

TOWN OF FOXBOROUGH
Board of Selectmen – Executive Session
February 22, 2011

The purpose of this Executive Session is to discuss Real Property Negotiations and Litigation and to exit from Executive Session for the sole purpose of adjournment.

Those Present:	Lynda Walsh, Chairperson	Kevin Paicos, Town Manager
	Larry Harrington, Vice Chairman	Randy Scollins, Finance Director
	Jim Devellis, Clerk	Attorney Paul DeRensis
	Paul Mortenson	Leo Potter, W& S Superintendent
		Bill Euerle, W & S Commissioners
		Bill Grieder, Planning Board
		Bob Bell, Consultant

Kevin Paicos asked that the Board give him some guidelines regarding how they want to proceed relative to real property negotiations with the Patriots in preparation for upcoming negotiation meetings; a meeting is scheduled for March 1st. He said at that meeting they would be establishing the ground rules. He pointed out that the money offer had changed dramatically from where it had been. The Patriots are reluctant to commit to \$358,000.

Other subjects for discussion included the 50/50 split on advertising on the reuse water tower, 4 additional pouring liquor licenses and two package store licenses, the Town's commitment to the concept of a commuter rail station, the waiver of ticket sales for MIIA games, readdress the contract for Revolution games, establishment of a base line of credit on revenue received from the Stadium, rights and control over sewerage rights and exemption from the meals tax. All of these issues were discussed in order to get a better understanding of the impact on the Town (copy of the list is attached).

A further discussion was held on the possibility of creating a parking lot on part of the Lane property. The Lane property is conservation land and has significant restrictions on the use of the property. Also mentioned was the possibility of increasing the parking lot owner fees from the present \$4.00 to \$6.00 per car.

Members of the Board voiced their willingness to keep an open mind and discuss most of these issues. Attorney DeRensis pointed out that there is a municipal finance problem; revenue has to go to different pockets - \$358K/year has to go to the sewer enterprise fund. He also said there is a legal question on waiving fees for charitable events (NCAA/high school Superbowls). Kevin Paicos noted that the Patriots want all these issues tied up as one package. He said the Town really needs to have full disclosure of what the Town would be forfeiting. Randy Scollins pointed out that the Town is paid a specific amount for every ticket for every event held in the Stadium, the waiving of these fees is a regression from what has all ready been negotiated. He suggested the Town seek a 5-year guarantee of revenue should the Revolution move out of the Stadium, as it would mean a significant loss of revenue.

Kevin Paicos asked where the Board stands on the request for more liquor licenses. Larry Harrington said he is open to discussion but not as part of this deal. Lynda Walsh expressed nervousness about that and asked how the Town would benefit. She feels the Town should not go in that direction. Jim DeVellis pointed out that this is a monetary issue and he would remain open minded as long as it would not be connected with this deal.

The Board then reviewed all items on the list and agreed (by consensus) as follows:

1. The annual payment must be \$358,000 per year for 30 years. Provisions "c-e" are agreeable.
2. ZBL revisions are ok if recommended by the Planning Board
3. Liquor licenses will need to be discussed later and mitigation determined.
4. The Board generally supports commuter rail and the pedestrian bridge but needs more specifics.
5. NCAA/MIIA fees can be considered for a reduction, but the Patriots must make full disclosure of their cost to host the games and any revenue they derive.
6. Use of future fee income to partially offset capital repair costs sounds generally ok but more specifics are needed.
7. A Business Improvement District sounds like an excellent idea but more specifics are needed.
8. Items 9-10 are not negotiable under any circumstances.

A general discussion was held regarding the cost of building a waste water treatment plant and the value thereof. Bob Bell noted that although he does not have any actual numbers on the cost at this time, but that the patriots could probably build the plant for less than it would cost the Town alone. Kevin Paicos asked about the cost per gallon of flow to participate in the Regional Sewer District, to at least determine a range. He pointed out that there are a lot of variables at this point. Bob indicated the final cost per member community is not yet available. Further discussion included how the cost of building the treatment plant compared with possible cost to join the Regional Sewer District, whether the Town would be a customer of the Regional District or in a partnership.

Attorney Paul DeRensis pointed out that the Town all ready has an agreement and does the Board want to take out language and put in amended language - \$358,000 per year in lieu of actually constructing the sewer treatment plant.

Kevin Paicos suggested that the approach would be that the BOS wants the original deal including the \$358,000 commitment made with the understanding of obligations. All the other things need to be separated and that the Town is willing to talk at a later date. He pointed out that if the Town cannot get the deal consummated than the negotiations should be made public with the announcement that the Patriots are not willing to meet the obligations they made and agreed to November 2010. The Board unanimously agree with this concept.

Litigation – Randy Scollins gave a brief update on the litigation with the Housing Authority regarding a reduction in taxation. The case is before the Appellate Tax Board.

Kevin Paicos briefed the BOS on the status of Andrea McGillicuddy lawsuit and the attempts to settle the matter.

Motion by Paul Mortenson to exit Executive Session for the sole purpose of adjournment.
Seconded by Jim DeVellis.

Vote: 4-0-0	Lynda Walsh, Chairperson	Yes
	Larry Harrington, Vice Chair	Yes
	Jim DeVellis	Yes
	Paul Mortenson	Yes

for 4/22 mtg

Terms for Kraft Group/Town of Foxborough Negotiations
February, 2011

I. Kraft Group Proposals:

1. Payments in lieu of sewer facility construction:
 - a. Years 1-5 - \$358,000 per year committed; \$42,000 per year discretionary; criteria currently unknown.
 - b. Years 6-30 - \$250,000 per year committed; \$150,000 per year discretionary; criteria currently unknown.
 - c. Payments coincident with Town's debt service payment(s) annually.
 - d. 4 billboards' advertising income continues to be split 50-50.
 - e. Water tower advertising income split 50-50.
2. Revisions to the Foxborough ZBL proposed by the Kraft Grp. will be supported by the Planning Board and Board of Selectmen. It is unclear if passage is a condition of settlement of an agreement or not.
3. The Town will seek Town Meeting approval for 4 additional all-alcohol pouring licenses and 2 package store licenses all for exclusive use at a Patriot Place/Stadium location.
4. The Town will support the construction and operation of a permanent commuter rail station offering daily service at the Stadium.
5. A new category for NCAA games will be established in the agreement that provides for the Town's share of admission fees; the Town's share of NCAA admission fees will be less than NFL and concert fees.
6. All Town admission fees for MIAA games will be waived.
7. A baseline of current Town revenue from Stadium events will be determined and mutually agreed; a portion of annual ticket revenue over this amount will be deposited into a fund to be used for capital improvements/maintenance for facilities within the Economic Improvement District.
8. The Town and the Kraft Group will work together to establish a Business Improvement District in the greater stadium area. The Kraft group will provide further details concerning this proposal.
9. Sewerage capacity purchased by the Town using Kraft group monies will not be used to facilitate development of business considered competitive with Patriot Place businesses.
10. If the Town approves the meals tax, the stadium and Patriot Place will be exempt from this taxation.