of members of the Board, among other things.

### **Specific Assignment of Municipal Powers**

Section 6 of the Act enumerates 39 powers the Authority may exercise to carry out the purpose and provisions of the Act. It grants the Authority broad authority to accomplish its objectives.

### **Specific Role of the Executive Office of Administration and Finance ("ANF") and the Massachusetts Department of Revenue ("DOR")**

The Act places responsibility on both ANF and DOR for approving a plan under which the powers and duties of the Authority will be executed particularly in connection with the transfer of collection and remittance of tax revenues at NAS contemplated by Section 19(a) of the Act. Moreover, the ad valorem property tax rate levied within NAS necessary to fund the operations of the Authority as determined by the Board shall be subject to DOR approval. This Tax Plan shall delineate the Authority's municipal revenue powers.

### **Tax Plan**

Section 19(f) of the Act provides that the Authority, in consultation with the Towns, prepare a Tax Plan for the purposes of ensuring orderly assessment of collection of property and other taxes, and payment of bonds or notes secured by a pledge of such taxes under the Act. The Tax Plan must be submitted to ANF and DOR on or before October 15, 2014 and provides details regarding:

- the powers and duties of the Authority and the Towns;
- provision for the timely transfer of assessment and collection records from the Authority to the Towns;

- oversight to be provided to the DOR in connection with the Base Rate and Southfield Rate; and
- other matters as determined by the ANF and DOR.

In the event a Tax Plan is submitted by the Authority on or before October 15, 2014, and ANF and DOR subsequently approve, the Towns may be obligated on January 1, 2015 to collect taxes for the fiscal year beginning July 1, 2015, provide municipal services at NAS and accept and maintain public ways, for the portion of the NAS within their respective territories pursuant to Section 19 of the Act. Aside from the Tax Plan, the Act requires satisfaction of several other conditions in order for the Towns to undertake these obligations and include: (i) amendment of the Trust Indenture in connection with the Series 2010A Bonds to contemplate the debt service repayment structure pursuant to the Act, or delivery by the trustee of a certificate to the Secretary on or before October 15, 2014 confirming that no such amendment is necessary; (ii) amendment to the Parkway Financing MOA that waives liability of the deficiency payment until 2019 or a later date as determined by ANF; and (iii) negotiation of an agreement to commit additional state financing to complete "Phase 2" of the Parkway. In order to accomplish item (ii) above, a Redevelopment Plan must be submitted by either the Authority or one of the Towns to ANF and approved by ANF and the Secretary of Housing and Economic Development. If the Tax Plan is not timely submitted and is not subsequently approved, Section 19 shall not be effective.

In the event the Towns do not assume tax collection pursuant to Section 19 of the Act, the Authority will continue to collect taxes and provide services at NAS as was the case as of the date that this Tax Plan was first submitted by the Authority.

#### **Authority Fiscal Year**

For tax purposes, the Authority hereby determines that its fiscal year shall commence on July 1 and conclude on June 30. In the event the Towns do not assume tax collection pursuant to Section 19 of the Act, the Authority's assessment date for ad valorem taxes shall be January 1 for fiscal year 2016 and subsequent years.

#### **Annual Budget**

The Authority shall adopt an annual balanced budget setting out the planned expenditures, revenues and available funds for its fiscal year in a manner similar to cities and towns. Deficits, as defined by the Director of Accounts, if any, are to be raised on the following year's tax rate.

### **Assessment of Local Taxes**

In determining the Southfield Rate and only in the event the Towns assume tax collection pursuant to Section 19 of the Act, the Board of Assessors in each of the Towns shall beginning in fiscal year 2016 and each year thereafter assess each Town's proportionate share of Authority taxes voted and certified to them on the taxable property within the NAS South Weymouth Redevelopment Area situated within their territory in the same manner as town taxes with stated exceptions and local option variants specified in this Tax Plan and shall rely conclusively on the assessed values established for town taxes, as applicable, or such other assessed value as may have been determined for such property through abatement proceedings. In such event, the assessors shall also assess and the Towns shall collect motor vehicle and boat excises beginning January 1, 2015. In the event the Towns do not assume tax collection pursuant to Section 19 of the Act, the Board or its designee shall serve as the Board of Assessors and shall have the powers and duties to assess taxes and excises under Chapters 58 through 61B, Chapter 40, Section 56 (percentages of local tax levy for property) and the Authority shall have the option to accept Chapter 64G, Section 3A (local excise on motels/hotels) and Chapter 64L, Section 2 (local excise on meals) of the General Laws, in the same manner as towns with stated exceptions and local option variants specified, along with power to adopt or revoke local options.

The Authority will use quarterly tax billing and accepts the provisions of Chapter 59, Section 5, clauses 17D, 17E, 37A, 41C and 41D of the General Laws.

The Director of Accounts may direct the Authority to issue third quarter preliminary tax bills within NAS for fiscal year 2015 and in each year thereafter in accordance with applicable law including guidelines issued by DOR.

Chapters 61 (forest) and 61A (agriculture) of the General Laws are not applicable given the Zoning By-laws for land located within the jurisdiction of the Authority.

Any local option provision expressly incorporated in this Tax Plan may be changed only by an amendment of the plan in accordance with the provisions set forth herein.

### **Levy Limits**

In the event the Towns assume tax collection pursuant to Section 19 of the Act, the Southfield Rate levied upon all taxable property in NAS shall not be subject to the limitations imposed by Chapter 59, Section 21C of the General Laws unless such limitations are imposed pursuant to a vote of a super-majority (2/3) of the Board and with the subsequent consent of the Commissioner of DOR. Otherwise, all taxes levied upon all taxable property in NAS shall be subject to the provisions of this paragraph.



For the purposes of this Tax Plan, a vote of a super-majority (2/3) of the Board shall mean an affirmative vote of no less than six (6) of the members of the Board.

#### **Authorization of Indebtedness**

A super-majority (2/3) vote of the Board is required in order to borrow money and to authorize the issuance of bonds or notes to evidence Authority indebtedness therefor notwithstanding any conflicting provisions of Section 6(v) of the Act. Otherwise, Chapter 44 of the General Laws shall not be applicable to the Authority to the extent set forth in such Section 6(v).

#### **Investment of Authority Funds**

In addition to the investment authority forth in Section 6(z) of the Act, the Authority is authorized to invest and reinvest its trust funds as provided by Chapter 44, Section 54 of the General Laws including any bonds or notes that are legal investments for savings banks in the Commonwealth.

#### **Town Tax Collection Transition**

For the balance of fiscal year 2015 and only in the event the Towns assume tax collection pursuant to Section 19 of the Act, the Authority shall collect all ad valorem property taxes and the Towns shall collect and retain motor vehicle and boat excise taxes and permit fees within the NAS South Weymouth Redevelopment Area. Otherwise, the Authority shall collect all such property taxes in the same manner as the case as of the date that this Tax Plan was first submitted by the Authority.

Beginning in fiscal year 2016 and only in the event the Towns assume tax collection pursuant to Section 19 of the Act, the Towns shall collect the Base Rate and Southfield Rate and remit the Southfield Revenue and Pledged Revenue, all in accordance with Section 19(a) of the Act. The Board shall promulgate procedures to ensure that the Southfield Rate is subject to review and comment in accordance with Section 19(a) of the Act. In connection with the foregoing, the Towns shall have the authority to collect any unpaid property taxes, excises, betterments, special assessments and charges due as a result of prior assessments of the South Shore Tri-Town Development Corporation and the ability to collect late interest and collection costs and fees on taxes due in the same manner as authorize to be collected on late town taxes. The Authority shall maintain sufficient cash on hand to contemplate the 30-day remittance period set forth in Section 19(a) of the Act.

Within fifteen (15) business days of receipt of the certification of values by DOR, the Treasurer of the Authority, in consultation with the Board, is hereby authorized to transmit all available assessment records to each of the Towns. Collection records

maintained by the Authority will be transmitted to each of the Towns within fifteen (15) days of June 30, 2015. The provisions of this paragraph shall not be applicable in the event the Towns will not assume tax collection pursuant to Section 19 of the Act.

Notwithstanding whether the Towns undertake tax collection under Section 19(a) of the Act, the Authority shall directly collect and retain any and all entitlement fees due to it.

#### **Municipal Service Reimbursement**

In the event the Towns undertake municipal service delivery at NAS in accordance with Section 19(b) of the Act, the Authority shall reimburse the Towns pursuant the terms of a Service Fee Memorandum of Understanding (“MOU”) to be entered into by and between the Authority and Towns of Weymouth, Rockland and Abington, as applicable, for the period beginning January 1, 2015 and ending on June 30, 2015, and subject to the approval of the Board. The Board shall timely negotiate with the Towns of Weymouth, Rockland and Abington, as applicable, the terms of such MOU in order to ensure that such MOU is in effect beginning January 1, 2015.

#### **Special Assessments**

As may be necessary, the Authority shall issue a special assessment in conformance with the Authority’s Infrastructure Assessment Plan including to compensate for the difference in the amount of Pledged Revenue remitted and debt service payments due on the Series 2010A Bonds in accordance with Section 18 of the Act. Beginning in fiscal year 2016 and only in the event the Towns assume tax collection pursuant to Section 19 of the Act, the Towns shall collect and remit such assessments to the Authority in the same manner as the Southfield Revenues and Pledged Revenues as set forth in Section 19(a) of the Act and betterments and special assessments are collected and remitted pursuant to Chapter 80 of the General Laws, including any interest on such assessments or apportioned assessments. Otherwise, the Authority shall directly collect and remit such assessments.

#### **Accounting and Reporting**

Without limiting the generality of Section 31 of the Act, the Authority shall submit an audited balance sheet and statement of revenues and expenditures and charges in fund balance, management letter, and reports on federal award programs (if necessary), by an independent CPA, as well as a balance sheet sufficient to calculate free cash, acceptable to the Director of Accounts prior to the setting of annual Base Rate. The Director of Accounts may require other financial reports.

The Board shall maintain said books of accounts, and accounting records consistent with the Uniform Massachusetts Accounting System (UMAS), and shall be responsible for the

custody of all funds of the Authority and possess responsibility for the deposit, investment and disbursement of these monies.

**Additional Provisions**

In the event Section 19 of the Act becomes void, the Authority shall distribute to the Towns excess revenues (as such term is defined in the Reuse Plan and Zoning By-laws) in accordance with Section 19(e) of the Act and shall submit to the Director of Accounts a copy of said distribution on or before November 15 and prior to the setting of the ad valorem tax rate to the extent revenues are available and after satisfying the terms of the Parkway Financing MOA amendment. Excess revenue shall be further defined as Free Cash certified by DOR.

The Authority shall comply with all regulations, Informational Guideline releases, Bulletins, instructions, and directives of the Department of Revenue relating to the setting of tax rates.

This Tax Plan may be amended by a super-majority (2/3) vote of the Board and with the approval of ANF and DOR.

This is to certify that the foregoing Tax Plan was adopted by the Board at a duly called and posted meeting held this 13th day of October, 2014.

*[SIGNATURE PAGE TO FOLLOW]*

**SOUTHFIELD REDEVELOPMENT AUTHORITY,**  
by its Board of Directors

(absent)

Walter H. Flynn, Jr., Chairman

William B. Mirahan, Vice Chairman

Christopher Aiello, Clerk

Patricia O'Leary

Kelli O'Brien-McKinnon

John Brewer

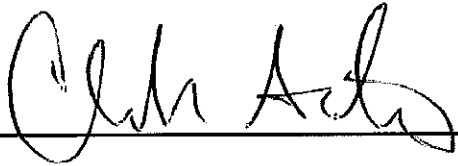
Lyndsey Krutzer

Robert L. Rizzi

Ralph J. Rivkind

CLERK'S CERTIFICATION

This is to certify that at a duly called meeting of the Board of Directors of the Southfield Redevelopment Authority held on this 13<sup>th</sup> day of October, 2014 at the Authority's Offices, 223 Shea Memorial Drive, South Weymouth, Massachusetts, it was voted to approve the attached tax plan for the Southfield Redevelopment Authority and further to submit the approved Tax Plan to the Executive Office of Administration and Finance and the State Department of Revenue for processing of final approval as required by Chapter 291 of the Acts of 2014.

A handwritten signature in black ink, appearing to read "Chris Aiello", written over a horizontal line.

Christopher Aiello, Clerk of the Authority