

TOWN OF FAIRHAVEN
Economic Development Committee

Minutes

Thursday September 26, 2019 at 6:30 p.m.

East Room, Fairhaven Town Hall

Fairhaven, Ma 02719

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Quorum & Attendance:

Present: Chairperson, Kevin McLaughlin, Eddie Lopez, Todd McGregor, Bernie Roderiques, Geoff Haworth, Robert Espindola and John Seed

Absent: None

Mr. Paul Foley, Director of Planning & Economic Development was also in attendance

Mark Rees and Kristian White were also present for the Building Permit Fee increase discussion.

Minutes – June 20, 2019

Bernie Roderiques made a motion to accept the minutes and was seconded by Mr. McLaughlin. Motion passed unanimously.

Potential Building Permit fee increases

Mr. Rees spoke briefly about the increase for FY20 budget to improve online permitting process software, and to establish that cost of approximately \$40,000 had to come from somewhere, the Building Permit Fees.

Mr. Kristian White reviewed the packet that the Committee was looking at, comparing other Towns and Cities. The last time the fees were increased was 2013. A Document was reviewed (dated 8/16/19) with the proposed Fee Increases by Mr. White to the Committee.

Mr. McLaughlin asked about business types of construction. Mr. White stated it takes the guesswork out of what the cost is going to be to build. It levels the playing field for new construction cost.

Mr. McGregor asked if the Building Department funds go into an enterprise fund or just the general fund. Mr. Rees confirmed that the monies go into the general fund, he was not sure that an enterprise fund could be done.

Mr. Haworth stated that the 3% fees have been included since the last increase in 2013, he remembers, as he was one of the Select Board members at that time. Mr. Rees stated if that was true then it was never ear marked for the on-line permitting software. Mr. White stated it was how he understood it. He believed that the 3% was included when they did process permits on-line, for processing fees. Kevin McLaughlin stated he did not think a 30% increase was the answer to fund the software. Mr. Espindola did not think the increase was just for permitting the software but a review of our permit fees as well.

Mr. Rees said it is good practice to review and revise you fees and compare yourself to other town/cities for permitting fees. Mr. McLaughlin said he was not sure that is a good argument to increase the price of fees by more than 30%.

Mr. Lopez thought that the number of home improvement permits might see a decrease in permits being pulled because a fee is too high. He did not think new construction would be a problem, because contractors expect

that as part of the process to build. Mr. McGregor said if we want to develop this town further, he does not think \$10/\$15 – per \$1,000 should be assessed for residential/commercial.

Mr. Haworth believes elderly homeowners in town are worried about long-term charges of what is going to be assessed if they do home improvements.

Mr. White explained the base fee of \$78 for home improvements is for work up to \$7,800 and covers up to that amount. He reiterated that the more expensive a project is the higher amount they would be paying in a permit fee.

Most committee members agreed that the increases would negatively affect Economic Development for the Town of Fairhaven.

Mr. Espindola suggested reviewing the information and discussing at a future meeting, whereas this was the first time they received the paperwork and presentation. Mr. Rees stated that there were two concepts of this process, one to increase rates to pay for cost of services and secondly for comparing to other cities and towns.

Mr. Roderiques stated that he understood the increase of fees gives us more bang for the buck for new construction and there would be lesser fees for home improvement.

Mr. White state the proposed new fees do not change the minimums - \$28,000 project = \$258.00 fee; \$200,000 project = \$2,000 fee.

Massachusetts Economic Council Membership: Mr. Foley stated that we are members and he gets occasional emails from them, which he will forward to the members in the future if they like.

Parking By-Law: Mr. Foley stated that O'Reilly's Auto Parts and Dollar General are planning to go into the Benny's site and they were looking at 209 parking spaces including the package store. He said that a parking by-law is a current topic of discussion. It seems in some areas there is too much and in others not enough. The Planning Board will continue discussions on how the bylaw can be updated.

Mr. Espindola advised that a Blue Technology Seminar with Congressmen Keating and Joseph Kennedy will be held on Friday, November 1st – 8am-1pm at UMass Dartmouth. Mr. Foley will forward the link to members.

Broadband Study Committee – Mr. Espindola gave a quick overview. The consultant is going to help work with preparing an RFP for engineering and feasibility study to develop a network to the home. He said it was a very expensive endeavor. He said there were concerns about emerging technologies in development (wireless – 5G). They were trying to get pricing in for fall Town Meeting. We will need funding to move forward. After that we will need public outreach and education. The Municipal broadband loop between town buildings has been completed.

Opportunity Zones:

Mr. Foley reported he was going to a seminar in October and will hear more about opportunity zones. Discussed community compact grants that are available.

Mr. Lopez asked about Opportunity Zones for redevelopment only. Can they use cash in the bank or does it have to be a 10/31 exchange? Mr. Foley stated it was an alternative to a 1031 exchange and that they cannot, at this time, derive the tax benefits from investing cash on hand. Mr. Foley explained the basics that someone could invest their Capital Gains into a qualified opportunity fund that then invests in either real estate or a business or both in an opportunity zone. They can defer the taxes on those gains or if they leave the money in the investment for five years they get a 10% break on their taxes on those gains. If they leave it in for seven years, they get a 15%

on their taxes on those gains that were invested. The big prize comes if they leave the money in for 10 years when they get the 15% break on the taxes on the original gains plus 100% on their taxes on the appreciation of the property and/or business they invested in.

Goals of Economic Development: Mr. McClaughlin stated he refers back to the FXM Report to keep focused on the agenda's and goals of this committee. Mr. Foley discussed giving a tour to a person who represents the Blue Institute and Blue Incubator. He will reach out to business owner to come and speak to the committee. He also discussed NE Maritime goals for students housing in the area. Mr. Espindola suggested Mr. Dawicki come talk to the committee in future. Mr. Espindola also suggested marine industry come and talk to the committee.

Mr. Foley gave an update on the Rogers School with Mr. Ristuccia looking at historic designation. The Stratford group is hoping to start in the spring on the Oxford School project.

CAMMPA – Coalition for the amendment of the Marine Mammal Protection Act

Mr. MacGregor discussed with the group a new coalition that he is on with local people and people from the Cape. They were incorporated on the 9th of this month. He said there are more seal attacks than shark attacks and the cape economy has been affected. The increase in the number of seals is have a big impact on fisherman and lobsterman. Their goal is to amend the marine mammal protection act to address the overpopulation of seals and wanted to make committee aware. The group meets at NE Maritime and their meetings are open, he will keep the committee posted. Mr. Espindola suggested contacting the Cable director to get some airtime regarding the coalition.

Huttleston Marketplace and Harvest Festival – Mr. MacGregor wanted to add we should send kudos to Chris Richard and recognize him for a positive endeavor. There were more than 76 shops at the Harvest Festival. It's a low-key family event that is a great 'come to Fairhaven' event.

Mr. Roderiques asked about the old Citizens Bank, and Mr. Foley told him they are fixing it up for multiple tenant fit out of offices/small businesses. Mr. Foley added that he got a call from a gas station that is looking at a site next to West Marine where the Huttleston motel used to be. He said he asked them if they had done a market analysis since there are so many gas stations near there now, as it is.

Mr. Haworth suggested a property maintenance rule for Town of Fairhaven. He said there is litter, debris and overgrown weeds at empty plazas. Mr. Espindola advised he as well has heard from people who are turned off and ended up shopping in Wareham and not Fairhaven.

Mr. McClaughlin stated there was a recent kick off at the whaling museum for the State Enhanced Remedy (SER) Phase 5 dredging of the harbor that the Governor attended.

The next committee meeting was slated for October 24, 2019; however, Ms. Pacella noted there was a town hall Halloween event.

Mr. Espindola made a motion to adjourn and was seconded by Geoff Haworth. Motion passed at 8:30pm unanimously.

Respectively submitted,

Patricia A. Pacella
Recording Secretary