

**Needham Finance Committee
Minutes of Meeting of November 13, 2012**

The meeting of the Finance Committee was called to order by the Chair, Richard Reilly, at approximately 6:30 pm in the Great Plain Room at the Town Hall.

Present from the Finance Committee:

Richard Reilly, Chair; Richard Lunetta, Vice Chair

Members: Richard Creem, Lisa Zappala, Richard Zimbone (Mr. McNeill and Mr. Connelly arrived at the Special Town Meeting.)

Also Present:

David Davison, Assistant Town Manager/Director of Finance

Citizen Requests

No citizens requested to speak.

Scheduling

Changes to the schedule for departmental budget hearings were discussed. Members had expressed concern that there was insufficient time to meet with managers and adequately prepare for hearings.

Minutes of Prior Meetings

MOVED: By Mr. Creem that the Minutes of October 24, 2012 be approved as circulated. Ms. Zappala seconded the motion. There was no further discussion. The motion was approved by a vote of 5-0. (Mr. McNeill and Mr. Connelly arrived at the Special Town Meeting.)

Finance Committee Updates

Mr. Reilly stated that the Committee will be meeting on November 28, 2012 to discuss the Tax Increment Financing project initially raised at the October 24 meeting. It is anticipated that the issue will be the subject of a Special Town Meeting to be held December 3, 2012. Mr. Reilly stated that the Town is discussing a proposal where the Town would forgo approximately \$1.8 million over a 13-year period compared to what it would receive if the property were taxed at the full rate. Mr. Davison stated that the new value to the property is expected to be approximately \$29 million. An increment of \$1.8-\$1.9 of tax revenue would be exempt over the life of the agreement, though it is front-loaded. He stated that the business must have a 13-year agreement with the Town to qualify State tax credits. In response to a question from Mr. Zimbone, Mr. Davison stated that if the current deal does not go through, the Town assumes that it would take two years before the space would be filled, so the Town has proposed forgoing the value of the

tax on the new growth for a two-year period. Mr. Reilly stated that it seems advantageous for the Town to go forward.

Suspend

MOVED: By Mr. Zimbone that the Finance Committee suspend the meeting and to reconvene as necessary during the course of the Special Town Meeting. Mr. Lunetta seconded the motion. There was no further discussion. The motion was approved by a vote of 5-0. The meeting was recessed at 6:40 pm.

Adjourn

MOVED: By Mr. Zimbone that the Finance Committee meeting be adjourned, there being no further business. Mr. Lunetta seconded the motion. The motion was approved by a vote of 7-0, at approximately 10:40 p.m.

Respectfully submitted,

Louise Mizgerd
Executive Secretary/Staff Analyst

Approved November 28, 2012