

Town Council: June Sager Speakman, Kate G. Weymouth, Ann P. Strong, Michael W. Carroll and Steve Primiano

Also Present: Town Manager Peter A. DeAngelis, Jr., Town Solicitor Michael Ursillo, Town Planner Phil Hervey, Finance Director Kathy Raposa, Tax Assessor Michael Minardi and Town Clerk Meredith J. DeSisto

Mrs. Speakman called the Town Council meeting to order at 8:30 A.M.

Mrs. Speakman asked everyone to stand and join in the Pledge of Allegiance.

DISCUSS AND ACT ON TAX STABILIZATION FOR ENABLING RESOLUTION FOR PLACEMENT ON THE FINANCIAL TOWN MEETING'S PUBLIC NOTICE

Town Manager Peter DeAngelis cited the definition of tax stabilization as defined by GrowSmartRI – Sustainable Economic Growth & Quality of Place, "Tax stabilization is a tool used to promote economic development within a town. Tax stabilization can lead to commercial interest in locating new operations in the town as well as expansion of facilities by existing commercial users, thereby increasing employment opportunities. Mr. DeAngelis explained that the Town has been in many discussions with members of ShineHarmony to bring a senior care development to the Town of Barrington located at the former Zion property. Mr. DeAngelis stated that tax stabilization for the proposed development has been part of the discussions. Mr. DeAngelis said that many Town Councilmembers have raised questions about whether tax stabilization would be broad-based, i.e., applicable to other senior care development projects that may potentially be proposed in the Town. Mr. DeAngelis suggested that the tax stabilization proposal be specific to this proposed development project as allowed by the law. Mr. DeAngelis requested for the Town Solicitor to draft a proposed Town Council resolution for the Financial Town Meeting. Mr. DeAngelis said that, at the last town council meeting, a motion was passed unanimously to draft a resolution for placement on the Financial Town Meeting's Public Notice for tax stabilization as an economic developmental tool to bring a prospective business to the Town. Mr. DeAngelis stated that the resolution would be specific to the ShineHarmony property. Mr. DeAngelis said that part of his job is to try to broaden the tax base, bring development to the Town and to preserve the character of the Town. Town Solicitor Michael Ursillo stated that many communities use a tax stabilization incentive to bring development to their cities or towns. In so doing, the cities or towns receive millions of dollars in additional taxes on property which they are now only receiving taxes on undeveloped land. Mr. Ursillo stated, under Rhode Island law, a Town Council can enter into a tax stabilization agreement that will gradually increase the taxes up to twenty years – meaning, that you can spread the tax burden over a period of twenty years. Mr. Ursillo stated, at this time, ShineHarmony has not discussed the specific number of years but they have commented that it will be less than twenty. Mr. Ursillo explained that in order for the Town to grant a tax stabilization agreement, the electors must vote, at the Financial Town Meeting, to authorize the town council to enter into negotiations with ShineHarmony, and then hold a public hearing to determine certain findings as to why the Town Council would grant a tax stabilization agreement. Mr. Ursillo stated that this authorization gives the Town Council the ability to enter into a tax stabilization agreement. It does not mean that the Town Council has to enter into a tax stabilization agreement.

Mr. Ursillo suggested the following resolution for placement on the Public Notice for the Financial Town Meeting:

To authorize the Town Council, for a period of time up to and including May 31, 2016, to enter into a tax stabilization or exemption agreement for the development of a senior residential village located at Assessor's Plat 14, Lots 2, 4, 13, 341, 342, and 343, pursuant to the requirements of Rhode Island General Laws § 44-3-9, such agreement to be voted upon and adopted by the Town Council only after a public hearing at which findings are made as specified by statute.

Mr. Ursillo clarified that this resolution, if the majority of the voters at the FTM approve it, only gives the Town Council the authority to enter into a tax stabilization agreement with ShineHarmony, it does not require the Town Council to do it.

Discussion ensued with sewer use taxes, real and personal property taxes, senior residential housing, tax stabilization vs. exemption, affordable housing, fee in lieu, analysis of the benefits to the Town, a one year sunset clause, historic preservation of Belton Castle and historic tax credits.

Mr. Carroll suggested that within the motion, the following language be added:

...to enter into a tax stabilization or exemption agreement for the development of a senior residential village and associated uses located at ...

Tax Assessor Michael Minardi stated that East Providence has many tax stabilization projects, one of which is Tockwotton. The tax stabilization agreement between the City of East Providence and Tockwotton is for ten years.

Mrs. Speakman stated her concern is that the voters at the Financial Town Meeting will not know the full details of the tax stabilization agreement. Mr. Ursillo reiterated that this resolution only gives the Town Council the ability to negotiate to enter into a tax stabilization agreement but only after the Town holds a public hearing. Then, the tax stabilization agreement would be voted upon and adopted by the Town Council at which findings are made as specified by statute.

Mr. Carroll stated that this could be a great project if ShineHarmony complied with all of the ordinances, did not ask for a tax stabilization agreement and the project does not cause a deficit with affordable housing. He said that he is concerned about the number of years of any potential tax stabilization agreement. Mr. Carroll said that he wants what is best for the Town of Barrington and not what is best for ShineHarmony. He is not in favor of subsidizing the developers but, if it is good for the Town of Barrington, he would be willing to give it a little nudge across the finish line.

Mr. DeAngelis said that he has no reason to help ShineHarmony but is only interested in helping the Town of Barrington. He said that he must look at what will help to broaden our tax base. Mr. DeAngelis said that we have to give a little to gain a lot. Mr. DeAngelis recommends to the Town Council place the resolution on the Financial Town Meeting's Public Notice and to take this first step. Mr. Primiano stated that we may be gaining a lot of tax revenue without impact on our services but he would like to see the financial projections of this project.

Gary Morse, 2 Westwood Lane, questioned the types of housing and how many housing types within the development would fit the definition of assisted living and how tax stabilization would fit the unit types.

Discussion ensued with which units are included and which units are excluded from any potential tax stabilization agreement.

Motion by Mrs. Weymouth and seconded by Mrs. Speakman to authorize the Town Council, for a period of time up to and including May 31, 2016, to enter into a tax stabilization or exemption agreement for the development of a senior residential village and associated uses located at Assessor's Plat 14, Lots 2, 4, 13, 341, 342, and 343, excluding therefrom any and all cottages which are sold to third parties by the developer, pursuant to the requirements of Rhode Island General Laws § 44-3-9, such agreement to be voted upon and adopted by the Town Council only after a public hearing at which findings are made as specified by statute. **The motion passed, as amended, four in favor, Mrs. Speakman, Mrs. Weymouth, Mr. Carroll and Mr. Primiano and one opposed, Mrs. Strong**

Mrs. Weymouth adjourned the Town Council meeting at 10:45 A.M.

Meredith J. DeSisto, Town Clerk