

CITY COUNCIL STANDING COMMITTEE  
**Planning & Development Committee**  
Wednesday, February 19, 2014 – 5:30 p.m.  
1<sup>st</sup> Fl. Council Committee Room – City Hall  
**-Minutes-**

**Present:** Chair, Councilor Greg Verga; Vice Chair, Councilor Paul Lundberg; Councilor Steven LeBlanc  
**Absent:** None.

**Also Present:** Councilor Cox; Councilor McGeary; Suzanne Egan; Jim Duggan; Mike Hale; Tom Daniel

**The meeting was called to order at 5:30 p.m. There was a quorum of the City Council.**

**1. *Special Events Application re: Request from St. Peter's Fiesta Committee to hold St. Peter's Fiesta June 25, 2014-June 29, 2014***

**Joseph Novello**, President of the St. Peter's Fiesta Committee, explained to the Committee that they met with the Special Events Advisory Committee but was unable to provide much detail to that Committee due to not knowing how the proposed infrastructure project for Commercial Street would impact the Fiesta's footprint at that time. He said the same carnival operator, Fiesta Shows, will provide and operate the rides and games as they have for some time now. The use of the Beauport Gloucester LLC property remains questionable at this point.

**Jim Duggan**, CAO, said that the St. Peter's Fiesta will not be affected by the city's Commercial Street infrastructure project. Work on the project will be stopped during the days of the Fiesta. At a team meeting with Beauport Gloucester's developer and the City team, all understand that the project will be shut down and complete access will be available to the St. Peter's Fiesta Committee across city property during June 25<sup>th</sup> through June 29<sup>th</sup>. Access will be available to the beach and to a portion to the Beauport Gloucester LLC property and 33 Commercial Street in order to view the greasy pole event.

**Mr. Novello** mentioned he would speak with the DPW regarding the use of the Bocce Court at Stage Fort Park for a tournament during Fiesta.

**Councilors Verga, LeBlanc and Lundberg** unanimously endorsed the 2014 St. Peter's Fiesta.

**MOTION: On motion by Councilor Lundberg, seconded by Councilor LeBlanc, the Planning & Development Committee voted 3 in favor, 0 opposed, to allow the 2014 annual St. Peter's Fiesta, commencing on Wednesday evening, June 25, 2014 through Sunday, June 29, 2014, the use and control of St. Peter's Park on Rogers Street; the streets and sidewalks of Rogers Street from Mansfield Way to the entrance of Commercial Street; Commercial Street up to Fort Square to include the use of the Beauport Gloucester LLC property if made available by written agreement with the owner; and from the intersection of Main and Washington Streets to St. Peter's Park; and on Friday, June 27<sup>th</sup>, Saturday, June 28<sup>th</sup> and Sunday, June 29<sup>th</sup> on only the water side of Stacy Boulevard from "The Tavern" to the Fishermen's Memorial (to the extent allowable by law) and the Ciaramitaro/Gemellaro Playground at Fort Square for the purpose of conducting the St. Peter's Fiesta on the days and dates mentioned herein. Further, vendors are not allowed on the southwesterly side of Commercial Street nor on the streets and sidewalks from Tally's to the Chamber of Commerce (33 Commercial Street). In addition, all hawkers, peddlers, or vendors, who conduct their business on June 25<sup>th</sup> through June 29<sup>th</sup> in these areas, must have the express consent of the St. Peter's Fiesta Committee; and with the following conditions:**

- 1. That the kiddie rides (those restricted to children of a height of 42 inches or under) be kept at the St. Peter's Square Park and not at the Beauport Gloucester LLC property, should that property be used;**
- 2. That the footprint of the Fiesta be drawn out on a plan showing locations of, but not limited to, comfort stations and first aid stations to be placed on file with the City Clerk's office no later than 14 days in advance of the start of the 2014 St. Peter's Fiesta;**
- 3. That the music and the rides closest to the altar area be shut down at the opening and closing ceremonies;**
- 4. If the Beauport Gloucester LLC property is used, that a temporary fence be erected at the very back of the area known as the "Birdseye Parking Lot" to prohibit entrance to Pavilion Beach;**

5. **Temporary lighting shall be placed illuminating the area used as a crossing between St. Peter's Park and the Beauport Gloucester LLC parking lot should that property be used;**
  6. **That Fiesta Shows, Inc. contribute \$3,000 for the added police coverage payable to the City of Gloucester c/o of the Police Chief to be paid 14 days in advance of the opening of the 2014 St. Peter's Fiesta.**
2. ***Memorandum from CAO re: Economic Development Incentive Program for Mazzetta Company: Tax Increment Financing Agreement & Amendment to Blackburn Industrial Park Economic Opportunity Area Designation***

**Jim Duggan**, Chief Administrative Officer, said that this has been an eight month process of discussions and negotiations with a company originally interested in renting the Good Harbor Fillet building to bring fish processing into the city. The negotiations made more of a business sense to move from a lease of the 21-29 Great Republic Drive building to the purchase the building. Messrs. Tom and Jordan Mazzetta and their business team met with the Mayor and the city team to explain that they wanted to bring a fish processing plant to Gloucester, lobster processing being the primary focus. Mazzetta is purchasing the building for \$5.1 million. Mazzetta will construct for \$1.0 million a large holding tank; purchasing \$5 million in processing equipment, and making approximately \$1.5 million in building improvements. Mazzetta is the fifth largest seafood processor in the country with annual sales of approximately \$500 million. Mazzetta also has a facility in Londonderry, NH; in Maine; a facility in Canada as well. Further, **Mr. Duggan** lauded the efforts of Suzanne Egan, General Counsel and Tom Daniel, Community Development Director of bringing this project to its completion.

**Mr. Duggan** explained that the Economic Opportunity Area (EOA) for Blackburn Industrial Park will expire in September 2015. It is proposed that the property located at 21-29 Great Republic Drive be a separate site-specific EOA. A similar site-specific EOA was created for the Gorton's of Gloucester site on Rogers Street several years ago, he pointed out. The term of the site specific EOA for Mazzetta's property would be for 12 years. The Tax Incentive Financing (TIF), which **Mr. Duggan** noted would be discussed at the Budget & Finance Committee the following evening, is for five years at a minimum of 10 percent abatement of the increased value of taxes received. An estimated abatement cost would be approximately \$17,000 or about \$3,500 a year. It will bring 125 permanent jobs to the city, along with 100+ seasonal jobs (seasonal being defined as 9 months a year) who would receive an equivalent salary of a 12-month salary due to anticipated overtime. With this local approval process, **Mr. Duggan** said, will make Mazzetta eligible for state tax credits over a five year period at a maximum amount of \$700,000. The state, he said, is very supportive as well. He reported that Mazzetta closed on the property the previous day. He said the company is invested in the city, and also recognizes the challenges they faced in a series of difficult negotiations but are pleased to put their operation here.

**Councilor Lundberg** noted he had reviewed the Mazzetta Group LLC prospectus on line and said it is a very impressive company. He said this seems like a serious company, one that could produce the hoped for results and rescue this vacant asset. It is a great win by the City, he said, and congratulated **Mr. Duggan's** team. **Mr. Duggan** added that Tom Gillette, EDIC Director was also a part of the city team and that the city economic team meets weekly who worked hard to reach out and make this work.

**Councilor LeBlanc** confirmed with **Mr. Duggan** the tax savings is \$3,500 a year starting in FY16. He asked about the expiration of the Blackburn Industrial Park EOA and what the City would do if other businesses wanted their business' EOA extended. **Mr. Duggan** said that the State prefers to deal with individual property EOA's rather than a blanket EOA like the one created for Blackburn Industrial Park in 1995, and will be template for the city moving forward. **Councilor LeBlanc** said the city needs to be business friendly, and that the Mazzetta employees will invest back into the city. Anything to make it easier to bring businesses and to do business in Gloucester would be appropriate, he said.

**Councilor Verga** said he didn't see a down side to this process and agreement. He confirmed with **Mr. Duggan** that whatever the tax rate is now for the property the city gets 100 percent which would be considered the base. They both agreed that then the city would receive 90 percent of the increased value upon the completion of the approximately \$2.5 million in building renovations and improvements. **Councilor Verga** endorsed the EOA and congratulated the city team's hard work.

On an inquiry by **Councilor McGeary** on the draft TIF language with **Mr. Duggan**, specific to a phrase that indicated 10 percent after the first year is applied to the entire value (of the property). **Suzanne Egan**, General Counsel the intent is the 10 percent valuation of the increase. The same sentence, she noted, references the regulations; and the regulations set up the formula, and therefore is consistent with the regulations, she said.

**Tom Daniel**, Community Development Director, spoke of the collaborative effort of the city team not only with the recent success of bringing Mazzetta to Gloucester, but in the development of the Von Tetzchner innovation house in Magnolia and another new business that quietly opened a shop on Commercial Street, while not a large employer, that came from the United Kingdom with a high end smoked fish business. He said this business was attracted to Gloucester because of its fishing heritage. The company is importing their product from England and is currently testing the market here. If successful, they would like to grow the business, he pointed out. **Mr. Daniel** noted that these three business examples are different, but speaks to the team collaborating with each of these business prospects to find out what their needs are, whether it was finding a site, financing, or connections to bring their product to desired end markets. He also noted that the city team works with existing Gloucester businesses to see what their needs are and how they can expand their businesses, assist with permitting and finding financing if need be.

**Councilor LeBlanc** said he hoped these new businesses recommend the city and its municipal collaborative team to their other contacts. **Mr. Duggan** agreed and said that the city is making sure it is inviting and open to the process and business.

**Councilor Verga** commented that the \$18,000 in lost taxes is well worth the overall investment.

**MOTION: On a motion by Councilor LeBlanc, seconded by Councilor Lundberg, the Planning & Development Committee voted 3 in favor, 0 opposed to recommend that the City Council amend the Blackburn Industrial Park Economic Opportunity Area (EOA) to create site specific EOA to be located at 21 Great Republic Drive as shown on Assessors Map 263, Lot 56 for a term of 12 years ending in February 2026.**

*Councilors Cox and McGeary left the meeting at 6:00. There was no longer a quorum of the City Council.*

3. *CC2014-007 (Verga) Request amendment to GZO under Sec. 1.11.2(e) to amend "sign ordinance" Sec. 4.3 by adding new definition to Sec. VI for "programmable scrolling sign" and amend Sections 4.3.2, 4.3.3 and 4.3.4 to include "outdoor programmable scrolling signs"*

**Councilor Verga** reviewed briefly with the Committee the intent of his Council Order. He noted that he received a call about a year ago for someone looking scrolling sign like that seen at the Beverly High School. The signs are not prohibited by ordinance, but neither is the signs specifically called out. This Council Order asks that the city through the Planning Board, the Building Inspector, P&D and O&A look into whether these signs that is allowable and focus on the publicly owned properties and community related organizations and the message to the benefit to the community as opposed to have all businesses one after the other using this particular type of signage. It was noted that the Committee would await the recommendation of the Planning Board and so continued the matter until March 19<sup>th</sup>.

**This matter is continued to March 19, 2014.**

**A motion was made, seconded and voted unanimously to adjourn the meeting at 6:02 p.m.**

**Respectfully submitted,**

**Dana C. Jorgensson**  
**Clerk of Committees**

**DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.**