

GLOUCESTER CITY COUNCIL MEETING

Tuesday, January 25, 2011
Kyrouz Auditorium – City Hall
Council Meeting 2011-02

-- MINUTES --

PRESENT: Council President, Jacqueline Hardy; Vice Chair, Councilor Sefatia Theken; Councilor Joseph Ciolino; Councilor Bruce Tobey; Councilor Robert Whynott; Councilor Paul McGeary; Councilor Steven Curcuru; Councilor Greg Verga

Absent: Councilor Mulcahey.

Also Present: Linda T. Lowe; Jim Duggan; Jeff Towne; Matt Lustig; Kenny Costa; Sarah Garcia

The meeting was called to order at 7:00 p.m.

Flag Salute and Moment of Silence.

Oral Communications:

Shaun Kelly, 1 Lendall Street spoke regarding being towed during a snow emergency on a private dead end road. He noted Sec. 22-178 and 22-179 related to snow emergencies noting the phrase “public way” and contended he was towed off of a private road. He also made note of Sec. 22-180 for streets designated as snow emergency streets with a sign. He had not seen a sign on the road having lived there 8-1/2 years. He also contended the list of specific roads listed of specific streets for snow and/or ice emergency is not understood by many citizens of Gloucester when the parking ban is in effect. He thought all vehicles should be able to park on his street as it is private; that his neighbors and he should have their towing and storage charges refunded. He cited that the width of the road even with vehicles parked on either side of it is 30 feet wide (statement received in writing and on file).

Presentation:

1 of 1: Clean Energy Commission by Sam Cleaves

Sam Cleaves, Chair, Clean Energy Commission addressed the Council to report on their Commission actions, and introduced members of the Commission. The City was designated a Green Community on December 17, 2010. They were given a month to send in an application through a Green Communities formula to be awarded \$198,200. After a vigorous search, they have submitted an application and will pursue conservation and energy efficiency at the O’Maley School. They thought of boilers for the Beeman School and City Hall, but they wanted to use the money rather for something that couldn’t be funded in other manners which the Commission agreed this would be a worthy application. O’Maley is the second largest consumer of energy of the City facilities. This would include heating and air conditioning controls and updates, and building envelope improvements and some upgrades to the O’Maley Rink. It will make theirs and the City’s job easier to go for other projects. The State is interested in giving money to buildings that are made significantly “tighter”. They’re hopeful this grant will go forward. They received \$50,000 to do a Blackburn Industrial Park feasibly wind study for a wind turbine. Another grant they’re waiting to hear on is a grant for a City owning a turbine vs. a private entity and hopes to hear by February; and would relay that information back to the Council when it comes in. They received an \$85,000 award for a wind feasibility study at Magnolia Woods. This is a heavily prospected area with a lot of potential. They’ve contracted with a consultant; and the project should be getting underway fairly soon. This would mean installation of a meteorological tower which gathers data for the study. They have received input from the B&F Committee and will get together with community advocates for Magnolia Woods before they proceed further. The study itself will look at shadow and flicker affects, set backs, all things they need to know. Their goal is to lay the foundation to allow people

with decision making powers within the City to have the information they need to move forward and make decisions on what is reasonable. There are drawbacks within the Blackburn Industrial site with wind turbines of a large nature such as on Old Salem Path which was discovered once they did the study. They are exploring street lights and the feasibility of updating them; like Swampscott which purchased street lights back from National Grid. There may be a chance to acquire not the pole itself but gaining ownership of the fixtures at little cost or none to the City which would lower their rate right away as they know the City pays too much now. This doesn't mean what street lights should remain on or off which is not their purview. They think there may be some substantial savings by doing this. They hope to move forward and explore that and come back with more information. They are in the beginning stages of looking at a possible wind turbine pilot project on Bond Hill with smaller turbines. A company is looking into if it is possible to site them there; and that these being smaller, they're quieter and are a 'new breed' of wind turbines. This will be explored further. There is no formal recommendation as of yet.

Councilor Tobey thanked Mr. Cleaves and his Committee and for the follow up on the street light issue. "In tough times any savings is appreciated."

Councilor Hardy reinforced a statement that at B&F when they're doing their good work that they involve the neighborhood and let the ward councilor know so that they can get the neighbors on board so that they can have input (referring to the Magnolia Woods proposed wind study, and the open space quarry matters in Ward 4).

Mr. Cleaves agreed that there was a disconnect.

Councilor Curcuru asked when they were aware they were awarded \$198,200 grant.

Mr. Cleaves stated they were made aware when they were in line for this grant, they didn't know until they were designated as a Green Community.

Councilor Tobey stated one challenge in future years will be how to comply with the federal requirements that sewer treatment moves to secondary status. The cost is power. He asked them to consider and explore any way of mitigation. Traditionally engineering firms propose what they know. He didn't know the extent they are in tune with cost saving options and asked they be in touch with that process.

Consent Agenda:

• **MAYOR'S REPORT**

1. Mayoral Reappointments effective as of February 15, 2011: Chief Administrative Officer, Chief Financial Officer, General Counsel
Community Development Director, Personnel Director, Purchasing Agent, Building Inspector (Refer B&F)
2. Memo, Grant Application and Checklist from Fire Chief re: Assistance to Firefighters grant award from FEMA and U.S.
Department Of Homeland Security (Refer B&F)
3. Memo from Fire Chief re: Mass Decontamination Unit grant in the amount of \$2,500 (Refer B&F)
4. Memo from Director of Information Services re: permission to pay invoices incurred in FY2010 with FY2011 funds (Refer B&F)
5. Special Budgetary Transfer Request (#2011-SBT-11) from School Department (Refer B&F)
6. Special Budgetary Transfer Request (#2011-SBT-12) from School Department (Refer B&F)
7. Special Budgetary Transfer Request (#2011-SBT-13) from School Department (Refer B&F)
8. Memo from Police Chief and Fire Chief re: adoption of MGL Chap. 31 §58A pertaining to hiring full-time Police and
Firefighter positions (Refer B&F)
9. Memo from Recycling Coordinator re: revisions to GCO Sec. 9-1 and 9-2(a) (Refer O&A)

• **COMMUNICATIONS/INVITATIONS**

1. Request from YMCA to use City land and streets to hold The Backshore 5 Mile Road Race on May 13, 2011 (Refer P&D)
2. Request from YMCA to use City land and streets to hold The St. Peter's Fiesta 5K Road Race on June 23, 2011 (Refer P&D)
3. Request from YMCA to use City land and streets to hold the Around Cape Ann 25K Road Race and the 8th running of the Goose
7K on September 5, 2011 (Refer P&D)
4. Request from Cape Ann Farmer's Market to relocate to Stage Fort Park (Refer P&D)
5. Response to Oral Communications of December 7, 2010 City Council Meeting re: Stillington Road Patrols (File)
6. Communication from Grants Administrator re: Request for Proposals for annual funding of CDBG allocation for HUD (File)
7. Response from Office of Attorney General re: Open Meeting Law Complaint (File)

• **APPLICATIONS/PETITIONS**

1. PP2011-001: Installation of service siphon to provide underground service to 85 Lexington Avenue (Refer P&D)

• **COUNCILORS ORDERS**

1. CC2011-002 (Theken) Amend GCO Sec. 22-270 "Parking Prohibited at all times" re: Magnolia Avenue (Refer TC & O&A)
2. CC2011-003 (Tobey) That the City Council and Administration jointly review declaring DPA to be an Economic
Development Area (City Council & Administration)
3. CC2011-004 (Mulcahey) Request Traffic Commission to investigate and recommend a vending site (Refer TC & O&A)

- **APPROVAL OF MINUTES FROM PREVIOUS COUNCIL AND STANDING COMMITTEE MEETINGS**

1. City Council Meeting: 01/11/11

(Approve/File)

2. Standing Committee Meetings: P&D 01/19/11, B&F 01/20/11 (under separate cover)

(Approve/File)

Items to be Added/Deleted from Consent Agenda:

Councilor Tobey wished to remove Item #2 under Councilors' Orders from the Consent Agenda explaining to the Council that by this order he asked that the Council and the Administration work together to explore the full benefits to focus on the DPA to highlight it as a Economic Development Area with such things as favorable tax treatment at State and local levels. Noting there was "good work" being done on harbor planning; but that folks were concerned the City captures the jobs and economic opportunity where they can.

The Consent Agenda was accepted as amended by unanimous consent.

Standing Committee Reports:

Ordinances & Administration: There was no meeting of the O&A Committee due to the Martin Luther King national holiday.

Planning & Development: January 19, 2011

MOTION: On a motion by Councilor Whynott, seconded by Councilor Ciolino, the Planning & Development Committee voted 2 in favor, 0 opposed 1 (Verga) abstention, to recommend to the City Council a temporary parking ban and/or restrictions along the following areas and roads for the purpose of road closures in order to conduct the G.F.A.A. 3rd Annual Gloucester Triathlon on Sunday, August 7, 2011 as deemed necessary at the discretion of the Gloucester Safety Officer assigned to the event and the Fire Chief or his designee as follows:

Road Closures:

- 1) St. Peter's Square area from 2:00 p.m. Saturday, August 6, 2011 to 3:00 p.m. Sunday, August 7th;
- 2) Main Street from 7:00 a.m. to 1 p.m. Sunday, August 7, 2011.
- 3) Closures of Beach Court and other roads around St. Peter's Square as deemed necessary by the City of Gloucester Safety Officers from the Police and Fire Departments or their designees.

Race Route with Schedule: As per schedule submitted and approved with this motion.

With the Following Conditions:

1. That a Certificate of Insurance, naming the City of Gloucester as an additionally insured party, be filed with the City Clerks Office no less than fourteen (14) days prior to the date of the Triathlon.
2. Memoranda from the Gloucester Police Department and the Gloucester Fire Department giving their approval of the plans for the Gloucester Triathlon 2011 be on file with the City Clerks office 14 days in advance of the event;
3. That any substantial changes, as determined by the Chief of Police or his designee and the Fire Chief or his designee, to the route or related to safety issues come back to the Council for amendment and approval.

Discussion:

Councilor Ciolino expressed this was a highly organized 3rd annual event by the GFAA. The triathlon has proven to be a successful event and an asset to Gloucester thanking the organizers for a fine event. **Councilor Whynott** stated they've learned by doing and have made changes to make things better.

MOTION: On a motion by Councilor Ciolino, seconded by Councilor Whynott, the City Council voted 7 in favor, 0 opposed 1 (Verga) recusal, to grant a temporary parking ban and/or restrictions along the following areas and roads for the purpose of road closures in order to conduct the G.F.A.A. 3rd Annual Gloucester Triathlon on Sunday, August 7, 2011 as deemed necessary at the discretion of the Gloucester Safety Officer assigned to the event and the Fire Chief or his designee as follows:

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2. **Memoranda from the Gloucester Police Department and the Gloucester Fire Department giving their approval of the plans for the Gloucester Triathlon 2011 be on file with the City Clerks office 14 days in advance of the event;**
3. **That any substantial changes, as determined by the Chief of Police or his designee and the Fire Chief or his designee, to the route or related to safety issues come back to the Council for amendment and approval.**

MOTION: On a motion by Councilor Whynott, seconded by Councilor Ciolino, the Planning & Development Committee voted 2 in favor, 0 opposed, 1 (Verga) Abstention, to recommend to the City Council in order to conduct the G.F.A.A. 2nd Annual Run Gloucester 7 Mile Road Race on August 21, 2011, a temporary parking ban and/or restrictions along the following areas and roads for the purpose of road closures as deemed necessary at the discretion of the Gloucester Safety Officer assigned to the event and the Fire Chief or his designee:

Road Closures: 6:00 a.m. to Noon water side of Stacy Boulevard.

Race Route: As per schedule submitted and approved with this motion.

With the following conditions:

1. That a Certificate of Insurance, naming the City of Gloucester as an additional insured party; be filed with the City Clerks Office no less than fourteen (14) days prior to the date of the 2nd Annual Run Gloucester 7 Mile Road Race.
2. Memoranda from the Gloucester Police Department and the Gloucester Fire Department giving their approval of the plans for the G.F.A.A. 2nd Annual Run Gloucester 7 Mile Road Race on August 21, 2011 be on file with the City Clerks office 14 days in advance of the event;
3. That any substantial changes, as determined by the Chief of Police or his designee and the Fire Chief or his designee, to the route or related to safety issues come back to the Council for amendment and approval.

Discussion:

Councilor Ciolino expressed his endorsement of the 7 mile race held by the GFAA.

MOTION: On a motion by Councilor Ciolino, seconded by Councilor Whynott, the City Council voted 7 in favor, 0 opposed, 1 (Verga) Recusal, that in order to conduct the G.F.A.A. 2nd Annual Run Gloucester 7 Mile Road Race on August 21, 2011, a temporary parking ban and/or restrictions along the following areas and roads for the purpose of road closures as deemed necessary at the discretion of the Gloucester Safety Officer assigned to the event and the Fire Chief or his designee:

Road Closures: 6:00 a.m. to Noon water side of Stacy Boulevard.

Race Route: As per schedule submitted and approved with this motion.

With the following conditions:

1. That a Certificate of Insurance, naming the City of Gloucester as an additional insured party; be filed with the City Clerks Office no less than fourteen (14) days prior to the date of the 2nd Annual Run Gloucester 7 Mile Road Race.
2. Memoranda from the Gloucester Police Department and the Gloucester Fire Department giving their approval of the plans for the G.F.A.A. 2nd Annual Run Gloucester 7 Mile Road Race on August 21, 2011 be on file with the City Clerks office 14 days in advance of the event;
3. That any substantial changes, as determined by the Chief of Police or his designee and the Fire Chief or his designee, to the route or related to safety issues come back to the Council for amendment and approval.

Budget & Finance: January 20, 2011

MOTION: On motion by Councilor Verga, seconded by Councilor Hardy, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the City Council to transfer (2011-SBT-09) \$4,917.04 from Unifund Account #101000.10.145.51200.0000.00.000.00.051 Treasurer/Collector, Salary Wages Temporary to Assessors, Sal/Wages Perm Position, Unifund Account #101000.10.141.51100.0000.00.000.00.051 to fund a deficit in the account.

Councilor Curcuru explained that the Administration's policy is if someone is working to the point where they can't take vacation due to critical work commitments, they buy out them out. In this case it was Principal Assessor, Nancy Papows for three weeks vacation pay buy-out. The Treasurer had lag money due to having temporary people yet to be hired to cover this.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Ciolino, the City Council voted BY ROLL CALL 8 in favor, 0 opposed to transfer (2011-SBT-09) \$4,917.04 from Unifund Account #101000.10.145.51200.0000.00.000.00.051 Treasurer/Collector, Salary Wages Temporary to Assessors, Sal/Wages Perm Position, Unifund Account #101000.10.141.51100.0000.00.000.00.051 to fund a deficit in the account.

MOTION: On motion by Councilor Hardy, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the full City Council to transfer (2011-SBT-10) \$420.23 from Unifund Account #101000.10.145.51200.0000.00.000.00.051 Treasurer/Collector, Salary Wages Temporary to City Legal Dept, Sal/Wage-Perm Position, Unifund Account #101000.10.151.51100.0000.00.000.00.051 to fund a deficit in the account.

Discussion:

Councilor Curcuru explained this department had a step increase that didn't come through the budget process. He noted this year the CFO was committed to approaching that process differently to prevent these kinds of issues.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Theken, the City Council voted BY ROLL CALL 8 in favor, 0 opposed to transfer (2011-SBT-10) \$420.23 from Unifund Account #101000.10.145.51200.0000.00.000.00.051 Treasurer/Collector, Salary Wages Temporary to City Legal Dept, Sal/Wage-Perm Position, Unifund Account #101000.10.151.51100.0000.00.000.00.051 to fund a deficit in the account.

MOTION: On motion by Councilor Hardy, seconded by Councilor Verga, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the full City Council permitting the Community Development Department to apply for funding from the Clean Energy Commission for up to \$198,200.00 for the purpose of securing said funding for Energy Efficient Measures including ECM-1to and including ECM-10 on the Energy Efficiency Project Matrix dated 12/14/2010 for the O'Maley School.

Discussion:

Councilor Curcuru stated was described earlier in Mr. Cleaves' presentation.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Ciolino, the City Council voted BY ROLL CALL 8 in favor, 0 opposed permitting the Community Development Department to apply for funding from the Clean Energy Commission for up to \$198,200.00 for the purpose of securing said funding for Energy Efficient Measures including ECM-1to and including ECM-10 on the Energy Efficiency Project Matrix dated 12/14/2010 for the O'Maley School.

MOTION: On motion by Councilor Verga, seconded by Councilor Curcuru, the Budget & Finance Committee voted 2 in favor, 0 opposed 1 (Hardy) recused to recommend to the City Council the acceptance of an increase to the Gloucester Contributory Retirement System supplemental pension allowance to surviving spouses of disabled employees from \$6,000.00 to \$9,000.00, in accordance with M.G.L. Chapter 32 Section 101, effective as of July 1, 2011.

Councilor Hardy declared she would be recusing herself (MGL 268A) from discussions and voting the following two motions as her husband is a member of the Gloucester Contributory Retirement Board.

Discussion:

Councilor Curcuru stated this is to increase the surviving spouse disability from \$6,000.00 to \$9,000.00. The Gloucester Contributory Retirement Board has 16 spouses of deceased retirees which amount to \$96,000.00 per year at the current \$6,000.00 per year. The increase to \$9,000 will be \$48,000 more built into the pension system. When an individual who worked for the City goes out with an injury due to the job, and they pass away, the pension stops at 72% of what they were receiving. By statute the surviving spouse gets \$6,000.00 per year.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Theken, the City Council voted BY ROLL CALL 7 in favor, 0 opposed, 1 (Hardy) recused to accept an increase to the Gloucester Contributory Retirement System supplemental pension allowance to surviving spouses of disabled employees from \$6,000.00 to \$9,000.00, in accordance with M.G.L. Chapter 32 Section 101, effective as of July 1, 2011.

MOTION: On motion by Councilor Verga, seconded by Councilor Curcuru, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Hardy) recused, to recommend to the City Council the acceptance of an increase to the Gloucester Contributory Retirement System, Cost of Living Adjustment (COLA) base from \$12,000.000 to \$14,000 in accordance with M.G.L. Chapter 32 Section 103j, effective as of July 1, 2011.

Discussion:

Councilor Curcuru explained this year the legislature came in with the "COLA" increase; funding schedules to extend beyond 2028. This to help the cities and towns to give them an option to extend the funding schedules so it doesn't majorly impact annual budgets. This is a cost of living increase or COLA increase of the base of \$12,000 to \$14,000 which has been unchanged since 1998.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Theken, the City Council voted BY ROLL CALL 6 in favor, 0 opposed, 2 (Hardy and Whynott) recused, to accept of an increase to the Gloucester Contributory Retirement System, Cost of Living Adjustment (COLA) base from \$12,000.000 to \$14,000 in accordance with M.G.L. Chapter 32 Section 103j, effective as of July 1, 2011.

MOTION: On motion by Councilor Hardy, seconded by Councilor Curcuru, the Budget & Finance Committee voted 2 in favor, 0 opposed, 1 (Verga) recused, to recommend to the full City Council the following Loan Order:

Ordered: that up to \$3,500,000.00 be appropriated to pay costs of making various improvements to Newell Stadium, including among other things, track and field facilities, a multi-purpose athletic field, spectator seating, ADA and lighting improvements, irrigation and building improvements, and for the payment of all other costs incidental and related thereto; that to meet this appropriation the Treasurer, with the approval of the Mayor, is authorized to borrow up to \$3,500,000.00 under G.L. c44, §7(25) or pursuant to any other enabling legislation; that the Mayor is authorized to contract for and expend any federal or state aid available for the project; and that the Mayor with the approval of the City Council is authorized to take any other actions necessary to carry out this project, including the acceptance of any private grants or gifts received by the City on account of this project; provided, however, that the amount authorized to be borrowed hereunder shall be reduced to the extent of any grants or gifts received by the

City from any source whatsoever on account of this project. The Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes AND FURTHER TO ADVERTISE FOR PUBLIC HEARING.

Councilor Verga recused himself from the discussion and vote that follows being a founding and ex officio member of the Gloucester Fishermen's Athletic Association (GFAA). He received a written opinion from the Ethics Commission which is now filed in the City Clerk's office; and he read the disclosure letter aloud. The Commission's opinion informed him he should not participate. The Councilor then left the dais.

Councilor Curcuru offered a **SUBSTITUTE MOTION** in lieu of the motion on the table due to information not previously brought forward regarding the borrowing that was before the B&F Committee on January 20th; and offered a loan order to borrow \$1.5 million **SECONDED** by Councilor Theken as follows:

Ordered: that up to \$1,500,000.00 be appropriated to pay costs of making various improvements to Newell Stadium, including among other things, track and field facilities, a multi-purpose athletic field, spectator seating, ADA and lighting improvements, irrigation and building improvements, and for the payment of all other costs incidental and related thereto; that to meet this appropriation the Treasurer with the approval of the Mayor is authorized to borrow up to \$1,500,000 under G.L. c44, §7(25) or pursuant to any other enabling legislation; that the Mayor is authorized to contract for and expend any federal or state aid available for this project; and that the Mayor, with the approval of the City Council is authorized to take any other action necessary to carry out this project. The Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes and further TO ADVERTISE FOR PUBLIC HEARING.

Councilor Tobey understood that \$3.5 million of work is planned and will be done pursuant to a public procurement process conducted by the City in accordance with State law; he took the point of the substitute motion was to reflect the fact that the City would pay only \$1.5 million and the GFAA would raise \$2.0 million in donations.

Mr. Towne responded the Councilor was correct in his assumptions; that there is an expectation the GFAA will apply for a \$500,000 grant. That will come through the regular grant process (through B&F to the Council). The second part is private donations, gifts, other charitable organizations that may wish to donate funds; all of those will be brought in at a future time period as they raise the funds under other Mass general laws. Once the City has received the grant, and all their donations; the City accepts them and puts them in "one pot" of money. Now they have the \$3.5 million. Then they would go out to bid. If the bids documents come through 30B, and if they come in higher then they have to make decisions, and come to the Council and then do what they need to do. There are multiple pieces of fundraising they have to do yet and come back to the Council with.

Councilor Tobey stated as the Council acts on this motion, and until some future date fundraising and grants may or may not happen. This will go on hold. Is this the intention; to which **Mr. Towne** agreed. He continued that when they built the Rose Baker Senior Center, the funding reflected a similar scheme; and wondered if they had a chance to look at that model?

Mr. Towne stated he is still researching the matter; but thought this was "the proper way to go". If they had appropriated the original motion being bonded, the DOR would have asked where the \$2 million was coming from. It is implied. But they want to be clear that the City's intention is to appropriate up to \$1.5 million. Once the research is done he will come back with the information to be available in time for the

public hearing.

Councilor Tobey stated nothing will happen right away. It will happen as soon as the community comes together to help the project to move forward.

Councilor Ciolino recalled that for the Senior Center construction the City took the bond; and the Friends of the Council on Aging were supposed to repay. But they fell short; and the City forgave it. "It was a good investment for the City."

Councilor Tobey stated they need Newell Stadium done and didn't want another Council to have to face a "no go." He expressed that was the risk with the substitute language.

Councilor Curcuro felt the reason to do this now was to spur the donations and show the City is committed to it.

MOTION TO SUBSTITUTE UNANIMOUSLY ACCEPTED BY A VOTE OF 7 IN FAVOR, 0 OPPOSED, 1 (Verga) RECUSED AND IS NOW THE MAIN MOTION. IT WAS VOTED BY ROLL CALL VOTE 7 IN FAVOR, 0 OPPOSED, 1 (VERGA) RECUSED AS FOLLOWS FOR THE PURPOSE OF ADVERTISEMENT FOR PUBLIC HEARING BY THE COUNCIL:

Ordered: that up to \$1,500,000.00 be appropriated to pay costs of making various improvements to Newell Stadium, including among other things, track and field facilities, a multi-purpose athletic field, spectator seating, ADA and lighting improvements, irrigation and building improvements, and for the payment of all other costs incidental and related thereto; that to meet this appropriation the Treasurer with the approval of the Mayor is authorized to borrow up to \$1,500,000 under G.L. c44, §7(25) or pursuant to any other enabling legislation; that the Mayor is authorized to contract for and expend any federal or state aid available for this project; and that the Mayor, with the approval of the City Council is authorized to take any other action necessary to carry out this project. The Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes and to authorize for public hearing.

Scheduled Public Hearings:

1. PH2010-118: SCP2010- New Way Lane #50, Sec. 5.13 PWSF

Councilor Hardy opened the public hearing.

Linda T. Lowe, City Clerk informed the Council that at the request of the applicant the matter was asked to be continued to March 8, 2011 (received in writing and on file in the City Clerk's office).

This public hearing is continued to March 8, 2011.

2. PH2011-005: Recommendations of the Community Preservation Committee for FY2011

This public hearing is open.

Sandra Ronan, Co-Chair of the Community Preservation Committee (CPC) with David "J.J." Bell. By popular vote in 2008, the City voters adopted the Community Preservation Act (CPA) with a 1% surcharge on real estate taxes. Funds raised by this surcharge may be used to acquire and preserve open space; preserve and restore historic buildings and artifacts; create, preserve and support affordable housing and for investments in public recreation. The applications to be presented this evening had to fit into at least one of these three categories and meet both general and evaluation criteria and category-specific criteria. The 9-member Committee formed in 2009 in accordance with the terms of the CPA makes recommendations regarding the allocation of CPA funds to be reviewed by the Mayor and voted

by the City Council. The CPC members include four at-large members: J.J. Bell, Stacy Randell, Scott Smith and herself, Karen Gallagher represents the Planning Board; Daniel Morris represents Open Space and Recreation; John Feener represents ConCom; Bill Dugan represents the Gloucester Housing Authority (GHA); and Ian Lane, who passed away this fall, was the representative from the Historical Commission. The Commission is in the process of appointing the representative. The first job of the CPC was to create the Community Preservation Plan completed in 2010. This is a requirement of the Act and serves as a guide to the types of projects that would be eligible. The criteria are part of this plan and can be found in the City's website under CPA. The first round of funding applications began with 26 eligibility forms being submitted to the Committee on June 1st. Thirteen of those were deemed eligible to complete the applications. Those were submitted July 15th. After careful review, the CPC wanting to keep a balance between all the areas allowable and to keep a source of funding available for the next round of applications, voted to recommend 10 of these applications which were forwarded to the Mayor and the City Council for their consideration. The City Council then referred the CPC recommendations to the Budget & Finance Committee for review which was made through a number of meetings, site visits and interviews with applicants. B&F's meeting of January 6th included voting recommendations and sending them on to the Council. The Council is now conducting the public hearing on these ten applications. They thanked the citizens of Gloucester for their "civic-mindedness" and "fiscal prudence" when they voted into being the CPA for the City. For a few dollars a month from the average homeowner, they will be able fund to many qualified projects each year helping to improve the quality of life for everyone in Gloucester.

Application #1: Community Development Department – Dogtown/North Gloucester Woods Preservation Planning – Open Space - \$30,000

Those speaking in favor:

David "J.J." Bell, Co-Chair of the CPC explained they recommend the appropriation of \$30,000 to the Gloucester Community Development Department (CDD) to create an existing conditions inventory to be used to develop a preservation plan for the Dogtown/North Gloucester Woods area. CPA spending purpose is to plan for the ultimate acquisition of open space. The project will: 1) inventory the ownership and the existing level of protection of 105 parcels north of publicly-owned land in Dogtown in the Babson watershed including to obtain current deeds and property boundary plans; 2) map out existing access points, trails and ways through those parcels; and 3) use the plans, deeds and interviews of current residents to determine the current legal status of public access to the historic paths and roads through the area. The existing conditions inventory will then be used to: 1) develop a preservation plan for the area designed with input from landowners and residents of the area; and 2) widely supported strategies to preserve open space and public access to and across those lands.

Sarah Garcia, Community Development Director showed a map from the Open Space and Recreation Plan (OSRP) of Dogtown depicting the watershed land noting a study of Dogtown done by Peter Anastas in the 1980's that established guidelines and strategies for preservation and protection of the space. The northern portion had never been done. The OSRP was completed and one of their first goals in the plan is to have better management of the City's lands. They don't even know the actual boundary of Dogtown. The first step was to clarify the boundaries and what are the rights. The study area is 1,125 acres of uncertain ownership. That portion was mapped of main roads by a six-member committee and now what they wish to do with a sub-committee of the Open Space and Recreation Committee is to look at the ownership and deeds; establish where there may be easements for rights of ways, where the public interest lies, and to work with the neighborhood to determine that.

Those speaking in opposition: None.

Communications: None.

Questions: None.

MOTION: Budget and Finance voted unanimously to recommend that the City Council appropriate up to \$30,000 from Community Preservation Act funds, as recommended by the Community Preservation Committee for the purpose of creating an existing conditions inventory for the Gloucester Community Development Department located on Pond Road, Gloucester, Massachusetts to be used to develop a preservation plan for the Dogtown/North Gloucester Massachusetts Woods area. The appropriation will be allocated to the Open Space category and funded from Open Space Reserves in Fund #270100. The project will be tracked in the Community Preservation Fund – Open Space Project – Fund #271000.

Discussion:

Councilor Ciolino thought after a lot of years of talking about CPA, this was an opportunity of writing the first check. He appreciated the hard work of the CPC.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Theken, the City Council voted BY ROLL CALL 8 in favor, 0 opposed, to appropriate up to \$30,000 from Community Preservation Act funds, as recommended by the Community Preservation Committee for the purpose of creating an existing conditions inventory for the Gloucester Community Development Department located on Pond Road, Gloucester, Massachusetts to be used to develop a preservation plan for the Dogtown/North Gloucester Massachusetts Woods area. The appropriation will be allocated to the Open Space category and funded from Open Space Reserves in Fund #270100. The project will be tracked in the Community Preservation Fund – Open Space Project – Fund #271000.

Application #2: Gloucester High School – Jim Schoel – Wostrel Environmental Adventure Center – Open Space/Recreation - \$10,100

Those speaking in favor:

Ms. Ronan stated the CPC recommends the appropriation of \$10,100 to project sponsor Jim Schoel and Gloucester High School for the removal of invasive tree species and the replanting of native species at the Wostrel Environmental Adventure Center (WEAC). “The CPA spending purpose of this appropriation is to create recreation and open space. The WEAC will be an education center adjacent to the Annisquam River and GHS that will utilize the unique environmental area to enhance outdoor educational and vocational opportunities for the GHS students. The project will include the construction of a challenge course in addition to the existing aquaculture lab and a community garden. CPA funds will be used to remove and replace Norway maples with species beneficial to wildlife.”

Jim Schoel, teacher at GHS and outdoor educator spoke in favor of the application explaining the vision is to utilize this now unused property for an adventure center and name it after Superintendent Wostrel who was integral in getting the original program at GHS started. Gloucester’s program was one of the first of its kind, and this will initiate a return to it. ConCom has given them a 3 year lease on the property, and are watching it closely. They could build a low challenge course. There is a rock climbing course there already. They are adding on to the “clam shack” - a workshop and storage area. And they are building several community gardens of raised beds. They need to get rid of invasive trees to replace them 2 to 1.

John Feener, 45B Warner Street and a member of ConCom and of the CPC stated he works for a tree company and will remove the invasive trees for free. “Mr. Schoel teaches the kids about so many things”. He expressed this was a great project hoping it will be used as a template for the future programs like it.

Those speaking in opposition: None.

Communications: None.

Questions: None.

MOTION: Budget and Finance voted unanimously to recommend that the City Council appropriate up to \$10,100 from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of removing invasive tree species and replanting native tree species at the Wostrel Environmental Adventure Center at Gloucester High School, located at 32 Leslie O. Johnson Road in Gloucester, Massachusetts. The appropriation will be allocated to the Open Space category and funded by up to \$9000.00 from Open Space Reserves in Fund #270100, and funded for up to \$1,100.00 from the Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Capital Projects – Open Space Fund #340000.

Discussion:

Councilor McGeary commended Mr. Schoel for the work he has done having seen the work first hand he has done with the kids that might otherwise be at risk were they not “engaged and intrigued” by the program. This would enhance that effort and was pleased to support the motion.

Councilor Curcuru related B&F had quite a few meetings on this and the other applications noting the site visits they made were very interesting. He commended B&F Committee members for spending many hours on this and thanked the applicants also.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Theken, the City Council voted BY ROLL CALL 8 in favor, 0 opposed to appropriate up to \$10,100 from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of removing invasive tree species and replanting native tree species at the Wostrel Environmental Adventure Center at Gloucester High School, located at 32 Leslie O. Johnson Road in Gloucester, Massachusetts. The appropriation will be allocated to the Open Space category and funded by up to \$9000.00 from Open Space Reserves in Fund #270100, and funded for up to \$1,100.00 from the Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Capital Projects – Open Space Fund #340000.

Application #3: Gloucester Development Team – Central Grammar Apartments – Community Housing - \$50,000

Those speaking in favor:

Mr. Bell reviewed this project’s sponsor is the Gloucester Development Team (GDT), Kirk Noyes, Mark Sandler and James Perrine, Community Builders, development partners with the GDT, of Cambridge. “The CPC recommended the appropriation of \$50,000 to the GDT for the restoration of the Central Grammar Apartments at 10 Dale Avenue. The CPA spending purpose for this appropriation is to support community housing. Central Grammar Apartments is an 80-unit affordable elderly housing development, a brick school building built in 1889. In 1975 it was converted to residential use by the GDT. Legal affordability restrictions on the apartment rentals are expiring; and after 35 years, the building “badly needs renovation”. The GDT is proposing to recapitalize the property with tax exempt bond financing, private equity, 4% federal low income housing credits, federal and state historic preservation credits and other state funding. The rehabilitation includes: fire suppression sprinkler system, roofing, pointing and masonry repairs, new historically accurate and more energy efficient windows, handicap accessibility, new kitchens and baths, interior cosmetic upgrades, boiler and control replacement, and other energy conserving improvements. CPA funding will leverage public funding for the project by contributing to the local match of \$2.695 million in the Commonwealth’s Capital Improvements and Preservations Fund and Affordable Housing Trust Fund.”

Kirk Noyes, 1 Woodbury Street stated they have state funding of \$2.7 million that requires \$100,000 of local match and the Gloucester Affordable Housing Trust has already given them \$50,000. This \$50,000 will allow them to start construction in 4-5 weeks which he indicated was “how close we are.” The \$2.7 million is “just the tip of the iceberg”. They’re using bond financing with Mass Housing Finance and low

income tax credits with private investors and named Prudential Insurance and Nationwide Insurance's adjunct, Redstone; and the historic tax credits are being purchased by Apple Computer. Out of this is a major investment in their building; their construction contract of \$6.3 million. All the restrictions on the building 40 years ago are coming due. They could pay off the mortgage and convert it into condos. "We as a non-profit never intended that and don't expect that to happen in their lifetime." To assure that doesn't happen; everything they are doing during this round of financing will guarantee the affordability of those units for the next 40 years.

Those speaking in opposition: None.

Communications: None.

Questions:

Councilor Ciolino asked when someone rents at Central Grammar Apartments is there a local preference.

Mr. Noyes stated "maybe". It is not legal to do so but the majority [of tenants] in reality are local people that apply. He explained the bigger problem they face is finding the tenant mix some government agencies might like, that of finding enough disabled folks to put into the mix, even though they have to develop units for that specific purpose. They don't have that many people who are from out of town. There is no government agency that tells them who they have to take.

Councilor Ciolino and Mr. Noyes agreed "in reality" it is a local preference.

Councilor Theken asked with all the anticipated upgrades and repairs would rents go up.

Mr. Noyes stated "no and yes." There have been meetings with the tenants on this subject. The rents go up but they don't pay more; in fact some come down. They're using a different HUD subsidy program. They were using a State program called "707. That will go away. They have some units that will be called low income units."

Mr. Perrine stated they are eligible for Section 8 enhanced vouchers for all of the existing tenants. They've been working with David Holden (Executive Director of Gloucester Housing Authority "GHA") about that process. This will protect the existing tenants so their rent won't go up. Regardless of the rents on the apartments that they get will go up somewhat but will be at affordable levels in a range of affordability where some existing Section 8 vouchers that are for the project (25% of their units); others that are affordable to 30% of area median income, some at 50% and the rest at 60% and 3 market units out of the total. "It is very much geared to retain the affordability."

Councilor Theken asked if they are full.

Mr. Perrine confirmed they are typically full. He assured no one would be evicted. Whatever opens up goes to that majority percentage.

Mr. Perrine agreed with the Councilor and assured no one would be evicted.

MOTION: Budget and Finance voted unanimously to recommend that the City Council appropriate up to \$50,000 from the Community Preservation Act funds as recommended by the Community Preservation Committee, for the purpose of restoring Gloucester Development's Team Central Grammar apartments located at 10 Dale Avenue, Gloucester, Massachusetts. The appropriation will be allocated to the Community Housing category and funded by up to \$39,000 from Community Housing Reserves in Fund #270200, and funded by up to \$11,000 from the Unrestricted Reserved in Fund #270000. The project will be tracked in the Community Preservation Fund – Community Housing Projects – Fund 272000.

Discussion:

Councilor Curcuru commented he did a site visit which was the first time he had returned to the school since he was a student there. He was very impressed. They have done a tremendous job, but it is in need of some work now.

Councilor Whynott commented that he went to the school, and thought Mr. Noyes had done a great job. He was sure it would be beautiful when it was done.

Councilor Hardy thought the continuity and longevity of the management team was impressive and was

pleased they would not be sold as condos and would remain as they are for the next 40 years and would be voting in favor of the application.

Councilor Theken thought the seniors would thank them and for working with the GHA and for keeping this for affordable housing and making the building handicapped accessible and expressed her support.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Theken, the City Council voted BY ROLL CALL 8 in favor, 0 opposed to appropriate up to \$50,000 from the Community Preservation Act funds as recommended by the Community Preservation Committee, for the purpose of restoring Gloucester Development's Team Central Grammar apartments located at 10 Dale Avenue, Gloucester, Massachusetts. The appropriation will be allocated to the Community Housing category and funded by up to \$39,000 from Community Housing Reserves in Fund #270200, and funded by up to \$11,000 from the Unrestricted Reserved in Fund #270000. The project will be tracked in the Community Preservation Fund – Community Housing Projects – Fund 272000.

Application #4: The Gloucester Adventure – Schooner Adventure Restoration – Windlass and Anchor Chain – Historic Preservation - \$25,000

Those speaking in favor:

Ms. Ronan explained the CPC recommends the appropriation of \$25,000 to the Gloucester Adventure to contribute toward the rebuilding of the windlass and attach the anchor chain to the national historic landmark, the schooner Adventure. The CPA spending category for this appropriation is to restore historic resources. "This Gloucester Adventure, Inc. has been undertaking the restoration of the Schooner Adventure, the last of the Gloucester dory fishing schooners, to the original 1926 fishing configuration. Once completed the Adventure will function as a floating and sailing museum and educational facility dedicated to the preservation and retelling of the New England fishing industry centered in Gloucester. Rebuilding the windlass and replacing the anchor chain are the next critical steps towards completing the vessel's \$3.5 million restoration." The windlass acts as a winch to enable the anchor to be raised and lowered, "allowing the vessel to be anchored in open water. This piece of equipment is essential to the safe operation of the schooner.

Joanne Sousa, Executive Director of the Gloucester Adventure, 1 Turtleback Road, Essex, and steward of the Adventure, stated this is a Gloucester vessel, the last of the dory fishing schooners. They are not a replication. They promote Gloucester and the Gloucester fishing industry. They have a new berth at the Gloucester Marine Railways and will be open this spring for the public to come aboard and will have programming. They will plan to sail next year to other ports but will always promote Gloucester, flying the Gloucester flag. The windlass is one of the most important parts of the vessel. They learned recently they are the only vessel in America that is being rebuilt historically. A lot of other vessels have gone to bronze electronic windlasses. They are documenting the process and other historic agencies are interested in what they're doing. They are pleased to promote Gloucester. They hope to bring the information to the world.

Those speaking in opposition: None.

Communications: None.

Questions:

Councilor Tobey stated up front he would vote for this. He asked a series of brief questions to **Ms. Sousa**, and she responded as follows: That she'd been with the Adventure for 10 years. In 1988 the Adventure returned to Gloucester to take up its current status. In 23 years they have spent \$2.5 million for a \$2.7 million restoration. They're at the point where they know what they have to do for \$800,000 to finish the vessel. They could sail for \$500,000 without passengers. They are on a historic preservation restriction the windlass is one of the things they must have in order to sail with passengers. The vessel is not able to sail right now. They have the money for the sails. Everything must go to the Coast Guard in

Washington for approval. The vessel last sailed in 1993. They have to maintain 20 percent of the original vessel to be a historic vessel; the keel is original, the whole ceiling and some of the frame also. **Peter Sousa** stated they benchmarked the vessel on one in California that was finished for \$12.5 million. The standard they have to maintain is 20%. The Coast Guard is using them as a benchmark and has been lock step with them. The work since 2000 when they came aboard has been the larger part of the project. They have 20%-23% of the original at this time.

Councilor Tobey asked when the vessel would sail again in their professional judgment.

Mr. Souza stated it depends on funding. The Peter Lynch Foundation will provide some funding. If they don't have the funding, they won't sail next year or the year after. They will be open to the public and working with the railway to put in pilings and floats.

Ms. Sousa stated they've had a major rebuilding of their board and foundation. They spend what they earn into the restoration of the vessel. They have a new collaborative with other organizations.

Councilor Tobey stated with this funding and other funding when did they think the vessel would sail.

Ms. Sousa stated it depends on more funding. They haven't been opened to the public in 10 years. This summer they will be. That brings in the money she believed.

Councilor Tobey asked if the CPC had any reservations about this application.

Mr. Bell responded they did. "But sometimes it takes a tenacious effort over a great deal of time." The community benefit they were convinced was there; this is a floating museum celebrating the maritime heritage of Gloucester.

Councilor Hardy noted it would take \$3.5 million; and they're at 2.7 million and asked how much longer they anticipate it would take to reach that goal.

Ms. Sousa stated they are writing grants all the time; and the board reorganization should help. They are working on this all the time.

Councilor Hardy pointing out the community benefit; however, she stated in B&F that they could pick up anchor at any time. What assurances were there that they will continue to fly the Gloucester flag.

Ms. Sousa responded the vessel was donated to the City; and the foundation was formed because the City could not afford to restore the vessel. The Federal government has granted them \$500,000; and if they leave or sell the vessel they would have to return that money.

MOTION: Budget and Finance voted unanimously to recommend that the City Council appropriate up to \$25,000 from the Community Preservation Act Funds, as recommended by the Community Preservation Committee for the purpose of allowing the Gloucester Schooner Adventure which is a Historical Schooner/vessel berthed in Gloucester, Massachusetts, to contribute toward the rebuilding of the windlass and attach the anchor chain to the National Historic Landmark, Schooner Adventure. The appropriation will be allocated to the Historic Preservation category and funded from Historic Preservation Reserves in Fund #270300. The project will be tracked in the Community Preservation Fund Historic Preservation Projects – Fund #275000.

Discussion:

Councilor Curcuru stated they had a good look at the Adventure. Some of the same concerns expressed by Councilor Tobey were that of the B&F Committee. It is still a long stretch to their finishing the project, and he would support the application.

Councilor Ciolino would support this feeling the \$25,000 is an investment in several areas in the visitor economy, the maritime and cultural economy. He was uncomfortable pinning them down to a date of when they would sail. He expressed he knew they are doing all they can to fund their project; and they could look forward to putting the Adventure in a final location.

Councilor Whynott also expressed his support of the application.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Ciolino, the City Council voted BY ROLL CALL 8 in favor, 0 opposed to appropriate up to \$25,000 from the Community

Preservation Act Funds, as recommended by the Community Preservation Committee for the purpose of allowing the Gloucester Schooner Adventure which is a Historical Schooner/vessel berthed in Gloucester, Massachusetts, to contribute toward the rebuilding of the windlass and attach the anchor chain to the National Historic Landmark, Schooner Adventure. The appropriation will be allocated to the Historic Preservation category and funded from Historic Preservation Reserves in Fund #270300. The project will be tracked in the Community Preservation Fund Historic Preservation Projects – Fund #275000.

Application #6: Gloucester Unitarian Universalist Church – Meetinghouse Restoration, Phase II – Historic Preservation - \$30,000

Those speaking in favor:

Mr. Bell stated the CPC recommended the \$30,000 for the Meetinghouse Restoration Phase II sponsored by the Unitarian Universalist Church, “to fund improved accessibility for persons with disabilities including a platform lift as well as to construct ADA compliant lavatories. The CPA spending purpose is to restore historic resources. Built in 1805-1806, the building is on the National Register of Historic Places, and is the oldest standing church in Gloucester. The 155’ lantern tower, lit at night, is an iconic symbol of the City that has guided mariners into Gloucester harbor for more than 200 years. The meetinghouse hosts dozens of public events each year including theatrical and musical performances, lectures, benefit events and group meetings. The sanctuary and other areas where these events are held are currently unable to be accessed to persons unable to navigate stairs. CPA funding will make this historical building accessible to persons with disabilities through the installation of a platform lift to serve both a downstairs vestry and the 300 seat main sanctuary above. Lavatories for use by persons with physical disabilities will also be construction.” At the B&F meetings, he pointed out that the Councilors were justifiably concerned or at least wished to note that this project had not received Historic District Commission (HDC) approval. “It now has done so, as of this evening (The HDC was meeting at the same time as the Council).”

Jerry Ackerman, 353 Western Avenue representing the Gloucester Unitarian Universalist Church believed this is one of the most important historic buildings in Gloucester expressing their pride at being able to make the facility available to the community to the extent that they do. There were 23 public events at the church last year, as well as weekly meeting of self help groups; noting public use exceeds that of the congregation. The capacity of the main sanctuary is 300, one of the larger meeting places in the City. The building is in demand for various activities, for fundraising, concerts, and as part of the Middle Street Walk. Other reasons for the space’s popularity are that the acoustics “are extraordinary” there, and their rent is low to ensure the building is in use for the community. They are also part of the tourism economy and wished to be a larger part of that. The building is historic and has a great deal of meaning with regard to the Constitution of the United States also. He named several endorsers to the project as well all encouraging that the application be accepted favorably.

Those speaking in opposition: None.

Communications: None.

Questions:

Councilor Theken expressed her support the application noting that she grew up in that neighborhood and that her family still owned a home there as well. She pointed out that wherever you go in the City the spire acts as a reminder to all of what the community is about and is a church that welcomes everyone.

Councilor Tobey stated when he was in Gloucester, England, in his former role as Mayor; the Unitarian Universalist Church’s tower was one of the landmarks he cited which he recalled was struck by a cannon ball from the H.M.S. Falcon. He exclaimed it is a great facility with great national and local historical significance.

MOTION: Budget and Finance voted unanimously to recommend that the City Council appropriate up to \$30,000 from the Community Preservation Act funds, as recommended by the Community Preservation

Committee for the purpose of allowing the Gloucester Unitarian-Universalist Church, located at 10 Church Street, Gloucester, Massachusetts to fund improvements for accessibility for persons with disabilities including a platform lift as well as to construct ADA compliant lavatories. The appropriation will be allocated to the Historic Preservation category and funded by up to \$14,000 from the Historic Preservation Reserves in Fund #270300, and funded by up to \$16,000 from the Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275001.

Discussion:

Councilor Curcuru expressed that it is a nice combination of what was done on Gould Court. He considered this as a worthy project and would support this.

Councilor Ciolino would also support this believing there was no better way to spend money than by making something ADA compliant so that such a beautiful building can be made handicapped accessible, bringing it to another level in the history of Gloucester.

Councilor Hardy had reason to speak to some of the neighbors on Church Street and Gould Court recently. They were pleased that they are in a neighborhood with this church. They do wonderful things for the neighborhood. And she thanked Mr. Ackerman for assisting getting the street light turned back on at Church Street.

MOTION: On motion by Councilor Curcuru, seconded by Councilor , the City Council voted BY ROLL CALL 8 in favor, 0 opposed to appropriate up to \$30,000 from the Community Preservation Act funds, as recommended by the Community Preservation Committee for the purpose of allowing the Gloucester Unitarian-Universalist Church, located at 10 Church Street, Gloucester, Massachusetts to fund improvements for accessibility for persons with disabilities including a platform lift as well as to construct ADA compliant lavatories. The appropriation will be allocated to the Historic Preservation category and funded by up to \$14,000 from the Historic Preservation Reserves in Fund #270300, and funded by up to \$16,000 from the Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275001.

Application #7: Gloucester Historical Commission – Gloucester Street Survey Update – Historic Preservation - \$7,500

Those speaking in favor:

Ms. Ronan explained the CPC recommends the appropriation of \$7,500 for this application, the Gloucester Street Survey Update of historic properties sponsored by the Gloucester Historical Commission. “The CPA spending purpose for this appropriation is plans for the ultimate restoration and preservation of historic resources. This survey update will provide: 1) a detailed assessment of Gloucester’s inventory of historic properties; and 2) comprehensive recommendations for priorities for updating and expanding inventories. While the City’s existing historic resources inventory is relatively comprehensive, gaps and omissions are recognized given the size of the City and the age of the existing inventory forms. The earliest inventory forms for Gloucester were prepared in the 1970’s. It is important to evaluate the importance and completeness of the accuracy of the City’s existing collection of forms in the light of new information that may be available. The passage of time that makes additional properties to meet the thresholds for historic designations and new perspectives on the cultural significance of new types and styles that may previously have been under-appreciated and under-documented. The survey update will identify areas where additional work is necessary and provide a solid basis for the City to move forward with its outstanding historic property survey needs. The survey update will result in a written survey plan which will include an assessment of the existing inventory of approximately 1,400

properties and National Register documentation for historic properties...CPA funding will be used to support the work of a preservation consultant to complete the survey update.

David Rhinelander, Chair of the Historical Commission showed a copy of one of the volumes of the archival copy of the survey (original copy is in the library, in the Cape Ann Museum, and in the City Hall Archives) to the Council detailing of hundreds of old houses in Gloucester.

Wendy Frontiero, Beverly, MA a preservation consultant who has worked in the City on many projects and in communities in eastern Massachusetts expressed this is to take stock of all the work that's been done in the last 40 years. Each survey form has a photograph, a map, a physical description and short history of the property. In addition to the 1,400 properties already listed, nearly 30 properties plus two historic districts are listed in the National Register of Historic Places. "Gloucester's historic resources are cultural and economic assets"; a part of the special character of the City. Accurate and thorough surveys are the basis for all other preservation efforts in a community and for many successful development projects as well and hoped the Council would fund this application.

Those speaking in opposition: None.

Communications: None.

Questions: None.

MOTION: Budget and Finance voted unanimously to recommend that the City Council appropriate up to \$7,500 from the Community Preservation Act funds, as recommended by the Community Preservation Committee for the purpose of updating the Gloucester Historical Commission Street Survey Index of historic properties. The appropriation will be allocated to the Historic Preservation category and funded from Unrestricted Reserved in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275002.

Discussion:

Councilor Curcuru stated he would support this as it is an important registry to keep updated.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Theken, the City Council voted BY ROLL CALL 8 in favor, 0 opposed to appropriate up to \$7,500 from the Community Preservation Act funds, as recommended by the Community Preservation Committee for the purpose of updating the Gloucester Historical Commission Street Survey Index of historic properties. The appropriation will be allocated to the Historic Preservation category and funded from Unrestricted Reserved in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275002.

Application #8: Historic New England – Beauport Window Conservation – Historic Preservation - \$25,000

Those speaking in favor:

Mr. Bell stated the CPC recommended the appropriation for \$25,000 for Historic New England to provide professional conservation care for approximately 30 historic wood windows at Beauport Sleeper McCann House Museum's Window Conservation Phase IV project which met the criteria under historic resources. Beauport, Historic New England's most visited house museum in New England; is a premiere travel destination in the City. It is "a nationally important historic building and unique educational and cultural resource. The building's location on a natural rock ledge directly above the Atlantic Ocean places it directly in the path of surface water runoff. Current restoration efforts including the window conservation project will prevent further moisture penetration, remove potential threats to the building and mitigate further damage to the historic fabric and collections. In 2008 Historic New England secured a \$500,000 match grant for the planned \$1.135 million preservation project from Save America's Treasures program through the Department of the Interior to address some of the most significant issues

threatening the building and collections within. The scope of the work includes window repairs and repainting, masonry repairs and shingle roof replacement. A partial match to the Save America's Treasures grant was secured from the MA Preservation Project Fund in 2008 that allowed Historic New England to begin window conservation work on the other side of the house. Historic New England is now working towards the challenging restoration of the severely deteriorated windows on the harbor side of the property. CPA funding will support Phase IV of the \$50,000 window restoration project with matching funds through the Save America's Treasures grant already approved.

Pilar Garrow, site manager for Beauport Sleeper/McCann House, a Salem resident, gave another brief history of the museum as well. She noted the museum is open June 1 to October 15. They are integral to the tourism community seeing about 6,000 visitors per year. They are a historic landmark free to Gloucester residents. They are part of Seaport Gloucester Destination Marketing organization and member of the Chamber of Commerce, as well as a program partner with many other local organizations and museums. While Beauport is unique, with all the intersecting roof lines giving the 104 year old house so much character, it also creates many places for it to deteriorate.

Jody Black, preservation project manager for Beauport Sleeper/McCann House, an Arlington resident explained they have just finished the roof replacement with wood shingles and significant masonry repairs of the six chimneys. In 2008 they assessed 148 windows and 4,000 panes of glass. Over time a lot of the sills have also become rotted and need replacement. This restoration started in 2009 and involved Phases I-III. The remainder is the harbor side windows, difficult to get to. They hope to secure the \$25,000 to finish this conservation of the house. 2011 will see the end of the restoration work.

Those speaking in opposition: None.

Communications:

Questions: None.

MOTION: Budget and Finance voted unanimously to recommend that the City Council appropriate up to \$25,000 from the Community Preservation Act funds, as recommended by the Community Preservation Committee for the purpose of allowing Historical New England to provide professional conservation care for approximately 30 historic wood windows at Beauport, Sleeper-McCann House, a National Landmark located at 75 Eastern Point Boulevard, Gloucester, Massachusetts. The appropriation will be allocated to the Historic Preservation category and funded from Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275003.

Discussion:

Councilor Curcuru expressed the site visit was his first time there; that it is an amazing building. When he thinks of the CPA he thinks of restoration, and so would support this.

Councilor Ciolino saw this as a good investment in the tourism economy feeling the museum was a credit to the community.

Councilor Whynott urged citizens to go there and would support it.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Ciolino, the City Council voted BY ROLL CALL 8 in favor, 0 opposed to appropriate up to \$25,000 from the Community Preservation Act funds, as recommended by the Community Preservation Committee for the purpose of allowing Historical New England to provide professional conservation care for approximately 30 historic wood windows at Beauport, Sleeper-McCann House, a National Landmark located at 75 Eastern Point Boulevard, Gloucester, Massachusetts. The appropriation will be allocated to the Historic Preservation category and funded from Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Historic Preservation Projects Fund #275003.

Application #9: Gloucester Housing Authority – Cape Ann Homeownership Center – Community Housing - \$20,000

Those speaking in favor:

Ms. Ronan remarked CPC recommended the appropriation of \$20,000 for the Gloucester Housing Authority (GHA) “to expand their pre- and post purchase and foreclosure prevention counseling programs through their Cape Ann Homeownership Center. The CPA spending purpose for this application is to support community housing for low and moderate income individuals and families and to help the City get closer to meeting its goal of 10% affordability rate. Established in 1948, the GHA currently assists over 1,400 low and moderate income households on Cape Ann annually through public housing, rental assistance and homeownership programs. Housing prices and tight credit markets pose obstacles for credit-worthy families to purchase their own homes. The waiting list for GHA pre-purchase certificate courses have doubled in the past year. The goal of the Cape Ann Homeownership Center is to prepare the potential buyer to be in the best possible position and armed with the highest level of knowledge prior to seeking financing. The Homeownership Center also provides training on household budgeting, repair and maintenance wise refinancing decisions to enable homeowners to stay in their homes and enjoy being part of the Gloucester community. There is an urgent need to educate prospective homeowners about safe and stable decisions to ensure the success of their pending homeownership. Guidance and tools to sustain ownership and avoid foreclosure are provided to existing homeowners. CPA funding will help expand the existing counseling program, offsetting program expenses and the salary of the homeownership specialist.”

David Holden, Executive Director 259 Washington Street stated in his experience families didn't know what they were getting into and had more people coming when the market was skyrocketing who could not get into the homeownership market because they didn't know how to navigate the system. They worked with the Citizens Housing and Planning Association to make a pre-and post Homeownership Center. They work with any family to navigate the system and have certificate programs for homeowners as well as work on an individual basis to help families go through the process of dealing with a realtor, banks, and other ownership issues. They continue to work with families once they are owners. He pointed out that in 2007 they had two clients who were in need of foreclosure prevention services. This past year 113 sought that service; 70% were Gloucester families. It is not what the program was originally was set up for. Their funding sources have been reduced and this particular area is growing. He believed this is a vital resource for the community. They worked with 67 families last year. All of their services are free. He felt if they didn't have this program in Gloucester 67 families would have lost their homes. This request for funding, he stated, fits the CPA criteria to create and support affordable housing. MGL Chapter 40B sets a goal that 10% of the City's housing should be affordable. Affordable units can be rental or homeownership units, with homeownership units being the most vulnerable as far as being continually counted as affordable housing. There are 97 homeownership units now designated affordable. Their program creates a pool of qualified, affordable; first-time home buyers who would be able to purchase new units that are being built that have deed restrictions. If a developer can't sell these units to affordable home buyers after a certain period of time they can sell them to “non-qualified” home buyers; and they don't count toward the 10% goal. Many of the affordable units' deed restrictions don't survive the foreclosure process. They also develop a qualified pool of people who can purchase these units when they come up for resale. These families who currently own units that have deed restrictions have to sell them to another family who are within a certain income limit. Many of the affordable units' deed restrictions don't survive the foreclosure process which means those units would no longer be counted as affordable. They've worked with several families in deed-restricted households helping to keep them in place keeping those units affordable. They will help anybody regardless of income or circumstances. They've not seen to abuse the system. These are people who were subject to predatory lending practices or have lost their jobs, or in some case both. They have many volunteers who assist their programs. They work with local banks. He believed this an important resource for the community.

Those speaking in opposition: None.

Communications: None.

Questions: None.

Councilor Verga recused himself stating he might have a financial interest as a realtor and left the dais.

MOTION: Budget and Finance voted 2 In Favor, 1 Opposed (Curcuru) to recommend the City Council appropriate up to \$20,000 from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of allowing the Gloucester Housing Authority to expand their pre-purchase, post-purchase, and foreclosure prevention counseling programs through the Cape Ann Homeownership Center. The appropriation will be allocated to the Community Housing category and funded from unrestricted reserved in Fund #270000. The project will be tracked in the Community Preservation Fund – Community Housing Projects – Fund #272001 with the condition that any and all homeowners in the City of Gloucester shall be able to avail themselves of this service.

Discussion:

Councilor Curcuru stated at B&F he voted against this and still felt the same way. Some of the projects he viewed as community preservation; reconstruction, rebuilding. He viewed this as counseling. He understood the category of support to the community housing but still didn't consider this a worthy cause stating, "there was no way" he could vote for this. He viewed this as their seeking a funding source for this counseling program and felt there were many free programs available that do the same thing.

Councilor Tobey expressed about 4 years ago he recalled attending a meeting where some long time City Councilors from Cleveland spoke to the way their communities were being devastated by the first rounds of foreclosures as the consequences of predatory lending practices. Blocks of houses were abandoned, boarded up, vandalized, driving down home values, depriving their city of revenues, and depriving families of homes. If ever there is something to preserve a community when irresponsible banking practices and broker practices [prevail], this preserved the [Gloucester] community by sustaining 97 homes as vital elements.

Councilor Ciolino agreed with Councilor Tobey that if there ever was a time people needed counseling for housing, this was the time. Espousing there are good banks in Gloucester but there are predatory banks; if they can counsel people to prevent foreclosure they should do it. This was \$20,000 well spent.

Councilor Theken noted this was free information; and that it was free counseling to save these homes. She had been involved by referrals. She viewed this as preservation. When someone buys a home and suddenly the economy changes, and there is job loss and you're locked in at 30 years, many people got hurt. The Gloucester Housing Authority is preventing people from moving out of Gloucester and was in support of the application

Councilor Whynott thought Councilor Curcuru made a good point, but thought Councilor Tobey's comments was more to the point. There is nothing more devastating than the loss of a home. He would vote in favor of it.

Councilor Hardy stated at the B&F she wasn't convinced of this either until she asked if anyone can avail themselves of this service. "You do not have to live in public housing to avail yourself of this service." There is no income level threshold either. Anyone can receive this serve. You can make a confidential appointment to get information and help. They will tell you how they can and can't help you. She was pleased to learn how many foreclosures were averted and was assured this money would be used to assist Gloucester citizens.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Theken, the City Council voted BY ROLL CALL 6 in favor, 1 (Curcuru) opposed, 1 (Verga) recused to appropriate up to \$20,000 from the Community Preservation Act funds as recommended by the Community Preservation Committee for the purpose of allowing the Gloucester Housing Authority to expand their pre-purchase, post-purchase, and foreclosure prevention counseling programs through the

Cape Ann Homeownership Center. The appropriation will be allocated to the Community Housing category and funded from unrestricted reserved in Fund #270000. The project will be tracked in the Community Preservation Fund – Community Housing Projects – Fund #272001 with the condition that any and all homeowners in the City of Gloucester shall be able to avail themselves of this service.

Application #10: Gardner Company – 10 Taylor Street Condominiums – Community Housing - \$110,000

Those speaking in favor:

Ms. Ronan the CPC recommended the appropriation of \$110,000 for the Gardner Company sponsored project, to help fund the 10 Taylor Street Condominiums “in order to build three affordable condominium units. The CPA spending purpose would be to create community housing for low and moderate income individuals and families, and to help the City to get closer to meeting its goal of 10% affordability rate. The Gardner Company proposes to acquire at a bargain price a vacant 4,318 sq. ft. lot currently owned by the GHA to construct three new condominiums in accordance with plans approved by the Zoning Board of Appeals. All of the units will be sold to pre-qualified income eligible first-time buyers at prices no greater than \$125,000 for two – two+ bedroom townhouses and \$90,000 for one - one bedroom handicapped accessible unit. These prices will allow households earning 60% to 70% of the area’s median income to qualify for purchase. All units will be deed restricted as permanently affordable, meet the requirements of the local initiative program of the Department of Housing & Community Development and count towards the City’s subsidized housing inventory. Multiple funding sources will be combined to achieve the balance of the required \$200,000 project subsidy. Construction financing is through BankGloucester. The 10 Taylor Street condominium project will revitalize an existing vacant lot in central Gloucester and provide affordable housing in an established neighborhood. The lot is within walking distance of Main Street, the waterfront and CATA bus service. CPA funding will be used to offset all project expenses including land acquisition, site improvement, building, construction and project management.”

Carl Gardner, 9 Woods Lane, Ipswich a private residential developer since 1987 and sole proprietor D/B/A Gardner Company stated he was the only respondent to an RFP (Request for Proposal) that the GHA put out in the fall of 2009 with a deadline for early submittals in December. This is to create three “very affordable” ownership units on a vacant lot in central Gloucester. A condition of his proposal is a pro forma with an estimated project cost of \$520,000 which includes his payment as project manager, and as developer. At that time he estimated the two bedroom units to be \$130,000 each and the one bedroom unit to be \$115,000. He handed out a four page document to the Council which was confirmed by the CPC this evening (received at the meeting and on file) at \$90,000. Since the time of submittal they decided to lower the prices on the units for several reasons; and costs have gone up slightly by about 3%. Apologizing for any confusion he may have been responsible for, he stated they still require the \$110,000 as they are down \$15,000 in costs and \$35,000 in revenue. The original estimated revenue of the sales was \$375,000 and is now only \$340,000. They lowered prices in early fall when submitting an application to the Federal Home Loan Bank of Boston through BankGloucester to make that application more desirable through that funding round, a higher rate of affordability was viewed as desirable in terms of their point scoring. Concern had been expressed by Councilor Verga whether these units be salable even at the affordable prices, which he believed was a legitimate concern that he would have as a developer as “my neck is going to be on the line” in addition to the funds the City already. The Gloucester Housing Authority had an appraisal done about a year ago that showed if these units were unrestricted they’d be \$185,000 (two bedrooms) and \$125,000 (one bedroom). A recent ‘CMA’ that he received that day through Coldwell Banker, estimated a value of \$150,000 for townhouses and \$125,000 for the one bedroom unit. He differed with those figures believing them to be conservative. They’re attempting to build high quality construction that will permanently deed restricted as affordable and owner occupied. The condo fee will be affordable and requested the Council’s support.

Mr. Holden noted Mr. Gardner has been a partner with the GHA. They spoke to the neighbors who made clear they wanted to see home ownership and that they didn't want to see great density. He expressed the need for deep subsidy. These units cost more to build than sell. HUD gave them permission to discount the sale price of the property which will cover their closing costs. The Gloucester Affordable Housing Trust gave assistance. They also were able, with the support of Mayor Kirk, to secure \$60,000 from the North Shore Home Consortium who were impressed with the small scale and would be a benefit to the neighborhood. Without this money they would be "dead in the water". There isn't much out there for affordable home ownership. There are affordable units out there but they will not continue to be affordable as the market rebounds. These will be affordable for 99 years. With the price reduction more people will be able to afford them.

Dorothy Martins, 23 Concord Street, and Chair of the Gloucester Housing Authority she believed in this project. She noted the \$40,000 to \$50,000 income families can't afford to buy a home. It is the American dream to own a home, to have permanency. As a homeowner there is a sense of pride and self-worth; and they are contributing to the community and making an investment for their future. She hoped the Council would see the need and importance of this project and would consider awarding the full amount requested by Mr. Gardner to this project. These houses would upgrade the neighborhood and stimulate investment in the area.

Those speaking in opposition: None.

Communications: MaryAnn Bland, Vice President, Bank Gloucester in support of the project.

Questions:

Councilor Tobey expressed if they took a look at the inventory of condos or townhouses for sale now, would they find any comparably priced units on the market.

Mr. Holden stated there were three units in the Multiple Listing Service (MLS) that morning on the market in that price range; two were at a converted apartment complex and another was a small one bedroom unit. They had all been on the market for more than 90 days.

Councilor Ciolino asked about local preference. People have had concerns that they don't like to see this type of money being used for housing that may end up with someone from out of town. They talked earlier with Central Grammar and asked if there would be a policy in place.

Mr. Holden stated yes there would, and as part of the RFP process they put that in. Two units will definitely be. The North Shore Consortium stated the handicapped unit would not have local preference. Responding to **Councilor Ciolino**, Mr. Holden explained that in the lottery, a price is placed on the unit and people bid on it. Out of the people that apply, if there are Gloucester people they would get first preference; if there are no Gloucester people it would go to someone from out of town. Further, there are two pools, Gloucester and non-Gloucester. The other possibility is that they could have an initial requirement that they currently be a resident of Gloucester. He was confident they would have a good number of Gloucester citizens apply.

Councilor Theken inquired about their asking price.

Mr. Holden reiterated the two bedroom units would be \$125,000 and the one bedroom unit \$90,000. The original prices were \$130,000 and \$115,000 respectively.

Councilor Theken asked about the GHA Section 8 program.

Mr. Holden stated they have a family self sufficiency program where people can save into an account and then use that money for a down payment which would be applicable here.

Councilor Curcuro expressed when Mr. Gardner came before B&F he was looking for \$110,000 but it wasn't very clear what he was looking for back then recalling \$50,000 was to complete the project and the remainder was to lower the value of the units.

Mr. Gardner noted that was his fault. His original submittal and the explanation in the RFP back in July of last year for the CPA funding indicated that he would require a total subsidy of \$140,000 to \$150,000 with the units being priced higher. Two things had changed. They have lowered the maximum allowable prices by \$35,000 over three units. Costs have increased for a variety of reasons; and there is \$15,000 in higher costs. He re-estimated and revised construction costs as part of the pro-forma for a bank application

that they were unsuccessful with in early December. The costs have gone up but the construction costs have gone down, that being the biggest difference.

Councilor Curcuru stated the extra \$60,000 was to lower the costs. He didn't understand why the figures "keep jumping around to fit the system. The prices have changed continuously" since he applied for this project.

Mr. Gardner responded that he never made an effort to separate costs out nor a budget for the \$110,000 for this project.

Councilor McGeary stated his understanding that the money would be used to lower the price, whether to lower the construction costs by subsidizing the project; it would lower the offering price of the units.

Mr. Gardner agreed.

Councilor Hardy stated at B&F they heard two different versions and that tonight was a third. The numbers had changed again. The subsidies have also fluctuated as had the prices of the units. She was not prepared to take a vote on this tonight and would like this to go back to Committee and concentrate on this application alone.

Councilor Theken asked if it went through, and they couldn't sell the units, then who owned it.

Mr. Gardner stated he and the bank would own it and that his fees were in there. As a developer he would take title to the land and would be under obligations spelled out with the grant agreements with the City and the North Shore Consortium and would have to perform within those parameters. If the units don't sell within a reasonable time, he would have to lower the price and "eat it". His credit history, he stated, is excellent and hasn't had a non-performance on a loan and has been liquid through three recessions. Expressing he would not do the project if he thought this was a poor risk he stated further, this is a quality project that the City could be proud of in working with the private sector. This is the fourth 40B infill project. He felt this is a good investment in the short and long term for the City. It is high quality construction, energy efficient and gets the property back on the tax roles. He pointed out the project has only a modest amount of profit and has been properly put forward.

Councilor Ciolino stated it seemed like they were bogged down on the price of the units. He thought they knew it would be affordable and the GHA is behind them and this money will make it more affordable. He didn't agree it should go back to Committee. It was a good project, he felt and would provide tax revenue in an empty lot next to the Cape Ann Animal aid to be developed. He recommended the Council to vote it.

Councilor Curcuru thought they were bogged down expressing his discomfiture feeling he might be more comfortable if they brought it back to B&F and get a better appraisal, pointing to a CMA that Mr. Gardner didn't agree with. The Councilor stated he is in the building trade and didn't see a lot of townhouses and condos being built now. If it goes longer than six months after completion unsold, then what would Mr. Gardner do?

Mr. Gardner stated he would go to foreclosure. Someone would have to keep it as an affordable project. That would not be wiped out.

Mr. Holden stated it reverts back to the Housing Authority under those conditions.

MOTION: Budget and Finance voted 1 In Favor, 2 Opposed (Curcuru and Hardy) to recommend the City Council appropriate up to \$110,000 from the Community Preservation Act Funds, as recommended by the Community Preservation Committee, for the purpose of allowing the Gardner Company to help fund the construction of three (3) affordable condominium units at 10 Taylor Street, Gloucester, Massachusetts. The appropriation will be allocated to the Community Housing category and funded from Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Community Housing Projects – Fund #272002.

Discussion:

Councilor Curcuru stated he would be willing to take it back to B&F and would not vote for this.

Councilor Tobey stated in mid-1990's they had a useful but "wrenching" conversation about what their future course would be for the affordable housing component of the community and how to get there

looking at an array of options. But they did it, and it gave them a commitment to build affordable housing. They took baby steps and had a track record with houses scattered through the community by homeowners who otherwise wouldn't have owned. It sounded the same to him. It is a corner that has been the subject of lot of concern. "This is a cusp of a solution" and he would vote yes.

Councilor McGeary would vote yes also. Taylor Street is in his neighborhood and the lot could be improved. CPA funds are for affordable housing; and they have to build up housing stock to take control of their own growth. Less and less working people can afford to live here. While he believed three units won't reverse this trend but that it is a start.

Councilor Theken thought it was a difficult decision but would support this. She read the letter from BankGloucester, though didn't know the contractor. The CPA does support this. She would support it because if something happens GHA takes it back. Stating it was a good partnership, and because of that and the BankGloucester letter in support has swayed her.

Councilor Whynott respected the B&F Committee; but he would support the application.

Councilor Ciolino would vote for this professing project that has the stamp of approval of the CPC, and the GHA and the North Shore Housing Consortium and BankGloucester would be good with him. It would make three families very happy and lent his support.

Councilor Hardy stated this is the third time she heard different figures. Without the benefit of going back to B&F she wanted it understood she was for affordable housing. But in this case she didn't know what she was voting on and would vote no.

MOTION: On motion by Councilor Curcuru, seconded by Councilor Theken, the City Council voted BY ROLL CALL 5 in favor, 2 (Curcuru and Hardy) opposed, 1 (Verga) recused to appropriate up to \$110,000 from the Community Preservation Act Funds, as recommended by the Community Preservation Committee, for the purpose of allowing the Gardner Company to help fund the construction of three (3) affordable condominium units at 10 Taylor Street, Gloucester, Massachusetts. The appropriation will be allocated to the Community Housing category and funded from Unrestricted Reserves in Fund #270000. The project will be tracked in the Community Preservation Fund – Community Housing Projects – Fund #272002.

MOTION: On motion by Councilor McGeary, seconded by Councilor Tobey, the City Council voted 0 in favor, 7 opposed to reconsider the vote.

MOTION FAILS; and therefore, there is no reconsideration

Councilor Verga returned to the dais having recused himself.

Application #5: City Hall Restoration Committee – City Hall Restoration – Completion of the Exterior Restoration – Historic Preservation - \$185,000 (\$2.6 million)

Those speaking in favor:

Mr. Bell stated, "the CPC recommends the appropriation of \$185,000 per year plus associated one-time transaction costs of up to \$10,000 for a bond of up to \$2.6 million for the exterior restoration of Gloucester City Hall. Bonding this important work now can take advantage of competitive construction costs and historically low interest rates. The annual debt service of the \$185,000 per year is based on information provided by the City through the office of Jeff Towne, through the City's bond advisors and assumes an interest rate of 3.75% on a 20 year bond. CPA spending purpose is to restore historic resources. Completed in 1871 Gloucester City Hall is the most historically and architecturally significant municipally owned building in Gloucester and is listed on the National Register of Historic Places. Gloucester City Hall defines the City's skyline, contributes to the architectural fabric of Gloucester, adds vibrancy to the downtown, houses municipal treasures, serves as an important venue for community events and has been the seat of municipal government for almost 140 years. CPA funds will be used to

fund architectural and engineering plans and to restore and rehabilitate the rapidly deteriorating elements of the exterior envelope. This includes the remaining two lower tiers of the tower, ventilators, decorative cornice, windows, and entrance porticos.” He addressed several issues that came up in respect to the bonding request. “There has been some discussion over the last year regarding the future location of City government and whether it should be continued at City Hall. They see this bonding recommendation as totally independent of that discussion.” Whether the seat of City government remains at City Hall, “This building will remain an icon dominating the heart of our City; an icon whose building envelope will continue to deteriorate unless we take action to repair it.” “Some have asked about what happen with respect to the bond obligation in the unlikely event the voters were to reject CPA at some future date.” He noted sixty communities have bonded long term for historic municipal buildings just like City Hall, and it is common. CPA has been around for ten years with over 140 communities participating in CPA. None have rejected the CPA to date. The CPA statute dictates that the local CPA surcharge would be reduced should it be rejected by the voters, but the surcharge would remain in place to the extent necessary until the bond indebtedness was paid off at no burden to the City general fund. At the last B&F meeting there was some discussion amongst the Councilors that there was a need for a new boiler at City Hall. Under CPA, the ordinary repair of a boiler would be excluded but expressed that the capital replacement in a historic building is allowable. If the DPW would like to submit an application to the CPC, they would review it and make their recommendation to the Mayor and the Council on a timely basis.

Steven Dexter, 8 Honeysuckle Road, Hamilton, and 162 Wheeler Street expressed that “this is the poster child of the CPA’s passage.” This committee has been meeting since 2004 for the restoration of City Hall. The Building Committee finished with the help of \$1.3 million from the City to preserve the roof and while they looked at that they noted the leaning of the tower. Then they had to fix that as it was going to fall over. They finished the top section and are now looking to make this a safe building. A lot of material is falling off of the ventilating towers. The clock has been rebuilt by the City Hall restoration Commission with the Dusky Foundation and private donors paid for it. The clock and bell works without the City spending any funds. They’re asking that this money be funded to make the City Hall restoration complete. He spoke of folks who make positive comments about City Hall especially visitors to the City. The architecture draws them. The Commission wants to finish the exterior, which is their mission and asked the Council to support the \$2.6 million request.

Those speaking in opposition: None.

Communications:

Linda T. Lowe stated there was a communication from:

Greg Bover, President Gloucester Lyceum & Sawyer Free Library - in support.

Maggie Rosa, the chairperson of the City Hall Restoration Committee - in support

Lindsey Coolidge, a Trustee of the Dusky Foundation – in support

Susan Erony - in support

John Orlando for the Downtown Development Commission - in support.

Abutters to City Hall: at 42, 46 and 50 Pleasant Street - in support.

David Rhineland, Co-chair of Gloucester Historical Commission – in support

Salvatore Frontiero, President of Cape Ann Chamber of Commerce - in support.

Questions:

Councilor Whynott noted Mr. Towne would prefer a shorter term on the bonding.

Mr. Towne stated he would. The original estimates did come from him based on a number the CPC felt was affordable to their total project budget. They wanted to spend about \$185,000 on this project annually; and they asked what it would get long term which came out to 3.75% interest for 20 years for \$2.6 million. He looked overall at trying to keep the entire City’s debt to be short as possible so they don’t spend more interest than they absolutely have to pay for projects. If they did \$2.6 million for twenty years, they’d end up with slightly over \$1 million in interest expense on the bonds. If they could shorten that by putting a little more money up front, instead of paying the \$185,000 up front the first year, they’d probably borrow short term which would cost them less. Put a portion of it towards paying down the bills and borrowing less and perhaps front loading a couple of the early years of paying more interest

which CPA guidelines allow. they could pay down more principal more rapidly than a straight level debt which is what they typically do. If they could pay down more debt in the beginning and borrow for 10 years, it would increase the amount the CPC would have to pay per year for the debt, but it would be closer to \$400,000 over a ten year period financing about \$2 million versus doing \$2.6 million over 20 year would cost \$1 million. That \$600,000 in saved interest could then be put back into future projects. There is a little philosophical difference between himself and the CPC. It is about leveraging to spend less now and giving the ability to leverage for more projects or spend more now and free up more interest costs that would be able to be put back into it. He suggested that they meet tomorrow evening to give the Committee time to go over what he just spoke of and to also hear from their perspective where they're coming from, which he believed was their not wanting to fully expend a large amount of their fund, therefore not being able to approve any significant projects of any other type in the near future because this would tie up more of their resources. His point is to try to save as much interest expense as possible. **Councilor Whynott** asked if they vote this, the Administration still determines how long the bonding is not the City Council.

Mr. Towne replied it was true, but they have to work together because the CPC has to set the budget of how much they're going to expend and what those are going to go for. "Technically the answer is yes; I determine the term along with the Mayor, but the CPC Committee really determines how much can be spent on projects." He expressed he didn't wish to force his hand on the CPC but rather would prefer to work in conjunction with them

Councilor Whynott wondered if they need more time to speak with the CPC before the Council votes.

Mr. Towne had no issues with the \$2.6 million because he believed the total budget costs to be correct. He didn't believe they would spend any money in FY11 which are the projects the Council is spending on and authorizing this evening. There is no expenditure in FY11 money because they won't get anything until 2012. It is just the funding mechanism and how the debt will be paid that they would still have to work out.

Councilor Tobey followed up that they could vote yes tonight, and the Administration will have to come back with bond authorization language so they'll know and vote on the terms of the bonding which he thought to be separate, distinct and subsequent to tonight.

Mr. Towne stated they still have to post the public hearing on the loan authorization. He believed this was to approve the project of the \$2.6 million because there are no real debt service expenditures. Replying to Councilor Tobey's inquiry, he thought it could be worked out amicably and "won't be as shocking as they think; which he suggested it may have been when they first broached the subject. He felt they could work something out the following evening and be back before the Council to work on it.

Councilor Curcuru asked if they changed the \$185,000, the length of the timetable, it's not in the motion.

Mr. Towne replied he was going by the total amount on the City Auditor's spreadsheet (submitted to the Council prior to the meeting and on file). There is no amount on that spreadsheet. The Councilor was right that the amount that comes out of the CPC fund is what is critical to paying down the debt. He reiterated to the Council he didn't have a problem with the \$2.6 million. His issue was how much is committed out the CPC fund in Year 1-3 up to whatever the end date is of extending the debt.

Councilor Curcuru thought it would be cleaner if Mr. Towne spoke with the CPC, get the recommendation from them, then both of them come to a conclusion and then come back to take this vote.

Mr. Dexter responded they are ready to go with the project and would rather see it voted tonight. They have been working for quite a while, have all their numbers together and know exactly what they're going to do. They're losing a lot of energy out of the windows; and there is great need of repair to the superstructure.

Councilor Curcuru wondered if two weeks would make a difference to ensure they get it right.

Councilor Hardy clarified that the CPC has requested that the City Council fund \$185,000 for 20 years to pay down a \$2.6 million loan. The City Council can decrease the amount but not increase the amount the CPC is requesting over the length of the loan. They'd like to reduce the number of years from 20 to something less in order to pay less interest over the life of the loan. To do so they would have to give the

CPC an allotment over what they have requested. They can't do that as a City Council. They would like to send it back to see if the CPC would like to amend their motion to ask for an amount of money that Mr. Towne could come up with a figure that would work for them all. She reiterated they cannot increase the \$185,000 they have requested. She didn't believe anyone would deny the building didn't need at least \$2.6 million in renovations. But the amount of money that comes out yearly from the CPA funds would be affected by reducing the loan to less than 20 years and believed there were Councilors who were not willing to go the full 20 years. So they're trying to come to an agreement as to what is workable.

Councilor McGeary stated the motion doesn't mention \$185,000 but only says \$2.6 million. Are they bound by the \$185,000?

Councilor Hardy responded they were.

Mr. Towne replied it's not in the motion but that is what the CPC said they were willing to put towards this project would recommend as annual debt cost. The CPC thought in Year 1 would have been \$185,000, Year 1 won't be FY11, and it will be FY12 in the funding scenario if they were going to issue the debt right away. They could still vote to authorize the public hearing at \$2.6 million. They'll work out the details the following evening; be back at the public hearing to talk about the debt payment and then move forward. The \$2.6 million won't be changed, and he didn't believe anyone was looking to change that number, neither he, nor the CPC, or Administration or the Council. If that would work for the Council, they'd already scheduled the meeting for the next evening wanting to fast track a resolution.

Councilor Tobey assuming the \$185,000 expenditure is implicit in this proceeding was that expenditure anticipated being in the current fiscal year and was \$185,000 in play in the current fiscal year.

Mr. Towne stated it would be in FY12. After they voted everything this evening, there was \$407,000 net left and thought they voted about \$307,000 that night. There is about \$100,000 for FY11. They're working off numbers that existed as of FY10. They're voting on funds sitting in the bank that have been already approved by the Department of Revenue and certified as being available. "A FY11 collection shows a budget of about \$547,000 in total allotments which includes the state match and the local CPA surcharge. It will all be covered by the time they issue the debt; you'll have funds sitting in reserve which this is coming out of."

Councilor Tobey asked if funds are available in FY11 that could be used to accelerate the pay down.

Mr. Towne indicated that would be part of the discussion tomorrow at his meeting with the CPC.

Councilor Hardy stated this is the first time all this has transpired. She thought at B&F, for which she took responsibility, there should have been two motions coming out of Committee for this one particular item; one to approve the amount of money for the CPC to pay down and the other for a bonding issue which is technically a vote to advertise for public hearing. It would have made it much cleaner.

Councilor McGeary felt if they going to vary from \$185,000 recommendation they really do need to take this back to Committee. They can't raise the \$185,000 to a higher number. So the only way they could do that is come back with a new motion from the CPC.

Councilor Hardy thought that would be the case as the only way to do it.

Councilor Curcuru asked if they're trying to expedite this.

Mr. Towne replied they have to advertise. If they do the motion to advertise, they'll be back the night of the public hearing with the numbers worked out. Hopefully the CPC will come back with a recommendation with whatever the compromise is. If they say no, then there is a decision to make on the part of the Council. If they feel there is a funding mechanism that's more than the \$185,000, they'll satisfy his thought process to try and save interest, also getting their project done. He felt they could work it out somehow recognizing there are a lot of good people on this committee. They're all working to the same end; it's just how they get there.

Councilor Curcuru voiced he'd like to see it reduced to a length of time that was more reasonable.

Councilor Hardy stated, "if it was the will of the Council, they will be voting to advertise for the bond, for the borrowing of the \$2.6 million so they can get the advertisement in the newspaper posted for 7 days for the public hearing and in the meantime send it to our committee and then it will come back to B&F; and they can move the appropriate question before they have the public hearing."

Councilor Tobey made clear to the advocates for this project that this is a procedural issue. He was in support of the project wishing to see it happen; but it is questions of tying up loose ends.

Mr. Dexter added that is their concern also that they don't want to put the City in any more debt than it needs to be.

Mr. Bell expressed he respected Mr. Towne's opinion and what he's done for the City fiscally, but the \$185,000 wasn't considered a number and that's why they were pushing for 20 years. When you borrow longer rather than shorter you pay more interest. When you pay shorter term you pay a lot more amortization and that has its opportunity costs as well. If you borrow shorter either that \$2.6 million has to come down or the \$185,000 goes up.

Councilor Hardy stated they would bring that matter back to Committee.

MOTION: Budget and Finance voted unanimously to recommend that the City Council appropriate up to \$2,600,000 to pay costs of remodeling and making extraordinary repairs to Gloucester City Hall and for the payment of all other costs incidental and related thereto; that to meet this appropriation, the Treasurer, with the approval of the Mayor, is authorized to borrow up to \$2,600,000 under Massachusetts General Laws Chapter 44B (the Community Preservation Act) or pursuant to any other enabling legislation; that the Mayor is authorized to contract for and expend any federal or state aid available for the project; and, that the Mayor, with the approval of the City Council, is authorized to take any other action necessary to carry out this project; and, that the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the Massachusetts General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes.

Discussion:

Councilor Curcuru hoped that the CPC and Mr. Towne could work out a reasonable payment schedule.

Mr. Towne noted that the sooner they borrow long term that they will have better terms especially with the condition of the bond market. They want to take advantage of the low interest rates.

Jan Bell, City Hall Restoration Committee, 257 East Main Street stated rates are at historically low rates. She asked they not procrastinate.

THE FOLLOWING MOTION WAS VOTED BY ROLL CALL VOTE OF 8 IN FAVOR, 0 OPPOSED SPECIFICALLY FOR THE PURPOSE OF ADVERTISEMENT FOR PUBLIC HEARING ONLY OF THE COUNCIL AS FOLLOWS:

MOTION: On motion by Councilor Curcuru, seconded by Councilor Theken, the City Council voted 8 in favor, 0 opposed to appropriate up to \$2,600,000 to pay costs of remodeling and making extraordinary repairs to Gloucester City Hall and for the payment of all other costs incidental and related thereto; that to meet this appropriation, the Treasurer, with the approval of the Mayor, is authorized to borrow up to \$2,600,000 under Massachusetts General Laws Chapter 44B (the Community Preservation Act) or pursuant to any other enabling legislation; that the Mayor is authorized to contract for and expend any federal or state aid available for the project; and, that the Mayor, with the approval of the City Council, is authorized to take any other action necessary to carry out this project; and, that the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the Massachusetts General Laws any or all of the bonds authorized by this order and to provide such information and execute such documents as the Municipal Finance Oversight Board may require for these purposes.

This public hearing is continued to February 8, 2011; and the matter will be taken up again at the February 3, 2011 meeting of the Budget & Finance Committee.

The meeting was extended for another half hour by unanimous consent at 11:00 p.m.

For Council Vote:

Councilor Tobey asked to withdraw at this time the two items under “For Council Vote” which he initiated as they relate to a matter that Councilor Mulcahey was involved with and who was unable to attend the City Council meeting due to illness. He asked that it be placed on the agenda for the next City Council meeting.

By unanimous consent the City Council allowed for the two items listed on the 1/25/2011 Agenda under “For Council Vote” to be withdrawn and be scheduled to appear on the 2/8/2011 agenda of the City Council.

Unfinished Business: None.

Councilors’ Requests to the Mayor:

Councilor Curcuru informed the Council that the bathrooms at Newell Stadium were to be built with private donations.

Councilor McGeary congratulated the School Committee on the hiring of the new Superintendent and what a good job they did in the process.

Councilor Ciolino noted the good job of the DPW with the snow removal.

Councilor Theken thanked Councilor Whynott for representing City of Gloucester at the swearing in of Sherriff Cousins. She also congratulated to Father Garibaldi for 50 years of service.

Councilor Hardy thanked councilor McGeary for the time he put in for the search for a new Superintendent. She also mentioned that the Department of Public Utilities is conducting a public hearing regarding National Grid for February 10, 2011 at 7 p.m. in Kyrouz Auditorium.

A motion was made, seconded and voted unanimously to adjourn the meeting at 11:03 p.m.

Respectfully submitted,

**Dana C. Jorgenson
Clerk of Committees**

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- **Statement under Oral Communications by Shawn Kelly**
- **Outline by Sam Cleaves, Clean Energy Commission for Presentation to Council**
- **Opening Statement to the Council by Sandra Dahl Ronan**
- **Documentation from David Gardner, Gardner Company re: Application #10, 10 Taylor Street Condominiums, PH2011-005**