



City of Gloucester

City Council

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Telephone 508-281-9722 Fax 508-281-8472

CITY COUNCIL
AND
CITY COUNCIL STANDING COMMITTEE
Ordinances & Administration

Monday, September 28, 2009 – 7:00 PM
Council Committee Room – First Floor
City Hall, 9 Dale Avenue

AGENDA

1. **Appointments**
John Feener, Conservation Commission representative to the CPC, 3 year term to expire 2/14/12
Michael McLeod, Gloucester Housing Authority representative to the CPC, 2 year term to expire 2/14/11
2. **Department of Revenue re: Local Option Excises**
3. **Committee for the Arts – Establish position of Poet Laureate**
4. **Other business**

INCORPORATED 1873
CITY OF GLOUCESTER
COMMITTEE
Councilor John "Gus" Foote, Chair
Councilor Sefatia A. Romeo, Vice Chair
Councilor Bruce Tobey

C: Mayor
Jim Duggan
Suzanne Egan
Jeff Towner
Marcia McInnis
John Feener
Michael McLeod
Dale Brown
Judith Hoglander

City Hall Annex
Three Pond Road
Gloucester, MA
01930



TEL 978-281-9781
FAX 978-281-9779
sbuck@gloucester-ma.gov

CITY OF GLOUCESTER
COMMUNITY DEVELOPMENT DEPARTMENT

MEMORANDUM

TO: Mayor Carolyn Kirk
FROM: Sarah Garcia, Community Development Director *SG*
CC: Conservation Commission, Gloucester Housing Authority
RE: Appointments to the Community Preservation Committee
DATE: September 14, 2009

Please be advised of two new recommendations to the Community Preservation Committee. On the Conservation Commission, Mr. Rob Gulla has resigned from his appointment to allow Mr. John Feener the opportunity to serve on the CPC. From the Gloucester Housing Authority, Ms. Dorothy Martins has resigned from her appointment and the GHA requests that you appoint Mr. Michael McLeod as their representative.

Upon your approval, please forward to the City Council for their confirmation the following:

Mr. John Feener, Conservation Commission representative to the CPC,
3 year term to expire 2/14/12

Mr. Michael McLeod, Gloucester Housing Authority representative to the CPC,
2 year term to expire 2/14/11

Thank you.

City Council
and
City Council Standing Committee
Ordinances & Administration
MINUTES of August 3, 2009

Present: Chairman John "Gus" Foote; Sefatia Romeo-Theken, Vice Chair; and Councilor Bruce Tobey

Also Present: Councilor Hardy, Councilor Grow, Councilor Ciolino, Mayor Kirk, Fire Chief Phil Dench, Suzanne Egan, Marcia McInnis, Michael Hale, David Sargent, Michael Faherty, Mona Faherty, Janice Lufkin Shea, Linn Parisi, Deborah Ryan, Robert Ryan, Bob Hastings, Jan Bordinaro, John Orlando, Paul Salah, Laura Dow, Sherre DeLorenzo, J.D. McEachern

The meeting was called to order at 6:15 p.m.

1. Department of Revenue re: Local Option Excises

Mayor Kirk reminded the council that the packet of July 28th still stands and presented an informational update and discussed the current thinking of the Administration as per her memo from earlier in the day (copy in file). The Administration had a meeting with the Chamber of Commerce and the DMO along with other establishments regarding Local Option Taxes – they brought forward a number of concerns that are captured in the Mayor's informational update memo to the Council on the Administration's current thinking (dated Aug 3rd - copy in file). This is for informational purposes only; no formal proposal has been put together and some of the issues will probably need to go before B&F i.e. the revolving account which may need a special act of the Legislature as was done in Sandwich MA whereby a portion of the hotel motel tax would be placed into the revolving account to be used only for promotion of Gloucester tourism. Senator Tarr's office has been contacted and the Sandwich model may be a good model to pursue. The Administration is looking for a guarantee that the funds in this special account – in the future – would be solely earmarked for the tourism industry in the years ahead and that future Administrations and City Councils be bound to this obligation into the future. Mayor Kirk recommends a minimum of 25% to a maximum of 50% of the new tax revenue be dedicated for this exclusive use and the balance be used to support other municipal services – priorities the Administration suggests are the Rose Baker Senior Center and the Sawyer Free Library and depending on the range we can talk about some other priorities – to use the Council's reserved for appropriation type of accounts for the other priorities so council has full participation and authority over the spending of the balance from this revenue source.

Councilor Tobey inquired about services contracts and stated that our Purchasing Agent would be the appropriate procurement & RFP lead.

Mayor Kirk understood that procurement would be through the Purchasing Agent including services for a PR firm – would entail a scope of services defined, put out to bid etc.

Councilor Tobey asks that the Purchasing Agent, through the Mayor's Office, provide a report to the O&A as to how the procurement process would work for this type of a proposal; to what extent does

any Administration or Council have the capacity to restrict or tie the hands of future Administrations or Councils regarding such appropriations – it was requested that this question be forwarded by the Administration to General Counsel for a response for the next meeting. Councilor Tobey will also ask the Auditor for an assessment of realistic projected revenue to be created by this Local Option if this is accepted by Council – and how Council can spend the money of one, the other or both local taxes and asks further that the projections be broken out for July, Aug & Sept. as well as how much projected for October, Nov. & Dec. Councilor Tobey wonders if perhaps we are rushing this; should we be looking for later consideration of this option given that we are already well into this season.

Councilor Foote has heard from many citizens that they would like to see revenues generated from these new options used wisely for instance for the Senior Center, Library and the proposed revolving account for tourism – that they all need our attention.

Councilor Ciolino stated that previous councils asked for \$50,000.00 from beach revenues be spent on the beaches – and it is well spent.... That the \$20,000.00 from meter revenues is spent on the downtown, and that these new revenues will be well spent for tourism.

Councilor Romeo is looking for explanations in black and white as to where the monies are being actually spent from these special accounts. She is concerned that these new local option revenues be spent for the entire City of Gloucester, not just downtown... the money must be used to promote the entire City – to market our **entire** City.

Councilor Ciolino stated that it is the 2nd quarter that these monies will come in... the percentages need to be clarified as to where the revenues will be spent.

Councilor Romeo excused herself from the meeting for a brief time.

Councilor Tobey has spoken with MMA (John Robinson) who has indicated that this is very early in the process – that the MMA is tracking 30 other cities and towns and very few have yet to take a vote on the local option taxation. Before we rush into this, we should know that other communities are taking their time with this – as it is early yet:

Mayor Kirk stated that the assessment of revenues used are those that have been provided by the DOR and have been seasonably adjusted. Mayor would like the City Auditor to be aware of this and we can spend no more than what the DOR has “pitched” the revenue to be. Timing issue: if Council acts before Aug 31st then there will be funds available for FY 2010, should council not act by Aug. 31st and we were to capture some revenues this season, then those revenues would fall to free cash and not available until FY 2011.

Councilor Romeo returns to meeting and thanks those organizations that have been promoting Gloucester all along with brochures etc. She has concerns about who will be administering this program and wants the benefits from the promotions to be equally divided among the entire community - and reminds all that not everyone belongs to the Chamber of Commerce. This money needs to be spent on GLOUCESTER tourism. The Councilor is also concerned that this Administration not commit the balance of these proposed revenues to other departments or agencies because it is the Council that needs to determine where the monies will be spent and if the Administration says now that it should go to one department and it is determined by the Council that the monies are needed to fund another – then it will be the Council that is made out to be the breaker

of the promise when the Administration should not have made the promise in the first place – it is up to B&F to make recommendations as to the allocation and Council to vote. She asked the Administration not to make promises that we can't keep because we don't know what the future needs are going to be. She also stated that she is not sure that this Council should be making decisions or promises for future Councils.

Councilor Hardy commented that the Seaport Gloucester DMO publication is the best she has seen so far, but is concerned about the duplication of effort and money – too many organizations are creating brochures with much the same information it is redundant – some are outdated yet still being used. Concerns from business owners include confusion over how the Cape Ann Chamber of Commerce can be promoting all of Cape Ann when it is the Gloucester tax revenue that is being used. Other Cape Ann communities have their own Chambers, why is Gloucester's Chamber promoting all of Cape Ann and is it with our taxes? – Will all of the Cape Ann Communities also be paying their fair share to promote Cape Ann? Councilor Hardy would like a better understanding of exactly who will be handling the money and making decisions for future Councils on how to spend it. She does not believe this Council should be making any promises on how to spend anything in the future and wonders if it is even legal. She is not so sure that these taxes should be increased, but if it is voted she wants to be sure that there is no redundancy in spending and that the accounting be made available to any future Councilor upon request. Many businesses can no longer afford to belong to the Cape Ann Chamber of Commerce, are they going to be able to benefit from the monies that are being used to promote Cape Ann? All businesses in Gloucester need assurances that they too will be represented in whatever promotional pieces will be produced to promote all of Gloucester. Advertising in the name of Cape Ann benefits not only Gloucester, but Rockport, Essex and Manchester – we need our local revenues to promote Gloucester not Cape Ann unless the monies are matched by the other Cape Ann Communities – but then they have their own Chambers, so it is a bit confusing.

Councilor Grow would like additional information about the seasonal adjustments and wonders if this should go to B&F.

Marcia McInnis commented that the projections are individual by community based on past data. She has concerns about the different types of revolving accounts that will be required – and about the unique revenue sharing funds of sorts; may need special legislation and structure. Adopt local option taxes vs. implementation needs to be researched further as to dates of adoption and we must be careful how the account is set up. Once the revolving account has been established, those who are in control have total authority to spend so we must be very careful how it is set up.

Councilors will be further discussing this matter, and many mentioned that they would like to have a public hearing on the matter so that the community can have their voices be heard.

Bob Hastings of the Cape Ann Chamber of Commerce began by stating that the Chamber passed a resolution that opposes the tax and they are concerned that Gloucester businesses may be put to a competitive disadvantage over cities and towns that do not vote this local option. They look forward to working with the Administration and open to working with the all community businesses; the Chamber seeks no money whatsoever should this local option tax be passed. He does not see the funds going to any one person, but rather to the promotion of Gloucester. If funds become available they will be used to reinvest in the Community. He stressed that we need to work together.

John Orlando, Chair of the DDC and owner of the Blvd. Ocean View Inn on the Boulevard – this is the result of what the revenue can do (brochure held up). It is an important piece that was one of the last pieces funded by the last tourism budget. He thanked the Chamber for their assistance in putting it together and it helps non-Chamber members also. Bottom line is that the DDC wants to promote entire city of Gloucester not just downtown.

Mayor Kirk leaves the meeting.

Councilor Foote states that we have a chance to put something good together for the City and make it work as long as we promote the entire City – this is one thing we CAN do.

Councilor Tobey states that the revenue projections for the City and the State are off. He is not sure that the local option taxes are something we should be celebrating.

Michael Faherty, owner and operator of 2 hotel motel accommodations in Gloucester - it bothers him that there is not limit for the states appetite for taxes. He attended the recent with the Mayor and the Administration stated we have not prioritized tourism; he sees the problem is that this is subject to appropriation by the council and future councils may not be inclined to put the money back into tourism; tourism business owners of this city have no constituency on the Council. To tax now – so late in the season – will accomplish nothing except collect so little money that there won't be enough there to dedicate to what it is intended for - tourism, so the city will find something else to spend it on. He feels the City is rushing to a judgment. We need to address the question as to whether or not the money can be secured for specific tourism use before the tax is imposed – we can NOT worry about the “process” later, we must worry about that now. We already have a budget in place for this year; there is not a full consensus as to what will happen to these revenues and it can't be formulated in a couple of weeks or even a couple of months. We need to recognize the fact that many of the people staying at local hotels and motels are local people and they will be affected by the increase in the room taxes as well as the meals taxes. Hotels and motels are already paying other local taxes – real estate, water, sewer etc – this is yet another expense for them.

Councilor Foote said that it would not hurt to study the proposal if it comes to nothing, then it comes to nothing ... but we should at least look at it.

Deborah Ryan member of the Tourism Commission read a letter written by Tracey Muller, her employer and owner of the Bass Rocks Ocean Inn into the record. (Copy in file)

It was agreed unanimously to continue this matter until August 17th and to reserve the Kyrouz Auditorium so as to accommodate a larger audience.

2. Proposed Storm Water Management Utility Ordinance (cont'd from 8/3/09)

Councilor Tobey stated that a workshop would be held at the next Council meeting on this subject matter. That this is a discussion matter this evening.

Legal Counsel, **Suzanne Egan** explained the revised Ordinance which comes out of the debt shift conversations. This is a way to deal with the increased cost of that debt shift. Chap 83 Section 16

posted with signage, the exact size and location of which shall be determined by the DPW Director, indicating that the range is for use by the GPD only and that trespassers are subject to arrest.

7. The entrance and both sides of the Range shall be posted with the following signs:

**POLICE FIRING RANGE
KEEP OUT
TRESPASSING BEYOND THIS POINT
TRESPASSERS SUBJECT TO ARREST IN ACCORDNACE WITH M.G.L. CH __, SEC __**

8. The DPW shall be responsible for maintenance of the Range and shall implement a maintenance plan the same or substantially similar to the "Environmental Stewardship Plan for Management of Lead Shot/Bullets," as suggested by the United States Environmental Protection Agency. The Range shall be maintained in accordance with the foregoing at least once every two years.
9. There shall be no use of the firing range, unless, until and for so long as the above-described conditions are in place and maintained.

Councilor Hardy asks **Mr. Duggan** for the Chapter and Section for the Trespassing signs before we vote on it before the City Council so that the City would get the revenue instead of the state.

Councilor Tobey requests that **Mr. Duggan** and **General Council** have this matter coordinated before the next council meeting.

MOTION: On motion of Councilor Tobey, seconded by Councilor Romeo-Theken, the Ordinance and Administrative Committee voted 2 IN FAVOR, 1 OPPOSED (Foote) to recommend City Council approve the West Gloucester Firing Range article, in accordance to M.G.L. Ch. __, Sec. __.

4. Department of Revenue re: Local Option Excises (Continued from 8/3/09)

Councilor Tobey regarding the August 3, 2009 Memorandum from Mayor Kirk, asks if there is anything new from the Administration on this matter

Mr. Duggan says just the procurement process, and he did not know if **General Council** wanted to add anything, but they had looked at the procurement process in one of the issues **Councilor Tobey** raised and it would be a matter Under 30(b) because it is a service, and that would basically be the RFP for public relations for the marketing campaign for the city of Gloucester. **Mr. Duggan** said choosing a vendor would be done in two ways: Performance-based—you look at the proposals, the vendor would come in and make a proposal on how his or her company would carry out with those marketing efforts, those public relations efforts; then they would be rated; upon that, then the bid prices would be opened and they would compare and make the best selection according to what the City would get, not to exceed the budgeted amount.

Mr. Duggan stated there was a question on the control of the funds. It would be looked upon if, in fact, we would budget every year. It would be going through the Tourism Commission with the approval of the Mayor's Office on any type of expenditure, basically the way it is set up now. **Mr. Hastings** from the Chamber has had great experience in these types of efforts so we would work in conjunction with drafting the correct scope of services for the public relations efforts, and moving forward, going with the City.

Councilor Foote asks **Mr. Duggan** regarding local options, if they will be funding the Rose Baker Senior Center, Sawyer Free Library, and snow and ice removal services later from out of this money.

Mr. Duggan says it is going to exceed the August 31, 2009 deadline and there is no hurry, at this point, if they adopt it after August 31. Any revenues that they absorb as a result will fall as free cash if they adopt it after August 31st and then it will be going forward with the FY11 budget.

Councilor Romeo-Theken wanted confirmation from **Mr. Duggan** that for tonight they were going to decide on whether they were in favor of the law—on whether they want the tax--not on the percentage. Then, if it gets approved by City Council, how the percentage is going to be divided; and after that, where it is going to go. We will have two separate accounts—one towards promoting Gloucester, and we do not know the percentage yet; with a minimum of 25% and a maximum of 50%. The other account, they cannot decide anything without a percentage because they do not know where it is going to be needed.

Ms. Regan says she thinks what is before the council is to first adopt the law, and then in conjunction, to see whether the Council wanted to consider seeking special legislation to allow for a revolving fund account.

Mr. Duggan states that if we want to continue it here in the Ordinance & Administration level, he has made inquiries to the Senator's Office on putting the legislation through. He would like to be able to work with that office, with General Counsel, to draft something, and along with the Chair of the Tourism Commission to have some input to draft and bring that back before Council.

Councilor Romeo-Theken says most hotel people indicated they would not budge unless 50% was to promote Gloucester.

Mona Faherty, 138 Eastern Avenue, Gloucester, MA, of the Sea Lion Motel. There are two separate issues. One is the hotel tax whether it is 0, 1% or 2%; and the other is the meals tax, where there is the thought that you can go up $\frac{3}{4}$ of a point that is all within that mix. There are two things you need to think about; you can do hotel tax and not the meals tax or the meals tax and not the hotel tax or you can do 1% and the meals tax, so there are two separate issues. She is not in favor of tax with this economy because they are putting a sufficient amount back into the City and to raise the percentage would put them out of line with neighboring towns.

Councilor Foote asks the Administration what they want to do.

Mr. Duggan would like to request if it can be postponed for 30 days, although there are questions in the last minutes of the meeting for the City Auditor; and see what we can do for a draft from the legislature, Senator Tarr's office.

Councilor Hardy would like if we can also review the make-up of the Tourism Commission to make sure that there are people represented in the hotel industry and the restaurant industry on that Tourism Commission so that there will be equal say of where they think we should be promoting Gloucester.

Councilor Foote asks if he is correct in saying that we would let this continue for 30 days and that we will have the information on the combined meal tax and hotel tax, whether they can do that or not; and we will also know what we can do and what we cannot do.

MOTION: On motion by Councilor Foote, seconded by Councilor Romeo-Theken, the Ordinance and Administration Committee voted 3 IN FAVOR, 0 OPPOSED to accept the recommendations of the Administration that they continue to September 28, 2009 on the matter of the Department of Revenue re: Local Option Excises (Continued from 8/3/09).

COMMITTEE FOR THE ARTS

POET LAUREATE ESTABLISHED

- A) The City of Gloucester hereby establishes the position of Poet Laureate. A Poet Laureate selection committee shall be comprised of the following:
 - a. One member of the Committee for the Arts
 - b. The Mayor or one representative appointed by the Mayor
 - c. A member of City Council or one representative appointed by the City Council
 - d. Two members chosen by the Committee for the Arts who have a demonstrated substantial expertise and knowledge of poetry and reside in Gloucester.
- B) The Committee for the Arts shall set forth the criteria for the selection of the Poet Laureate to the Selection Committee.
- C) The Selection Committee will then review the applications and make a recommendation to the Committee for the Arts for the Poet Laureate candidates.
- D) The Committee for the Arts shall forward the Selection Committee's recommendation for the position to the Mayor for appointment with approval by the City Council.
- E) The responsibilities of the Poet Laureate shall be established by the Committee for the Arts and may include but not be limited to providing public poetry readings, encouraging poetry appreciation within Gloucester, and composing and publishing poems.
- F) The Committee for the Arts shall assist and support the Poet Laureate whenever possible and both parties should meet on an annual basis.
- G) The Poet Laureate position shall be for a four year term.