

Budget & Finance Committee
Thursday, January 21, 2016 – 5:30 p.m.
1st Fl. Council Committee Room – City Hall
-Minutes-

Present: Chair, Councilor Scott Memhard; Vice Chair, Councilor Joseph Orlando, Jr.; Councilor Paul Lundberg (Alternate)

Absent: Councilor Ciolino

Also Present: Acting Mayor Joseph Ciolino; Councilor O’Hara; Councilor Nolan (departed at 5:56 p.m.); Councilor Gilman (entered the meeting at 5:15 p.m.); Councilor Cox (entered meeting at 5:45 p.m. departing at 6:45 p.m.) Kenny Costa; Jim Destino; John Dunn; Police Chief Leonard Campanello; Fire Chief Eric Smith; Assistant Fire Chief Tom Aiello; Tom Daniel; Mark Cole; Debbie Laurie

The meeting convened at 5:30 p.m. There was a quorum of the City Council present throughout the meeting.

1. *Supplemental Appropriation-Budgetary Request (2016-SA-21) from DPW Water Department*

Mark Cole, Assistant DPW Director, said that this supplemental appropriation is from the Water Enterprise Fund retained earnings, Water Construction Renewal account that would be used to fund an amendment for an engineering contract the city currently holds in order to comply with current Massachusetts Department of Conservation and Recreation Office of Dam Safety orders and requirements for the purpose of dam inspections and another round of testing. These are mandated inspections that have to be done, he said. **Jim Destino**, CAO, added that the money is from water fees and permits that are used from time to time but needs a Council vote because it is coming out of an Enterprise Fund.

Councilor Lundberg asked how many dams there were in the city. **Mr. Cole** said there are twelve with half done and half to go. **Councilor Orlando** asked how often the inspections are mandated by the state. **Mr. Cole** said they’re conducted every two to three years.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2016-SA-21 in the amount of \$78,000 from Account #610000.10.480.32620.0000.00.000.00.000, Water Enterprise Fund, Retained Earnings Water Construction Renewal to Account #610000.10.450.52000.0000.00.000.00.052, Water Enterprise Fund, Contractual Services for the purpose of funding an amendment to an engineering contract in order to comply with current Mass. DCR Office of Dam Safety orders and requirements.

2. *Special Budgetary Transfer Request (2016-SBT-5) from Fire Department*

Fire Chief Eric Smith said that the Fire Department is requesting that \$20,000 be transferred from Work Safety Clothes account to the Salary/Wage Overtime account to keep the Magnolia Fire Station open more often. The other three stations (Central, Bay View, and West Gloucester) will continue to be open with the 16 firefighting staff minimum manning level.

He gave the following explanation regarding department staffing and outlying station openings: It takes 18 firefighting staff to maintain all four stations open. At 16 firefighting staff three stations is open -- West Gloucester and Bay View and Central Station, but closes Magnolia, as does 17 firefighting staff. When minimum manning falls to 16 Magnolia Fire Station closes. That change was effective December 10, 2015 because of what the balance in the overtime account was. For the rest of the year, they want to maintain 16 minimum manning per contract.

The intent of the Fire Department reorganization two years ago was to keep all the city’s fire stations open more often. The department has been doing that beyond the reorganization statement – they have been at 100 percent. Because the budget is tight this year, as stated at the FY16 budget meeting, if FMLA (Family Medical Leave of Absence) and injuries continued to plague the department along with disabilities that went through PERAC and are now retirements the department would run short with people and funding and they may have to operate with one less station open. That was clearly laid out in the planning of the FY16 budget.

This transfer will see the department through June to maintain the 16 manning minimum for three stations to be open 100 percent excluding Magnolia Fire Station. Magnolia will open when 18 personnel report for duty. They have moved \$120,000 internally in the department's budget into the overtime line item to get to the goal of 100 percent station openings. The department has now reached the point where that can't be done. As done in 2013 and 2014 with the department's budget to keep Bay View open more often they built out an allowance to deputy chiefs on a bi-weekly basis earmarking a certain amount of funding to be used for a pay period to hire back. Chief Smith indicated that when staffing is at 17 personnel during those two week pay periods, the deputies will hire back one additional staff to cover the night shifts at Magnolia which **Chief Smith** said that in his opinion and reflected by most of the officers in the department is when it is a higher risk time and would be the optimal shift to bolster staffing. He said any impact they make is positive and it comes to about \$2,600 per pay period, he pointed out.

Councilor Orlando asked how many firefighters to staff Magnolia and would this transfer last the department through the end of FY16. **Chief Smith** responded Magnolia Station is staffed with two firefighters. He reiterated the \$20,000 will last through to the end of the FY16 but not open the Magnolia Fire Station 100 percent of the time. Right now Magnolia is open 70 to 80 percent of the time and this may get them up further.

Councilor Lundberg summarized that under the current contract the department is required to have 16 firefighters on each shift. **Chief Smith** said there are actually 24 firefighters assigned per shift; the minimum staffing per day is 16. **Councilor Lundberg** continued that to have all four city fire stations open there has to be 18 firefighters available. Because of disability, injuries leave and vacations, the department can't reach that 18 staff goal. The option, he said is if they wanted to fill the roster to 18 firefighters the department would be paying other firefighters overtime, and is the choice the city has to make. **Councilor Orlando** asked if that was the only option or was there an alternative to overtime. **Chief Smith** said that contract is very clear as to how personnel are scheduled, how to manage shortages in staffing, where those personnel are assigned. He said that four people are retired -- three from disabilities under 111F, long-standing line of duty injuries that took many months to get it through PERAC to get to retirement phase. He noted upon retirement there is a payout due for unused leave by law and those costs were not fully covered. He explained that if there weren't so many injuries there wouldn't be these issues but it impacts directly on staffing. Leave time issue -- it is the same number of people allowed to be out per day whether it was the 18 manned four group system or 24 manned three group system -- it is capped at five regardless which system the department has had. Leave time doesn't cause overtime unless the department is suffering the number of injuries and family medical leave act use, personnel being hurt off the job with sick time banked and so the department can't control that cost and staffing. They only thing the department has to fall back on under these extreme conditions are overtime, and the budget won't sustain any more to continue staffing at 18. **Councilor Orlando** said with the 16 manning minimum is it possible to shift firefighters from other stations to Magnolia to have lesser staff at one station and have all stations open because of that staff movement. **Chief Smith** said the contract is very specific on the per piece staffing on the equipment, with outskirt stations having a minimum of two staff. Once headquarters is full, the next two go out to West Gloucester, then Bayview and then they reach their 16 minimum staffing. With two more staff it opens Magnolia. They have no ability to transfer staff out of Central Station to Magnolia. If they did that it would shut down one rescue unit which would be a revenue loss to the department and beyond that the contract precludes that.

Councilor Memhard asked about new recruits. **Chief Smith** said the following: The hiring process is through the Civil Service is a very highly defined process which is a slow one to get a list generated and someone hired. Once hired, it is a four week orientation period and 10 weeks at the fire academy. The 10 week academy training can be avoided when military-trained recruits can be hired or for those firefighters who are transfers from other fire departments and others on the Civil Service list who have already gone through the academy. The funding has to be in place in order to hire. He said they've had to reach back to the state to get more names. It is not systems the department controls. **Councilor Orlando** commented it appeared that the amount firefighters out under 111F and family leave are an abnormality for the department. **Chief Smith** said it is usually two to three staff at all times. Firefighting is physical work as is EMS, an area more physical than people realize. The situation they are experiencing this year happened last year and was addressed during the department's FY16 budget review, he reiterated. He reminded the Committee that he had said at that time that the budget was going mean the department running with one less station if injuries didn't taper off.

Councilor O'Hara said with the \$20,000 being moved what is being sacrificed. Chief Smith said they don't have the ability to hire all the vacancies, and although equipping firefighters with appropriate fire gear is expensive, the lag funds will be available. He assured that the firefighters have high quality gear that has been well maintained.

Councilor Gilman said that one of her two house fires occurred with Bay View station opened and one with Bay View closed. When one of the city's remote stations (is closed) her constituents express their concern for their ward's fire protection. She asked for an overview as to why Magnolia Station was selected to be closed and in

covering that part of town is the response rate deemed adequate. **Chief Smith** said that a response to the Bay View area from Central Station is about 10 to 12 minutes on average whereas the Magnolia Fire Station is the easiest to cover with West Gloucester open and has an 8 minute travel response time from that location. Magnolia, he said, is the most logical choice to close. Magnolia's run volume has increased but is still on the lower end – Bay View and Magnolia are fairly close in run volume, but Magnolia still lags behind Bay View. He pointed out that the department had closed the Magnolia Fire Station long before he became Chief, and said that the statistics haven't changed. He also pointed out that Magnolia has Manchester-by-the-Sea in close proximity, and while that town is not called for immediately, they are available for mutual aid. **Councilor Gilman** said when one remote station is closed; it is her understanding that the department then has to staff Central Station first when there is a fire, which in turn affects all parts of the city's fire coverage. **Chief Smith** said any kind of box alarm sending significant a response they will pull all resources out of Central Station and any apparatus left, that engine repositions to headquarters with EMS and Fire are within the headquarters area. As they commit resources to one incident the department covers the city with what they have and rotate coverage from Rockport, Essex and Manchester who are staged at Central Station to be deployed which he pointed out the bulk of all calls are located in the Central Station area.

Councilor Memhard asked for the staff total for the department. **Chief Smith** said including himself the department, including civilians, is 79 and 72 are assigned to the three firefighting groups, 24 per group. The majority of staff is line employees filling seats on apparatus and so with so many injuries; it makes a noticeable impact in service provided to the community. He noted they can't pull staff out of an office to fill apparatus seats -- inspections don't stop, EMS coordination doesn't stop and make up the two union firefighters that could possibly fill those spots that are not assigned to a line job. By contract the typical work shift is a 56-hour work week on average and the work shifts are a 24 hour cycle split up into what are called a day and a night shift but are scheduled contiguously which is broken out into a 10 hour day and a 14 hour night.

Councilor Orlando asked if there was on-call staff. **Chief Smith** said there wasn't but that there is a system for call backs if there is a second alarm raised due to a working fire. **Councilor Orlando** said this is a public safety issue, and while it is never a good situation when a fire department is running with reduced staffing with Magnolia seeing its fair share of fires, this transfer will help to open Magnolia Fire Station more often which is important. He added that there is a need to address the firefighters' contract as it relates to staffing issues. He said he would vote to transfer the funds.

Councilor Memhard offered that they all should understand there isn't unnecessary concern about what stations are opened and what stations are closed, but that it comes down to a communications issue. Through this exchange of helpful information it enabled the Councilors to learn more about what the Chief is balancing in terms of staffing and Magnolia Fire Station being closed some of the time.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2016-SBT-5 in the amount of \$20,000 from Account #101000.10.250.55810.0000.00.000.00.054, Fire Department, Work/Safety Clothes, to Account #101000.10.220.51300.0000.00.000.00.051 Fire Department, Salary/Wage, Overtime, for the purpose of funding the Fire Department Overtime account to ensure fire station openings.

3. Memorandum from CFO & Director of Information Services & Special Budgetary Transfer request (2016-SBT-6) from Treasurer/Collector's Office

James Pope, Information Technology (IT) Director, said this transfer relates to a change-over of the city-wide email system. He briefly recounted that the entire city's municipal email platform several months ago went down for seven consecutive days. As a result of a debriefing with the Administration, three plans were presented as how to move forward to provide email to the city's employees. The CFO and he concluded that Google Apps offered the best choice for a range of features as well as being very competitive financially which turns out to be the lowest cost solution that provides the level of service the city needs. To achieve the conversion a transfer is needed to pay for it.

John Dunn, CFO, said that they are transitioning in mid-year and will be extra funding to get this system started. The current situation, he suggested, was that there are likely software licensees not being paid for which they want to correct. They looked at the reliability of a system the city has and the increased cost to get the city to where it should be, he observed. He said both he and the CAO agree with Mr. Pope's assessment this is the right direction to move forward to where the city's email system should be and makes the most sense.

In response to an inquiry by **Councilor Orlando**, **Mr. Pope** explained that Google Apps is, “software as a service,” means that there isn’t the large up-front commitment and just has a medium sized year-to-year commitment. In comparison to Microsoft Exchange compared to Google Apps, over five years, Google Apps is less expensive. He confirmed there is a yearly cost associated with the service with no other hidden fees or updates but is a one-size-fits-all solution. The mechanism to buy the service is either through a state contract or the GSA and in both cases the contracts are only allowed for one year. Multi-year contracts have no discounts and nor is one offered in this scenario, he noted. **Councilor Orlando** asked if the cost for same system’s service stays the same over time. **Mr. Pope** said that Google hasn’t changed their price in 10 years, and said he is confident the price will remain stable moving forward. **Mr. Dunn** said there is an issue in that they don’t have enough licenses for the number of people who are using the systems the city has now. He said that the cost can’t be avoided in future. He pointed out that the Google approach lets them put it in the Cloud. They’re now not maintaining it on a local level which which frees IT staff to do things that are currently not getting done which he termed a trade-off but there is a cost associated with that. It means the IT Department doesn’t have to maintain the system, and there is no equipment replacement necessary. Right now the email system is 100 percent the IT Department’s problem, **Mr. Pope** added. He said a Cloud-based system is internet connection dependent. Google Apps operates 99.999 percent up time. He expressed confidence the city is moving forward into a better situation.

Councilor Memhard asked for a description of the conversion. **Mr. Pope** explained that Google has tools to help make the transition. They have a migration consultant and that with three days of pre-work employees leave on a Friday and by Saturday evening all their email is moved and on Monday morning they log into the new system. **Councilor Memhard** asked if all city staff need additional training. **Mr. Pope** said he’s moved seven companies in this direction already, and has a large knowledge base to move people from Microsoft Exchange and Outlook to Google Apps. Included in this price besides a migration consultant is an on-demand training program which provides individuals with training on all aspects of the Google Apps system directly on their computer. The School Department has already made this transition this past summer and using successfully this school year, transitioning over the summer, he advised. He said that Google Apps will allow for collaboration between the schools and the city.

Related to the transfer, **Mr. Dunn** said that funds are coming from an account in his department, the General Liability Property Insurance, which was budgeted in the spring of each year based on information they get from MIIA, and then when they get the actual bill they have historical credits that offset that bill. He said because of good history it allowed for a positive budget variance in this account.

Councilor Orlando asked about security of the new email system. **Mr. Pope** with **Mr. Dunn** described briefly the precautions that Google Apps takes to assure the city’s data security. Because data is so highly distributed throughout the Google system, outages are infrequent but when they do happen it affects very few people per organization when because of the data disbursement. He indicated he was confident in the Google system of security and reliability.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Special Budgetary Transfer 2016-SBT-6 in the amount of \$42,750 from Account #101000.10.145.57420.0000.00.000.00.057 Treasurer/Collector-Property Insurance-General Liability to Account #101000.10.155 52000.0000.00.000.00.052, Information Technology-Contractual Services for the purpose of funding the transition to a new email platform.

4. Request from Police Chief for acceptance of \$42,700.60 from MIIA for the replacement cost of cruiser 1692

Police Chief Leonard Campanello explained that on October 3, 2015 there was a serious accident where Police Cruiser #1962, a 2013 Ford Interceptor was totaled, and badly injuring an officer. On December 15 the city’s insurer, MIIA, issued a check for \$42,700.60 for the cruiser’s replacement value. These funds are to be deposited into an account so that the money can be used to replace the cruiser with a new vehicle. **Councilor Orlando** asked if this would replace all equipment for the cruiser as well. **Chief Campanello** said they would but that that they were able to save some components from the old cruiser to be placed into the new cruiser.

COMMITTEE RECOMMENDATION: On a motion by Councilor Lundberg, seconded by Councilor Orlando, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c.44, §53, to appropriate \$42,700.60 for a new Gloucester

Police Department cruiser from insurance proceeds received from the city's insurer, Massachusetts Interlocal Insurance Association (MIIA) in the amount of \$42,700.60 for a total loss payment for the Gloucester Police Department cruiser #1692, a 2013 Ford Interceptor.

5. Memorandum from Affordable Housing Trust for approval of Affordable Housing Trust funding in the amount of \$10,000 for 206 Main Street

Tom Daniel, Community Development Director, with George Sibley, chair of the Affordable Housing Trust, and Eileen Vogel, a member of the North Shore Community Development Coalition team ("development team") spoke to this matter.

Mr. Daniel explained that the development team looking at the Cameron's Restaurant site requested Affordable Housing Trust (AHT) funds. The AHT met and voted to award \$10,000 to the 206 Main Street LP, Harbor Village, a 30 unit development comprised of 100 percent of new affordable rental housing with ground floor commercial space with three stories above that level for the residential units of one, two and three bedrooms.

He recounted that in 2013 the Community Development Department conducted a downtown envisioning process which was called the Downtown Work Plan and part of it was looking what people like about downtown. People have a love for the downtown as an authentic place. They cared about design, and connecting with the city's historic fabric. In 2014 there was a focused study for the Railroad Avenue area which included assessing housing in that area. The third main policy document guiding them is the five year consolidated housing plan through the Department of Housing & Urban Development (HUD) that provides data of the community and vision for its needs. He pointed out that 44 percent of all households in city qualify as low income, and 30 percent are cost burdened meaning more than 30 percent of income is being spent on housing which is not considered sustainable. In meetings with the consolidated planning process and the other planning processes, Affordable Housing always comes up as a demand from a range of demographics -- young folks looking to be out on their own, people who have suffered a medical crisis, divorces, etc. They are working on now in terms of the policy framework is a housing production plan with the Metropolitan Planning Council and a forum is planned for next Wednesday, he noted.

Mr. Daniel said that the development team reviewed all this material before they came forward with a proposal understanding the city's housing needs. He said the team is made up of Action, Inc. partnering with the North Shore Community Development Coalition based in Salem. The development team has a great deal of experience with developing affordable housing, most notably in Salem and Beverly. He advised that this partnership will be the long-term owners and that they mission driven existing to develop affordable housing. The AHT reviewed the project and recommended \$10,000.

Councilor Lundberg said he recalled some of the presentations by that the development team and Action Inc. who said they had the financing for this project was in track to be in place or was already in place and asked what the \$10,000 is for. **Mr. Daniel** said it is part of the financing package the development team is submitting as part of their application to the state for the bulk of the financing. The \$10,000 from the AHT demonstrates the city's commitment to the project and is a modest amount of funding the city is making to make that demonstration to the state. **Councilor Orlando** asked would the project go forward without the \$10,000. **Mr. Daniel** said the state application process is extremely competitive, and projects can only apply once a year and go through year and get a little allocation and apply again the next year and obtain another allocation. He said that the demonstration is a critical piece of that application, he said.

Eileen Vogel, North Shore Community Development Coalition, said that without the \$10,000 demonstration they wouldn't be allowed to apply for state funding. **Councilor Lundberg** said as part of the application process they want to be able to demonstrate community support and this is how the project does so to the state. **Ms. Vogel** said there are two tiers of support -- approvals from various city boards, the ZBA, Planning, but also financial support from the city. **Councilor Orlando** noted he'd been to one of the three information meetings on the project. He said understood as Councilor Lundberg had indicated that this project was fully funded by Action, Inc., and the development team. He said that while \$10,000 didn't seem to be a significant amount of money for a project of this size, he said it seemed odd the development team is now saying they're not going forward without the \$10,000. He asked why this \$10,000 is now needed from the city when it has no control over the project and is which is wholly comprised of 40B housing all the while telling everyone this project was funded. **Ms. Vogel** said they wouldn't have said that they had this (project) because they don't have it funded -- it is a state process they have to go through and is a several year process. They own the Cameron's property, have a mortgage and have predevelopment funds to hire architects, have community meetings and make the applications to the state. All the projects go through the same funding rounds once a year with the state, she advised, and said they can't apply until they have permitting, local funding. She said this is what they do for their businesses and know what the state is looking for and are

comfortable the project funding will be approved, maybe not in the first round, but in the second. She advised that with each application for a project they make, they improve the application to ensure the funding comes through from the state. This \$10,000 is a part of the package, and she said they expect it to be another year before they are funded. **Councilor Orlando** asked if the city has a say how the \$10,000 is used. **Ms. Vogel** said no more than how any money is put into the project. The AHT looked at where the funds are earmarked as does the state -- funding has to go into the affordable housing construction and maintenance of the building, she said.

Councilor Lundberg pointed out that this is consistent with the mission statement of the AHT and asked where the money comes to the Trust. **George Sibley**, Affordable Housing Trust Chair, said the money they have in the Trust is from one source, a development done a number of years ago which generated \$330,000. They have used funds towards the development of Central Grammar, the Taylor Street and Marsh Street developments. They were between \$30,000 and \$40,000 each, and the \$10,000 is a small contribution by comparison and is consistent with the AHT mission statement, he confirmed. **Councilor Lundberg** read the mission statement to the Committee which was to support the creation preservation and maintenance of affordable housing in the City of Gloucester.

Councilor Cox asked when was the last time funds were distributed to projects from the Trust Account. **Mr. Sibley** reported it was for the Taylor Street project about three years ago. **Councilor Cox** asked how much is in the Trust account now. **Mr. Sibley** said it is a little over \$240,000. **Councilor Cox** asked why they are holding such a large balance. **Mr. Sibley** said it is to keep funds in reserve for future projects. **Councilor Cox** expressed her disappointment the AHT was only giving \$10,000 and said she had hoped it would be much more since it was three years since a viable project has come forward. **Mr. Sibley** reconfirmed it was the Trust's decision that \$10,000 was appropriate and that they wished to keep funds for other future projects. **Councilor Orlando** asked would other funding go towards infrastructure improvements and related items or only to building construction. **Mr. Sibley** reiterated Ms. Vogel's statement that the \$10,000 is going to the construction of the project. **Councilor Orlando** asked if the construction costs include improvements to city infrastructure. **Ms. Vogel** said the city departments are looking at the designs and engineering drawings to ensure the project works with the city systems and if not it is incumbent upon the development team to change their plans to meet the city's infrastructure capacity -- anything that doesn't work it is up to them to change their plans or to put the money up for those changes. Parking is sufficient in their plans and sewer is sufficient as well, she noted.

Councilor Memhard asked if city incurred specialty consulting services, legal assistance to review a 40B project of this magnitude coming into the city, and would be a contribution by the city in some other way. **Mr. Daniel** said outside resources have been called on and those costs are being borne by the development team, with the ZBA process. The city's Planning Director was successful in obtaining free technical assistance and other peer review costs. He advised that General Counsel has retained outside counsel for the ZBA to examine that project and the city is bearing that cost through the Legal Department's budget. **Councilor Cox** requested through Mr. Daniel that the Council receive information by the time of the Jan. 26 Council meeting as to how much funding Central Grammar, and the Taylor and Marsh Street development projects received, what the project overall costs were, and what those projects contributed to increasing the city's affordable housing stock.

Acting Mayor Joseph Ciolino said that he was not speaking for the Administration or the Mayor, noted that the hiring of an outside attorney to go through the 40B process is an expense the city bears. He said he understands this is a complicated process and at this time they can't know what that legal cost overall will be. He said some people view a 40B project as a hostile situation, but he added it seems they all want this project to come to fruition. He mentioned the challenge of the \$10,000 contribution for any 40B project. He asked for clarification if Gloucester residents will have preference and suggested it should be part of the negotiations and be written down so that it will happen which he said isn't happening at this time. He shared a conversation he said he had with the Mayor about properties the city is taking over for tax title and her desire to see the city build a Taylor Street type of housing projects for veterans and Gloucester residents. He said that is where the money should be geared for and needs to be considered.

Councilor Orlando asked for the legal retainer budget. **Mr. Destino** said the Legal Department's outside legal retainer budget isn't big and would provide that information to the Council. **Ms. Vogel** said with a 40B project there are certain rights the city has and loses, however, in a friendly 40B project what this is considered, they've been working with all the different city departments; the Planning Board has already approved the project; they've met with the Mayor, all necessary city staff, held community meetings, and she advised with every suggestion they've received they've incorporated it into their plans. She pointed out that there is a state law that says a project cannot devote 100 percent of the property for a particular town's residents. Because this is state funding, the housing can't be all for Gloucester residents -- they are hampered by this state law and their hands are tied, she said. They can request the maximum amount allowable which is 70 percent and the city has to make that request and demonstrate

that's what they want by telling the state, then it sets that into motion. **Councilor Ciolino** said if the city does their own project they can say it is all devoted to city residents if the city pays for it without state funding.

Councilor Lundberg said cost city has to bear because this project is 40B is a separate pot of money from the AHT which is fulfilling a mission as the trustees sees fit. How the city funds its own project is the city's responsibility and is separate issue from what is before the Committee. He said that having read the AHT mission statement, this \$10,000 contribution is consistent with it.

Mr. Daniel clarified some previous misinformation by saying that that even with city land and city money it is illegal to make a housing project 100 percent for Gloucester residents. They can do veteran's preferences but it is harder to do the resident preference.

Councilor Orlando asked if there were any other applications for other projects that the AHT is considering to put money into. **Mr. Daniel** said no applications pending now. The Mayor talked about some opportunities with city-owned lands that these funds could be accessed for but there are no applications pending for funding.

Councilor Gilman suggested Councilors attend the Gloucester Housing Production Plan forum on Wednesday, Jan. 27 from 6:00 p.m. to 8:00 p.m. at City Hall, in Kyrouz Auditorium. She asked **Mr. Daniel** if it would be possible to put at the beginning of the session that information is provided to clarify any misnomers in the community to make sure the process is working interactively to come up with projection plan that people are in compliance with the spirit of the law.

Responding to an inquiry by **Councilor Orlando, Kenny Costa**, City Auditor, said that there hasn't been any money put into the Trust account in the last 10 years. **Debbie Laurie**, Senior Project Manager with Community Development added that there haven't been any projects over 12 units that might trigger a contribution if the project didn't want to put in an affordable housing unit. **Mr. Destino** said by ordinance, 15 percent of a housing project over 12 units has to be affordable housing, and building such units is preferable rather than a contribution to the AHT. **Mr. Costa** confirmed that the last appropriation from the Trust was three years ago from the Taylor Street project.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Lundberg, the Budget & Finance Committee voted 2 in favor, 1 (Orlando) opposed, to recommend that the City Council appropriate \$10,000.00 for an affordable housing project as requested by the Affordable Housing Trust Committee for the 206 Main Street LP, Harbor Village Housing Project from Fund# 820022, Affordable Housing Trust fund for the purpose of supporting the creation of affordable rental units for households earning no more than 60 percent to Area Median Income adjusted for household size. Units shall carry a State Affordable Housing Restriction in perpetuity.

6. Memorandum from Community Development Director for approval of a Community Preservation off-cycle recommendation for Stage Fort Park restroom renovations in the amount of \$50,000

Ms. Laurie said that the Community Preservation Committee (CPC) has received an off-cycle application for funding of \$50,000 to support the State Fort Park Visitor's Center Restroom Renovations Project from the Department of Public Works for better ADA access and tie into city sewer.

Mr. Cole said there is a men's and ladies room with a handicapped stall in each room and doesn't meet today's Code. He said between the two rest rooms is a small office used in the past for a restroom attendant, and as a first aid room. He explained that the plan is to gut the bathrooms, put in all new fixtures to meet ADA requirements by: installing new plumbing fixtures; installing new stall partitions; installing new lighting and ceiling tiles; removing old shower stalls and turn them into baby changing stations; install a new rooftop exhaust unit; installing new windows in each room that have been boarded up for years and tying the bathrooms into the city's sewer system. The middle room will be a unisex handicapped bathroom and replacing the outside door to make it completely handicapped accessible for wheelchair entry. He said the DPW has an outside cleaning contractor for the Police Station and are talking to them about the addition of the Visitor Center restroom to be professionally cleaned 7 days a week. He noted that in the 17 years he's been with the city, they've not done anything to the Visitor Center bathrooms. With the volume of people in and out of the Visitor's Center nine months of the year this is a worthwhile project he said. **Mr. Destino** extended the Administration's thanks to the CPC for taking up this off-cycle application.

Councilor Orlando said that with two large city beaches that every summer are overcrowded to the extent where they have to be turned away at Route 128's exit 14. If they are telling people to come to Gloucester to spend their money they need to have other places for people to go and in turn having good facilities for them to use is important.

COMMITTEE RECOMMENDATION: On motion by Councilor Memhard, seconded by Councilor Lundberg, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council appropriate \$50,000 (Fifty Thousand Dollars) from the Community Preservation Act funds as recommended by the Community Preservation Committee to provide off-cycle funding for the purpose of the City of Gloucester Public Works Department to support renovations at the Stage Fort Park Visitor's Center to include extensive reconstruction of the public restroom facilities to meet ADA requirements. The renovation and reconstruction work will consist of: Installation of new plumbing fixtures; new stall partitions; new lighting and ceiling tiles; remove old shower stalls and create baby changing stations; install new rooftop exhaust unit and install new windows in each room that have been previously boarded up. The Public Works Department also agrees to be responsible for the future cleaning and maintenance of the Stage Fort Park Visitor Center's rooms. The appropriation will be allocated to the Open Space category and funded by up to \$50,000 from Unreserved Fund Balance in Fund #270000. The project will be tracked in the Community Preservation Fund Capital Projects – Open Space Capital Projects Fund #340013.

This matter will be advertised for public hearing.

7. Memorandum from Community Development Director for approval of two grants from Mass. Cultural Council in the amount of \$4,000 for support of Gloucester Harbortown Cultural District and \$5,000 for support of the Rocky Neck Cultural District

Mr. Daniel explained that these two grants were received from the Massachusetts Cultural Council in support of its two cultural districts. The state, until now, hasn't provided funding support and has initiated this new grant to apply which cultural districts can apply for up to \$5,000 in funding. The grants have a one-to-one match requirement, and the MCC requires the funds be awarded to the cultural districts through the city. He reported that: The grant requires that the projects be completed by June 30, 2016. The Harbortown Cultural District intends to use the grant to fund non-permanent creative place making projects – to engage more people in the district and have more artists in the downtown. The idea is to have this take place over Memorial Day weekend with a series of projects going on, although not known yet, and are meant to engage the community with artists and performers in a variety of venues and styles. This will not take place on municipal property but at a variety of locations of the cultural district's partners. This money will pay for the artists. They will meet the match requirement by using the \$4,000 included in the city's FY16 budget for the district.

Councilor Memhard acknowledged the Committee's receipt of an email in support of the acceptance of the \$4,000 Mass. Cultural Council grant for the Harbortown Cultural District from Rebecca Borden, Chair of the Harbortown Cultural District who was unable to attend. The email was placed on file.

Suzanne Gilbert Lee, representing the Rocky Neck Cultural District, noted that the Rocky Neck Cultural District intends to use the grant funds for marketing and for programming. The marketing portion would cover the design and production of a Rocky Neck Cultural District walking map and brochure, converting the Rocky Neck Art Colony sign on the Neck's causeway to a Cultural District sign. The programming to be funded is a unique exhibit that is partnered by two Cultural District members, the North Shore Art Association and the Ocean Alliance for an exhibit entitled, "The Art of Science."

Councilor Orlando discussed acceptance process with **Mr. Costa** and **Mr. Daniel**. **Councilor Orlando** briefly discussed with how the cultural districts are funded. **Mr. Destino** said that for years the city has given a very small amount of funding to the Cultural Council which was cut from \$7,000 to \$4,000 in FY16, almost a 40 percent cut. The cultural districts are leveraging that budgeted money to seek out grant funding to be used to support the cultural districts. There is no additional funding on the part of the city, he said. He assured that the match is not additional funding by the city, but is a leveraging of funding already in place.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Lundberg, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A a state grant from the Massachusetts Cultural Council a FY16 Cultural District Initiative Grant in the amount of \$4,000 for the purpose of supporting the Harbortown Cultural District. All funds for grant awards are to be spent by June 30, 2016. Matching funds must be raised by June 30, 2016 and is a 1:1 cash match.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A a state grant from the Massachusetts Cultural Council a FY16 Cultural District Initiative Grant in the amount of \$5,000 for the purpose of supporting the Rocky Neck Cultural District. All funds for grant awards are to be spent by June 30, 2016. Matching funds must be raised by June 30, 2016 and is a 1:1 cash match.

8. *Memorandum from Health Department for acceptance of a Nicotine Delivery Device Mini-Grant in the amount of \$1,000 from Health Resources*

Max Schenk, Acting Public Health Director, representing the Healthy Gloucester Collaborative, explained that before the Committee is a small mini-grant in the amount of \$1,000. The so-called '84 Movement' through the organization, Health Resources in Action, is the funding source of the mini-grant award. The Healthy Gloucester Collaborative sponsors the city's Youth Council. With these funds the Youth Council leaders will educate other students about e-cigarettes and marketing tactics that tobacco companies are using to target youth via flavors. There already is a school policy in place where e-cigarettes are considered like tobacco cigarettes, and that this funding is more related to educating youth and staff to the dangers regardless of the perception.

Councilor Gilman noted that on Feb. 15 the City of Boston's new ordinance goes into effect to make the purchase of tobacco related projects a mandatory age of 21 years old and that 86 municipalities in the Commonwealth have taken that on as well. She noted that in the same spirit the Gloucester Board of Health put out in 2014 documentation on all of this and she asked that they consider such an initiative. **Mr. Schenk** said he sent a memo to the Mayor about just that thing, and on Feb. 4 the Board of Health will meet at the City Hall Annex on Pond Road in the CATA training room to discuss raising the minimum purchase age for tobacco and e-cigarettes to 21 years old. He said there will be education for Councilors, and the opportunity to participate at an informational meeting. The department has started outreach to thirteen city businesses that have tobacco permits as well as other businesses. He touched upon an initiative for city restaurants that allow smoking in their outdoor spaces to keep non-smoking areas from second-hand smoke.

Councilor Lundberg said anything to support the Healthy Gloucester Collaborative's Youth Council is important, adding that the members are great student leaders.

COMMITTEE RECOMMENDATION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A a private grant from Health Resources in Action for a Nicotine Delivery Device Mini-Grant in the amount of \$1,000. The purpose of this grant is to fund the Gloucester Youth Council efforts in conjunction with School Administration to work to create a school policy to include guidelines for the use of nicotine delivery devices such as e-cigarettes and provide educational outreach to the school community.

Mr. Destino noted that Mr. Schenk has been named to the post of Assistant Public Health Director, a job in reality he's been doing over the last four years, and is leading the department at this time since the departure this month of Noreen Burke, the Public Health Director.

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

Mr. Costa reviewed his reports with the Committee.

A motion was made, seconded and voted unanimously to adjourn the meeting at 7:10 p.m.

Respectfully submitted,

Dana C. Jorgenson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- Email dated January 20, 2015 from Rebecca Borden, Chair of the Harbortown Cultural District in support of the City Council acceptance of the \$4,000 Mass. Cultural Council grant.