

The Board of Selectmen met on Tuesday, December 8, 2015 beginning at 6:00pm in the Main Meeting Room of the Town Hall. The Following members were present,

Clifton Snuffer, Chairman  
James Stanton, Vice Chairman  
David Salvatore, Clerk  
Mark Gallivan  
Eric Kraus

Also present:

James Johnson, Town Administrator  
Cindy Berube, Executive Assistant

Mr. Snuffer called the meeting to order followed by the Pledge of Allegiance.

### **Sponsored Agenda Items**

Executive session minutes of November 3, 2015.

MOTION moved by Mr. Kraus to approve the minutes of the Executive Session of November 3, 2015, seconded by Mr. Gallivan VOTED 5-0-0

The second order of business is to vote to release the minutes of August 11 and November 3, 2015.

MOTION moved by Mr. Gallivan to release the executive session minutes of August 11, 2015 and November 3, 2015 4-0-1 (Mr. Kraus abstained)

### ***Mr. Snuffer read the following informational release into the record regarding the Siemens property located on Coney Street.***

In July of this year, the Town of Walpole was provided an unexpected and significant opportunity to participate in a potential GROWTH project from a prestigious law firm located in Troy, Michigan.

The law firm represented the healthcare division of a \$75 billion global industrial conglomerate.

This "competitive" opportunity would provide the Town of Walpole increased revenue streams and substantial positive economic impact through the potential of hundreds of millions of dollars in NEW construction as well as several hundred clean NEW high paying jobs. We were, of course, very interested.

As a requirement, we were asked to enter into a non-disclosure confidentiality agreement ... which we did ... given the fact that our Town was one of a handful of competitive possibilities for the Company.

Additional discussions and disclosures revealed that the confidential project was from our local partner since 2007... Siemens Healthcare Diagnostics, which was contemplating expanding its operations. Five months of very hard work by all parties began.

As of yesterday, we have been sufficiently released from the confidentiality agreement in order to bring the basic details of this proposed expansion to the public and continue the process.

It is with great pleasure that the Board of Selectman, in their super majority, announce that the Town has been successful in reaching an historic Tri-partite agreement with Siemens Healthcare Diagnostics Inc. (transacting business in Massachusetts as Siemens Medical Solution Diagnostics Corp)...with major support from the office of the Commonwealth of Massachusetts

The proposed project would include the following:

- An investment of approximately \$300 million joining the previous investment of \$107 million
- This NEW investment consists of approx. \$230 million for renovations to 180,000 sq. ft. of the current facility as well as the construction of an additional 250,000 sq. ft. of LEED certified space
- Included will be office, manufacturing, and lab space outfitted with approx. \$70 million of high tech equipment and other machinery and fixtures
- While full plans are as yet to be completed it is anticipated that the square footage breakdown will be

- New office space 115,000 square feet
- New mfg. and lab space 40,000 square feet
- New warehouse space 25,000 square feet
- New (other) mechanical space 100,000 square feet
- New parking garage 190,000 square feet
- Renovations to existing areas 262,000 square feet
- Expectations are that for the 3+ year phased development ...this project will also create hundreds of construction jobs
- Creation of between 400 and 700 NEW, well-paying life science positions ...a large portion of which would receive an annual Compensation of \$141,000 while all new Walpole based jobs combined could average over \$77,000 in W-2 wages
- Total payroll is projected to jump to nearly \$100 million annually by 2018 with a total payroll over the life of the proposed agreement more than \$1.4 billion

Siemens has requested that the Town of Walpole provide a TIF Tax Increment Financing agreement for this proposed expansion project.

A draft TIF has been proposed and needs proper vetting

YEARS 1-5 90%

YEARS 6-10 80%

YEARS 11-15 70%

YEARS 16-20 60%

AVERAGING 75%

As part of their proposed TIF Siemens has agreed to provide

- \$100,000 towards the cost of constructing and equipping playing fields
- \$160,000 towards the cost of snow removal and equipment

- \$250,000 towards the cost of a new ladder truck for the Walpole Fire dept. prior to CYE 2018
- Reimburse the Town for out -of-pocket costs incurred relating to legal and consulting expenses

The Commonwealth of Massachusetts as part of the tripartite has agreed to provide Siemens with \$24,500 per job in MLSC tax credits for the assumed job creation

Under the Mass Works Grant...\$2,500,000 will be given to the Town of Walpole for road improvements to be made to Coney Street

There will be \$1,000,000 provided for workforce training

The exciting but complex opportunity is very fluid.....requiring vigilance and dedication over the coming weeks and months.....now that we have a release we are free to prepare and crate a go forward public plan which will include a variety of Informational sessions as well as Siemens plant tours and group settings. Many departments need to weigh in; many conversations need to be undertaken.

I have set aside the first appointment of the first meeting on January 5<sup>th</sup> where we have invited the participants for additional presentations and dialog with the public as well as a Q&A. The emphasis will be on addressing your questions. Tonight's information is just a starting point. It is exciting and very fluid. I will take no questions tonight.

MOTION moved by Mr. Gallivan to adjourn seconded by Mr. Stanton VOTED 4-0-0