



North Adams Council Approves Tax Agreement for Greylock Works

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The agreement for the mill redevelopment would limit the property taxes over the next decade as the nearly \$9 million project moves forward.

NORTH ADAMS, Mass. — The City Council on Tuesday approved a [tax incremental financing agreement](#) for Greylock Works LLC that will give the project some property tax relief during the development of the former Cariddi Mill.

The council also designated the mill property as an economic opportunity area to allow the implementation of the TIF under state law during the nearly 2 1/2 hour meeting.

Owners Salvatore Perry and Karla Rothstein intend to transform the 240,000 square foot State Road mill into a business incubator focused on food production, a restaurant and event space and a hotel. A final phase for residential is not considered part of the TIF.

Total investment is set at a minimum of \$8.45 million and the TIF includes six phases over 10 years. The mill is assessed at \$759,200 with tax bill of about \$29,000, which will be "frozen" as the increased assessment is added on percentage-wise over the next decade.

"This gives them the ability to adjust their rents," Mayor Richard Alcombright told the council. "This not only gives them the help as they start up their business, it gives their tenants the time the grow."

An attempt by Councilor Eric Buddington to send the TIF to Finance Committee first failed.

The TIF passed 7-1, with Buddington voting against and Councilor Ronald Boucher abstaining from discussion

and voting for personal reasons. Councilor Joshua Moran was absent.

Rothstein and Perry gave the council an overview of the project and work done to date, including the renovations in the single-story Weave Shed that now has new windows and plans for landscaping to improve the building's presence.

In response to questions, they could not say how many employees might be hired but said they were committed to working with local organizations to hire local talent, including speaking with McCann Technical School.

"We rely on people who live here and have a history in the community to guide us," said Rothstein.

She said they are taking their time, and using a food consultant, to find "like minded" people as tenants who will complement the vision for the property and someone to develop and manage the hotel section.

"We're taking the time to find the right people," Rothstein said. "The right personality and the right ethics matter enormously to us."

They encouraged those interested in becoming part of Greylock Works to [check out the website for more information](#).

They are also attracting people from outside the community, with their first tenants — a butcher and baker — moving into North Adams.

The tax relief kicks in fiscal 2017, with a 100 percent exemption for the next two years on added assessment. The percentage drops to 90 percent for years three and four; then decreases of 10 percent each in the next four years; and finally 20 percent for the last two years of 2025 and 2026.

Alcombright clarified, in response to councilors' questions, that the TIF only covers the change in tax assessment as the project increases in value. It also does not cover taxes on personal property such as equipment used by the owners or tenants.

"I just want people to be aware that taxes are still being paid," said Councilor Lisa Blackmer, congratulating the developers on a "quality product."

Buddington motioned that the TIF be referred to Finance Committee for review, with the support of Blackmer, the committee's chairman. Buddington said he had questions about the exemptions and reporting section of this particular TIF, as well as the use of TIFs and how they might be made simpler.

"This is something like a million-dollar tax agreement," he said. "My concerns are not with the contract ... but I would want to have a proper discussion of these details and how this fits with city policy in the future."

Blackmer thought any financial piece and its details should be reviewed by the committee.

"We've always said we encourage the public to go to these meetings where the work is done," she said, noting they were less formal and allowed more interaction than council meetings.



Mayor Richard Alcombright says the agreement will also mean relief to the tenants starting businesses in the food production incubator.

Alcombright said the agreement did not have to be submitted to the state until the end of May but questioned the need to review this TIF. Rothstein and Perry were in attendance and could answer any questions now, he said, rather than having them come back from New York City for a committee meeting.

"I'd like to get this resolved because it's been out there all this time," he said.

Greylock Mill had [planned to request a TIF](#) in January but it was postponed as needing more work on the financials. That one had been for five years and figured in an \$18 million investment.

The total project is still around \$14 million to \$15 million, said Alcombright, but the residential aspect of the project had been removed as not qualifying for economic development. The timeline was also lengthened.

If the committee wanted to discuss the use of TIFs or special tax agreements in general, the mayor thought that a good idea before another one comes up. However, he rejected the idea of a standard TIF because it would not allow the city flexibility to address differing business needs or to compete effectively against other communities trying to attract business.

Buddington also expressed concern that the TIF agreement did not specify penalties should Greylock Mill fail to file the required investment reports. City Solicitor John DeRosa said the agreement hinged on meeting investment time lines — it followed that if a report was not filed, then the city would not know the investment and therefore could request decertification of the TIF.

Councilor Robert M. Moulton Jr. said he had problems with the original TIF but was "comfortable" with the latest iteration.

"I don't see a downside with it the way it stands right now," he said.

The motion to refer failed with only Buddington and Blackmer voting in favor; the TIF was approved with Buddington the lone nay.

In other business:

- The council also reassigned the final two years of an existing [special tax agreement given to Crane & Co.](#) The five-year agreement had been approved in 2013 to provide property relief as it the printing company the purchased another business and added employees and equipment.

Crane was recently [purchased by its management team and employees](#) as Crane Stationary LLC. The assignment transfers the existing STA to the new name and owners.

Councilor Ronald Boucher suggested that it be postponed until it could be determined why the Planning Board had not been apprised of the change of ownership. He and Moulton also questioned if the company was meeting its criteria for employment and how that was being verified.

Alcombright said the criteria was around 280 full-time employees and that the company had recently filed its latest report. He said the city did not verify that number but noted the plant's Curran Highway location was always packed with cars.

- The council also approved the sale of the former sewage plant, city playground and other smaller lots in Blackinton to Blackinton Backwoods LLC for \$55,000 for recreational purposes. Alcombright said Blackinton Backwoods was the only bidder to a public request for proposals. The land is being purchased as part of the Redwood Motel development group's expansion east along Massachusetts Avenue. The group purchased the Blackinton Mill last year; these lands will create a mostly contiguous parcel on the north side of the river.

- The council endorsed, after some debate, a resolution submitted by Councilor Joshua Moran supporting the Board of Health in enacting an ordinance not allowing tobacco sales to those under age 21.

- Councilors also approved Kevin Delisle of West Main Street, Denice L. Little of Fiege Avenue, Robert Cook of West Shaft Road and Dave Bushey of Mill Street, Williamstown, to drive a taxi for City Cab.