

# The Patriot Ledger

## **LEDGER EXCLUSIVE: \$42.5M loan for air base; Funding plan paves the way for road vital to Southfield project**

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WEYMOUTH - The Patrick administration wants the state to use an "innovative" financing approach to help pay for a \$46 million parkway vital to the redevelopment of the former South Weymouth Naval Air Station.

Gov. Deval Patrick is pledging a \$42.5 million state loan that would cover most of the building costs for the East-West Parkway, a road central to the plan to transform the 1,405 acres into a mixed-use community called SouthField.

Under the agreement, if SouthField fails to produce enough revenue to cover its bonding obligation to MassDevelopment, the state's finance and development authority, base overseers South Shore Tri-Town Development Corp. will have to pay the difference. Tri-Town represents the towns on which the base sits, Abington, Rockland and Weymouth.

"This financing, and the way we've structured it, is the first time the state has ever done something like this," said Jay Gonzalez, assistant secretary for capital finance. "This is truly an innovative approach, to try to leverage the new state revenue we expect to get from this to help pay for this asset."

The SouthField project, which will include 2,855 residences and 2 million square feet of commercial space, is expected to create thousands of jobs and provide new state tax revenues, Patrick said. It is expected to generate \$40 million in tax revenue above what base overseers South Shore Tri-Town Development Corp. will be obligated to pay the state in debt service, he said.

The financing has to be approved by the Legislature in the form of a 30-year bond bill. Tri-Town is expected to approve a funding agreement at its meeting tonight.

SouthField is a good place to experiment with the financing approach, Patrick said.

"The South Shore generally is the fastest-growing part of the Commonwealth," he said. "In order to sustain that growth and encourage it, there are investments we need to make."

The parkway is "vital ... to the redevelopment of the base and to the kind of model of 'smart growth' development that we've been working on," Patrick said. "It will bring a significant relief to some of the traffic issues in the region."

The parkway will have entrances near Route 18 in South Weymouth and in Rockland near the Exit 14 ramps to Route 3.

The deal puts the onus on Tri-Town, developer LNR Property Corp. and the Navy to see through the rest of the project, which is in its first phase of building 500 residences and 150,000 square feet of commercial space.

Mark Forest, spokesman for U.S. Rep. William Delahunt, said the agreement will push forward negotiations on some 800 acres of base land the Navy still owns.

"This is a crucial piece of the overall puzzle," Forest said. "(Delahunt) thinks it will be helpful as we sort of get into the final stages of negotiations with the Navy on the transfer of the land. I think it will help get us to that stage much sooner."

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