

**North End Opportunity Corridor Tax Increment Finance District
Advisory Board Meeting
2nd Floor Conference Room
March 15, 2011**

In attendance: Cindy Flanagan, Anne Field, Chris Brown (on behalf of Tom Brown)

Staff: Carlos Baía, Kathy Temchack, Brian LeBrun, Matt Walsh, Doug Woodward

Meeting called to order at 8:10 a.m.

Minutes from the November 15, 2010 meeting

Motion by Ann Field; seconded by Cindy Flanagan.

Minutes approved unanimously.

Fish Hook Lot Sale Proceeds

Matt Walsh explained that although this property was sold years ago, the proceeds have not been transferred from a suspense account. Mr. Walsh conducted an exhaustive review of the history of this sale and the funding sources and determined that the \$85,000 be released from suspense and formally transferred into the NEOCTIF capital balance fund. While conducting this research, Mr. Walsh also discovered that the NEOCTIF still has an obligation to repay \$49,500 plus interest to the Economic Development Reserve for a previous investment by the EDR in the district. With interest, this amount today is \$73, 320.75.

Mr. Walsh explained that the balance left in the NEOCTIF capital fund would, unless directed otherwise, likely be used to expedite payment on the district's outstanding debt.

Cindy Flanagan expressed concern about using the capital balance to pay down the debt. She reiterated that the advisory committee has consistently recommended that these dollars be used to extend the district boundary and purchase as much remaining property as possible to allow for the extension of Storrs Street.

Carlos Baía explained the constraints that the Council finds itself in, particularly during budget time, to find sufficient revenue to off-set the need to increase the tax burden on city property owners. He explained that Council had directed staff to negotiate with a key property owner but that it found the terms preliminarily discussed unacceptable and abandoned the deal. Concurrently, there has been discussion of retiring the NEOCTIF debt earlier and, in effect, "sunsetting" the district to bring the remaining tax base on to the General Fund.

Mr. Baía and Mr. Walsh both noted, however, that the Board is tasked with advising Council on what is in the best interest of the district.

Ms. Field motioned that the committee recommend that the \$85,000 from the sale of the Fish Hook lot be transferred from suspense to the NEOCTIF capital fund balance. Ms. Flanagan seconded this motion.

Motion passes unanimously.

Ms. Field motioned that the committee recommend to City Council that the NEOCTIF transfer \$73,320.75 to the Economic Development Reserve corresponding to a repayment of the EDR's investment in the NEOCTIF of \$49,500 plus interest.

Motion passes unanimously.

Ms. Flanagan motioned that the committee recommend to City Council that the full amount of the remaining bond proceeds comprising the NEOCTIF capital balance be retained and used to extend the district boundary to incorporate the Ferns, Pearl and Tsunis/State properties. The funds should be expended to acquire the properties starting with the Pearl parcel. All of this should be done prior to the sunsetting of the existing NEOCTIF debt.

Motion passes unanimously.

Ms. Flanagan asked if she could address the Council on behalf of the NEOCTIF advisory committee. Mr. Walsh indicated that there is a public hearing associated with the recommended transfers that would take place in May.

Ms. Flanagan indicated that she would work to find possible appointees to serve on the committee.

Meeting adjourned at 9:10 a.m.