City of Quincy
Massachusetts

OFFICE OF THE CITY COUNCIL
1305 Hancock Street
Quincy, MA 02169

Ian C. Cain, President
Richard C. Ash
Scott S. Campbell
William P. Harris
David F. McCarthy

Noel T. DiBona
James K. Devine
Nina X. Liang
Daniel J. Minton

Nicole L. Crispo, City Clerk
Joseph J. Newton, Assistant Clerk
Jennifer L. Manning, Clerk of Committees
Susan M. O'Connor, Auditor

Monday, October 20, 2025

City Council Meeting
The Great Hall
Historic City Hall
1305 Hancock Street
6:30 PM

The City Council of the City of Quincy met on Monday, October 20, 2025 at 6:30 pm in the Great Hall of City Hall with President Ian Cain presiding. Present were Councillor Campbell, Councillor Devine, Councillor DiBona, Councillor Harris, Councillor Liang, Councillor McCarthy and Councillor Minton. Councillor Ash arrived at 6:32 pm. Christopher Walker was in attendance as administration representative. Auditor Susan O'Connor was in attendance.

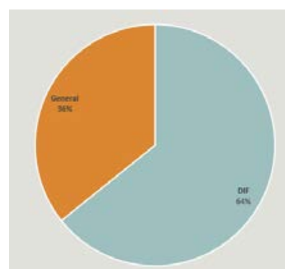
City Clerk Nicole L. Crispo called the roll.

Moment of Silence – President Cain

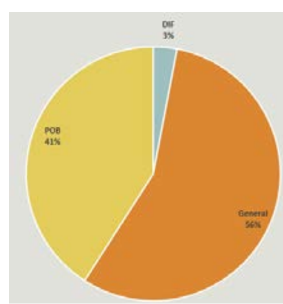
Pledge of Allegiance

City Clerk Crispo read the open meeting law.

Presentation – Debt Service Update – Mayor Thomas P. Koch

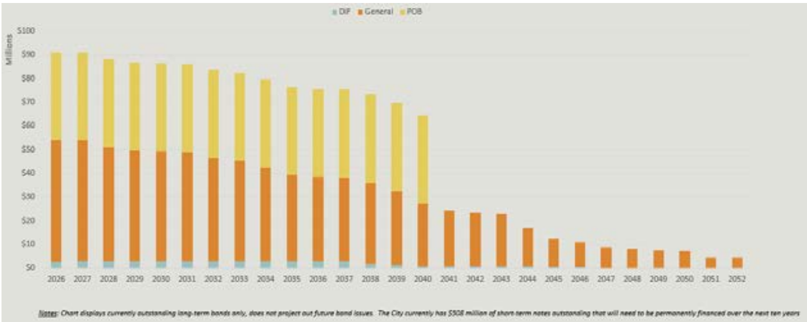


Short Term Debt Service by Category –
- Short Term debt in the form of Bond Anticipation Notes (BANs) allows the city to pay interest only in the early years of the project life cycle
- The majority of the City's BAN's fall under DIF ($326 million)
- Other BAN's have been issued to finance new projects such as the Public Safety Headquarters and the new Squantum Elementary School



Long Term Debt Service by Category –
- General Debt: Includes $155 million in MSBA sponsored School construction projects, over $100 million in self-supporting Water/Sewer debt & $50 million in Community Preservation Act spending
- POB – Projected savings of ~$168M over life of bond, FY26 savings of ~$13M

Total Debt Service by Fiscal Year (6/30) –



Pension Obligation Bond (POB) - Strategy to Provide Funding for the Pension System - Quincy Retirement System Overview – Quincy's employees participate in a defined benefit pension plan under M.G.L. Chapter 32, providing retirement, disability, and survivor benefits through a system overseen by a five-member Retirement Board and regulated by PERAC.

Member Contributions: The plan is funded through mandatory employee contributions of 9% of salary (plus 2% on earnings above $30,000), credited to each member's annuity savings account.
City Contribution: The City contributes annually based on an actuarial funding schedule, with the goal of achieving full funding by 2040 in accordance with state law.

Pension Obligation Bond Timeline -

- February 2005 – Then City Councilor John F. Keenan submits council order 2005-044 authorizing the City to issue pension obligation bonds for the purpose of funding all or a portion of the unfunded pension liability of the retirement system of the City of Quincy.
- June 2015 – The Governmental Accounting Standards Board (GASB) introduced new reporting standards that required public pension liabilities to be reported directly on governmental balance sheets rather than in footnotes shifting unfunded pension liabilities into visible long-term liabilities.
- January 2020 - The Mayor requests his Municipal Finance Team to begin discussions and analysis work to issue a pension obligation bond (POB) to fully fund its unfunded liability.
- March 2021 – The City of Quincy contracts with Milliman Consulting to conduct further in-depth analysis on the potential savings of issuing a POB.
- August 2021 - The City selects Ramirez & Co. as senior manager for the underwriting of its POBs. Stifel Nicolaus & Co. will serve as co-managers.
- September 2021 – Initial Administration & Finance (A&F) discussions on Quincy's Plan of Finance begin.
- October 2021 - Additional Plan of Finance Material sent to A&F
- October 2021 - Receive Final A&F Sign-off to move forward on the issuance of POB.
- November 3-4, 2021 - S&P Rating Agency Presentation
- November 15, 2021 - Ratings Received - S&P Global Ratings affirms Quincy's AA long-term rating and a stable outlook on the new bonds, indicating confidence in the creditworthiness of the City.
- November 29, 2021 - Sale Date
- December 15, 2021 - Sale Closing Date

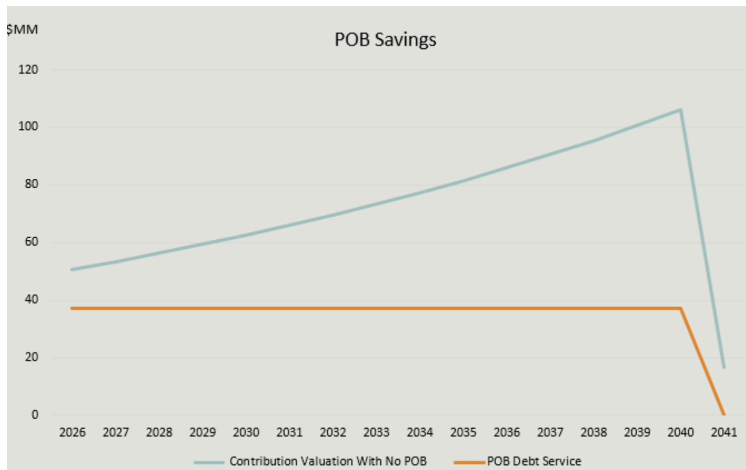
- August 2022 - Rates more than double from when the City issued, leaving some communities who were planning to issue pension obligation bonds unable to go to market.

Pension Obligation Bond Savings - $475 million was invested directly with Mass PRIM, one of the largest and most well-respected pension fund managers in the U.S. with over $100 billion in assets under management. Projected overall savings: Over $168.5 million* throughout the life of the bond. Starting in 2026 the POB's debt service remains constant at $37M through 2040. Without the POB, the contribution from the City to the pension in 2026 would have been ~$50M and growing 5.4% each year through 2040.

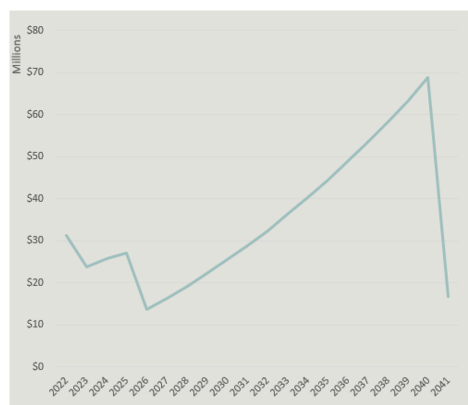
Projected POB Debt Service Savings Analysis* -

Year	Contribution Projections With No POB	POB Debt Service
2026	$50,805,560	$37,169,095
2027	$53,549,060	$37,169,357
2028	$56,440,709	$37,168,535
2029	$59,488,508	$37,169,006
2030	$62,700,887	$37,167,836
2031	$66,086,735	$37,164,584
2032	$69,655,419	$37,168,778
2033	$73,416,811	$37,165,523
2034	$77,381,319	$37,166,990
2035	$81,559,911	$37,164,665
2036	$85,964,146	$37,165,136
2037	$90,606,210	$37,167,652
2038	$95,498,945	$37,168,284
2039	$100,655,888	$37,166,261
2040	$106,006,549	$37,167,469
2041	$16,721,973	$-

*Projections provided by Stone Consulting Inc



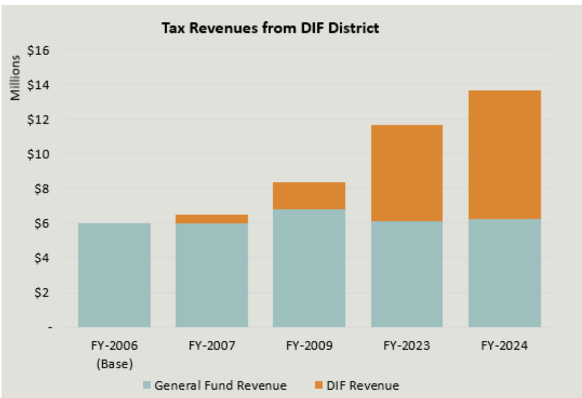
Levy Impact/Service Cut Projections Without POB Savings –

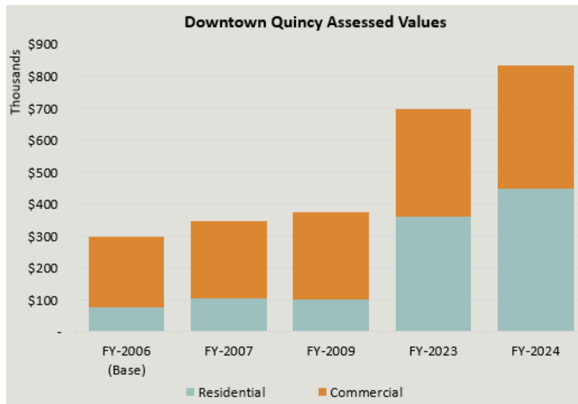


- Without the Pension Obligation Bond, the City would have faced service reductions ranging from $13 million to nearly $70 million annually to meet required pension funding levels.
- By issuing the POB, the City avoided these outcomes, preserving critical programs and maintaining consistent service levels without additional tax increases.
- From 2022 to 2041, the <u>aggregated</u> service cuts to the City would equate to ~$697M

District Improvement Financing (DIF) – The Process - The mayor worked closely with the city council to identify targeted investment areas where district improvement financing (DIF) could support strategic economic growth and infrastructure upgrades. Administration officials presented the DIF proposal to the city council, outlining projected revenues, eligible improvements, and expected community benefits. Fiscal impact analyses and development projections were shared to demonstrate how DIF revenues would fund public improvements without increasing the city's general tax burden. The mayor and council collaborated on refining the district boundaries and project priorities, ultimately reaching consensus on the final DIF legislation. A vote of approval by the city council authorized the DIF program, enabling the city to reinvest new tax revenues from the district into further infrastructure and economic development.

DIF Tax Revenues and Downtown Assessed Values - General Fund revenues have increased 4.1% since 2007 while DIF revenues have grown by over 1,375%. Over the same period, Downtown Quincy's assessed value has risen by 140.2%.





DIF Case Studies –

West of Chestnut

Estimated Tax Revenue Gain		
Year	Without West of Chestnut	With West of Chestnut
2017	$227,414	$587,920
2018	$234,509	$814,298
2019	$241,826	$876,780
2020	$249,371	$869,950
2021	$257,151	$874,425
2022	$265,174	$903,243
2023	$273,447	$897,404

*Projections Based on annual growth rate of Tax Revenue generated by the parcel prior to development

One Chestnut Place

Estimated Tax Revenue Gain		
Year	Without One Chestnut Place	With One Chestnut Place
2021	$8,395	$186,609
2022	$8,712	$384,708
2023	$9,042	$415,678
2024	$9,383	$423,417
2025	$9,738	$455,091

*Projections based on annual growth rate of Tax Revenue generated by the parcel prior to development

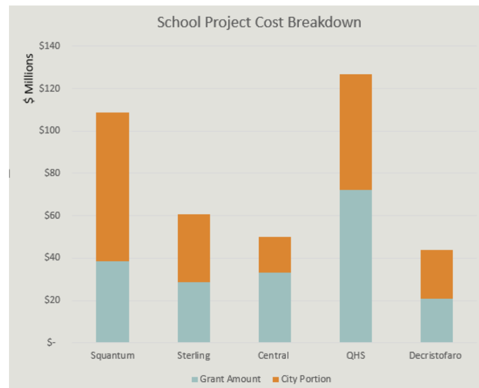
Projects Coming Online –

- Atlantic/Hanover Company Quincy Center - a 297-unit building, will include retail on the ground floor (i.e., mixed-use) as well as a specialty grocer. Completion targeted in mid-2027.
- LBC Boston - LBC Boston, plans to construct a seven-story, 215-unit apartment building with enclosed parking and 12,500 square feet of retail space and 65 parking spaces at the former 1620-1630 Hancock Street site.

- Quincy Mutual Fire Insurance Project - a six-story, 100-unit building called "MacArthur Landing.” will also include 100 underground parking spaces. Completion targeted at the end of 2028.
- Boston Global Investors - Plans include a six-story, 150-unit building with 43,500 square feet of retail space on the ground floor.
- Grossman Co. Project – Project calls for a seven-story, 250-unit apartment building. 181 parking spaces as well as 65,000 square feet of retail.

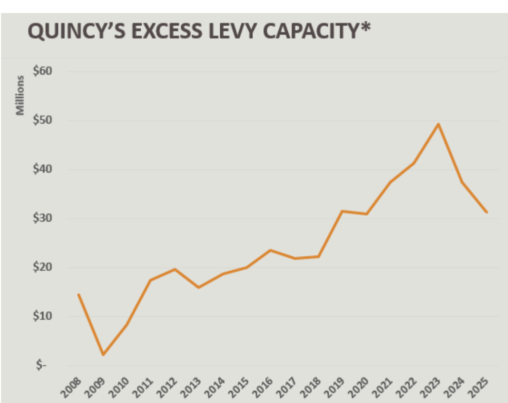
General Debt – Investing in Education - Since 2010, the City of Quincy has completed four major school construction and modernization projects, with a fifth currently under construction, representing a significant investment in educational infrastructure. These projects were financed through a combination of local funding and state support to deliver safe, modern, and energy-efficient learning spaces for students. Highlighted Projects -_Quincy High School, Central Middle School, Southwest Middle School, DeCristofaro Learning Center, Squantum School (Currently under construction)

Reducing Local Costs Through State and Federal Support – The City has partnered with the Massachusetts School Building Authority (MSBA) to secure major reimbursements and grants for 4 new school constructions, significantly reducing local project costs. Federal funds supported the renovation of the DeCristofaro Learning Center, the only municipally run special needs education school in the state.
Savings Totals -_Quincy High: $72,205,739 (56.9%), Central Middle: $32,996,822 (65.9%), Sterling Middle: $28,520,041 (47.1%), Squantum Elementary: $38,346,953 (35.2%), DeCristofaro Center: $20,783,773 (48.8%)



Infrastructure Improvements - $100 million invested into long-term road and sidewalk maintenance and repair, $40 million invested to repair and replace outdated water main and sewer lines, $12 million for roadway, sidewalk, traffic systems and horizontal infrastructure improvements, Ongoing improvements to the City's seawalls, Newly constructed Public Safety Building & Restorations and continued maintenance of parks and open spaces throughout the city

Excess Levy Capacity and Overrides – Since 2008, 198 different municipalities in Massachusetts have requested overrides. There has been a total of 923 requests, 506 of which have passed (55%). There have been 221 requests in the past 5 years, of which 141 have passed (64%). Quincy has ~$442 million of unused excess levy capacity since 2008



*Quincy has averaged $24.5 million of excess levy capacity since 2008.

Comparative Analysis -
Newton:
- General budget override required in 2008, with both school and operating overrides required in 2014 and 2023
- 2008 and 2023 budgetary overrides failed to pass, but the school debt exclusion was passed to fund the Countryside and Franklin schools in 2023

Brookline:
- Required general budget overrides in 2009 and 2024 due to funding shortages from financial crises.
- In 2016, a budget shortage in the schools due to increasing enrollment required an override.
- In 2019, a subsequent override passed to fund school repairs and renovations of the Driscoll School

Braintree:
- South Middle School, completed in 2023, was the only new school construction in decades.
- Despite receiving MSBA funding, Braintree still required an $8 million operating override.

Malden:
- General budget override vote coming up in early 2026 to account for budgetary shortfalls in current staffing and services.

Somerville:
- In 2016, Somerville passed a debt exclusion to fund a new high school.
- Additionally, there is a discussion of a general budget override for 2026 because the current budget is not enough to fund the public schools.

City of Quincy Key Performance Indicators –
- Residential Tax Rate: For 2025, Quincy's property tax rate remains among the lowest 40% statewide.
- Property Values: Since 2021, Quincy's assessed valuation has increased by 32%.
- Excess Levy Capacity: The City has maintained strong levy capacity with 2025 showing $31 million in excess levy, ranking 7th in the state.
- Unemployment**:** Since the pandemic Quincy has outperformed both the State and Country in unemployment rates
- Tax Base: The largest taxpayers in Quincy are diversified in nature, comprising companies in various sectors. Utilities, real estate, public transportation, residential and biomedical manufacturing
- MSBA: Using the MSBA school building assistance program Quincy has been able to fund the construction of four new schools.

City's Strategic Partners - Ramirez & Co, Hilltop Securities, Troutman Pepper Locke, Milliman

Councillor McCarthy discusses the pension obligation and his review of it with the Municipal Finance Department. He believes the interest rate of 2.6% for 15 years will save the city money over time. He also discussed DIF and the short-term vs permanent costs that are currently being financed and the return on that investment with increased values and taxes of the properties in the DIF area. There are many projects like Quincy High and the track that will be coming off the rolls in the coming years.

The mayor believes the pensions will be fully funded by 2040 and there will be ups and downs in market conditions. He feels that the $16million should be taken off the $475M and he is asking Milliman to do the analysis on the actuary study to see how their numbers compare to Stone Consulting, Inc. He does not agree with some of their assumptions. So that that'll get worked out. He has spoken to PERAC, and they have said that they are not worried about Quincy, they are worried about those communities that are funded under 50%. The mayor has two obligations when it comes to the retirement system, to provide for its employees, but he also has a fiduciary responsibility to the taxpayers. With this bond he has tried to balance that. This solidifies the retirement system, but it does it at savings to the taxpayer.

Councillor Campbell appreciated the mayor coming before the body and reviewing this for everyone. He is comfortable with the Mayors response on the $16m and discussed the city's capacity for more borrowing. The mayor feels we have done very well with rates and there is still great confidence in Quincy in the market. The team is in the marketplace frequently adjusting things and saving on costs by making those adjustments. He feels they are on top of it all the time and the city is in a good place. He hears from colleagues all over the state and Quinsey is the talk of the state. They are impressed with what the city has been able to accomplish with doing five schools, roads etc. The city has been responsible and made good decisions on our finances, and it pays off and it then allows us to continue to make good decisions. He appreciated the Councils partnership on all of these projects. Councillor Campbell questioned if the city has seen any changes in the federal funds it receives. They have not but they continue to monitor it that closely, the city's annual community development block grant has not been affected. They have not heard anything in regard to the $10m in funding for the Southern Artery project that has been awarded but will keep the council posted if they hear anything different.

Councillor DiBona thanked the Mayor for coming before the body. Over his years on the Council, he has seen a lot of work accomplished and appreciates the collaboration with department heads and commissioners. He believes that the financing of the pension bond at 2.62% has benefited the city as well as the $41 million in work the city will be receiving from National Grid and Mass DOT for some of the projects in the city. The Mayor reiterated the importance of having the people in place to identify where funding like grants is available and having them to do the work, like the $10 million award on Southern Artery. Congressman Lynch was helpful? but if the work wasn't done, he can't make the phone call to help Quincy. They are aggressive in looking for funding through other sources also like the Mass School Building Authority, MassDOT, the federal government and various other programs.

The Mayor reviewed the downtown projects adjacent to the Generals Bridge and 110,000 sf building that will house the Beth Isreal Urgent care and will have day surgeries and primary care offices.
Although it is not a hospital, it will bring more services to the city. They were able to secure State funding of $2 million towards the garage. The other building being developed will have a specialty grocer; other retail uses as well at 300 units of housing and another garage. This development will bring in millions of tax dollars over what the city is currently collecting on those properties. This whole region is short on housing and there is great concern that Massachusetts is going to lose its edge if we don't have the housing for people to stay here. These projects help Quincy meet that obligation.

The Mayor reviewed the MSBA process that the city uses for funding and reimbursement on its school projects and the effects of inflations on the city.

Councillor Liang discussed DIF and the growth seen in the Downtown. She is happy to see the numbers and how much better we're doing given the properties that have been developed and the long-term plans/timelines to end borrowing under the DIF and having those gains return to the general fund. The Mayor feels it is important that we continue to stay focused on developing in the right areas without it we would not see projects like Grossman's proposal or the development at the nursing home on McGrath Highway. A similar model will be used in the Wollaston area with the establishment of the urban redevelopment district the city is waiting for the final approval from the state which is expected fairly soon and from there a decision on district improvement financing along with zoning requirements will move forward. There has been a hold-up with DEP due to the drainage issues in that area, but the Mayor expects it to move forward very soon. They have done a lot of our own engineering and the other things we need to do for some of the infrastructure in that area. Councillor Liang appreciates the Mayor coming before the body and appreciates that even if there are disagreements that the conversations are had.

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Councillor Ash reviewed the DIF case studies in the presentation and questioned the yearly pension employee retirement administration commission budget and when the second opinion from Milliman is expected. The Mayor feels that they have fully funded the pension system and have met the obligation as the taxpayers of the city. If there is an excess in the retirement system the city does not get any money back and may be speaking to state legislators about that and partially returning some of that to the municipality. The administration expects the report from Miilliman back before the end of the calendar. Councillor Ash discussed the bond rating changes, when the city can anticipate seeing them bounce back to where they were in previous years and addressing increasing reserves. The rating agencies want to see a bigger bank account essentially. We have excess levy capacity and good liquidity. Increasing reserves is something the administration will look at. The Mayor feels his role is to deliver services and protect investments and infrastructure and not build a bank account. They will review the free cash and maybe put some of that into the reserve to send a signal. The city is still very competitive in the market and still sees getting great rates. For this year's tax rate they are waiting on a couple of things like the free cash certification and new growth numbers.

Councillor Devine thanked the Mayor for coming and appreciates the work done across departments and investment in the city. The rezoning in Crown Colony will help address the potential loss of commercial tax base there. Quincy is appealing to both developers and residents. He feels that comparisons to other communities that have not fulfilled their pension obligation are not comparing apples to apples. The Mayor stated that statewide only a handful of communities are in better shape than Quincy when it comes to the pension systems. It's a challenge to get to the number where the state wants the city to be at, but city was able to do it.

President Cain appreciates Councillor McCarthy inviting the Mayor to give this overview you to give this overview. He feels the city has come a very long way. He is optimistic about the city overall or he wouldn't live here or start a business here and he knows that people come here because there are good things happening.

Approval of October 6, 2025 Minutes
Motion to approve by Councillor Liang, Seconded by Councillor McCarthy
The minutes are approved as circulated.
Yeas have it

Communications –

None

Unfinished Business from Previous Meeting –

None

Reports of Committees

Ordinance Committee –

2025-118 - Add 2 Stop signs on Kimball St @ Campbell St creating a 4 way stop
Positive Recommendation made by Ordinance Committee Chair Councillor Liang
Motion to approve by Councillor Liang, Seconded by Councillor McCarthy
The motion was approved by 9-0 Roll Call Vote

Petitions, Memorials and Remonstrance –

Councillor DiBona remembered Thomas Arnott a longtime resident of Quincy who passed and asked that the Arnott family be in everyone's prayers.

Councillor DiBona also remembered Dr. Carmen Mariano who passed away last week and asked that the entire family be in everyone's thoughts and prayers.

Councillor Campbell and Councillor Devine remembered longtime Adams Shore resident Bridie O'Connor. Prayers for her family who will be missed greatly.

Motions, Orders, Resolutions –

None

Scheduling of Committee Meetings & Public Hearings –

Monday, November 10th	6:30 PM	City Council Meeting
Monday, November 17th	6:30 PM	City Council Meeting
Monday, December 1st	6:30 PM	City Council Meeting
Monday, December 15th	6:30 PM	City Council Meeting

Adjournment at 7:56 PM