



ORDER NO. 2021-037-001  
REQUEST OF ORDINANCE AND RULES SUBCOMMITTEE

UPON THE REQUEST OF THE ORDINANCE AND RULES SUBCOMMITTEE, THE CITY OF FRAMINGHAM, THROUGH THE FRAMINGHAM CITY COUNCIL, IT IS SO ORDERED:

*Be it ordained by the Framingham Council, as follows:*

SECTION 1.

Article X of the Framingham Ordinances is hereby amended by adding at the end thereof the following new section:

Section 7. Disclosure of Beneficial Interests.

7.1 Purpose.

The purposes of the disclosure requirements of this Section shall include, without limitation, the following:

- a) to inform public decision-makers and the public at-large of the identity of, and extent of the interest held by, all persons having any beneficial interest in significant development projects, large contracts, and marijuana licenses that are subject to review and approval by the Mayor, Council, the Planning Board, the Zoning Board of Appeal, in order to improve municipal land use decisions, public contracting, and foster public understanding of, and trust in, such review and approval processes; and
- b) to provide a process under which officials making land use, licensing, and contracting decisions can identify and avoid conflicts of interest.

7.2 Applicability.

This Section shall apply to any:

7.2.1 Proposed Project that requires a Special Permit or Zoning Relief and that falls into any of the following categories:

- a) construction of a building, buildings, or structure having a total gross floor area of one hundred thousand (100,000) or more square feet;
- b) enlargement or extension of a building or structure so as to increase its gross floor area by one hundred thousand (100,000) or more square feet; or
- c) establishment or change of the uses of a gross floor area of one hundred thousand (100,000) or more square feet.

7.2.2 one or more contracts in a fiscal year totaling \$100,000 or more.

7.2.3 person or entity holding a license to sell, manufacture, or distribute marijuana.

7.3 Definitions

For the purposes of this Section only, the following words and phrases shall have the meanings indicated:

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- a) "Applicant" means any Person having a Beneficial Interest in a Proposed Project, contract, or license subject to the provisions of this article or the authorized agent of any such Person.
- b) "Beneficial Interest" means any legal or equitable direct or indirect ownership interest, whether as an individual or through a partnership, corporation, trust, or other legal entity, or otherwise, or a contractual right to any such ownership interest, whether or not contingent, other than a mortgage in favor of or a commitment, standby or otherwise, for mortgage financing, from:
  - i. a corporation, partnership, or trust, the stock of which is listed for sale to the public with the Securities and Exchange Commission or with a comparable regulatory body in a foreign country;
  - ii. a mutual insurance company or other entity owned by its policy holders; or
  - iii. a pension fund or other employee benefit plan; or
  - iv. an insurance company, bank, or other entity subject to control, regulation, or examination by any state or federal regulatory agency or by a comparable regulatory body in a foreign country.
- c) "Disclosure Statement" means the statement required by this section.
- d) "Person" means an individual, partnership, corporation, trust, or other legal entity.

## 7.4 Disclosure Statements of Persons Having Beneficial Interests in Proposed Projects, Contracts, and Licenses

- a) Disclosure of Beneficial Interests in Proposed Projects.  
The Mayor, Council, Planning Board or Zoning Board of Appeal may grant relief for a Proposed Project, sign a contract, or award a license that is subject to this Section only if the Applicant for such Proposed Project, party to contract, or awardee of license, has filed a statement (the "Disclosure Statement"), signed under penalties of perjury, with the City Clerk.  
The Disclosure Statement shall disclose:
  - i. the true names and addresses of all Persons who have a Beneficial Interest in the Proposed Project, contract, or license, the amount of their Beneficial Interest accurate to within one-tenth of one percent if such interest exceeds one percent (1%); and
  - ii. for the initial Disclosure Statement only (unless such initial Disclosure Statement is subsequently modified), the names and addresses of all firms and professional corporations employed as attorneys, real estate brokers, architects, engineers, planners, or surveyors, and all other agents who have acted on behalf of any of the foregoing with respect to the application for the relief, contract, or license, provided that the disclosure of the names and addresses of such firms and professional corporations shall not be required if the compensation for acting on behalf of the application for the relief.

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The provisions of this paragraph (a) of this Section shall not apply to:

- i. owners of 10% or less of the ownership interest in:
  - a) a corporation, partnership, or trust, the stock of which is listed for sale to the public with the Securities and Exchange Commission or with a comparable regulatory body in a foreign country;
  - b) a mutual insurance company or other entity owned by its policy holders;
  - c) an insurance company, bank, or other entity subject to control, regulation, or examination by any state or federal regulatory agency or by a comparable regulatory body in a foreign country;
- ii. shareholders of a limited equity or nonprofit housing cooperative;
- iii. a pension fund or other employee benefit plan.

b) **Form of Disclosure Statement.**

The Disclosure Statement shall be in a form proscribed by the City Clerk. If the Applicant filing the Disclosure Statement is a corporation, the Disclosure Statement shall be signed by a duly authorized officer thereof.

c) **Circulation of Disclosure Statement.**

Once filed by the Applicant, the Disclosure Statement shall be circulated to all members of the Council, Zoning Board of Appeal and Planning Board who are eligible to vote upon the application for relief, Mayor or her designee, Council, or Board of License Commissioners approving contract or license.

**7.5 Public Records.**

The City Clerk shall make all Disclosure Statements required by this Section available to the public upon request.

**7.6 Updating Disclosure Statements.**

If at any time during the period of two (2) years from the date of the first filing of a Disclosure Statement pursuant to this Section there is a significant change in the identity of Persons having a Beneficial Interest in the Proposed Project, contract, or license, as disclosed in the previous Disclosure Statement filed, the Applicant shall file with the City Clerk an updated Disclosure Statement within thirty (30) days after such change has occurred. The updated Disclosure Statement shall contain all the information required by subsection 4 of this Section and shall specifically identify the differences in such information from that provided in the immediately preceding Disclosure Statement filed in connection with such Proposed Project, contract, or license.

**7.7 Penalties.**

**7.7.1 Failure to File Updated Disclosure Statement.**

If the Applicant of a Proposed Project, contract, or license, that has received relief fails subsequently to file an updated Disclosure Statement as required by subsection 6 of this Section, the Director of Inspectional Services, or other appropriate municipal officer may take any action provided in law or equity to enforce the provisions of this Section.

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## 7.7.2 Falsification of Disclosure Statement.

Any Person who willfully files a Disclosure Statement that is false in a material matter shall be subject to the penalties of perjury pursuant to M.G.L. chapter 268, Section 1A, and any other applicable criminal and civil penalties. If the City Clerk or any other agency or person notifies the Director of Inspectional Services or other municipal officer that a court of competent jurisdiction has found that such a false statement in a material matter has been willfully filed, the Director of Inspectional Services may take any action provided in law or equity to enforce the provisions of this Section. Notwithstanding the foregoing, neither the Relief nor any building or occupancy permits issued shall be jeopardized by reason of any violation of the provisions of this paragraph (b) of Section 7 after the relief has been granted if either: (a) (i) a corporation, partnership, or trust, the stock of which is listed for sale to the public with the Securities and Exchange Commission or with a comparable regulatory body in a foreign country; (ii) a mutual insurance company or other entity owned by its policy holders; (iii) a pension fund or other employee benefit plan; (iv) an insurance company, bank, or other entity subject to control, regulation, or examination by any state or federal regulatory agency or by a comparable regulatory body in a foreign country; or (v) a governmental or quasigovernmental agency or authority, has loaned funds for the substantial construction of the Proposed Project, and has filed a notice with the Director of Inspectional Services verifying the disbursement of funds for such substantial construction; or (b) a building

permit allowing commencement of construction has been issued by the Inspectional Services Department.

## 7.8 Notice of Enforcement: Cure: Limitations.

### 7.8.1 Notice of Enforcement.

Prior to seeking enforcement for failure to file an updated Disclosure Statement, as provided in paragraph (a), or for falsification of a Disclosure Statement, as provided in paragraph (b), of this Section 80B-8.7, the Director of Inspectional Services or other appropriate municipal officer shall send notice of such intended enforcement to the Applicant, and to any other Person who has a Beneficial Interest in the Proposed Project (and any other mortgagees of whom the Inspectional Services Department has notice), contract, or license, listed on the most recent Disclosure Statement filed by the Applicant, by certified mail to the addresses given on the most recent Disclosure Statement filed. Such notice shall advise said Applicant and each such Person that, if the updated, or true, Disclosure Statement, as the case may be, is not filed within forty-five (45) days of receipt of the notice, the Director of Inspectional Services shall consider revoking the Proposed Project's building or occupancy permit as a result of such failure to file, or such falsification, as the case may be, unless such building permit or occupancy permit is protected by the provisions of paragraph (b) of this Section 7, or shall consider seeking any other remedies available at law or in equity. The Director shall send a copy of such notice of intended enforcement to the Zoning Board of Appeal and Planning Board.

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## 7.8.2 Cure.

If, within such forty-five (45) day period, any Person to whom the notice of intended enforcement was sent provides evidence to the Director of Inspectional Services or other appropriate municipal officer of due diligence in seeking the filing of an updated, or true, Disclosure Statement, as the case may be, the Director of Inspectional Services shall not take any other action to enforce the provisions of this Section and shall not revoke any building or occupancy permit for the Proposed Project, and no such enforcement action or revocation may take place so long as the due diligence to seek compliance is being undertaken. The failure of any Applicant to file any updated, or true, Disclosure Statement required by this Section may be fully and completely cured by the filing by such Applicant at any subsequent time of an updated, or true, Disclosure Statement, as the case may be, that sets forth the information required by subsection 4 of this Section as of the time when such filing was originally due, or by the filing by any other Applicant of an updated, or true, Disclosure Statement that sets forth, to the best knowledge of such Applicant, the information required by said subsection 4 as of the time when such filing was originally due. For the purpose of this paragraph (c) (ii) of Section 80B-8.7, "due diligence" shall conclusively mean, but not be limited to, the diligent prosecution of a civil action to compel compliance with the requirement to file an updated, or true, Disclosure Statement.

## 7.8.3 Limitations.

Any action by the Director of Inspectional Services or any other party in connection with any violation of this Section shall be commenced only within three (3) years after the cause of action accrues. A cause of action shall be deemed to accrue with respect to any Disclosure Statement on the date when such Disclosure Statement is required to be filed pursuant to this Section.

7.9 The city clerk shall, upon receipt of a Disclosure Statement pursuant to the provisions of this section, issue to the person filing such statement a receipt verifying the fact that a Disclosure Statement has been filed and a copy of such statement clearly indicating receipt by the city clerk.

7.10 The Disclosure Statement filed pursuant to the provisions of this section shall be on a form prescribed by the city clerk and shall be signed under penalty of perjury by the person filing the statement.

7.11 Nothing in this section shall be construed to require the disclosure of information which is privileged by law.

## 7.12 Successors in Interest

The requirements of this Ordinance, including any sanctions or limitations imposed, that are applicable to any employer shall also be applicable to, and effective against, any successor employer that (1) has at least one of the same principals or officers as the predecessor employer and (2) is engaged in the same or equivalent trade or activity as the predecessor employer.



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**SECTION 2. Severability.**

If any provision of this Ordinance, or the application of such provision to any person or circumstances, shall be enjoined or held to be invalid, the remaining provisions of this Ordinance, or the application of such provisions to persons or circumstances, other than that which is enjoined or held invalid shall be not affected thereby.

**SECTION 3. Effective Date.**

The provisions of this Ordinance shall become effective upon passage.

**FIRST READING:**

YEAS: Bryant, Cannon, Case, King, Leombruno, Long, Ottaviani, Shepard, Stefanini, Steiner, Stewart-Morales  
NAYS: None  
ABSTAIN: None  
ABSENT: All members were present in person or via teleconferencing  
PASSED IN COUNCIL: May 4, 2021

**SECOND READING:**

YEAS: Bryant, Cannon, Case, King, Leombruno, Long, Ottaviani, Shepard, Stefanini, Steiner, Stewart-Morales  
NAYS: None  
ABSTAIN: None  
ABSENT: All members were present in person or via teleconferencing  
PASSED IN COUNCIL: May 25, 2021

A True Record, Attest:

6/3/2021

Date Approved

6/10/2021

Date Approved

Lisa A. Ferguson, City Clerk  
Emily L. Butler, Assistant City Clerk

Yvonne M. Spicer, Mayor