

Meeting Minutes of the  
**Economic Development Committee of the Fitchburg City Council**  
for  
**Tuesday, October 11, 2022**

Chairperson Van Hazinga called the meeting to order at approximately 5:30 p.m. in Fitchburg City Hall at 718 Main Street, Fitchburg, MA.

**Members Present:**

Councilor Andrew Van Hazinga, *chair*  
Councilor Samantha Squailia  
Councilor Bernard Schultz

**Others Present:**

Liz Murphy, *Director of Housing & Development*  
Mary Jo Bohart, *Economic Development Director*  
Rosario Nicotra, *Prime Real Estate Investment LLC*

**Public Comment:**

None

**Agenda Items:**

254-22. Tom Skwierawski, Exe. Director of Community Development and Planning, and Liz Murphy, Director of Housing and Development, to formally approve Mayor DiNatale's proposed Tax-Increment Exemption (TIE) agreement for 759-769 Main Street, pursuant to the City of Fitchburg's Housing Development Incentive Program (HDIP) market-rate housing district.

Ms. Murphy explained that the HDIP program is focused on encouraging market-rate housing downtown. The program uses a combination of State tax credits and a temporary exemption from an increase in local property taxes attributed to the planned development. In this case, the developer is relying on the TIE portion of the program, but State funding for the tax credits is currently unavailable.

The project involves the creation of four two-bedroom, market-rate apartments in the upper two-stories of an existing commercial building as well as the renovation of two commercial units on the ground level. The HDIP agreement only applies to the residential portion of the project. The total assessment following the redevelopment is estimated to be \$400,000, of which \$271,588 is attributed to the residential portion of the property. Under the TIE, the residential portion of the assessment will be frozen at \$122,895 for a period of five years. Therefore, the City is estimated to forgo a total of \$13,764 in potential property taxes over a period of five years.

**Amendment:** Ms. Murphy requested that the Base Value referenced in Section 4 of the agreement

be amended to \$122,895, a minor change to match the final figure determined by DHCD. A motion was made by Councilor Squailia to **Amend** the petition accordingly, seconded by Councilor Schultz. The motion passed 3-0.

Councilor Van Hazinga stated that one of the City's goals is to encourage the development of market-rate housing in vacant and under-utilized buildings on Main Street. However, there is substantial cost to converting these older buildings to residential use, and the HDIP program is one tool the City has to make these projects more financially feasible. Under this agreement, a property owner will continue to pay the same taxes they pay now, but the City will delay increasing the property taxes following the redevelopment of the property.

Agreement only concerns the residential portion of the project and the commercial portion of the property is excluded from this agreement. The TIE will go into effect July 1, 2023, and work is anticipated to begin in April 2023.

Council Schultz stated he is in favor of the agreement and fully support the project to develop residential units at the property.

**Vote:** A motion was made by Councilor Squailia to recommend **Approval** of the petition as amended, seconded by Councilor Schultz. The motion passed 3-0.

### **Adjournment**

Councilor Squailia moved to adjourn the meeting and Councilor Schultz seconded the motion, which passed by unanimous consent.

The Economic Development Committee of the City Council adjourned at 5:40 pm.

Minutes prepared by Chair Van Hazinga