

Budget & Finance Committee
Thursday, November 12, 2015 – 5:00 p.m.
1st Fl. Council Committee Room – City Hall
-Minutes-

Present: Chair, Councilor Melissa Cox; Councilor Paul McGeary; Councilor William Fonvielle

Absent: None.

Also Present: Kenny Costa; Jim Destino; John Dunn; Mike Hale; Nancy Papows; Beth Godinho; Tim Good; Gary Johnstone; Emily Freedman; Stacie Nicastro; Debbie Laurie; Councilor Elect Val Gilman; Councilor Elect Jamie O’Hara

The meeting convened at 5:00 p.m.

1. *Petitions for road repairs in accordance with GCO Article VI “Repair of Private Ways,” Sec. 21-80 et seq. (Cont’d from 10/22/15)*
 - A) Starknought Heights; B) Starknought Road; C) Oxford Road; D) Joseph’s Way

This matter is continued to December 10, 2015.

2. **Police Department**

- A) *Memo, Grant Application & Checklist from Police Chief re: Council approval to apply for FY16 911 Support & Incentive Grant for \$61,795*

This matter is for information only. The grant applied for is under \$100,000 with no match, per ordinance.

- B) *Memo, Grant Application & Checklist from Police Chief re: acceptance of U.S. DEA Overtime Funding for FY16 for \$17,548*

Ms. Nicastro noted that this is an annual reimbursement grant from the U.S. Drug Enforcement Administration (DEA) for a Gloucester police officer’s overtime for FY16. This is a longstanding agreement between the Gloucester Police Department and the DEA, as well as with other communities that participate in the program. There is no match, she noted. Differing percentages of funds gained from the cases that the officer who works with the DEA closes come to the Police Department, **Ms. Nicastro** said. **Councilor Cox** asked for a recent accounting of funds gained by the city due to forfeitures and seizures. She said she understood a portion of it is helping to fund the Police Department’s highly successful Angel Program **Jim Destino**, CAO, assured funds gained from forfeitures and seizures through this program are being spent appropriately by the Police Department and are used for things like department vehicles, to fix cell doors, etc. **Ms. Nicastro** added that there are still quite a few pending cases awaiting decisions.

MOTION: 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 accept under MGL c. 44, §53A a grant from the United States Department of Justice Drug Enforcement Administration (DEA) FY15 Organized Crime Drug Enforcement Task Force for up to \$17,548, reimbursing the City Of Gloucester Police Department (GPD) for overtime by a GPD officer.

3. *Correspondence from Mass. Cultural Council re: transfer of FY16 Local Cultural Council Funding for FY16 for \$7,600 & acceptance of said funds*

The annual reporting for the local Cultural Council is handled through the Auditor’s Department for this annual grant from the Massachusetts Cultural Council. In turn the local Cultural Council gives the money out through their own grant program by state guidelines.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, Sec. 53A a grant from the Massachusetts Cultural Council in the amount of \$7,600 to the Gloucester Cultural Council for the purpose of supporting FY16 cultural projects in the City of Gloucester by the Gloucester

Cultural Council.**4. DPW****A) *Memo, Grant Application & Checklist from DPW Director re: acceptance of a grant for \$504,869 from Executive Office of Energy & Environmental Affairs for rehabilitation of the Blynman Canal and Stacy Boulevard Bulkhead***

Mike Hale, Public Works Director explained the following: This is state grant funding through the Executive Office of Energy & Environmental Affairs, a newer program for dams and seawalls. The city benefitted last year which was year one of the new program with funding for the Babson Dam came in the form of a loan and a grant. This particular grant will make up the balance that was short for the Stacy Boulevard/Blynman Canal Rehabilitation Project. There is no match and the funds will be encumbered to the project, execute the change order and bring the project together as one.

Councilor Cox noted this project encompasses the Blynman Canal to Stage Fort Park and asked when it is anticipated the combined projects will be completed. Mr. Hale explained further that his department bid that project in two parts – Project A-Blynman Canal, Project B-Stacy Boulevard-1,800 feet of seawall from the Lucy Davis Pathway to the westerly side of the canal constructed in 2004/2005. They were awarded just Project B and now there is enough funding to execute Project A. It is a two year project, and no time is lost because the project started in late spring. The project was planned out to start at the Lucy Davis Pathway regardless. He made note of the fact that there are complications with the bridge tenders house, but they will mobilize as soon as the contract is squared away with the current vendor, and in February/March start the Blynman piece. There will be construction going on through the summer which they must do, but the goal is to try and get as much done prior to the summer season.

Councilor Cox noted a great deal of success with the almost completed Fort water/sewer project because of open communication between the city, herself as Ward Councilor, the neighborhood and the contractor and asked if it is anticipated to have the same level of communication for this construction project. **Mr. Hale** said that there are updates on the city's website with photographs weekly since the project started along with a narrative. He said that the city can't close the canal or obstruct navigation so that their work will be independent of any boat traffic.

Councilor McGeary asked if the bridge tender's house is a separate matter. Mr. Hale clarified that the Blynman Canal piece is the easterly side of the canal, and the westerly side of the canal was done in 2004/2005. Underneath the bridge tender's house has some undermining issues that requires placing a temporary control on the northerly side of the bridge, demolishing the existing building, and allow the city to extend its work on the canal, he pointed out. He added now with the bridge tender's house removed the work can continue to the bridge abutment to where it meets the property owned by MassDOT. He noted that is a discussion that will be had between the Administration and MassDOT. It is 200 feet to the bridge out around the point until it reaches the part of the seawall that runs parallel to Western Avenue, he said.

Mr. Destino said there is more money from the state from the Executive Office of Energy & Environmental Affairs and they are looking to fund more projects. The city will be putting together a list of potential projects, he assured the Committee.

MOTION: 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 accept under MGL c. 44, Sec. 53A a grant from the Seaport Advisory Council through the Massachusetts Executive Office of Energy & Environmental Affairs for \$504,869 for the purpose of the rehabilitation of the Blynman Canal and Stacy Boulevard Bulkhead Improvement Project.

B) *Memo, Grant Application & Checklist from DPW Director re: acceptance of \$175,000 grant from the Executive Office of Energy & Environmental Affairs for the repair of the Haskell Pond Dam*

Mr. Hale said that this grant funding to repair the Haskell Pond Dam is from the same state department as for the Blynman Canal/Stacy Boulevard project. This grant funds the design and engineering for the repair of the Haskell Pond Dam. They don't have a dollar amount for the actual repair and will be applying next year for additional funding to offset the local share as this could be a several million dollar project. They have a dam engineer retained to move forward on the design and engineering. He advised they are at the completion of the Babson Dam project which he said has come out very well.

Councilor McGeary asked what the final cost of the Babson Dam project was. **Mr. Hale** said it came in around \$2.2 million for the actual dam construction and another \$528,000 for the engineering, permitting and construction.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, Sec. 53A a grant from the Massachusetts Executive Office of Energy & Environmental Affairs for \$175,000 for the purpose of the Haskell Pond Dam Rehabilitation Project.

- C) *Memo, Grant Application & Checklist from DPW Director re: acceptance of a grant for \$19,000 from the Mass., Dept. of Environmental Protection (MDEP) to enhance performance of Gloucester's successful waste reduction programs*

Mr. Hale reviewed that: This is a new grant to the city from the Mass. Dept. of Environmental Protection (MassDEP). This grant was offered to all cities and towns in Massachusetts. Grant funds will be used to increase hazardous household collection days which cost the city between \$8,000 to \$12,000 per event, and to create a public recycling pilot program. **Councilor Cox** said she wanted to see a recycling program instituted for the city's downtown district, but both she and **Mr. Hale** expressed that in their experience recycling containers seem to quickly become trash containers.

Councilor Cox said when reviewing the grant program she noted there is a point system. On hazardous waste if there is a minimum of two times a year it would entail extra points and subsequently more money for the city when it reapplied for another grant. She suggested partnering with Gloucester's neighboring communities which are also encouraged in the grant. There was also a brief discussion on composting, and it was noted that it was unfortunate but that the costs don't balance out to support such a program.

Councilor McGeary asked about single driver trucks for city trash removal. There was a brief discussion with **Mr. Hale** on this subject and he suggested the Committee look at the Salem, MA program and at the issues their program has encountered.

Councilor Cox inquired if there is any thought about increasing the price of bulk stickers from \$5 to \$7. **Mr. Hale** said the stickers are very inexpensive and yet they are still picking up large household items dumped around the city on a regular basis.

MOTION: 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 accept under MGL c. 44, §53A a grant from the Massachusetts Department of Environmental Protection (MassDEP) a Recycling Dividends & Small Scale Initiative Grant in the amount of \$19,000 for the purpose of enhancing the performance of Gloucester's successful waste reduction programs.

Treasurer/Collector

5. A) *Memo from Chief Financial Officer & Supplemental Appropriation-Budgetary Transfer 2016-SA-6*
B) *Memo from Chief Financial Officer & Supplemental Appropriation-Budgetary Transfer 2016-SA-7*

John Dunn, CFO, explained the following regarding 2016-SA-6 and -7: During the budget development in the spring of 2015 he missed a sub-schedule as a result of a refunding process for debt which occurred in February. When the city transacts refundings there is a piece that is often "non-callable" but is still debt. That schedule was missed which has an impact both on the General Fund and the Water Enterprise Fund debt shift. They have to bring the debt that is scheduled and is paid out of the General Fund up to where it should be in order to make those payments. These transfers rectify the budgeting to make the debt payments. This is done in two ways -- the additional new growth that the city realized but not budgeted based on the Tax Recap and the certified new growth based on the Assessors. Supplemental Appropriation 2016-SA-6 increases the budgeted FY16 Real Estate Revenue line by \$193,945 and also increases the Long-Term Principal Debt Service line by the same amount. **Mr. Dunn** confirmed for **Councilor McGeary** that there were enough funds realized in certified new growth to cover this imbalance. He said that new growth was budgeted at about \$650,000 and it was certified at about \$800,000.

Mr. Dunn said that the second Supplemental Appropriation, 2016-SA-7 is for regular General Fund debt service in the amount of \$145,000. The funding source for this increase is the General Fund Bond Premium account which has a current unappropriated balance of \$297,593.60 and with this transfer \$145,000 is being appropriated. This is unbudgeted revenue received in August 2015. They could choose not to appropriate some or all of the funds,

and at the end of the year the funds would fall to the bottom line and appear as part of the following year's certified Free Cash. **Kenny Costa**, City Auditor, noted that had traditionally been done in past years. **Mr. Dunn** added these are funds already received and accounted for on the city's Year-To-Date Report.

There was around \$350,000 not budgeted during the FY16 budget development based on the water debt shift, **Councilor Cox** said. **Mr. Dunn** said, "Yes" and some of the funds were attributable to other General Fund projects. **Councilor Cox** recounted that at the last B&F Committee meeting there had been a discussion about Snow & Ice debt, and how the Recap came in and some of those funds were to be used for that debt. **Mr. Dunn** said this transfer takes up some availability of those funds and the rest will come under the Snow & Ice amortization matter later on the Committee's agenda. Bond premiums were unanticipated as they were not budgeted for, Councilor Fonvielle noted. **Mr. Dunn** explained that bond premiums are never budgeted for because the city never knows what it will be and when it will come in. If the funds weren't used it would have fallen to free cash, **Mr. Destino** reconfirmed.

COMMITTEE RECOMMENDATION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2016-SA-6 in the amount of \$193,945 to Account #101000.10.145.59100.0000.00.000.00.059, General Fund, Debt Service, Long-Term Principal for the purpose of increasing the FY2016 General Fund Debt Service Budget. The approval of available funds of \$193,945 (One-hundred ninety three thousand nine hundred forty five dollars) is added to the FY2016 General Fund Revenue Budget.

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 Supplemental Appropriation 2016-SA-7 in the amount of \$145,000 to Account #101000.10.145.59100.0000.00.000.00.059, General Fund, Debt Service, Long-Term Principal for the purpose of increasing the FY2016 General Fund Debt Service Budget. The approval of available funds of \$145,000 (One-hundred forty five thousand dollars) is added to the FY2016 General Fund Revenue Budget.

6. Memo from Principal Assessor: Tax Classification (Cont'd from 10/22/15)

Nancy Papows, Principal Assessor conveyed the following information to the Committee:

Real estate values and new growth for FY16 were certified by the Department of Revenue on October 14. She then reviewed the Tax Classification Information for Fiscal Year 2016 (on file) with the Committee:

Page 4 – A Comparison of Fiscal 2016 Values by Class: The Residential class this year represents **89.45** percent (**\$4,952,400,301**) of the total value of the City, and Commercial/Industrial/Personal Property (CIP) class represents **10.55** percent (**\$584,358,919**). The total value of the property in the City is up approximately **3.92** percent from FY15. Based on sales analysis, the residential class as a whole is up **3.42** percent. Single family homes had an average increase of **3.98** percent; condominiums' average increase was **2.33** percent, and two- and three-family homes had an average increase of **2.0** percent. The Commercial and Industrial classes were relatively stable.

Pages 5 – Fiscal Year Parcel Counts, Values, and percent of Total Taxable City Value: The table on these pages shows the parcel counts and the assessed values of each class from 2004 to present.

Page 6 – Previous Classification Factors and Resulting Tax Rate: The table shows the historic shift factors adopted over the years. On the bottom of the page shows the most recent shifts adopted; and the 1.06 shift factor has been adopted for the last ten years, which shifts a portion of the residential tax burden to the CIP class.

Page 7 – Calculating the Maximum Allowable Levy: The table shows the calculation of the maximum allowable levy for FY2016. It starts with the levy limit from FY15 and added to that is the increase permitted by Proposition 2-1/2 and new growth from the Residential and CIP classes which results in the FY16 levy limit. Added to that is the Pole's Hill debt exclusion (which runs through 2019); the CSO debt shift, and the water debt shift which results in the maximum FY16 allowable levy at **\$75,915,470**. That figure divided by the total value of all parcels in the city results in the FY16 tax rate at a factor of 1.0 is a tax rate of **\$13.71** per thousand dollars valuation (down 4 cents from FY15). The tax rate at a factor of 1.0 would result in all properties paying the same rate for all classes of property. At a factor above 1.0, a portion of the residential tax levy would shift to a different class.

Page 8 – FY16 Tax Rate at a Factor of One = \$13.71, Shift in Tax Rate: This shows approximate tax rates that would result from the various shifts to the CIP class. The maximum shift allowed by the State is 1.5 percent this year.

Page 9 – Comparison of Levy by Class at Various Shift Factors: Pages 9 further shows the levy by class and approximate shift of the levy and also shows the approximate excess levy capacity that results which is approximate

based on a rounding of the tax rates. The column on the far right shows the approximate difference between the maximum allowable levy and the tax dollars that will be realized depending on the shift if the Council chooses to shift from a factor of 1.0.

Page 10 – Change in Tax Dollars at Various Shifts: This shows the actual change in tax dollars for properties at different levels in terms of valuations. For instance, a property value at \$500,000 is the closest to the average single family home in Gloucester which is **\$492,214** this year. At last year's shift factor of 1.06 that would save the residential taxpayer of **\$50** per year, while the CIP taxpayer would pay an additional **\$410**. At the maximum shift allowed for the same valued property it would be a savings to the residential taxpayer **\$405** per year, while the average CIP taxpayer would pay an additional **\$3,430**.

Page 11 – Open Space Discount and Residential Exemptions: This page explains the open space discount. There are no parcels defined as open space in the City at this time. This page also discusses the residential exemption and small commercial exemption which is at the option of the Mayor who has chosen not to take not to adopt either the residential or small commercial exemptions this year.

Page 12 and 12A Residential Exemptions (Cont'd) and Page 13 – Small Commercial Exemption:

The Mayor has made the determination not to adopt either the residential or small commercial exemptions this year -- it is at the option of the Mayor with the approval of the City Council on both of these exemptions.

DISCUSSION:

The tax rate went down four cents, **Councilor Cox** observed. She asked why the tax rates between 2004 and 2009 below \$10 and what changed thereafter to make them go up to the degree that they did. **Ms. Papows** confirmed it had to do with assessments during the recession. It was noted by **Mr. Dunn** and **Mr. Destino** that the CSO and water debt shift had not been approved and therefore not factored into the assessments during that timeframe.

Councilor McGeary said the average tax bill with increased assessments, even though the tax rate will go down, it is likely that someone with a \$500,000 home, given the 3.9 percent increase of the total city assessments, would actually see an increase in their tax bill. **Ms. Papows** said they could depend on what their value was from one year to the next.

Councilor Cox, referring to Page 5 of the Assessors' Report, noted that the commercial accounts are lower and asked what would cause that, and said she understood that there had been some limited conversion of commercial property to residential property designation, and that there have been some businesses that have closed. **Ms. Papows** said sometimes there are properties that are converted, and in this case she said she believed there were some split uses that went entirely residential. She added that sometimes it is a combination of parcels -- there could be a commercial parcel that has an accessory vacant parcel that is then combined into one parcel -- and so there is a variety of factors that can affect the loss of commercial properties in general. **Ms. Papows** confirmed for **Councilor Cox** that the assessment date for this report is January 1, 2015 and that the Assessors are looking at property sales from calendar year 2013 and 2014.

Councilor Cox, referring to Page 9 noted the factor of 1.10, the excess levy capacity drops to \$4,000 but the one above it is \$22,000 and the one below it is \$40,000. **Ms. Papows** explained that all the numbers as Councilor Cox sated are estimates, and it is a function of multiplying the assessed values by the tax rate. Because there are times that tax rates have to round, depending what is chosen, it is in the case the Councilor is highlighting it may have been lowered in the difference between the maximum allowable levy and what will actually be realized, she said. She added that the maximum allowable levy is the total levy the city can collect.

Councilor Cox suggested that a tax classification factor of 1.1 percent would be appropriate for FY16 to which **Councilor Fonvielle** and **McGeary** voiced their agreement. **Councilor Fonvielle** said a Tax Classification Factor of 1.1 was the number he had in mind from the start for FY16. **Councilor McGeary** noted the Committee had discussed a factor of 1.1 the previous year and had proffered that to the Council as a Committee but it was rejected. He said there are two issues -- because assessments are on the rise people will see rises in their personal property taxes and because of the water debt shift commercial and industrial properties benefited disproportionately from that and will still be doing quite well net/net between their water bill and tax bill even at a tax classification factor of 1.1. He said he thought it was a very reasonable shift given that the taxpayers have done a favor.

COMMITTEE RECOMMENDATION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council adopt a TAX CLASSIFICATION FACTOR OF 1.1 for Fiscal Year 2016.

7. A) Memo from City Auditor re: request City Council adoption of a three-year Snow & Ice Amortization Schedule pursuant to Mass. DOR requirement in accordance with MGL c. 10, §58 of the Acts of 1985 (Cont'd from 10/22/15)

Mr. Dunn explained the following: The Snow & Ice account (the only city account allowed by the Department of Revenue to be in a deficit) was in a deficit on June 30, 2015 is \$2,621,014. They are expecting on the low end \$300,000 from FEMA reimbursement which is moving slowly due to issues as late as mid-September between FEMA and MEMA of what is allowable for reimbursement for the end of January two-day snowstorm and associated damage. Legislation was enacted to allow Massachusetts cities and towns to amortize Snow & Ice debt over three years at not less than one-third each year. If the city took that approach the amortization would equate to \$773,671 per year. The city has chosen to amortize the debt more quickly than legislation allows. There is free cash and unbudgeted revenues available enabling them to reduce the net Snow & Ice deficit of about 60% which is a \$1.4 million to be raised this year on the Tax Recap on the Snow & Ice deficit. This would leave \$921,000 to be amortized over the next two years, or about 20 percent of the total net deficit. The approach was 60 percent, 20 percent, and 20 percent over the allowable three years. If more than \$300,000 in reimbursements from FEMA is realized it will also be used to bring down the amortization, **Mr. Destino** and **Mr. Dunn** noted.

Councilor Cox said that this proposed amortization schedule seems more manageable especially in light of not being able to predict how the city will be hit with snow issues this coming winter. **Mr. Destino** said that going forward he believes they can manage this number as well as giving the city some flexibility with money still remaining in Free Cash and be able to attend to other pressing city needs. They are comfortable they can use this number, and that it is hoped with next year's certification of free cash the city will be able pay off both of the remaining two years of the Snow & Ice amortized debt, **Mr. Destino** added. **Councilor McGeary** expressed his agreement with **Councilor Cox** that it was wise to get ahead on the Snow & Ice amortized payments. **Mr. Destino** pointed out that in FY15 beach revenues were strong, hotel/motel and restaurant excise tax revenue remains strong, and that it is anticipated that overall city revenues will also come in strongly and that with proper management there will be free cash again next year.

COMMITTEE RECOMMENDATION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council pursuant to the Massachusetts Department of Revenue requirement in accordance with MGL c. 10, §58 of the Acts of 2015 adopt a three-year Snow & Ice Amortization Schedule as follows:

We have adopted the following amortization schedule:			
FY2016		\$ 1,400,000.00	
FY2017		\$ 460,507.05	
FY2018		\$ 460,507.05	
Total		\$ 2,321,014.10	

(Motion continued to next page)

Amortization Tracking Schedule					
	General Fund - Balance Sheet Net Deficit as of 6-30	Less Reimbursements (Non FEMA)	Less Appropriations (Any Revenue Source)	Other Amount Raised on Page 2 Recap	Amount Deferred
FY2016	\$ 2,321,014.10		\$ 1,000,000.00	\$ 400,000.00	\$ 921,014.10
FY2017	\$ 921,014.10		\$ 460,507.05	\$ -	\$ 460,507.05
FY2018	\$ 460,507.05		\$ 460,507.05	\$ -	\$ 0.00

SECTION 58. Notwithstanding section 23 of chapter 59 of the General Laws, section 31D of chapter 44 of the General Laws or any other general or special law to the contrary, a city or town may amortize over fiscal years 2016 to 2018, inclusive, in equal installments or more rapidly, the amount of its fiscal year 2015 snow and ice removal deficit. The local appropriating authority as defined in section 21C of said chapter 59 shall adopt a deficit amortization schedule in accordance with the preceding sentence before setting the municipality's fiscal year 2016 tax rate. The commissioner of revenue may issue guidelines or instructions for reporting the amortization of deficits authorized by this section.

Funding of 1st year of the Snow & Ice Amortization Schedule for FY16:

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 Supplemental Appropriation 2016-SA-8 in the amount of \$1,000,000 from General Fund – Unreserved Fund Balance - (“Free Cash”), Account #101000.10.000.35900.0000.00.000.00.000, to Fund Balance, Designated for Authorized Snow and Ice Amortization, Account # 101000.10.000.35920.0000.00.000.00.000, for the purpose of funding the first year of a three-year Snow & Ice Amortization Schedule.

When presented to the City Council this matter will require a suspension of the Council's Rules of Procedure to take up and vote.

B) *Acceptance of Lead-Based Paint Hazard Control Grant Program from the US Department of HUD*

Emily Freedman, Community Development Senior Project Manager, explained that they before the Committee that earlier this summer Community Development had asked permission to apply for the federal grant from the U.S. Department of Housing & Urban Development (HUD) Lead Hazard Control Grant Program. She reported that the city is only one of two new grantees in the country to be funded this year. The city is in receipt of a federal grant award of \$1,285,280 for the purpose of lead-based paint removal in the city's housing stock for low and moderate income families. This requires a 10 percent local match which will be met by leveraging \$140,000 of the city's CDBG funds which is used for the city's housing rehabilitation program which allow the abatement of lead hazards in housing as well as code violations.

Councilor Cox asked when Community Development will start advertising that these funds are available and how would they go about getting the word out. **Ms. Freedman** said it is hoped to go live in the next few weeks through local media coverage. The grant requires they do outreach events, and as such she will be reaching out to the Ward Councilors to arrange ward meetings, and to speak with agencies such as Action, Inc. and Pathways for Children and other local agencies that may target low-income families with young children as that is what the grant targets as well. She offered her assistance to Ms. Freedman to host a ward meeting with Action, Inc. because so much of this sort of housing is in her ward, she pointed out. **Ms. Freedman** said that there is a scheduled meeting with the First Time Homebuyers Program through the Gloucester Housing Authority in hopes of speaking with

potential landlords before they purchase properties. **Ms. Freedman** and **Councilor Cox** briefly discussed the timing of the anticipated outreach efforts.

Councilor Cox asked how long Community Development has to use this funding. **Ms. Freedman** said it is a three-year grant period, and they would apply for renewal at the end of the three year grant period.

Councilor McGeary clarified with **Ms. Freedman** that the grant is administered directly through Community Development and not through any other agency public or private in the city. She said that the department will be hiring a new program manager but that she will be directing the program. The new program managers' salary and benefits are built into the grant funding.

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A a federal grant from the U.S. Department of Housing & Urban Development (HUD) Lead Hazard Control Grant Program for a federal grant award of \$1,285,280 for the purpose of lead-based paint removal in the city's housing stock for low and moderate income families.

When presented to the City Council this matter will require a suspension of the Council's Rules of Procedure to take up and vote.

- C) *Vote recommendations to City Council re: recommendations from Community Preservation Committee for Round 6, FY15 project funding*

Project #1 - Action, Inc., Preservation of Action Façade-Woolworth Bldg. Phase 1- \$70,000

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council appropriate up to \$70,000.00 (Seventy Thousand Dollars) from the Community Preservation Act Funds as recommended by the Community Preservation Committee, for Action, Inc., for the purpose of the first phase of the restoration and preservation of the façade of the historic Woolworth Building, in order to restore an historic resource. 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 #275031.

Project #2 - Action, Inc., Gloucester Rental & Mortgage Assistance Program - \$24,750

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council appropriate up to \$24,750 (Twenty-Four Thousand Seven Hundred Fifty Dollars) from the Community Preservation Act Funds as recommended by the Community Preservation Committee, for Action, Inc., for the purpose of funding that organization's Gloucester Rental and Mortgage Assistance Program, assisting those families in times of housing distress. The appropriation will be allocated to the Community Housing category and funded from Community Housing Reserves in Fund #270200. The project will be tracked in the Community Preservation Fund – Community Housing Projects Fund #272004.

Project #3 - CA Women's Softball League & DPW Mattos Field Rehabilitation - \$110,000

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council appropriate up to \$110,000 (One Hundred Ten Thousand Dollars) from the Community Preservation Act Funds as recommended by the Community Preservation Committee, for the purpose of the Cape Ann Women's Softball League rehabilitating Mattos Field located in Gloucester, Massachusetts. The appropriation will be allocated to the Open Space/Recreation category and funded from Unrestricted Reserves in Fund #270000. This project will be tracked in the Community Preservation Fund – Open Space/Recreation Capital Projects Fund #340010.

Project #4 - Gloucester Unitarian Universalist Church, Fire-Sprinkler & Deterrence Project \$50,000

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council appropriate up to \$50,000 (Fifty Thousand Dollars) from the Community Preservation Act Funds as recommended by the Community Preservation Committee, for the Gloucester Unitarian Universalist Church for the purpose of the installation of a fire sprinkler and deterrence system, in Gloucester, Massachusetts, in order to preserve and restore an historic resource. 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 #275032.

Project #5 - Ocean Alliance, Inc., Tarr & Wonson Paint Manufactory-Interior Renovation Buildings A&B - \$70,000

MOTION: On a motion by Councilor McGeary, seconded by Councilor Fonvielle, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council appropriate up to \$70,000 (Seventy Thousand Dollars) from the Community Preservation Act Funds as recommended by the Community Preservation Committee, for a grant to the Ocean Alliance for the purpose of conducting interior renovations to the Tarr and Wonson Paint Manufactory's Buildings A and B in Gloucester, Massachusetts, in order to restore a historic resource. 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 #275033.

Project#6 - Gloucester Adventure, Inc., Restoration of Captain's Cabin - \$25,000

MOTION: On motion by Councilor McGeary, seconded by Councilor Fonvielle, the City Council voted 3 in favor, 0 opposed, that the City Council to appropriate up to \$25,000 (Twenty Five thousand dollars) 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 conduct restoration work on the Captain's Cabin, in order to restore an historic resource. 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 #275034.

Project #7 - St. John's Episcopal Church, Feasibility Study-Housing at Church Property \$5,000

Councilor McGeary declared that under MGL c. 268A that is a member of St. John's Church and advised the Church generally on this application but has no financial interest and therefore had no issue in voting on this matter.

MOTION: 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 appropriate up to \$5,000 (Five Thousand Dollars) from the Community Preservation Act Funds as recommended by the Community Preservation Committee, for St. John's Episcopal Church, for the purpose of conducting a housing feasibility study. The appropriation will be allocated to the Community Housing category and funded from Community Housing Reserves in Fund #270200. The project will be tracked in the Community Preservation Fund – Community Housing Projects Fund #272005.

The Community Preservation Committee recommended projects for funding will be heard by the City Council at a Special Meeting on Tuesday, December 8, 2015.

D) Memo from City Auditor regarding accounts having expenditures which exceed their authorization & Auditor's Report

Mr. Costa reviewed the Auditor's reports with the Committee.

A motion was made, seconded and voted unanimously to adjourn the meeting at 6:25 p.m.

Respectfully submitted,

Dana C. Jorgenson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.