

Budget & Finance Committee
Thursday, August 20, 2015 – 3:30 p.m.
1st Fl. Council Committee Room – City Hall
-Minutes-

Present: Chair, Councilor Melissa Cox; Vice Chair, Councilor William Fonvielle; Councilor Paul McGeary
Absent: None.

Also Present: Councilor Lundberg; Kenny Costa; Jim Destino; John Dunn; Tom Daniel; Mike Hale;
Gary Johnstone; Sal Di Stefano

The meeting convened at 3:31 p.m. The Committee recessed at 4:23 p.m. and reconvened at 4:32 p.m.

1. *Proposed TIF for VJ&E Realty LLC (Mortillaro Lobster) at 58-60 Commercial Street (Cont'd from 08/06/15)*

Jim Destino, CAO, reported that TIF (Tax Increment Finance) Committee was sent back to negotiate with the applicant, and he was elected by the TIF Committee to act as the city's negotiator. With Gary Johnstone's (City Assessor) assistance, the committee reviewed similar local 5 year TIF's with the same requirements of job creation and private investments. He said the Mortillaro Lobster, Inc. TIF Agreement came from that research. He noted counsel for the applicant and he negotiated the agreement that can be supported going forward. He advised that this TIF is based on an approximation by the Assessor's Office because they don't know what the total build-out value will be when the project is completed. It is currently assumed to be \$719,600 which could be higher or lower. The Committee confirmed with **Mr. Destino** the \$719,600 represented the difference between the base value and the best-guess estimate value of the project upon completion when at that time there will be an appraisal/review done by the Assessor's Office.

Mr. Destino highlighted the Mortillaro TIF percentages (page 2) as 90 percent in the first year; 75 percent in the second year, 50 percent in the third year, 25 percent in the fourth year and 10 percent in the fifth and final year with a total tax incentive to the applicant of \$26,994 which is based on the \$719,600 estimate. **Councilor McGeary** confirmed that the reason for using the percentage is that it is done as an incremental increase in value is that the city isn't locked in should the evaluation at the time of the project's completion show a difference and need adjustment.

Councilor Cox confirmed with **Mr. Destino** that the evaluation is done at the end of the project, and not on an annual basis. The evaluation will be done upon the completion of the project. **Gary Johnstone**, City Assessor, added that the value could potentially change each fiscal year because it takes into account other commercial properties in the city, but he said that he expected the value wouldn't change significantly once the improvements are completed. He assured there would be a review at the end of the project. If the property increase in value the value of the TIF would increase as well, **Councilor McGeary** pointed out, which **Mr. Johnstone** confirmed.

Councilor Cox asked if the TIF Committee was in agreement with the negotiated percentages, which **Mr. Destino** confirmed. **Councilor Cox** further confirmed with **Mr. Destino** that the TIF Committee was satisfied with the percentages put forth in the Mortillaro TIF. **Mr. Destino** added that TIF benefits put in the last two years that are similar.

At the request of **Councilor Fonvielle**, **Mr. Destino** listed recent local TIF's used for comparison research as follows:

- McPherson/Pope, Kondelin Road-7 year TIF: 3 jobs created with 1 job retained, \$4 million private investment and \$26,000 local tax savings split is: 87.5 percent; 75 percent; 62.5 percent; 50 percent; 37 percent; 5.25 percent and 12.5 percent.
- Sonolite/Lakeside Realty Trust, 10 Fernwood Avenue-5 year TIF: 8 jobs created with 30 jobs retained, \$1 million in private investment, \$35,000 local tax savings split is: 100 percent; 80 percent; 60 percent; 40 percent and 20 percent;
- Spittle, Heritage Way-5 year TIF: 2 jobs created with 6 jobs retained, \$4.3 million private investment, \$45,000 local tax savings split is: 85 percent; 68 percent; 50 percent, 32 percent and 15 percent;
- Swan Net, Great Republic Drive-5 year TIF: 18 jobs created, 5 jobs retained, \$2 million in private investment, \$29,000 local tax savings split is: 90 percent, 70 percent; 50 percent; 30 percent; 10 percent;
- Waterfront Partners, Main Street-5 year TIF: 2 jobs created, \$1.2 million in private investment, \$15,477 local tax savings split is: 80 percent; 70 percent; 50 percent; 30 percent and 10 percent.

Mr. Destino pointed out the percentages negotiated with Mortillaro Lobster, Inc. are in the middle of the above named TIF's.

Councilor McGeary confirmed with **Mr. Destino** that the jobs to be created required under the Mortillaro TIF are 6 with 24 jobs to be retained. He noted there are requirements for the local business to file with the state to ensure the jobs are there (to create 6 permanent full-time jobs over the course of the TIF).

Councilor Cox asked how many full-time jobs at the facility now. There are 24 jobs, **Attorney J. Michael Faherty**, representing Mortillaro Lobster, Inc. said. **Councilor Fonvielle** asked why would they presume all those jobs would be lost if the city didn't agree to the TIF. **Mr. Destino** said they're not presuming the jobs would be lost, but stating the fact that they are trying to retain those jobs in the community. He said it wasn't apparent to him that all the jobs would leave the city if nothing happened. **Mr. Destino** expressed his agreement, and added that was the last provision added into the TIF just this morning on the recommendation of the state who has guided the local TIF process. **Sal DiStefano**, Economic Development Director, said the application speaks to a local business staying competitive and increasing capacity of its facility. He said all businesses need to innovate to remain competitive and this TIF will help a business established in 1986 to remain competitive in a local setting in a market where they face increased competition. He pointed out that the applicant had to get a sign-off from the Mass. Office of Business Development, and to do so it was a requirement to put number of jobs currently employed by the business into the TIF Agreement.

Councilor McGeary said part application states the "tin building" a lobster holding facility across the street would be rendered unusable as a result of the Beauport Hotel being built directly next to it and was a potential loss of capacity to the business. This was confirmed by **Councilor Cox, Mr. Destino** and **Mr. DiStefano**.

Councilor Cox asked if boats off-load on the site. **Mr. Faherty** said they can't currently but will be able to do so with the new pier when completed. **Councilor Cox** pointed out that without the new pier the business is not necessarily water dependent. They could sell the property and move out of the city and then all those jobs could be lost and said she believed there is some risk of job loss.

Mr. Faherty highlighted that there were two main reasons for the Mortillaro expansion project:

- There is a de facto loss of the use of tin building which is a facility that holds 20,000 pounds of lobster and is an integral part of the operation, especially during peak times.
- The ability to off-load product directly from boats will provide a better product and income stream to the business. It also eliminates the issue of suppliers who have to off-load product elsewhere and transport by truck to the processing facility. This should also lessen vehicle congestion on Commercial Street,

Councilor Cox pointed out.

Councilor McGeary said there is a schedule of jobs to be created over the term of the TIF, and there will be reports annually to the state that reports how many jobs were created. He asked if within the TIF Agreement were there any penalties for not reaching that annual goal. **Mr. DiStefano** noted the job schedule in the application and he briefly reviewed the process of reporting to the state and how the city can track whether the business has met its annual job goal. The TIF can be pulled if they don't meet their job goal, and it would be up to the state. **Mr. Destino** said it has happened in the city before. It was confirmed that at the end of the 5-year TIF there would have to be at least 24 permanent full-time jobs and through the five year term the hiring of six full-time employees. **Tom Daniel**, Community Development Director, said the job creation is net new and 30 jobs minimum. **Councilor Cox** pointed out that is hard to guarantee the jobs will be there for any business and expressed hope that the additional facility capacity will support the additional six jobs. **Mr. DiStefano** said the business has a good track record and with the increasing demand for lobster in Asia, there is a very good chance they will meet the job creation requirement.

Councilor Cox said she wished Mortillaro Lobster well, noting that it is her first wholly local TIF process in her Council experience.

Councilor McGeary said this is a wise use of the TIF and has an advantage of sunseting but acts as an impetus to further economic development in the part of the city that needs the commercial expansion. He said that Mortillaro Lobster is a good corporate citizen of Gloucester.

COMMITTEE RECOMMENDATION: On a motion by Councilor Fonvielle, seconded by Councilor McGeary, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve a TIF (Tax Increment Financing) Agreement between Mortillaro Lobster, Inc. and the City of Gloucester.

2. *Petitions for road repairs in accordance with GCO Article VI "Repair of Private Ways," Sec. 21-80 et seq. (Cont'd from 08/06/15)*

- A) Starknaught Heights
- B) Starknaught Road
- C) Oxford Road
- D) Joseph's Way

Mr. Destino reported DPW Director, Mike Hale provided an updated estimate for the road paving project including some blasting costs potentially for one road. As to a funding source, **Mr. Destino** advised this will be done via a loan order. Because of the schedule for fall road paving as it stands, this project probably won't be done until next year, he said. He added that they are asking for the matter to be continued as they would like to have a loan order be forwarded simultaneously with the Council's vote to approve the public/private paving project.

Councilor Cox noted that at a recent City Council meeting **Mr. Destino** had highlighted that loan orders were going to be few and far between moving forward. **Mr. Destino** pointed out that the city has liquidity to borrow, and the abutters are going to be bettered therefore the loan is being paid by the abutters. He said the Committee shouldn't confuse the ability to borrow with the ability to pay. **John Dunn**, CFO, reminded the Committee that a loan order is an appropriation to expend the money and either get it through the operating budget or through a loan order. In this case the loan order is paid 100 percent by the abutters and in actuality the city is borrowing the money for the abutters over the course of 10 years. **Councilor Cox** asked if this action would lessen the city's ability to borrow funds for essential city matters. **Mr. Destino** assured the city's liquidity is more than adequate but it is the ability to pay for it that is a challenge. He pointed out that the loan order is for the appropriation of money to do the paving project which is being repaid directly by betterment assessments by the abutters, including interest. **Mr. Destino**, reiterating previous statements before the Committee on similar matters that this is a program the Administration wants to do more of in order to get some private roads paved in order to be accepted as public ways at some point and this is a way to do it. **Mr. Dunn** added that the private road acceptances add to the city's public road miles and in turn increase the city's Chapter 90 funds for its public road paving program.

Councilor Cox asked about any determination as to whether all four private ways would be able to be taken as public ways at the end of the paving project. **Councilor McGeary**, speaking as the Ward 1 Councilor, said that it was made clear to the people when they took their votes, with the exception of Starknaught Heights which is likely to be put forward to be taken as a public way, that Oxford and Starknaught Roads, and Joseph's Way are doing this at their own risk because there are some ownership issues. He reported he had asked General Counsel to see if there is a simple way to take these three roads public. He reiterated it was understood and made clear on the matter of being made public ways that they were paying to improve the roads but there is no guarantee of acceptance as a public way. The abutters know that they have to petition the city in a separate action to make their private roads a public way. He noted that abutters have the right to pay their betterment assessment all at once. He pointed out also that the abutters get two benefits -- they're borrowing at city loan rates which are less than they could obtain from banks, and when they do it as part of a betterment and meet requirements of ordinance no one can back out and change their minds because if the work is done privately they could. **Mr. Destino** advised that there will be a limit as to how much of these joint public/private road paving projects the city they will do a year. It is also about getting current public roads paved.

Councilor Cox said that if the city agrees to this project, where it falls on the city's paving project list, bottom, middle or top in hopes the city would receive more Chapter 90 funds. She reminded that she had many streets in her ward (Ward 2) that are public ways may get bumped for paving in lieu of this joint project.

Mike Hale, DPW Director, said that there is a pavement management document that grades each street based on its existing condition. The majority of the city's Chapter 90 money is entailed for FY16 and the roadways scheduled for FY16 are available from his office and on line on the city's website under the Public Works Department, the City Auditor or CFO's offices. The project before the Committee wouldn't be using Chapter 90 monies. No public road is bumped from a queue because of this project, he said. He explained there are already projects underway that will take up the fall paving season, and because of that he can't take on a project such as this now due to capacity.

Councilor Cox asked if this type of project is contracted out and if they were was it done by the same contractor or several contractors. **Mr. Hale** confirmed all paving projects are contracted out. **Councilor Cox** expressed her opinion that even if **Mr. Hale** is using Chapter 90 funds versus a loan, he is still using the same people to do the job and somewhere a road is bumped out of the queue. He said, "Not necessarily," and gave the example that this year he bid a Chapter 90 paving package for state pre-qualified paving contractors and a general paving package. He noted this year was the first year it was the same company for both bidding packages. That company can bring in sub-contractors to do work, and so increase their capacity to get the job(s) done within that bid package.

He assured Councilor Cox no one would be moved out of the queue for public/private paving, but rather is a matter of fitting them into the paving schedule which runs each year from April to October.

Councilor Fonvielle pointed out there are four roads interconnected and asked did this technically mean it is four [paving] projects and if so was there a 51 percent plus vote for each of the roads by abutters, or are they treating this as a single entity under the assumption that the three roads, that may not be able to be made public ways, are abutters to Starknaught Heights. **Councilor McGeary** said, having conducted the meeting, there were separate votes on each road and each road has a majority. People on Starknaught Heights understood that if people on Starknaught Road opted out, they would be paying for that roadway too, but that operationally they would be treated as one project for the purposes of carrying the paving out. **Mr. Hale** added the way they have handled this in the past individual streets must vote on their street. If a few streets drop out then the price could change, and they discussed what the individual costs would be, because the cost of mobilization and the economy of doing it as one big project is a significant savings all around.

Councilor McGeary thanked the DPW Director for all his assistance in this matter. **Councilor Cox** acknowledged the road conditions of these four private roads are quite poor.

Mr. Destino said by the next B&F meeting they will have a loan order ready.

This matter is continued to September 3, 2015.

3. *Memo from City Auditor regarding accounts having expenditures which exceed their authorization & Auditor's Report*

Kenny Costa, City Auditor explained he was asking the Committee for an increase in the spending limit of the RFR Study Revolving Fund from \$7,000 to \$10,000 in order to pay the vendor and to build in a contingency.

Councilor McGeary noted there was an added study requested and that the cell tower applicant is paying for the second study as well as the primary study and consulting fees. **Mr. Costa** added that the revolving fund is set up in order that the city may receive the payment from outside sources and be paid out appropriately.

MOTION: On motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend to the full City Council to accept under MGL c. 44, Sec. 53E-1/2 an amendment of the expenditure limit from \$7,000 to \$10,000 for the RFR Study Revolving Fund #293013, for the purpose of receiving fees for a radio frequency study. The authorized officer of the Fund is the Community Development Director. The fund is credited from fees; expenditure limit is \$10,000; the balance is the available balance, and there are no restrictions to the Fund.

Mr. Costa then reviewed his reports with the Committee. **Mr. Destino** added comments related to the Fire Department deficits with issues with overtime and time off due to injuries. **Councilor McGeary** asked for a breakdown of those firefighters that are out. **Councilor Cox** discussed briefly with **Mr. Destino** the issue of lack of coverage by lifeguards on city beaches and having on-duty firefighters stand in for them and the strain it places on city resources.

4. *Memorandum from Community Development Director re: recommendations from Community Preservation Committee for Round 6, FY15 (Cont'd from 08/06/15)*

Debbie Laurie, Senior Project Manager, said that there were originally 14 applicants for CPA Funds but that due to some applications being ineligible and some pulling out of the process, the Community Preservation Committee recommends seven applications. She gave a brief overview of the applications (see below under each individual presentation).

At the request of **Councilor Cox**, **Ms. Laurie** also reviewed applications that weren't recommended by the CPC for funding in Round 6: Historic New England (Beaumont Sleeper McCann Museum) appeared too much like maintenance which is not eligible under CPA rules. The City Hall Restoration Commission had pulled their application out of the process. **Councilor McGeary** briefly discussed with Ms. Laurie why the City Hall Restoration Commission withdrew their application. The Phyllis A. Association is still using money from the past two funding rounds, and the CPC advised that they need to raise some of their own funds. The Harbormaster's project for docks at Smith Cove was not eligible. The American Legion was a complicated project -- even though it is a significant historical building, the city leases it for \$1 to the American Legion that is responsible for the maintenance of the façade of the building and was part of their application, and the CPC felt that the city should

make the application. The second part of the same application was for a fire alarm system. She advised the application was also incomplete application, and that the American Legion was encouraged to do a couple of steps more and apply in the next round of funding. **Councilor Cox** expressed her disappointment that the American Legion was not recommended for funding, not even in part. She said that fire sprinklers would have been a huge asset to the city noting that CPA funds have been awarded to other entities for the purchase and installation of sprinkler systems. Ms. Laurie reminded the Councilor that the Magnolia Library was declined for their sprinkler system proposal because of incomplete information. They were awarded funds to complete a plan and then came back with a full application with justifications and received funding a sprinkler system at the next funding round. **Councilor Cox** said she would work with the American Legion to put a committee together to help the Legion move forward to submit a fully formed application.

Ms. Laurie also noted an application for open space trailhead signs was not eligible. **Councilor Cox** and Ms. Laurie also briefly discussed the CPA Fund monies awarded to the Burnham's Field project.

Councilor McGeary then briefly discussed with Ms. Laurie why the City Hall Restoration Commission withdrew their application.

A) Action, Inc. Preservation of Action façade, Woolworth Building \$70,000

The Community Preservation Committee recommends the appropriation of \$70,000 to Action, Inc. for the purpose of the rehabilitation and restoration of an historic asset by repairing and restoring the façade of the historic Woolworth Building.

Tim Riley, Executive Director of Action, Inc., said that CPA funds will be used to repair damage caused by a consistent history of water leaks, to prevent future damage, and to preserve the Woolworth building's historically significant art deco architecture that houses the offices of Action, Inc. The lack of waterproofing behind the masonry allows for water infiltration from the street level into the basement. The infiltration has resulted in damaged bricks and mortar, rusting jacking along the parapet which creates extra difficulties in making necessary repairs with leaking above windows. The building was built in 1937 and housed the iconic Woolworth's Store for years. The building is located in a prominent downtown location in Gloucester's East End at the corner of Pleasant and Main Streets within the Central Gloucester Historic District and is included in the National Register of Historic Places. He described that Action's main offices are on the second floor and free space provided to the North Shore Career Center. HAWC is also located in the second floor space. The first floor is retail space and also houses Art Haven. The basement floor houses the city Compass High School Program at no charge, and a new adult education training center. When the building is fixed it would be estimated to be good for 30 to 50 years. He said they are pleased with the amount recommended by the CPC to preserve this historic building.

Councilor Cox reviewed that the application has one quote for work at \$97,850, and another for approximately \$87,000 but the total project cost is estimated at \$200,000 and have been tentatively awarded \$100,000. **Mr. Riley** explained there are two different possible fixes, and that \$97,000 is to deal with a lintel that is leaning backwards above the first floor windows that is causing a great deal of issues. To straighten the lintel is a temporary fix to keep the building safe. The full fix will be to replace everything from the lintel up to the top of the building which would be more than \$200,000. The CPA funding would allow them to get the whole thing done. There is not an overall estimate of the cost of the work, **Councilor Cox** pointed out that the two quotes in the application don't add up to the total needed. **Mr. Riley** said that there is minimal fix and a complete fix, and he would obtain the information for the Committee the Councilor was asking about. The full fix is for \$278,500, it was noted. **Ms. Laurie** acknowledged she had it on file. Councilor Cox said she thought there are supposed to be two quotes for such work to be funded with CPA money. **Ms. Laurie** said it is not mandatory. **Mr. Riley** said their own board would require three quotes. **Councilor Cox** asked where the other funds would come from to complete their project. **Mr. Riley** assured that there are funding sources to meet their needs.

Site Visit: Wednesday, September 23 at 4:15 p.m.

B) Action, Inc. Gloucester Rental & Mortgage Assistance Program \$24,750

The Community Preservation Committee recommends the appropriation of \$24,750 to Action, Inc. for the purpose of rental and mortgage interim assistance.

Maggie Howard, Director of Client and Housing Services for Action, Inc., explained that their original application was for \$40,000 to serve 15 households with their tenant-based rental assistance program. They are recommended to receive \$24,750 which will serve 9 households. She said that this program will offer short-term

soft subsidies for families that are experiencing one-time temporary setbacks such as illness, job loss, job reduction or other tragedies and is open to residents of Gloucester. She reviewed the application process for clients and the screening process. She gave examples of the program from the Action, Inc. program in place for Rockport. She pointed out this program is not for people experiencing a long-term financial issue or for people who are in subsidized housing. She clarified for **Councilor Cox** that the letter of recommendation included in the application came from Ms. Loretta Perez. This is a grant program, she noted, in response to a question by **Councilor McGeary**. Whatever funds are not used is returned to the CPA Fund and the funding can be extended for the same purpose, **Ms. Laurie confirmed**. **Councilor McGeary** asked Ms. Howard for statistics on the program for the Committee to review.

Site Visit: Wednesday, September 23 at 4:15 p.m.

C) C.A. Women's Softball League	Mattos Field Rehabilitation	\$110,000
And the City of Gloucester		

The Community Preservation Committee recommends the appropriation of \$110,000 to the Cape Ann Women's Softball League and the City of Gloucester Department of Public Works for the purpose of rehabilitating Mattos Field with new lighting.

Patti Amaral, representing the Cape Ann Women's Softball League said that lighting at Mattos Field was installed in the 1970's and has exceeded its lifespan. The need is more acute with the recent collapse of several light poles during a storm in July. Two poles are leaning and one pole adjacent to Veterans Memorial Elementary School is leaning towards the playground area and school building which poses a safety issue. Many of the light bulbs have burned out and can no longer be replaced due to safety factors. Some lights are facing the ground and again can't be moved due to safety factors. The project would consist of installing six new bases for the lights and new light fixtures. Stephen Winslow, Senior Project Manager of the Community Development Department is working with CAWSL to find grant funding as well through the state's PARC grant program. **Ms. Amaral** also described other projects being worked on to enhance and rehabilitate the field, as well as a fund-raising program with local businesses to display banners. She acknowledged the field needs a lot of maintenance work, and it needs to be sustainable and safe. The overall project is \$190,000 just for the lights including the bases. Of that total \$100,000 is for the fixtures and bases and \$90,000 is for the contractor and equipment. These will be LED lights, **Ms. Amaral** confirmed.

Councilor Cox noted she has been working with the AMVETS for cleaning the Mattos memorial and is also working with Ms. Amaral as this is in her ward. **Ms. Laurie** added the DPW is partnered in this project. The installation will be done by contractors. The DPW is appreciative of being kept in the loop because the responsibility for the on-going maintenance of the field falls on that department. It was noted that the contractor for the lights for Mattos Field is the same as for Newell Stadium. Councilor Cox asked Ms. Amaral to find out from the contractor where there is a nearby athletic field the Committee can visit to see what kind of lights are to be installed. **Ms. Laurie** said the project should be good to go next spring and would ask Mr. Winslow at **Councilor Cox's** request when the PARC grant will be awarded.

Site Visit: To be determined.

D) Unitarian Universalist Church	Fire-Sprinkler & Deterrence Project	\$70,000
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The Community Preservation Committee recommends the appropriation of \$50,000 to the Gloucester Unitarian Universalist Church for the purpose of preserving an historic asset which includes the installation of a fire sprinkler and deterrence system.

Charles Nazarian, representing the Unitarian Universalist Church and a member advisor on historic preservation, a local architect and member of the city's Historical District Commission, said that the project includes engineering, design and installation of a whole building fire sprinkler system of the "dry" type, tied into the existing 24/7 fire-detection monitoring system. It is the largest surviving church completed in 1806. He noted the two nearby religious institutions have burned down in recent years in the same historic area – Trinity Congregational Church and Temple Ahavat Achim, both on Middle Street, and was lost because of the balloon frame construction, composed of an outer and inner frame. If a fire starts inside the wall the space acts as a chimney and is uncontrollable. He said were the Unitarian Universalist Church to catch fire, it would likely take part of the neighborhood with it as it is four times the size of the former Trinity Congregational Church. There are detectors

and alarms in the building and on 24 hour monitoring and would only serve as a warning to get people out of the building and not save the building. The church hosts the Grace Center three days a week, and as well as variety of support services for citizens and are partnered with local museums to share the history of the city. The history of the Church and meeting house are bound with American history and the city's place in it. The building is on the National Register of Historic Buildings. He noted CPA funds have helped to make building accessible to install two elevators and facilities to be Americans with Disabilities Act (ADA) compliance in a building they couldn't change any part of the historical fabric in 1806.

Councilor Cox noted the project costs total \$360,000 and asked how long it will take to raise the remaining funds. **Mr. Nazarian** said the number comes to \$390,000 and with \$100,000 from the Dusky Foundation granted in the spring of 2015. Through other private foundations they are seeking funds from, it is anticipated they'll still have a \$50,000 gap.

Councilor McGeary asked about the CPA Fund reserves and was funding still available to expand this particular funding due to the concern for the preservation of the historic structure. **Ms. Laurie** said they didn't give all of it away, and would check with the City Auditor as to the actual reserve. **Councilor Cox** said they would check with the City Auditor but asked that the church not depend on possible additional funding. **Councilor McGeary** suggested that the Unitarian Universalist Church is such a significant historical building a CPA off-cycle funding could be a possibility to seek additional funds for this project.

Site Visit: Friday, September 25, 2:30 p.m.

E) Ocean Alliance, Inc.	Tarr & Wonson Paint Manufactory-Interior Renovation	\$70,000
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The Community Preservation Committee recommends the appropriation of \$70,000 to Ocean Alliance for the restoration of the Tarr and Wonson Paint Manufactory, Buildings A& B.

Iain Kerr, CEO of Ocean Alliance, Inc., explained that work will include the removal of debris, leveling of floors, framing, finishing interior spaces, and utilities installation. Buildings A and B (originally erected in 1883) will provide space for Ocean Alliance's rapidly growing robotics program, specifically their STEAM education initiative in the Tarr & Wonson Paint Manufactory Building. The spaces will be multi-purpose, but generally used as an educational space, media venue and function/event area. He reviewed how the Ocean Alliance is funding the restoration of the site and building. He acknowledged they will be \$100,000 short on this project even with the CPA funds, but would be over two thirds of the way to full funding. He said they have spent \$210,000 just on clean-up of the site from contaminants. With this funding for renovations, he said it will significantly increase the capacity of the organization and what they can do for the city. They are planning on the installation of a small bathroom and changing room to help support the needs of groups like the GHS Sailing Program. Ocean Alliance doesn't need all the space and the idea is that other groups in the community would use it. He made mention of the recent international press received on Ocean Alliance's robotics program. He said also they want to be able to have the building qualify for the National Register of Historic Places.

Councilor Cox said she didn't see any quotes in the application. He pointed out a document "CPA Notes, Finance Committee Meeting, 8/20/15 which was on file with the application. They have local contractors, many of whom volunteer materials and time to do the renovations and preserve the building. He pointed out they have been aggressive on their bids, and cited the example of the use of triple glazed windows which cost \$3,000 but have gotten them for \$1,000 as an example of what they do to lower their costs.

Site Visit: Wednesday, October 7 at 4:30 p.m.

F) Gloucester Adventure, Inc.	Restoration of Schooner Adventure, Captain's Cabin	\$25,000
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The Community Preservation Committee recommends the appropriation of \$25,000 to the Gloucester Adventure, Inc. for the purpose of the rehabilitation and restoration of an historic asset which includes the restoration and reconstruction of the Captain's Cabin to its original configuration.

Captain Stefan Edick, Executive Director and captain of the representing the Gloucester Schooner Adventure, related to the Committee that the Schooner Adventure is the last of the great Gloucester dory fishing schooners that plied the fishing banks of the North Atlantic. Funds will be used to restore the historic Captain's Cabin which includes restoring the original paneling, repair to damaged pieces and creating new pieces to match existing as much as feasible, recreation of bunks and other period details in the cabin which is the final phase of restoration slated to begin in November 2015 which is estimated at \$90,000. They will recreate the captain's cabin as historically

accurate as possible. He showed the Committee a picture of the cabin from the 1980's to use as a comparison. The budgeting estimated was done by the ship's project manager, it was noted.

Councilor McGeary pointed out that the city has invested a lot in the Adventure. **Councilor Cox** asked if there are plans for the Adventure leaving Gloucester. **Capt. Edick** said that given the scarcity of docking with dredging going on it may preclude the Adventure from being berthed for a time in the city, but the schooner is Gloucester's and Gloucester is a part of the schooner he said.

Site Visit: Friday, September 4 at 1:30 p.m.

G) St. John's Episcopal Church Feasibility Study for housing @ St. John's Episcopal Church \$5,000

The Community Preservation Committee recommends the appropriation of \$5,000 to St. John's Episcopal Church for the purpose of affordable housing to conduct a feasibility study for housing on the Church's parking lot located on Washington Street. It is noted that the Community Preservation Act spending purpose for this appropriation is to support community housing resources.

Reverend Bret Hayes, Rector, St. John's Episcopal Church, said that this project includes a feasibility study for construction of affordable housing on the St. John's parking lot area on Washington Street to learn if the ability to build affordable housing on their parking lot can work. They asked for \$15,000 but were recommended \$5,000. Several members objected based on the fact that there was a possible. The study would be valuable information for the city and for the church to have a case study in detail.

Councilor McGeary declared under MGL c. 268A that he is a member of the church and spoken to the members of the committee. He has no financial interest and can participate in this discussion and vote on the matter.

Ms. Laurie added the CPC didn't fund the whole requested amount because there is a rule the portion of affordability and that they don't know what will be deemed affordable at this point. The numbers may not work and CPA funds can only pay for a portion of the project that is deemed affordable. St. John's Church will contribute \$5,000, **Rev. Hayes** noted.

Councilor Cox said it was her understanding that housing studies for affordable housing were not allowed under CPA rules. **Ms. Laurie** said if 100 percent is affordable housing, and is their intent they could do 100 percent and can only do that portion deemed affordable and then apportioned accordingly based on how much is deemed affordable.

Councilor Fonvielle said that they originally asked for \$15,000 and what about the remaining \$5,000 and that **Rev. Hayes** said he didn't hold out hope to find a company who will do the study for half the cost. If the quotes come in over the \$10,000 the funds would go back to the city, **Councilor McGeary** said. He said it is a significant space for an inner city lot. If it is possible it could significantly increase the city's affordable housing stock, and the city is now 300 units short of the recommended state level. St. John's already did the first phase of a study to get the ownership lines down and getting a survey done. It was noted there is access to the parking lot from Washington Street for vehicles and pedestrian access from Middle Street

Site Visit: Friday, September 25 at 1:30 p.m. (meet in parking lot)

A motion was made, seconded and voted unanimously to adjourn the meeting at 5:50 p.m.

Respectfully submitted,

Dana C. Jorgensson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.