

Town of Bedford Special Town Meeting

Saturday, July 11, 2020

9:05AM

Bedford High School Football Field (Sabourin Field)

Registration Begins at 8:00AM

Articles for Special Town Meeting

Article 1 Debate Rules

Article 2 Tax Increment Financing Agreement- Ultragenyx
Corporation

Article 1

Debate Rules

To determine whether the Town will vote to adopt the following procedure for the current Special Town Meeting:

- A. The main motion having been submitted in advance, presentations having been made available for viewing before the meeting, and provided in printed form at this meeting, the main motion will be read by the Moderator and there will be no presentation.
- B. No amendment shall be accepted unless submitted in writing. A speaker presenting an amendment to an article shall be limited to three (3) minutes.
- C. Other speakers shall be limited to two (2) minutes.
- D. Town Meeting by majority vote may waive A, B, or C;

RECOMMENDATIONS

Select Board:

Finance Committee:

Approval Recommended

Recommendation to be given at Town Meeting

Article 2

Tax Increment Financing Agreement

Ultragenyx Corporation

To determine whether the Town will vote, pursuant to G.L. c.40, §59, and G.L. c.23A, §3E and §3F, to:

Approve a Tax Increment Financing (“TIF”) Agreement between the Town, Ultragenyx Corporation (“Company”), and Gutierrez Company (“Property Owner”), in the form substantially as on file with the Town Clerk, for property located at 170 Middlesex Turnpike and shown as Assessors Map 12, Parcel 17-1, which TIF Agreement provides for real estate tax exemptions over a nine (9) year period at the exemption rate schedule set forth therein;

(b) Authorize the Select Board to execute the TIF Agreement, and approve submission to the Massachusetts Economic Assistance Coordinating Council (“EACC”) of the TIF Agreement and Local Incentive-Only application, all relating to the project as described in the TIF Agreement, and any necessary documents relating thereto, and to take such other actions as are necessary or appropriate to obtain approval of the TIF Agreement, Local Incentive-Only application, and related submissions and to take such other actions as necessary or appropriate to implement those documents; or take any other action relative thereto.

This article would authorize a Tax Increment Financing Agreement for the planned locations of Ultragenyx Corporation (“Company”), and Gutierrez Company (“Property Owner”), at 170 Middlesex Turnpike. The agreement would permit the reduction of the new property taxes generated from the construction of a brand-new facility. The tax reduction would not be permanent. The construction of a new facility on currently vacant lot adds value to the Town’s commercial/industrial tax base. Overall the Town would benefit by receiving increased property tax revenue from the redevelopment.

RECOMMENDATIONS:

Select Board:	Approval Recommended
Finance Committee:	Approval Recommended

Why is this on the warrant?

The Tax Increment Finance Agreement must be approved by a majority vote of Town Meeting so that the Select Board can be authorized to execute the agreement with Ultragenyx and submit the project to the Economic Assistance Coordinating Council of the Commonwealth of Massachusetts for approval.

What is a Tax Increment Finance Agreement?

- The Tax Increment Finance Agreement is a negotiated agreement between a company and municipality.
- The agreement allows a company to receive a percentage reduction of property tax based only on the new value created by the property improvements by the company
- The company still pays full tax rate on the “base value” (unimproved) of the property

What is Ultragenyx and the project?

- Ultragenyx is a biopharmaceutical company committed to developing novel medicines for the treatment of rare and ultra-rare genetic diseases for which there are typically no approved therapies for treating the underlying disease
- Ultragenyx has locations in Novato, CA, Woburn and Cambridge, MA
- After a competitive selection process of over 100 sites in MA, Ultragenyx selected Bedford as the location to build its first gene therapy manufacturing facility to bring their products to market, and treat more people
- Ultragenyx is proposing to build 100,000 sf facility with potential further expansion in Bedford in the future
- The company is proposing \$75,000,000 in capital investment, and will create approximately 100 jobs with an average salary of \$100,000
- The TIF Agreement is desired by Ultragenyx to enable the project to move forward

What is the benefit for Bedford?

- Because of the investment in a new facility, the Town will receive an estimated \$350,000 of additional property tax annually after the TIF ends, which will help to offset the residential tax burden
- Town will also receive additional revenues from building permit fees
- Potential future expansion may bring forth additional property tax revenue
- With Ultragenyx locating in Bedford, it will help attract other life science companies here, which further enhances Bedford's commercial tax base
- The site is well-suited to industrial uses, including:
 - Existing water and sewer capacity
 - Pre-permitted for office and industrial uses
 - Located on the Middlesex Turnpike Improvement Project, where significant Town and State investments have been made, in order to develop this business district

9-YEAR TIF SCHEDULE

FISCAL YEAR	INCREMENTAL ASSESSED VALUE	PROPERTY TAX	TIF YEARLY EXEMPTION (%)
2023	\$12,077,340.43	\$349,639.01	95%
2024	\$12,077,340.43	\$349,639.01	95%
2025	\$12,077,340.43	\$349,639.01	95%
2026	\$12,077,340.43	\$349,639.01	95%
2027	\$12,077,340.43	\$349,639.01	90%
2028	\$12,077,340.43	\$349,639.01	90%
2029	\$12,077,340.43	\$349,639.01	80%
2030	\$12,077,340.43	\$349,639.01	40%
2031	\$12,077,340.43	\$349,639.01	40%