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By Michelle Hillman

Fan Pier developer Joseph Fallon might just find himself in line to receive millions courtesy of a bill spearheaded by his pal, Boston Mayor Thomas Menino.

The legislation-known as I-Cubed, for infrastructure Investment Incentive – became law in 2006 and went into effect last month. The law calls for the state to issue \$250 million in bonds to support five projects with significant infrastructure needs.

Only two of the five projects can be in the same municipality.

The legislation passed in the 2005-2006 session without a roll call. To boost the bonds' marketability, lawmakers again voiced their approval for the plan through a roll call vote earlier this year.

On paper, the 21-acre Fan Pier project is a shoe-in for the money given the project's extensive infrastructure needs.

However, Keith Mahoney, assistant director of state relations in the mayor's office, said the bill was "not designed for one developer."

Other developers who have reportedly shown interest in applying for the I-Cubed funds include Jay Doherty, president of Cabot Cabot & Forbes of New England Inc., who is building the 4.5 million-square-foot Westwood Station project; and Plymouth Rock Studios, which is planning a movie studio in Massachusetts, the location of which has yet to be decided.

Neither Fallon nor Doherty returned calls for comment.

The legislation was designed to encourage job growth through investment. The public-private partnership requires a developer to build infrastructure such as streets, sidewalks and water and sewer lines using bonds issued by the state.

Under I-Cubed, project developers are responsible for debt service payments on qualified infrastructure work until the new buildings are occupied, at which point the debt service costs would be covered by state tax revenue generated from job creation and other economic activity related to the project.

If the developer defaults or the project fails to generate tax revenue sufficient to service the debt service cost of the infrastructure, the community in which the project is located pays the shortfall.

“The I-Cubed legislation forms an innovative partnership between the state, local communities, and developers to overcome the enormous obstacle of financing new infrastructure.” Menino said in a prepared statement.

The idea behind I-Cubed is to supply funds to projects where the infrastructure costs are so substantial that they could not be paid for by a developer or municipality alone, said Mahoney.

During the legislative process, the bill was altered slightly to increase the bond amount to \$250 million from \$200 million. The extra \$50 million will be given to a project in an economically distressed area.

Also, developers who receive tax increment financing from municipalities originally weren’t allowed to apply for I-Cubed. Now developers can get financial hand out from the municipality where they’re building and from the state under I-Cubed.