

**GLOUCESTER CITY COUNCIL MEETING**

Tuesday, April 25, 2017 – 7:00 p.m.

Kyrouz Auditorium – City Hall

**-MINUTES-**

**Present:** Chair, Councilor Joseph Ciolino; Vice Chair, Steven LeBlanc, Jr.; Councilor Melissa Cox; Councilor Paul Lundberg; Councilor Valerie Gilman; Councilor Scott Memhard; Councilor Sean Nolan; Councilor James O'Hara; Councilor Joseph Orlando, Jr.

**Absent:**

**Also Present:** Mayor Sefatia Theken; Joanne Senos; Jim Destino; Kenny Costa; Chip Payson; John Dunn; Interim Police Chief John McCarthy; Lt. David Quinn; Gregg Cademartori; Chris Sicuranza; Matt Coogan; James Pope; Sal DiStefano; Bill Sanborn; Nancy Papows; Harbormaster T.J. Ciarametaro; Grace Poirier; Dr. Richard Safier; Jonathan Pope; Tony Gross; Melissa Teixeira; Kathy Clancy; Michelle Sweet; Joel Favazza; Rick Noonan

The meeting was called to order at 7:00 p.m. The Council President announced that this meeting is recorded by video and audio in accordance with state Open Meeting Law.

**Flag Salute & Moment of Silence.** Councilor Gilman dedicated the Moment of Silence to City Councilor Jackie Hardy, a former cheerleader with Gloucester High School and the city's greatest cheerleader. Council President Ciolino pointed out a plaque dedicated to Councilor Hardy affixed to the Council dais in her honor.

**Oral Communications:**

**Ronn Gary**, 209 Atlantic Road, asked the Council to adopt his proposal for the creation of a Beaches and Parks Department which he said is to "safeguard" Good Harbor Beach, Wingaersheek Beach and Stage Fort Park to oversee those city properties for the allocation and management of all revenues, expenses, including labor, under the control and oversight of the City auditor and potentially managed by the Tourism Commission. He then read through his written proposal (placed on file) for a possible Code of Ordinances amendment article by article. Noting that the B&F Committee met last week, where the Outside Auditor gave his report, in particular on that the Waterways and Harbormaster's Department saying that the strides made by the Harbormaster's Department are the same which should be made for such city income-producing assets. Department has made strides of improvements as noted in that report (on file) which he briefly reviewed.

**Loren French**, 183 East Main Street, offered his commendation to Councilors Memhard and O'Hara for their help with East Gloucester residents in negotiating the noise complaints to establish a violation with help of the Dept. of Public Health and Dept. of Environmental Protection through the city's Health Department with regards to the Americold facility at 159 East Main Street housing National Fish. He indicated by analogy that the resolution of the residents' concerns seems unclear. He said that the residents have used civic rules and regulations to put their case forward but are not seeing the enforcement. He asked that the Council to follow through and requested that the Council direct the Mayor to direct the Building Inspector to enforce the penalties for code violations and that the Ward 1 Councilor be kept up to date with the efforts on the city's part and the Americold remediation efforts.

**David Murray**, 11 Plum Street, asked the Council to enforce the noise ordinance with regard to the Americold facility at 159 East Main Street and submitted documentation from the Health Department along with his written statement. He described the noise complaint made in November 2016 by Mr. French, with previous complaints recorded by the department, with no enforcement taking place, he indicated. He recounted neighborhood meetings and that Ron Turcotte of Americold, saying that Americold would work to fix the problems regardless what their own study they would undertake would reveal. He indicated that Mr. Turcotte had assured the residents he would stop trucks from idling all night at their East Gloucester facility and that the turnarounds in East Gloucester Square, citing an incident of a truck striking a building and leaving the scene, would be reduced by the erection of directional signs on East Main Street. He said Mr. Turcotte has not yet to respond to the residents and that better signage has not been installed and no issues raised by residents have been addressed a month later. He asked that the Council and the Mayor ask that the Building Inspector to enforce the city's noise ordinance. Noise from the facility has become worse with each passing year, he said.

**Neil Costa**, 134 East Main Street, asked that there be resolution with the Americold facility at 159 East Main Street, that the city takes action citing concern for his two young children, demanding action on the city's part. He, too, mentioned that there were trucks still idling overnight at the East Gloucester Americold facility, as he experienced just the previous evening.

**Presentations/Commendations:****1 of 2: Recognition of the GHS National Championship Cheerleaders and Coaches**

**Joanne Senos**, City Clerk, acknowledged the School Committee members present and the High School's Athletic Director, Judy Smith; Erica Mitchell, Head Coach; Nicole Corrao, Assistant Coach and Eric Bichao, Choreographer

**Mayor Sefatia Theken** read her citation congratulating the GHS Cheerleading coaches for winning the 2016-2017 COA Ultimate International Championship, held at the Gaylord Palms Resort & Convention Center on April 14 and April 15, 2017, in Orlando, Florida. The first Mayoral citation was issued to: Erica Mitchell, Head Coach, Nicole Corrao, Assistant Coach and Eric Bichao, Choreographer and mentioning Judy Smith, the GHS Athletic Director. She then read her citation congratulating the entire GHS cheerleading squad:

Grace Brancaleone, <i>Captain</i>	Bridie Newhall	Kevyn Chandler
Lexi McRobb, <i>Captain</i>	Jillian Gross	Julia Harrison
Gianna Sanfilippo, <i>Captain</i>	Talia Sanfilippo	Abbey Mitchell
Julia Allen	Tara Aquipel	Rilee Newhall
	Juliana Bolognese	

**Dr. Richard Safier**, Superintendent, read a special citation from the School Committee and himself presented to the coaches, the Athletic Director on winning the COA Ultimate Championship in April.

**Jonathan Pope**, School Committee Chair, pointed out that the GHS Cheerleaders have won the Northeast Championship for the last four years, capping that four year run with a national championship and read a citation in the GHS cheerleading team's honor.

**Council President Ciolino** then read the City Council's citation saluting the coaches, and the Athletic Director for their GHS Cheerleading team winning the COA Ultimate National Championship. In addition, **Council President Ciolino** read a Council citation celebrating the national championship winning GHS cheerleading team.

**The Council recessed at 7:32 and reconvened at 7:38 p.m.**

**2 of 2: Ralph R. Willmer, MAPC Principal Planner re: Gloucester Housing Production Plan Presentation**

**Gregg Cademartori**, Acting Community Development Director, said this is a beginning of an implementation of a valuable plan of the city. He introduced the city's Housing Production Plan consultant, Ralph Willmer, FAICP, Principal Planner, with the Metropolitan Area Planning Council (MAPC) who provided technical assistance for the drafting of the city's Housing Production Plan (HPP). This documentation has been available on the city's website for the public to view some time now, he said. He reviewed the two public forums on this matter briefly as well as highlighting a working group comprised of Councilor Paul Lundberg, city staff from the Planning and Grants divisions of the Community Development Department, representatives of the Affordable Housing Trust (AHT), the Planning Board, and a member of the Community Preservation Committee.

*\*NOTE: The Comprehensive Permit Act is a [state](#) law which allows developers of affordable housing to override certain aspects of municipal zoning bylaws and other requirements. It consists of Massachusetts General Laws (M.G.L.) Chapter 40B, Sections 20 through 23, along with associated regulations issued and administered by the Massachusetts Department of Housing and Community Development. Chapter 40B was enacted in 1969 to address the shortage of affordable housing statewide by reducing barriers created by local municipal building permit approval processes, local zoning, and other restrictions. Its goal is to encourage the production of [affordable housing](#) in all communities throughout the Commonwealth. For the purposes of this statute, affordable housing is defined as a unit which could be purchased or rented by a household making up to 80% of the [median](#) income of the area. Such housing must be subject to affordable housing restrictions to preserve affordability in the long term.*

**Mr. Willmer** highlighted the following items from the city's Housing Production Plan (HPP) (on file):

- **Housing Planning Brief History:** Comprehensive Plan 2001; Downtown Working Plan 2013; Reimagining Railroad Ave. TOD Plan 2014; Downtown Market Study 2014 (by the MAPC); Consolidated Plan 2015; Housing Production Plan 2017; and HPP Implementation 2017-2022.
- **HPP Public Process:** Working Group was noted to be consisted of Councilor Paul Lundberg, representatives of: The Affordable Housing Trust, the Planning Board, the Gloucester Housing Authority, and Community Development staff. The working group met with Mr. Wilmer several times during the planning process. Public forums were held January 2016 and October 2016 with the Planning Board recommending HPP adoption March 2, 2017 and Planning & Development Committee on March 8, 2017.

- **Definition of HPP:** HPP guides housing development within a community and is composed of: a comprehensive housing needs assessment (various demographics, housing stock, etc.); affordable housing goals and objectives; analysis of development constraints and opportunities; and implementation strategies.
- **Comprehensive Needs Assessment:** Increase in number of households by 2030 (with population decreasing and average size of households will decrease); 60% of householders will be over 60 yrs. old by 2030; approximately 50% of the housing stock built before 1939; 62% of households are in owner-occupied homes and 38% are in renter-occupied; Gloucester's Median Household Income (MHI) is \$60,229; an estimated 10% of the population lives below the poverty line (ACS 2010-2014).
- **Cost Burden in Gloucester:** 43% of all households are cost burdened (what people pay for housing); 19% severely cost burdened (spend more than 50% of income on housing); 41% of owner-occupied households are cost burdened and 45% for renters; 65% of all low-to-moderate income households (less than 80% Area Median Income or AMI) are cost burdened; 35% severely cost burdened; 48% of households with people over 62 are cost burdened.
- **Housing Need:** To meet future housing needs the MAPC Estimate – 2010-2020 – 434 new multi-family; 192 new single family. Actual Production in Gloucester from 2010-2016: 67 new multifamily (15% of the need) and 168 new single family (88% of the need).
- **Affordable Housing:** Maximum allowable rents (not including utilities) for subsidized units in Boston Metro Statistical Area (MSA) were reviewed as in 2017 according to HUD: Efficiency \$1,194; One-Bedroom \$1,372; Two-Bedroom \$1,691; Three-Bedroom \$2,116; Four-Bedroom \$2,331. Gloucester Rental Prices from Nov. 2015 to May 2016: Efficiency \$735-\$1,413; One-Bedroom \$707-\$1,622; Two-Bedroom \$646-\$2,484; Three-Bedroom \$858-\$2,422 and Four-Bedroom \$2,900. \$1,506 per month housing cost would be 30% of Gloucester Median Income (\$60,229) and Median Gross Rent in Gloucester is \$975.
- **Current Tools:** The city has been very active in the housing field with many programs in place. Several deal with preservation of the existing housing stock. Various programs offered to the public were noted for housing assistance such as the Housing Rehabilitation Program, First Time Home Buyer Program, Inclusionary housing ordinance; Affordable Housing Trust fund dedicated to providing funding or housing rehab or financial assistance for a variety of programs along with CPA funding, MassSave and Community Initiative, local non-profits and foundations, etc.
- **Constraints:** Zoning; sewer and water issues; wetlands/floodplain/conservation lands for natural resources protection and coastal vulnerability.
- **Housing Goals** were briefly touched upon to create opportunities to develop a diverse and affordable housing stock to meet the needs of a changing demographic profile in the city, encourage affordable housing development to achieve, exceed and maintain the Chapter 40B 10% affordable housing units goal and several other points were reviewed.
- **Summary:** Continue to use existing tools to create affordable units; continue to develop partnerships and collaboration to create affordable housing; retool zoning to accommodate housing needs consistent with community values; utilize and maximize CPA, AHTF funds to create housing and promote safe, energy efficient housing.
- **Next Steps:** Adoption of the HPP by the Council and submission of the HPP to the state's Department of DHCD and then implementation.

**Gregg Cademartori** mentioned the members of the working group but mentioned the many resources available through the Community Development Department: Paul Lundberg, City Council, Bill Dugan, CPA committee, Bob Gillis and Ruth Pino, AHT and Ken Hecht and Shawn Henry from the Planning Board.

**Councilor Gilman** said that at P&D she had mentioned that all the HPP goals require some timetables, and some specific dates. She noted some goals are Council related but most are Community Development related, all of which are very important and holds them all accountable. She commended the quality of the Draft HPP.

**With the unanimous assent of the Council the matter of “For Council Vote, the Planning & Development Committee Report of 03/08/17 re: Gloucester Housing Production Plan” was permitted to be taken up as follows:**

COMMITTEE RECOMMENDATION: On a motion by Councilor Cox, seconded by Councilor Gilman, the Planning & Development Committee voted 3 in favor, 0 opposed, to recommend that the City Council adopt the

February 2017 Draft of the Gloucester Housing Production Plan, prepared for the City of Gloucester by the Metropolitan Area Planning Council.

**DISCUSSION:** None.

**MOTION: On a motion by Councilor Lundberg, seconded by Councilor Cox, the City Council voted 9 in favor, 0 opposed, to adopt the February 2017 Draft of the Gloucester Housing Production Plan, prepared for the City of Gloucester by the Metropolitan Area Planning Council.**

**Consent Agenda:**

- **MAYOR'S REPORT**
  1. New Appointments: Cemetery Advisory Committee TTE 02/14/20 Carol A. Kelley (Refer O&A)  
Council on Aging TTE 02/14/20 Roseanne Cody  
Historical Commission TTE 02/14/20 Helen "Holly" Clay, Jude Seminara
  2. Memorandum from Interim Community Development Director re: renewal of Rocky Neck Cultural District designation (Refer P&D)
  3. Memorandum from Conservation Agent re: proposal to establish a ticketing procedure for violations of wetlands protection statutes and regulations (Refer O&A)
  4. Memorandum from Personnel Director re: proposed updates to terms and appointments for specific city staff positions (Refer O&A)
  5. Special Budgetary Transfer Request (2017-SBT-21) from the Fire Department (Refer B&F)
  6. Special Budgetary Transfer Request (2017-SBT-22) from the Fire Department (Refer B&F)
  7. Supplemental Appropriation-Budgetary Transfer Request (2017-SA-35) from Public Works Department (Refer B&F)
  8. Supplemental Appropriation-Budgetary Transfer Request (2017-SA-35) from Public Works Department (Refer B&F)
  9. Memorandum from EMS Coordinator re: updated Ambulance Billing Policies as part of the yearly process (Refer B&F)
  10. Invitation from Senior Planner re: invitation to Gloucester Green official launch on 04/27/17 (Info Only )
  11. Invitation from City Clerk's Office re: Municipal Clerks Week – Clerks Showcase of Local Officials on 05/08/17 (Info Only)
    - **COMMUNICATIONS/INVITATIONS**
    - **APPLICATIONS/PETITIONS**
      1. SCP2017-006: Great Republic Drive #38, Map 263, Lot 64, GZO Sec. 1.5.3(c), 5.7 "Major Project" and 5.27 "Medical Marijuana Treatment Centers and Medical Marijuana Cultivation Facilities" (Refer P&D)
    - **COUNCILORS ORDERS**
      1. CC0217-011 (Cox): Request that the Traffic Commission review the parking spots and traffic flow on Pleasant Street from Franklin Square to 32 Pleasant Street to address the safety issue of two-way traffic, and depending on review, recommend to Council possible GCO amendments (Refer O&A & TC)
      2. CC2017-012 (Cox) Request amendment to GCO c. 22, Sec. 22-288 "Off-street parking areas" the Town Landing parking lot (St. Peter's Square)
        - **APPROVAL OF MINUTES FROM PREVIOUS COUNCIL AND STANDING COMMITTEE MEETINGS**
          1. City Council Meeting: April 11, 2017 (Approve/File)
          2. Standing Committee Meetings: B&F 04/20/17, O&A 04/17/17 (No meeting), Joint Meeting P&D & Planning Bd. 02/16/17, P&D 04/19/17 (under separate cover) (Approve/File)

**Items to be added/deleted from the Consent Agenda:**

**By unanimous consent of the Council the Consent Agenda was accepted as presented.**

**Committee Reports:**

**Budget & Finance: April 20, 2017**

**Councilor Memhard**, before presenting the Budget & Finance Unanimous Consent Agenda "A" asked if any Councilors had questions or wished to pull any motions from the UCA "A."

**MOTION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to accept the Budget & Finance Committee Unanimous Consent Agenda "A" as follows:**

**MOTION: On motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to approve Supplemental Appropriation 2017-SA-22 in the amount of \$700.00 (Seven Hundred Dollars) from the Waterways Enterprise Fund, Undesignated Fund Balance Retained Earnings ("Free Cash"), Account #7000-359000 to the Waterways Enterprise Fund, Uniforms, Account #700052-558006 for the purpose of purchasing a new uniforms for Harbormaster's Department personnel.**

**MOTION: On motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to approve Supplemental Appropriation 2017-SA-23 in the amount of \$4,000.00 (Four Thousand Dollars) from the Waterways Enterprise Fund, Undesignated Fund Balance Retained Earnings (“Free Cash”), Account #7000-359000 to the Waterways Enterprise Fund, Salaries & Wages Temporary, Account #700051-512000, for the purpose of funding seasonal Harbormaster’s Department salaries and wages.**

**MOTION: On motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to approve Supplemental Appropriation 2017-SA-24 in the amount of \$2,500.00 (Two Thousand Five Hundred Dollars) from the Waterways Enterprise Fund, Undesignated Fund Balance Retained Earnings (“Free Cash”), Account #7000-359000 to the Waterways Enterprise Fund, Computer Equipment not Capitalized, Account #700052-542007 for the purpose of upgrading Harbormaster’s Department computer equipment.**

**MOTION: On motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to approve Supplemental Appropriation 2017-SA-25 in the amount of \$2,000.00 (Two Thousand Dollars) from the Harbor Cove Stabilization Fund, Transfer to Enterprise Fund, Account #71025-596005 to Waterways Enterprise Fund, Infrastructure-Boat Facilities, Account #700058-588008, for the purpose of funding repairs to docks at Harbor Cove.**

**MOTION: On motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to approve Supplemental Appropriation 2017-SA-26 in the amount of \$5,000.00 (Five Thousand Dollars) from the Waterways Enterprise Fund, Undesignated Fund Balance Retained Earnings (“Free Cash”), Account #7000-359000 to the Waterways Enterprise Fund, Repairs & Maintenance - Boat & Marine Maintenance, Account #700052-524037 for the purpose of upgrading Harbormaster’s Department boat and marine maintenance.**

**MOTION: On motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to approve Supplemental Appropriation 2017-SA-31 in the amount of \$8,700.00 (Eight Thousand Seven Hundred Dollars) from the Waterways Enterprise Fund, Undesignated Fund Balance Retained Earnings (“Free Cash”), Account #7000-359000 to CIP-Solomon Jacobs Park Improvement-Infrastructure-Boating Facilities, Account #70055-588008 for the purpose of completing dock systems at Solomon Jacobs Pier Project.**

**MOTION: On motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to approve Supplemental Appropriation 2017-SA-32 in the amount of \$11,000.00 (Eleven Thousand Dollars) from the Capital Projects Stabilization Fund-Dun Fudgin Boat Ramp, Account #71005-596005 to CIP-Solomon Jacobs Park Improvement-Infrastructure-Boating Facilities, Account #70055-588008 for the purpose of completing dock systems at Solomon Jacobs Pier Project.**

**MOTION: On motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to approve Supplemental Appropriation 2017-SA-33 in the amount of \$8,000.00 (Eight Thousand Dollars) from the Municipal Waterways Improvement & Maintenance Fund, Transfer to Enterprise Fund, Account #32125-596005 to CIP-Solomon Jacobs Park Improvement-Infrastructure-Boating Facilities, Account #70055-588008 for the purpose of completing dock systems at Solomon Jacobs Pier.**

**MOTION: On motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to approve Supplemental Appropriation 2017-SA-34 in the amount of \$12,000.00 (Twelve Thousand Dollars) from the Stabilization-Port Maintenance & Mitigation, Undesignated Fund Balance, Account #7800-359000 to CIP-Solomon Jacobs Park Improvement, Infrastructure-Boating Facilities, Account #70055-588008 for the purpose of completing dock systems at Solomon Jacobs Pier Project.**

**\*\*\* END B&F CONSENT AGENDA "A" \*\*\***

**Councilor Memhard**, before presenting the Budget & Finance Unanimous Consent Agenda "B" asked if any Councilors had questions or wished to pull any motions from the UCA "B."

**MOTION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted 9 in favor, 0 opposed, to accept the Budget & Finance Committee Unanimous Consent Agenda "B" as follows:**

**MOTION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted 9 in favor, 0 opposed, under MGL c. 44, §53A to accept a private grant from the Police Assisted Addiction and Recovery Initiative (PAARD), a FY17 PAARI Transportation Grant to the Gloucester Police Department for up to \$5,000 for the purpose of providing transportation for the City of Gloucester's Angel Program participants, as well as any other direct program-related expenses incurred from July 1, 2016 through June 30, 2018. This grant has no city match funding requirements.**

**MOTION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted 9 in favor, 0 opposed, under MGL c. 44, §53A to accept a federal grant amendment to the Mass. Opiate Abuse Prevention Grant from the Substance Abuse and Mental Health Services Administration (SAMHSA) through Mass. Department of Public Health (MDPH) Bureau of Substance Abuse Services (BSAS) to increase the grant contract amount by \$73,000 for a revised maximum obligation of \$173,000 effective through June 30, 2017. There is an in-kind grant match covered by city staffing, materials and equipment.**

**MOTION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted 9 in favor, 0 opposed, under MGL c. 44, §53A to accept a private grant from Blue Cross Blue Shield of MA Foundation through the 2017 Catalyst Fund Grant for a total amount of \$5,000. The grant funding will be used to partially fund the purchase of a hand-held x-ray system for the city's Children's Dental Center. The length of this grant is for one year, from April 1, 2017 to March 31, 2018.**

**MOTION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted 9 in favor, 0 opposed, to approve Special Budgetary Transfer 2017-SBT-19 in the amount of \$800.00 (Eight Hundred Dollars) from Inspectional Services, Dues & Membership, Account #0124152-573000, to Inspectional Services, Salaries & Wages Temporary, Account #0124151-512000 for the purpose of covering an account shortfall to pay for the services of a temporary electrical inspector.**

**MOTION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted 9 in favor, 0 opposed, to approve Special Budgetary Transfer 2017-SBT-20 in the amount of \$800.00 (Eight Hundred Dollars) from Inspectional Services, Printing & Stationery, Account #0124152-542001, to Inspectional Services, Salaries & Wages Temporary, Account #0124151-512000 for the purpose of covering an account shortfall to pay for the services of a temporary electrical inspector.**

**MOTION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted 9 in favor, 0 opposed to approve Special Budgetary Transfer 2017-SBT-18 in the amount of \$1,000.00 from Account #0113551-511000, Auditor's Office, Salaries, to Account #0113552-530009, Auditor's Office, Accounting & Auditing, for the purpose of funding a portion of additional services provided by the outside audit firm related to fixed assets for the FY2016 Financial Statement Report.**

**\*\*\* END B&F CONSENT AGENDA "B" \*\*\***

**COMMITTEE RECOMMENDATION: On motion by Councilor O'Hara, seconded by Councilor Nolan, the Budget & Finance Committee voted 3 in favor, 0 opposed to recommend that the City Council approve the Request for Proposal #17095 Disposition by Sale of Maplewood Avenue #120 also known as the Maplewood School pursuant to the terms and conditions as stated therein as submitted by the Administration and as submitted to the City Council, and that the minimum bid is set at \$250,000.**

**DISCUSSION: None.**

**MOTION: On motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted 9 in favor, 0 opposed, to approve the Request for Proposal #17095 Disposition by Sale of Maplewood Avenue, #120 also known as the Maplewood School pursuant to the terms and conditions as stated therein as submitted by the Administration and as submitted to the City Council, and that the minimum bid is set at \$250,000.**

**Ordinances & Administration: April 17, 2017 (Holiday – No Meeting)**

**Planning & Development: April 19, 2017**

**There are no matters for Council action under this heading from the April 19, 2017 P&D Committee meeting.**

**Scheduled Public Hearings:**

- 1. PH2017-021: Tax Increment Finance Agreement between the City of Gloucester and Glass Tech Boat Servicing, LLC, 8 Kondelin Road, Map 198, Lot 31**

**This public hearing is opened at 8:03 p.m.**

**Those speaking in favor:**

**Sal DiStefano**, Economic Development Director explained that it is the recommendation of the city's Tax Increment Finance (TIF) Committee that the city with the Council's support consider entering into a local TIF agreement between the City of Gloucester and Glass Tech Boat Service LLC, 8 Kondelin Road at the Cape Ann Industrial Park. He said the Administration supports and encourages small business in the city and expands the commercial tax base. In order to incentivize investment, the city seeks to utilize the Tax Increment Financing tools, he noted. Glass Tech Boat Service LLC, a full service boat storage and boat repair/maintenance facility was founded in 1995, owned by Jeffrey and Nadina Wilk, local residents. He said that Glass Tech employs five employees, mostly Gloucester residents. He indicated that Glass Tech is now beyond its physical capacity which is the reason for this TIF request by Mr. Wilk – in order to support the construction of a new 60 feet by 120 feet storage facility to expand Glass Tech's boat repair, maintenance, storage and future manufacturing facility. It is Mr. Wilk's desire to expand his company's manufacturing line to go into production for a new 19 foot fiberglass boat called the "Gloucester 19," for which he already has seven pre-orders. This investment will be over \$500,000, he pointed out.

He pointed out that this is strictly a local proposal; therefore, the TIF Committee voted to approve the TIF agreement with a seven year term and a 50% increment discount of the future tax increase assessed after construction starting (in FY2019). The estimated savings of the TIF over seven years is \$22,749.35 and tax revenue will go up by that amount (Note: The TIF discount would be on the added tax levied after the improvement to the property). The business intends conservatively to hire at least three additional full-time employees over the time period of the proposed TIF, he said. He expressed his belief the company will continue to grow and introduced Jeff and Nadina Wilk, Glass Tech Boat Service LLC owners.

**Jeffrey Wilk**, 5 Brierwood Street, owner of Glass Tech Boat Service LLC at 8 Kondelin Rd., said that he and his wife are looking to grow the business and hire more Gloucester residents. He explained currently they have five employees and with the creation of a manufacturing facility to build the Gloucester 19 boats it is estimated they will hire at least three local residents, but expect that number will expand. He said he and his wife are looking for assistance and support from the city to expand their business in order to hire more local people. **Nadina Wilk** added that she and her husband are proud that all their employees are local residents and want to grow their business and hire many more Gloucester residents. She said they have a great demand for their services, and that their employees are very proud of their work as they are of their employees. She advised that Glass Tech have seven pre-orders for the Gloucester 19 boat. She asked for the support of the city for the Glass Tech TIF request.

**Those speaking in opposition: None.**

**Communications: None.**

**Councilor Questions: None.**

**This public hearing is closed at 8:09 p.m.**

**COMMITTEE RECOMMENDATION: On a motion by Councilor O'Hara, seconded by Councilor Ciolino, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council:**

- 1) Adopt the Tax Increment Financing (TIF) Plan and Agreement between the City of Gloucester and Glass Tech Boat Service LLC, for a duration of seven (7) years, for a property located at 8 Kondelin Road, as shown on Assessors Map 198, Lot 31; and to
- 2) Approve the project application and find that it meets the requirements of MGL c. 23A, §3F in that it provides a reasonable opportunity to create jobs within the City of Gloucester as indicated in the TIF plan.

**Councilor Memhard** then immediately offered an amendment to the main motion to strike “2) Approve the project application and find that it meets the requirements of MGL c. 23A, §3F in that it provides a reasonable opportunity to create jobs within the City of Gloucester as indicated in the TIF plan, and to ADD as follows: “2) Authorize the Mayor to execute the TIF agreement and submit all necessary documents to the Economic Assistance Coordinating Council to the Commonwealth of Massachusetts (EACC), and to take any other action as necessary and appropriate to implement the provisions of those documents.” The amendment was seconded by **Councilor Orlando**.

**Councilor Memhard** explained that for clarity, because this is a local only TIF proposal and to be consistent with the state’s Economic Development Incentive Program requirements, the second portion of the main motion needs to be modified.

**MOTION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted 9 in favor, 0 opposed, to amend the main motion for the adoption of a Tax Increment Financing for Glass Tech Boat Service LLC by striking “2) Approve the project application and find that it meets the requirements of MGL c. 23A, §3F in that it provides a reasonable opportunity to create jobs within the City of Gloucester as indicated in the TIF plan,” and to ADD as follows: “2) Authorize the Mayor to execute the TIF agreement and submit all necessary documents to the Economic Assistance Coordinating Council to the Commonwealth of Massachusetts (EACC), and to take any other action as necessary and appropriate to implement the provisions of those documents.”**

**AMENDMENT PASSES.**

**MOTION: On a motion by Councilor Memhard, seconded by Councilor Orlando, the City Council voted 9 in favor, 0 opposed, as follows to:**

- 1) **Adopt the Tax Increment Financing (TIF) Plan and Agreement between the City of Gloucester and Glass Tech Boat Service LLC, for a duration of seven (7) years, for a property located at 8 Kondelin Road, as shown on Assessors Map 198, Lot 31; and to**
- 2) **Authorize the Mayor to execute the TIF agreement and submit all necessary documents to the Economic Assistance Coordinating Council to the Commonwealth of Massachusetts (EACC), and to take any other action as necessary and appropriate to implement the provisions of those documents.**
2. **PH2017-022: SCP2017-003: Commercial Street #44, Map 7, Lot 17 in the MI District for an Open Air Parking Space Permit pursuant to GZO Sec. 2.3.6.1 and GCO Sec. 22-153**

**This public hearing is opened at 8:13 p.m.**

**Those speaking in favor:**

**William Mondello**, 60 Western Avenue, Essex, MA, applicant for a Special Council Permit to operate a privately owned open-air parking lot in the MI District, at 44 Commercial Street conveyed that he is seeking to have an Open Air Parking Lot at 44 Commercial Street to what is a perceived need for just such a parking facility. He said this is leased property with many parking spaces. He advised that the warehouse on the property is a lobster company that needs limited space. The proposed hours of this open air parking lot would be 8:00 a.m. to 11:00 p.m. each day.

**Those speaking in opposition: None.**

**Communications: None.**

**Councilor Questions:**

**Councilor Cox** asked what the plan for the Open Air Lot is during the annual St. Peter's Fiesta. **Mr. Mondello** said that the parking lot would not be utilized during that time and will be closed as the street is closed for the duration of that event. **Councilor Cox** advised she would amend the main motion to add a condition regarding the closure of the parking lot during St. Peter's Fiesta.

**This public hearing is closed at 8:16 p.m.**

COMMITTEE RECOMMENDATION: On motion by Councilor Gilman, seconded by Councilor Nolan, the Planning & Development Committee voted 3 in favor, 0 opposed, to recommend that the City Council grant a Special Council Permit (SPC2017-003) under MGL c. 148, §56, GZO Section 2.3.6.1, "Parking of motor vehicles to service a use permitted in the MI District, and GCO Sec. 22-153 for an open air parking lot located at Commercial Street #44, Assessors Map 7, Lot 17, Zoned MI, to William Mondello, applicant, through owner of property at Commercial Street #44, Mac Bell for Cove Harbour, LLC, for the purpose of operating an open air parking lot which is found to be in harmony and purpose of GZO Sec. 1.8.3 with the following conditions:

1. That this License shall be valid from April 30, 2017 to May 1, 2022 upon payment of appropriate fees to the City Clerk;
2. That the number of cars allowed to park on the public accessible lot and not reserved for an existing industrial warehouse by tenant or owner use at any one time is limited to forty (40) with two (2) spaces designated as handicap parking, one (1) of which is to be handicap van accessible;
3. That the individual parking spaces shall be delineated and be in accordance with the lot plan approved by the Building Inspector and on file in the City Clerk's office upon adoption of decision of the City Council;
4. That any grassed and/or landscaped area(s) in the parking lot be kept neat and regularly maintained;
5. That an attendant shall be on duty at all times during hours of operation;
6. That the parking lot maintains a carry-in/carry-out trash policy and assures such a policy is adhered to by its paying patrons;
7. Signage: the following shall be posted on a sign to be erected by the applicant, The size and location of said sign to be agreed with the Building Inspector:
  - a. Fee for parking;
  - b. Number of cars allowed by the permit;
  - c. Hours of operation;
  - d. Specify for which businesses and places patrons may utilize parking lot for;
  - e. Parking lot trash policy of carry in/carry out;
8. That the Permit Fee is to be paid yearly to the City Clerk on April 30. The application is to be reviewed by the City Council in five (5) years unless it deems there is a cause to review the Permit sooner due to any violations of conditions herein.
9. The City of Gloucester shall not be held liable for any claims incurred by the parking lot operation;
10. That the applicant obtain a certificate of insurance in the aggregate amount of \$1 million naming the City of Gloucester as the Certificate Holder and that the coverage run for the duration of the yearly permit;
11. That the applicant have prepared and present a certified locus map of the Open Air Parking Lot showing all designated public parking spaces for a fee, indicate the location of the parking attendant, handicap spaces, and those spaces reserved for tenant parking, by a Professional Engineer to the City Council at the time of the public hearing.

**DISCUSSION:**

**Councilor Cox** moved to amend the main motion by adding condition #12 stating: "That the Open Air Parking Lot at #44 Commercial Street is to be closed for the duration of the St. Peter's Fiesta," which was seconded by **Councilor Orlando** in order to make it a part of the permanent record.

**AMENDMENT PASSES** on a vote of the City Council with 9 in favor, 0 opposed.

**MOTION: On motion by Councilor Lundberg, seconded by Councilor Cox, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to grant a Special Council Permit (SPC2017-003) under MGL c. 148, §56, GZO Section 2.3.6.1, "Parking of motor vehicles to service a use permitted in the MI District, and GCO Sec. 22-153 for an open air parking lot located at Commercial Street #44, Assessors Map 7, Lot 17, Zoned MI, to William**

**Mondello, applicant, through owner of property at Commercial Street #44, Mac Bell for Cove Harbour, LLC, for the purpose of operating an open air parking lot which is found to be in harmony and purpose of GZO Sec. 1.8.3 with the following conditions:**

1. That this License shall be valid from April 30, 2017 to May 1, 2022 upon payment of appropriate fees to the City Clerk;
  2. That the number of cars allowed to park on the public accessible lot and not reserved for an existing industrial warehouse by tenant or owner use at any one time is limited to forty (40) with two (2) spaces designated as handicap parking, one (1) of which is to be handicap van accessible;
  3. That the individual parking spaces shall be delineated and be in accordance with the lot plan approved by the Building Inspector and on file in the City Clerk's office upon adoption of decision of the City Council;
  4. That any grassed and/or landscaped area(s) in the parking lot be kept neat and regularly maintained;
  5. That an attendant shall be on duty at all times during hours of operation;
  6. That the parking lot maintains a carry-in/carry-out trash policy and assures such a policy is adhered to by its paying patrons;
  7. Signage: the following shall be posted on a sign to be erected by the applicant, The size and location of said sign to be agreed with the Building Inspector:
    - a. Fee for parking;
    - b. Number of cars allowed by the permit;
    - c. Hours of operation;
    - d. Specify for which businesses and places patrons may utilize parking lot for;
    - e. Parking lot trash policy of carry in/carry out;
  8. That the Permit Fee is to be paid yearly to the City Clerk on April 30. The application is to be reviewed by the City Council in five (5) years unless it deems there is a cause to review the Permit sooner due to any violations of conditions herein.
  9. The City of Gloucester shall not be held liable for any claims incurred by the parking lot operation;
  10. That the applicant obtain a certificate of insurance in the aggregate amount of \$1 million naming the City of Gloucester as the Certificate Holder and that the coverage run for the duration of the yearly permit;
  11. And that the applicant have prepared and present a certified locus map of the Open Air Parking Lot showing all designated public parking spaces for a fee, indicate the location of the parking attendant, handicap spaces, and those spaces reserved for tenant parking, by a Professional Engineer to the City Council at the time of the public hearing.
  12. That the Open Air Parking Lot at #44 Commercial Street is to be closed for the duration of the annual St. Peter's Fiesta.
3. PH2017-023: SCP2017-004: Commercial Street #33, Map 1, Lot 22 in the MI District for an Open Air Parking Space Permit pursuant to GZO Sec. 2.3.6.1 and GCO Sec. 22-153

**This public hearing is opened at 8:22 p.m.**

**Those speaking in favor:**

**Mr. Mondello**, applicant for a Special Council Permit to operate a privately owned open-air parking lot in the MI District, at 33 Commercial Street noted that there is a dental office at 33 Commercial Street open during the day and in the same building evening classes are conducted by Endicott College for which it is proposed to have reserved parking for the college at night. He said there would be no paid parking during daytime hours. He pointed out that as with the just permitted open air parking lot at 33 Commercial Street there is a need for this parking lot and can provide a night-time service for Gloucester as there is a lack of parking in the downtown area. He said they would be adding employees and keep the area clean, and provide some beach parking also.

**Those speaking in opposition:**

**Lee Delliker**, owner of Windover Construction who said he was speaking on behalf of the Beauport Hotel Gloucester and Beauport Hospitality, made the Council aware that there is an agreement in place for the hotel to use the (33 Commercial Street) parking lot off hours which is nights and weekends. The agreement is in dispute, he advised, and will likely go to litigation. He expressed the hope of those he represents that the matter won't end up in court, and asked that this matter be set aside until the agreement issue is settled.

**Communications: None.**

**Councilor Questions:**

**Councilor Cox** said that she was aware of this agreement issue and was one of the matters the Council agreed upon (for the Beauport Hotel Major Project permitting) for off-site parking, and 33 Commercial Street was supposed to be off-site parking during off hours. She said she was concerned about voting on this application given the dispute and that question remaining outstanding.

**Mr. Mondello** said it was his understanding that this was based on a Purchase & Sale agreement of 10 Beach Court which is in dispute. He said it was his further understanding that there was a need to obtain a subdivision of 10 Beach Court and that there is no agreement until that is done. **Council President Ciolino** reconfirmed with **Mr. Mondello** that Mr. Mondello understands that there is no agreement until the subdivision of 10 Beach Court is completed and a Purchase & Sale Agreement is signed for 10 Beach Court.

**Councilor Orlando** asked Mr. Delliker to provide more background on the nature of the pending litigation. Mr. Delliker said that in general that as part of the purchase of the property, there was an agreement made for parking to be made available for the use of the hotel. The parking lot, he indicated, had been attempted to be used by Beauport Hotel but is not being used as it is in dispute as to whether the hotel can use the 33 Commercial Street lot. He said the hotel and Beauport Hospitality believe they have the legal right to use the parking lot and advised they will exercise their rights to enforce that contract. It appears that this matter is going to litigation, although they are in negotiations, they are prepared to litigate the matter, he added.

**Councilor Lundberg** said this issue did not come up at the Planning & Development Committee meeting when the Special Council Permit was under consideration. He said the Committee has no documentation or details, other than the recitation of this issue expressed this evening, on file with the Council and have only what is before them. He said he didn't know if the Council was able to rule on this particular issue now. All the Council will have is the Committee Report that has yet to come forward, he added.

**Councilor Cox** said she wasn't at the P&D meeting when this Special Council Permit application was reviewed, and that had she attended or she would have brought it up regarding the Council process (for the hotel permitting). This parking lot at 33 Commercial Street, she reiterated, was one of the off-site parking locations that was said to be used for the hotel and under a contract. She asked that situation should be rectified and asked that the matter be continued to the next Council meeting for an opportunity to conduct research.

**Councilor Orlando** said that if this is something that will be moving into litigation and that the Council intends to make a decision on, he suggested that the decision of the Council could have an effect on any possible litigation and asked for General Counsel's opinion.

**Chip Payson**, General Counsel, said that he wasn't aware of pending litigation on this matter. He suggested that since it was not brought up at P&D that this issue be postponed for two weeks to revisit this issue and in the interim he would research the matter and make a recommendation about a possible course of action.

**This matter by unanimous vote of the Council will send the matter back to Planning & Development and this matter is continued to the May 9, 2017 City Council meeting.**

**4. PH2017-013: RZ2017-001: Amend GZO by ADDING Sec. 5.29 "Mixed Use Overlay District (MUOD)" re: Schoolhouse Road #4, Schoolhouse Road #2 and Gloucester Crossing Road #7 (Cont'd from March 23, 2017 CCM)**

**This public hearing is opened at 8:31 p.m.**

**Those speaking in favor: Peter Gourdeau**, Director of Project Development, Windover Construction, Beverly, MA representing Fuller Mixed Use Venture (FMUV) LLC with Attorney Deborah Eliason; pursuant to Sec. 1.11 of the Zoning Ordinance that is proposing an amendment to the GZO to create a Mixed Use Overlay District (MUOD) This application is pursuant to Section 1.11(c) of the GZO. He extended the FMUV thanks to Rick Noonan, Planning Board Chair. He noted numerous revisions have been made since their original presentation due to input from the Planning Board as well as Board members and the city's Planning staff. He recounted that there were many revisions made to the proposed MUOD Zoning Ordinance amendment since the original submittal that has resulted in a stronger, more effective document because of the Planning Board's and the Planning & Development Committee's input. He pointed out that the current draft of the proposed GZO amendment was approved unanimously by the Board and the Committee. Also present from the FMUV were: Attorney Deborah Eliason; Andrew K. Dolben, CPM, Executive Vice President of Dolben Company, Woburn, MA as well as John O'Connor; Sam Park of the Sam Park Company; Jack Meany, CEO Emeritus, YMCA of the North Shore; and Lee Delliker owner, Windover Construction, Beverly, MA with Michelle Harrison, representing the interests of Sam Park as his project manager. He touched upon briefly the expertise of the FMUV partnership.

**Mr. Gourdeau** said this project “promises” to bring the city \$5.6 million of gross sale proceeds within the next few months and in turn will generate hundreds of thousands of dollars of property and excise tax revenue annually as well as one-time permit fees exceeding \$500,000. He cited the project generating many new full-time jobs in retail, property management, and the support of the expansion of the Cape Ann YMCA only possible in a new facility. He noted that this project would also eliminate the city’s responsibility of the abatement and demolition of the former Fuller School, a costly and complex liability. He said that the FMUV believes this project will create a “vibrant new gateway” to the city, with easy access to transportation and the downtown. He cited that the project is well thought out and firmly addresses the objectives of the city-issued Request for Proposal (RFP). He noted the FMUV recognition of the discussion on affordable housing which they support. From the beginning, he indicated, the FMUV hasn’t included on-site affordable housing but will ask for approval by the Council to make a cash payment in lieu of building those units as described in the Zoning Ordinance. He said that the FMUV believes the funds from such a payment can be leveraged to create more affordable housing units outside 30 dwelling units on site. Those created dwelling units outside Fuller project could be targeted to those residents whose needs is the greatest but who may not qualify for the 80% units that the ordinance of the FMUV, he suggested.

**Attorney Deborah Eliason**, 63 Middle Street representing the FMUV then reviewed the following Power Point Presentation (on file):

- **RFP Background:** A mixed use development that may include a mix of commercial, industrial, residential and/or community service uses benefitting the residents of Gloucester; the R-10 Medium/High Residential Zoning limits of potential commercial uses – RFP expressed city’s willingness to participate in a rezoning of the Fuller site if needed; RFP evaluation based heavily on overall financial return to the city.
- A view of the proposed Fuller Project shown along with the fully built out Gloucester Crossing.
- **Overlay:** Accommodate the proposed Fuller Mixed Use Venture (FMUV) redevelopment; Conventional zoning is inefficient and likely have limited success due to need for numerous variances; Intent is to promote uses that are consistent with RFP and prohibit those uses that are not; overlay which will work for FMUV now and into the future and for unrelated developments.
- **Purpose of Overlay GZO Sec. 5.29.1:** Promote retail, commercial, business, residential and/or community service uses benefitting the resident of Gloucester; encourage development with a cohesive sense of place; balance a variety of uses compatible with the predominate surrounding uses; municipal uses were removed per the Planning Board as municipal use is not being put forward for this overlay; promote compact and efficient design-work, shop, live and recreate; encourage shared parking; stimulate the general economy of Gloucester by creating jobs, real estate and other tax revenue.
- **Overlay District Map** was pointed out giving a general view of the three properties involved.
- **Applicability GZO Sec. 5.29.2.4:** 1) Site Plan Review purview remains with the Planning Board consistent with current ordinance. FMUV proposed that the Council be the Special Permit Granting Authority for the Site Plan Review with recommendation from the Planning Board. FMUV agreed to Planning Board request. 2) Planning Board recommendation on Site Plan Review shall be made within 90 days; FMUV had proposed 45 days and agreed to increase the timeframe; time period may be extended by mutual agreement.
- **Design Standards GZO Sec. 5.29.2.6(2):** Parking standard was tightened; an added provision is that the Council is authorized to request that the applicant provide documentation evidencing any shared parking or off-site parking arrangements; for example, a Reciprocal Easement Agreement or license agreement could be required if the applicant proposes off-site parking.
- **Design Standards GZO Sec. 5.29.2.6(6):** Intent is that most utilities will be underground; standard for when overhead utilities will be allowed has been tightened per Planning Board discussion; three overhead utility poles allowed along the westerly boundary of the MUOD that abuts the Route 128 layout which allows more efficient installation of power to the YMCA and minimizes visual impact due to placement along a buffer of trees on that boundary (as pointed out on the map noted previously).
- **Uses GZO Sec. 5.29.3:** Fuller site zoned 4-10-need overlay to allow for YMCA and retail; Gloucester Commons parcels are zoned EB; underlying zoning remains except as prohibited-some uses currently allowed in R-10 and EB would be restricted after overlay is imposed; allowed uses are consistent with city’s vision for site as described in RFP. Minor changes to this section at the Planning Board to be consistent with the current Zoning Ordinance.
- **Prohibited Uses GZO Sec. 5.29.3.4:** Use variances in future would be issued by ZBA per ordinance; FMUV previously proposed used variances be granted by Council but was changed per the Planning Board.

- **Dimensional Requirements GZO Sec. 5.29.4:** Designed with FMUV development in mind but also looking to the future; Project objectives not developer driven-city came to development community; the 43 city set objectives of maximizing land purchase price, creating jobs and maximizing long-term tax revenue which is common when municipalities put properties out to bid; RFP objectives drove FMUV development scheme and bid strategy.
- **Dimensions of MUOD** were noted to be consistent with CCD, CB, VB and EB Districts by way of a table presented. Some changes were made at the Planning Board level with: min. lot area (sf) was increased from a proposed 40,000 sf to 60,000 sf; lot width was increased from 50 ft. to 100 ft.; lot frontage increased from 80 ft. to 100 ft.; and the minimum side and rear yard setback were increased from 7.5 ft. to 10 ft. Minimum Open Space was also increased.
- **Dimensional Requirements GZO Sections 5.29.4 & 5.29.8:** Drive through dimensions increased to be consistent with those in the CB, EB, MI and GI districts; Drive through dimensions proposed are similar to other districts and are: 15,000 sf; min. frontage (ft.) 100 ft.; min. front yard (ft.) 30 feet; min. side yard (ft.) 20 feet and min. rear yard (ft.) 30 ft. All other provisions of the ordinance will apply.
- **Comparison of Relative Building Heights** was made as shown by a table were described: The overlay will have a general height of 30 feet. The YMCA type use will have a height of 45 feet and residential will have 55 feet to allow for four story buildings.
- **Examples of Four-Story Buildings** were shown in Gloucester as were Dolben four-story residential projects – Addison Gilbert Hospital; Webster Street; Dale Avenue; the Lorraine Building as some examples.
- **Footnote L GZO Sec. 5.29.4:** Non-habitable towers and other architectural features: Limited to not greater than 400 sf; not to exceed ridge height by more than 12 ft.; original request was for unlimited footprint and up to 20 ft. above ridge height.
- **Proposed Parking Ratios:** An analysis of parking ratios were touched upon for the YMCA and Gloucester Crossing, as well as the proposed parking ratio for MUOD non-residential and residential. Minimum required non-residential parking at 3.85 spaces/M Square feet is shown to be 358; minimum required residential parking at 1.5 spaces per dwelling unit is shown as 300 for total of 658. Conceptual Plan shows 696 and total number of parking spaces required to meet GZO (hypothetical) is 665. The retail and YMCA shared parking will be shared and are indicated as workable.
- Graphs of **Average Weekday Hourly Parking Demand** and **Average Saturday Hourly Parking Demand** were reviewed briefly. It was noted that traffic would increase in the area of the Blackburn Circle/Gloucester Crossing area of the Route 128 extension but that further traffic studies would be brought forward with any Major Project application.
- **Loading Requirements GZO Sec. 5.29.6.2:** Intent-to clarify current GZO loading requirements; consistent with retail in GZO-applies to retail and commercial use only; identifies where it can be located and clarifies that it applies to building, not individual uses or tenants. This will not apply to the YMCA or residential.
- **Off-Street Loading Requirements GZO Sec. 5.29.6.2:** All loading bays must be located on the side or back of a building; loading areas located along the primary front elevation of a building are permitted, but will not satisfy the off-street loading requirement. These revisions were made in discussion with the Planning Board.
- **Signage GZO Sec. 5.29.7** is noted as governed by existing ordinance; **Submissions GZO Sec. 5.29.9** is noted to be consistent with CCS special permit requirements and major project requirements in Sec. 5.7.1 – procedures are set forth in Sec. 1.5 of existing Zoning Ordinance; **Submissions GZO Sec. 5.29.9** was clarified that even if the project is comprised of several parcels and uses, the applicant may file a single application for the project.
- **Relief by Special Permit GZO Sec. 5.29.10:** Clarified that this section only applies to uses allowed as of right or by special permit or for accessory uses allowed under the MUOD. The factors the Council must assess that are objective and consistent with the existing ordinance. Six factors noted are those of normally considered under GZO Sec. 1.8.3 for a Special Council permit.
- **Evaluation of Economic Hardship:** A good deal of time was spent on Affordable Housing at the Planning Board and at P&D. **Mr. Gourdeau** recounted as follows: that in the fall of 2015 the Fuller School RFP was opened to all bidders which was intended to achieve highest and best results for the city. Thirty-Five parties expressed interest in bidding on the project. The city's emphasis on economic return pushed FMUV to determine how to maximize the cash offer for the property. The winning proposal, it was made clear,

must add positive economic value to the city through direct purchase price and tax-base enhancement, positively impact the number of job opportunities for residents and be an advantageous use at the site with people working, shopping, recreating, residing, etc. Creation of affordable housing was not mentioned in the RFP selection criteria or goals in the RFP generally. In 2015 FMUV proposed to pay \$5.1 million for a Mixed Use project to include a new YMCA, retail and 170 residential units of market-rate housing. The bid stated, "...In effort to maximize the purchase price to the city we have elected to include only market rate housing in our proposal..." The bid was accepted by the city. After what was termed a "lengthy negotiation" with the Administration the FMUV proposal was modified -- residential density was increased to 200 units while the scope of the retail segment was greatly reduced. Furthering the agreed upon payment and enhance the bid for the property and support the payment in lieu approach from the proceeds, FMUV agreed to supplement the purchase price by making an additional \$0.5 million payment raising the total price to \$5.6 million. A P&S Agreement was negotiated and executed based on these terms. FMUV understands that the Administration briefed the Council on the terms of the deal prior to executing the P&S Agreement. It was noted that had affordable housing been included affordable housing on site units, the purchase price offered by the FMUV would have been substantially less. A due diligence period was a part of the P&S Agreement, and assumptions were made on the part of FMUV during the bid process. FMUV is in process of the due diligence work on the project, for which concerns were expressed including: The cost of remediation of asbestos and other contaminants is estimated to be more than \$1.6 million, three times more than the FMUV assumption and demolition costs will exceed estimates by 30% to 50%. Borings have uncovered a high water table and soil conditions that may be unsuitable to building -- recent probes indicate there may be 15 to 20 feet of buried fill on large portions of the property. The economic impacts of these conditions are continuing to be evaluated economically. These are site-specific costs that will impact any reuse of the property by the city or a third-party developer. Referring to the related slide of the Power Point Presentation it was pointed out that the original land cost would have been \$5.1 million, estimate at that time that hazardous materials would be \$0.5 million and demolition at the same cost at \$500,000 for a total acquisition cost of \$6.6 million. At this time, the acquisition price is raised to \$5.6 million; abatement of hazardous materials is now \$1.6 million; and demolition is at \$1.3 million, with the addition of the mitigation of unsuitable soils and mitigation cost of the high water table is now estimated that total costs could be anywhere from \$0.5 million to \$1.0 million. Total acquisition price then moves to \$8.5 to 9 million. **ECONOMIC IMPACT OF ADDING AFFORDABLE HOUSING INTO PROJECT:** The current acquisition price, the current estimate of hazmat and demolition and mitigation of unsuitable soils and high water table would incur a cost of approximately \$2.5 million. The mathematical equation was described as taking the average annual rent of 30 market rate units (1/3 one-bdrm; 2/3 2 bdrm) with total rent is \$651,000 annually. Were those same units rented at affordable levels rent would be would be \$475,000 -- the difference is approximately \$177,000. To establish current value of that \$177,000 it is capped at the standard return for this type of project in the marketplace is 7% which creates a current capitalized value of approximately \$2.5 million, termed the foregone value that the developer of the multifamily housing would incur if affordable housing was imposed on the project. Affordable Housing was noted as an important part of Windover, and of all the FMUV partners. Mr. Gourdeau said that all the FMUV partners put that factor into a number of their projects which they think is a good thing for Gloucester and that the payment in lieu gives an opportunity for Gloucester to create something far more significant than the units on the Fuller property.

**Andrew DeFranza**, Harborlight Community Partners (HCP), Beverly, MA, spoke to mechanics to a payment in lieu for affordable housing as follows: that HCP partners frequently with the YMCA for affordable housing projects. The goal is to have housing created for those who are economically vulnerable -- seniors, people with disabilities, working families--folks doing jobs in the economy that are depended on but don't generate enough income to be able to afford market rents.

For payment in lieu, there is leverage -- the forefront of creating affordable housing from a finance perspective -- is a low-income housing tax credit. It has a cap income of 60% of median income as opposed to ordinance at 80% of median. Part of the challenge locally on the North Shore is that the median income calculations are regionalized, picking up cities such as Boston and a lot of 80% unit calculations in a lot of communities are market. The low income housing tax income cap is 60% median which for a family of four is slightly over \$59,000 and in Gloucester it is \$60,000.

The only reason to move to payment in lieu, from Mr. DeFranza's stated perspective is that it gets more units than without it, and gets greater income penetration. HPP shows data of the cost burden with a sizable population that could access units below 60% median. One challenge with 80% median units is that often for

profit private developers when booking units at 80% median, they will lease them at the cap rate which means everybody below 80% median is eligible but only if you're at 79.5% median or 80% median do you have the cash to be able to make the rent. With utilizing a payment in lieu, it's attempting to get more units gotten then without it, and trying for deeper income penetration, it was reiterated. They want more units on subsidized units on Gloucester's subsidized inventory to meet the 10% threshold to control zoning destiny and to have actual need as evidenced in the city's just adopted HPP. To get there it was suggested to put out in public the city has this the money for payment in lieu and want units below 60% median to meet the city's HPP goals and put out how many number of units are desired. Funds can be used for a tax credit project at so many units at the 60% median cap. He described the state process for leveraging local funds with the state for a tax credit project indicating that is about creating local leverage to go to the state for funding and then allows for local residents to be given preferential treatment to be accepted into the affordable housing to be created. The city will be able to put in their "chips" to leverage more money to come to the city to create income penetrations for future affordable housing.

**Mr. Gourdeau** said this project is a result of years of work by the Administration to seek out the potential of the Fuller site and represents the best opportunity to build a new YMCA, a potential housing option which doesn't currently exist on Cape Ann and represents economic opportunity with new sources of revenue for the city and job opportunities. He pointed out the "ripple effect" that 200 new families will make. He assured there will be many benefits to Gloucester through this project.

**PUBLIC COMMENT:**

**Amanda Kesterson**, 5 Western Avenue, said that this decision is really about putting Gloucester's growth on the table. She noted that affordable housing is important but asked the Council to remember that the city not only needs affordable housing but also all other types of housing. This project isn't needed to fix the affordable housing problem as there are other options. Recently 600 residents signed a petition to not have affordable housing at the Maplewood School. She cited the opponents of the Beauport Hotel and Gloucester Crossing but pointed out that revenue and development the city has reaped. She said the Council has the opportunity to create a new YMCA and create 200 new dwelling units, and send a message to developers that Gloucester is the place to do business (written statement placed on file).

**Sal Frontiero**, 14 Warner Street, said that a bid was submitted that meets all the parameters of a city RFP. To vote no on a zoning overlay would be counterintuitive, he pointed out. The city asked for mixed use and got that, he said. Speaking to the payment in lieu, he said the \$1.5 million satisfies the ordinance. He said those who object should lobby the Council to change the Zoning Ordinance rather than deny this project. This project must happen as a partnership, he noted. He added that he knows the YMCA as a youth growing up in Gloucester, with a son who spends five days a week there, and was a board member and its president. The YMCA is taken for granted but is an important part of the community, he said. The operating losses are about \$150,000 per year, and despite that, the Y gives away many of its services to the youth of Cape Ann, he cited.

**Chris Tedesco**, 6 Prospect Court, said he's worked for 13 years for the Cape Ann YMCA, and said that growing up the YMCA was a tremendous support for him. He said he's had the opportunity to watch youth come through the YMCA doors to become great citizens which is a testimony to what the YMCA has done for the community. He cited the active fundraising that is going to support the new YMCA. The community needs this facility, he said.

**Ken Riehl**, Cape Ann Chamber of Commerce, Executive Director expressed the Chamber's full support of the MUOD at the Fuller School site. He noted the Fuller site has been unused for too long and is a financial liability to the city in its current state. The development proposed will improve the quality of the city's life and add significantly to the city's tax base. The proposed MUOD will accelerate the redevelopment of the Fuller site, and while much planning and work must go into any development of the site, the MUOD will help the city achieve its goals of greater economic growth (written statement placed on file).

**Bob Gillis**, YMCA Steering Committee, said that the YMCA does great things for the Gloucester community. He noted the downtown facility is not adequate for the majority of the city, in order to serve a larger portion of the community. Ten percent of the YMCA budget supports affordable housing. The YMCA owns 21 single room units adjacent to it. He noted he is the president of Harborlight Community Partners, and is a passionate advocate of affordable housing. He expressed he was pleased to see more affordable housing developed with the \$1.5 million in lieu payment.

**David McKechnie**, 12 Wolf Hill Road, involved with the YMCA for 30 years and now sitting on the Board of the North Shore YMCA (NSYMCA), noted the NSYMCA offers about 400 units of affordable housing in partnership with Harborlight. Affordable housing is about people, who need it, and the Mayor and her Administration have looked at this situation saying that the in lieu makes sense. He pointed out that fundraising is

tough without a permit, and that YMCA's are built during good economic times. The North Shore YMCA has built five facilities on the North Shore and has been trying to pursue this site since 2011 and in 2017 is still pursuing it. The North Shore YMCA has plenty of opportunities for expansion in other areas and the resources, if not moved to Cape Ann, will be utilized elsewhere.

**Barry Weiner**, 3A Curlew Court, said he is not a YMCA member, but when reading about the plans of the Fuller School site development through a partnership understanding that this would be a tremendous positive impact on the city he joined the YMCA steering committee to raise funds for the YMCA to build a new facility in the city. He said there is a need for affordable housing in the city, and rather being a negative, the in lieu payment is a positive. To maximize the number of units of affordable housing would be better served outside of this MUOD project.

**Shawn Henry**, 14 Pleasant Street, Planning Board member, expressed his support for the MUOD. He said that as drafted, the overlay is very good and should be supported by the Council. He said a second look at the parking would be in order. The overlay is a distinct vote, he advised and that the overlay doesn't address affordable housing, but rather addresses zoning in a streamlined fashion. The Council would address the affordable housing at a later date. Pointing out GZO Sec. 5.11 he said you either put in 50% affordable housing or justify it, and said he looked forward to hearing that proven. The overlay is a good thing, he said and asked that it be passed and moved forward but when the permit comes forward that is when the issue of affordable housing should be addressed.

**Jason Grow**, 12 Marble Road, expressed he is in general favor of the overlay district proposed. He said the MUOD is a significant concession to the applicant to facilitate the overlay's overall goal on the part of the city. It is a significant concession to the applicants designed to ease Zoning regulations and the permitting process. Giving relief from the zoning framework of the city he indicated should be done with care, reservation and the applicant being granted that sweeping relief needs to appreciate the flexibility being offered by the community. The overlay proposes broad relief, he pointed out, and each concession is to assist prospective developers. It is then incumbent on the Council to examine closely any concessions including GZO Sec. 5.11 Inclusionary Housing which he said was created expressly for development projects such as would move forward on these kinds of parcels. Every project doesn't need to address only most in need but can address a broad range of those who need to save something on rent so as not to choose what bills must or should be paid. He urged that hardworking families of modest means should be able to stay in the community. He suggested that the developer will find a way to make this project work should affordable housing be included. He asked the Council to hold firm on the requirement that there be on site inclusionary units (written statement placed on file).

**Annette Spanks**, St. Peter's Lane, spoke in favor of the Fuller School project, pointed out only one response was received for the city's RFP. She said this YMCA has done its due diligence and will see the project through. They are a strong proponent of affordable housing. The payment in lieu was driven by the desire to build units off site through the city. She asked the city grant this project and let the development move forward. She asked that the YMCA be allowed to be built as a state of the art facility at the Fuller site for future generations.

**Paul Simon**, 72 Eastern Avenue, added his support for the MUOD and development project. He mentioned that the YMCA helps families and by not approving this project it will hamper what the YMCA does. One in three families is helped by the YMCA, he said and that the YMCA turns no one away regardless of income.

**Linda Brayton**, 527 Washington Street, said the same people who use the YMCA need affordable housing. She pointed out the city needs the YMCA and its services.

**Joel Favazza**, Seaside Legal Solutions, 111 Main Street, speaking on behalf of Sargent Street Corp, the owner of 131R Gloucester Ave., 10 and 18 Gale Rd., and 40 Sargent St., these are parcels that are directly abutting the proposed overlay. He said his client is in support of the overlay and expressed their best wishes to the applicant. He said he was there to ask that the Council keep an eye out to ensure that the surrounding properties are protected. He said they have spoken to the applicant about their concerns, and expressed their thanks for their cooperation. His client has 10 acres of general industrial zoned land, he noted, which shares access off the rotary with the Fuller site and with this proposed project also. Pointing out the 200 units of housing and YMCA proposed for the Fuller site, he said that this evening's Council meeting started out with residents complaining about truck noise from an adjacent commercial property. He said they wanted to express clearly that it be recognized that there are general industrial properties right next to the MUOD that is anticipated to be utilized for general industrial purposes. He cited that after the developers have completed their project and is gone that they don't want to be faced with 200 families and stop any redevelopment of an industrial property.

**Karen Boudreau**, 33 Chapel Street, expressed her agreement with the sentiments Jason Grow had expressed. She said the city needs the overlay but cautioned that the inclusionary housing is important, more important than putting housing in low income areas. The Council should vote on the overlay and before anything else they should understand that 50% is supposed to be affordable housing.

**Ron Fleet**, 37 Norseman Avenue, a YMCA member, expressed his support for the MUOD, citing how the YMCA is bursting out of its current Middle Street location and that the proposal for the overlay will give the YMCA a new home. If affordable housing doesn't work for the developers, it doesn't work then, he said. Noting he was in real estate, and cautioned that this project has many moving parts.

**Julie Cleveland**, 9 Foster St., Apt. 1, noting she grew up on Cape Ann putting herself through school is now a piano and music teacher who said she is a lower income resident with a profession that doesn't receive much remuneration, but that her profession contributes to the city's diversity. She said she's been looking for a two bedroom affordable housing unit for three years. Currently she lives in a one-bedroom apartment, and with her students living here she can't leave the city to seek out other cities' affordable housing. With her mother ill, she said she will need to care for her and need space, as well as her brother's situation with loss of housing and difficulty in being able to meet his financial obligations. She noted he had to sleep on the floor of her apartment for a time until he could find his own new place that is barely affordable. She and her family don't want to leave the city, and at fair market rate she wouldn't be able to afford any of those proposed units. She urged that the city not take a deal for payment in lieu but wait for a deal that is the right thing to do (written statement placed on file).

**Kala Brancalone**, 39R Sargent St., Apt. 2, said she wished to see more affordable housing because there isn't enough. Jobs available are minimum wage and there is nowhere to live on that kind of income. As a college graduate she said she can barely afford a \$1,200 two-bedroom rental. Fair market value of \$1,700 for a two-bedroom is not affordable at all, she noted. She recounted that her fiancé has a young daughter in preschool, and in order to work, he needs child care and that the expenses for him are overwhelming. There aren't enough affordable housing units available, she pointed out, and cited how with her very tight funds her financial situation is shaky no matter how hard she works, and that it is a daily struggle. She asks that the Council take this into consideration in seeking to get more affordable housing into the city faster.

**Rev. Rona Tindall**, 44 Fort Square said that she expressed her support of the MUOD and submitted (placed on file) questions related to affordable housing.

**Steve Dexter**, 162 Wheeler Street, said his grandfather was an orphan and the YMCA took him in and then placed him with adoptive parents. As a child he recounted how he and his brothers used to the YMCA growing up. He cited he was a past board member and a past president of the YMCA, noting how the YMCA was losing money and recalled how he and another board member signed a bank note to finance the YMCA to keep it going. He said the only reason the Gloucester YMCA keeps going is because of the North Shore YMCA organization adding that he is working to raise funds for the YMCA because he supports its mission.

**Molly Burns**, 5B Curlew Court, said she was in support of the YMCA and is on the capital campaign committee. The city has had a difficult time with the Maplewood School and I4-C2 with no tax revenue coming in, and expressed concern that the whole FMUV project would go down because of affordable housing. As Mr. DeFranza explained, the payment in lieu will see more units developed through leveraging funding, she said, and that the MUOD will see a new YMCA, market rate dwellings that are needed and businesses. She asked the Council to approve the overlay and consider the in lieu payment.

**Amanda Nash**, 8 Exchange St., Unit 2, expressed concern that there is a dichotomy between the YMCA and affordable housing. She said the developers are not being held to a high standard. The city sells itself short with developers that they're frightened they will run away, and said the developer can do better. The leveraging of the in lieu payment isn't enough and asked that more units be developed.

**Debbie Liacos**, 28B Witham Street, noted that there is consensus that the YMCA is important to the city, but when the RFP went out and the \$5.1 million was accepted, noting that Sam Park bumped the original \$1 million suggested in lieu payment by \$500,000 to \$1.5 million payment in lieu, she said that the developers could do better. She pointed out that two hundred residential units which started at 170 units that the Planning Board thought was a stretch on the property. She said that if 30 units are put aside for affordable housing it would give the city housing stock units now that it needs. She asked that the Council consider these units as affordable housing. She expressed concern for traffic issues that will be caused by this project especially in the summer combined with beach traffic with it backing up to Grant Circle. These are well seasoned developers, she pointed out, and that they knew what they were facing going into this situation.

**Council President Ciolino** clarified that Sam Park is just one of the members of the FMUV.

**Those speaking in opposition:**

**Rev. Richard Emanuel**, 149 East Main Street, said the overlay concept is a way around spot zoning and sets up criteria that have never been challenged in Massachusetts as to how an overlay would stand up. The illustrations, he suggested were deceiving. No dimensions were given except for a height of 55 ft. The next developer could come in and demand the same parameters, he noted. Illustrating the scale with a model of two people and a box he described it as, "massive." He said this proposal is the turning point that will ruin land. At what point is the carrying

capacity of the island portion of Gloucester be considered reaching its limits. He noted the six Special Council Permit criteria under GZO Sec. 1.8.3, and asked what is the precedent being set that will change the city permanently. When the zoning overlay was used on the Back Shore everyone knew what was preserved, but this proposal will lose the scale of the city. Brick and mortar stores are in jeopardy, he pointed out and the overlay is taking focus away from the downtown center of the city through this proposal. He said he would submit three letters for the record to the Mayor's office and Planning Board.

**Patrick Thomas**, 13 Trask, suggested the density of the proposed overlay is too much in this one location.

**David Houlden**, Executive Director, Gloucester Housing Authority (GHA) representing its Board of Commissioners read into the record a letter (on file) from him on the GHA Board's behalf which informed the Council that the GHA Board voted unanimously to recommend that the Council enforce the Inclusionary Housing requirements under the Zoning Ordinance by requiring the developer, FMUV, include the 30 affordable units on site at the time of construction. He conveyed that the Board doesn't oppose the MUOD, lauding the excellence of Windover as a developer and the YMCA as an important city resource, but that the in lieu payment will not be useful because of the time it takes to develop affordable housing. He pointed out that over 900 households in the city are awaiting affordable housing, and by including affordable housing in the development project, it would create the first workforce housing in the community. He spoke to the fact that the Affordable Housing Trust (AHT) has had few requests for funding for affordable housing and what has to date been funded has only meant seven new affordable housing units created. He spoke to the potential 200 units has being able to meet some goals laid out in the HPP, but that by including on-site affordable housing, there would be a true mixed use that would encourage diversity and is a goal of the inclusionary ordinance. The vast majority of renters won't be able to live in these proposed residential units based on proposed rentals, and that an in lieu payment would have minimal benefit.

He reiterated that Board is not convinced that the 30 affordable units would make the project financially unfeasible and encouraged the Council to gain more information. He said that the developer's calculation for payment in lieu appeared lower than what is required under the (GZ) ordinance. The payment in lieu is closer to \$1.8 million, he suggested, in looking what they are saying what the market-rate rents and the affordable rents would be. If the developer builds the units on site they save that money, he posited.

**Mr. Houlden** noted that the GHA was formed to promote the development of affordable housing, and it is their duty to advise that the in lieu payment may not have significant impact but that the workforce housing to be created would be important to the city (Letter from Mr. Houlden on behalf of the Board of the GHA was placed on file prior to the City Council meeting. See "Communications.").

**Andrew Nickas**, 1 Squam Lane, Chair of the Gloucester Housing Authority (GHA), a member for 45 years following up on Mr. Houlden's remarks said he supports affordable housing incorporated into the FMUV project. He said that it takes five to 10 years to make 30 units using in lieu funding. He said there is an opportunity to assist the citizens of Gloucester. He suggested that individuals that don't meet the requirements to qualify for affordable housing are being pinched. Citing several speakers who expressed their issues in attempting to find affordable housing in the city due to financial constraints, he segued into his calculations for 200 apartments at \$1,800 equals \$360,000 a month and took the \$360,000 multiplying it by 12 which came to \$4.3 million. Separately he said he calculated that a renter would have to make a deposit using 200 units at \$1,000 equals \$200,000. In a year the developer is collecting quite a bit of rent, and pointed out that in the first month it would be \$360,000 plus the deposits at \$200,000 he said was quite an income stream. He noted 600 people looking for affordable housing, in addition to 200 seniors up to two years or more. Pointing out that the state changed some regulations that now say that veterans take priority over citizens who have been on the affordable housing list for some years. Affordable housing units should be incorporated into the project, he said, and if not he said that it is not representing the citizens and their needs.

**Brenda Molloy**, 41 Rocky Neck Avenue, said the 30 units of affordable housing are critical to the city and should be mixed into the market-rate units. She noted that the city didn't need "big-box" stores and that the downtown stores don't need any more competition.

REBUTTAL:

**Ms. Eliason** on behalf of the FMUV passed on the right to rebut when offered by the Council President. **Rev. Emanuel** asked to rebut certain statements made previously; **Ms. Eliason** said that there was no rebuttal therefore the rebuttal of the rebuttal was out of order. **Council President Ciolino** allowed the Rev. Emanuel to offer a rebuttal despite Ms. Eliason's objection citing the Council's Rules of Procedure and **Ms. Eliason** asked that her objection to the rebuttal to the rebuttal be placed upon the record.

**Rev. Emanuel** said the YMCA is being used to push through this proposal through. The issue is the precedence the proposal sets out as too massive. There is no line of defense after this, he pointed out and will push the city over to "suburbanization."

**Communications:** **David S. Houlden**, Executive Director, Gloucester Housing Authority representing the Housing Authority Board, forwarded a letter to the Council that encouraged the Council to require of on-site affordable housing units in the proposed 200 residential dwelling units for the Fuller Mixed Use Ventures LLC development Plans, that the Board did not believe the addition of such units would constitute a financial hardship on the part of the developers; and an email from **Amanda Nash**, 8 Exchange St., Unit 2, expressed her disagreement that a \$1.5 million contribution to the Affordable Housing Trust by the FMUV was adequate, that the demand for affordable housing in Gloucester is too great to give the developers a pass via a payment in lieu. **Gina Razel**, 22 Rockport Road, expressed her full support for the MUOD and related FMUV project without stipulations for purposes of increasing the city's tax base and overall economic development and **Joseph M. Orlando, Sr.** as resident and Planning Board member by email wrote in support of the MUOD.

**Councilor Questions:**

**Councilor Gilman** asked for an explanation of restrictions for different types of affordable housing and who gets preference in different types of housing – if the housing is state funded versus locally funded, qualifying her question by saying she understood the Council is voting on the MUOD. **Gregg Cademartori**, Planning Director, noted GZO Sec. 5.11 Inclusionary Housing noted a provision in that section which allows the Special Permit Granting Authority, whether it is the Planning Board or the Council to express a specific preference. He said those preferences many times are dependent upon potential subsidizing funds used in a project. He explained that when the subsidizing agency is the “HCD,” a state funding source, often it is stipulated that the city is looking for local preference at a certain level or identify veterans or seniors -- in those situations the state will have the final say. The language in ordinance says, “...unless prohibited by other law or regulation.” There is more local control if the city has control over the funding source, he said, adding that there are variations with what may be acceptable to the state of what counts towards the city's subsidized inventory. He spoke to a minimum threshold that a unit being deed restricted to count in the city's affordable housing inventory. It often relies on the funding sources that are used in an affordable project, and all those funding sources have different requirements, he noted. He said in general they go for the maximum allowance for local preference.

**Councilor Orlando** asked about an overlay district -- the overlay district as proposed would it run with the land, no matter who owns the property would it apply to the land or apply to this project or application. **Mr. Payson** said it applies to the land into the future. It doesn't go away, he confirmed.

**This public hearing is closed at 10:44 p.m.**

COMMITTEE RECOMMENDATION: On motion by Councilor Cox, seconded by Councilor Gilman, the Planning & Development Committee voted 3 in favor, 0 opposed to recommend that the City Council under Gloucester Zoning Ordinance Sec. 1.11(c) to AMEND the Gloucester Zoning Ordinance by enacting Section 5.29 entitled “Mixed Use Overlay District” as submitted to the City Clerk's office on January 3, 2017, and as amended and recommended by the Planning Board on April 6, 2017, which is attached hereto and incorporated by reference for the parcels located at:

4 Schoolhouse Road, Assessors Map 262, Lot 14;  
2 Schoolhouse Road, Assessors Map 43, Lots 4 and 5;  
and 7 Gloucester Crossing, Assessors Map 262, Lot 37.

**DISCUSSION:**

**Councilor Lundberg** said that this is about an overlay district and is a necessary step for this or any applicant to move forward for a proposal for a major project development -- this Council action just allows that proposal to go forward. The rest of the Zoning Ordinance, in particular Sec. 5.11, remains in effect and any applicant for a major project will come before the Council as the Special Permit Granting Authority to deal with affordable housing and such things, he noted.

**Councilor LeBlanc** expressed his support for the motion as it stood, indicating the Council will have several more opportunities to review this project when it comes forward. He recounted that the city had 37 applicants take out papers for the RFP with one returned which is in front of the Council now. He said that his property is valuable to one group but not a lot of others feel it is valuable. It will cost a great deal to the city if the MUOD gets turned down, he pointed out, saying that the city is paying for insurance on the old vacant school building and there isn't a lot of potential for others to use this property. He noted that the Council votes on these special permits all the time that can act as a “barrier” to stop certain aspects of a proposal, but he said that this is an ideal place for this project

and is where this project should be, fitting ideally with the infrastructure, roads, being centrally located. He said that the proposal is a good fit for the city and its residents.

**Councilor Orlando** said he supported the MUOD saying that the merits of the application will be addressed in the future under a Special Permit for a Major Project, “inclusive” of the questions of affordable housing. An overlay district for these properties makes sense whether or not this applicant moves forward because the properties become more marketable by virtue of a MUOD. It benefits the applicant, but it also benefits the city by making the property more marketable should they need to put it out under an RFP for a multi-use purpose in the future. He said for the purposes of this vote he will support the overlay because it made, “no sense not to,” in light of some proposals to deal with affordable housing, such as one he has proposed, and that the Mayor has proposed as well. The Council heard all who spoke this evening, he said, and will address those concerns.

**Councilor Memhard** expressed agreement with Councilors LeBlanc and Orlando, and noted that listening to the quality of concerns expressed by the public makes him proud of the dialog that had a great range of opinion.

**Councilor Gilman** said she supported the MUOD, maximizing land, maximizing long-term tax revenues and address job creation. She noted the non-binding ballot question several years prior which the community indicated a mixed use was appropriate. She expressed her appreciation for all comments made this evening by the public.

**Councilor O’Hara** said he is in support of the YMCA and with the affordable housing speakers noting that there are many people who need affordable housing. He said the Zoning Ordinance Sec. 5.11 was put in place to help these people. He said this matter should be returned to the Planning Board because the affordable housing has not been vetted. **Council President Ciolino** said it would be vetted by the Planning Board when a Major Project comes forward. Unless the Council tells the planning Board what the parameters are, they are tying the Board’s hands, he said. He pointed out procedurally sending this matter back is not going to accomplish anything because the Board sent the Council this proposal with their recommendation. **Councilor O’Hara** reiterated that he was concerned that the affordable housing component be properly vetted. **Councilor Lundberg** assured the affordable housing component will be vetted by the Planning Board and the Council again, and the applicant with its Major Project application will have to return with a satisfactory solution on that issue -- the city will have its ability to make sure the people whom it is intended to help get that help. **Councilor O’Hara** expressed he was satisfied.

**Council President Ciolino** then moved to amend Section 5.29.6 as follows:

“5.29.6 Affordable Housing Requirements:

Due to the need to increase the supply of housing in the City of Gloucester that is permanently available to income-eligible households, and to encourage a greater diversity and distribution of housing to meet the needs of families and individuals, and given the allowed multifamily housing density as provided for in Sections 5.29.3.2, 5.29.4 and 5.29.5 above, units to be provided in the MUOD as required by Section 5.11.4 Requirements for Developments shall be provided either on site or off site. Applications for multifamily housing in the MUOD shall not be eligible to appeal to the SPGA to make a cash contribution or in lieu payment as provided for in Section 5.11.8 Alternative Methods of Affordability.” The motion to amend was seconded by **Councilor O’Hara**.

**By unanimous consent the Council extended its meeting to 11:30 p.m.**

#### **DISCUSSION ON THE AMENDMENT:**

**Council President Ciolino** said affordable housing needs under GZO Sec. 5.11.8 to be addressed and that with the Gloucester Housing Authority advising the Council of their opinion on the need to put affordable housing in the Fuller development is important. He said they recognize the need for affordable housing and recognize that this is about 30 units on site or off site. He said that the Council owes the public a conversation on this subject. He would support the overlay, he added, and is in support of the YMCA but that this should go to the Planning Board with this issue addressed and let them then move forward on a Major Project.

**Councilor Lundberg** said he wouldn’t support the amendment. He explained that Sec. 5.11.8 of the Zoning Ordinance provides for affordable housing on site; and an applicant can come forward and propose affordable housing off site as an option or payment in lieu. Those, he said, are the rules under which the applicants came forward. To amend the Zoning Ordinance to change the rules now, he expressed he was against that action. The applicant will still have to come forward to prove either economic hardship to get either of the two alternatives off site or payment in lieu. The Council has, “all the tools in its tool box,” he said, but reiterated that changing the Ordinance and the rules now he would be against such an action. **Council President Ciolino** said this action isn’t

changing the Zoning Ordinance, rather it is adding to what can be used in the MUOD. **Councilor Lundberg** expressed his disagreement with the Council President's description reiterating again that this was a change to the Zoning Ordinance by eliminating the ability for an applicant to apply for a cash payment in lieu -- that is changing the ordinance.

**Councilor Orlando**, expressing his agreement with Councilor Lundberg's comments, said that they are putting a condition on an overlay district that runs with the land. If the Council puts a condition on the MUOD, it runs with the land, he pointed out. He said that if this application doesn't work out and the FMUV walk away the Council will have created an encumbered city-owned property that's less marketable which he likened to I4-C2. The Council is voting on an overlay district to make the property mixed use, he said, and that is protecting the city, and benefitting the applicant at the same time, he pointed out. This could, he said, require a special change in the ordinance, and suggested this action could hobble the city – with no applicant, no affordable housing, and a restriction the Council would have to unencumber itself from.

**Councilor Cox** said she would not support the amendment. She said Ward 2 already has I4-C2 and would not set up another city property for failure.

**Councilor LeBlanc** also voiced his objection to the amendment.

**Council President Ciolino** then withdrew his amendment.

#### **AMENDMENT WITHDRAWN.**

**MOTION: On motion by Councilor Lundberg, seconded by Councilor Cox, the City Council voted by ROLL CALL 9 in favor, 0 opposed, under Gloucester Zoning Ordinance Sec. 1.11(c) to AMEND the Gloucester Zoning Ordinance by enacting Section 5.29 entitled "Mixed Use Overlay District" as submitted to the City Clerk's office on January 3, 2017, and as amended and recommended by the Planning Board on April 6, 2017, which is attached hereto and incorporated by reference for the parcels located at:**

**4 Schoolhouse Road, Assessors Map 262, Lot 14;  
2 Schoolhouse Road, Assessors Map 43, Lots 4 and 5;  
and 7 Gloucester Crossing, Assessors Map 262, Lot 37.**

COMMITTEE RECOMMENDATION: On motion by Councilor Cox, seconded by Councilor Gilman, the Planning & Development Committee voted 3 in favor, 0 opposed to recommend that the City Council AMEND the Gloucester Zoning Map to create a Mixed Use Overlay District to include 4 Schoolhouse Road, Assessors Map 262, Lot 14; 2 Schoolhouse Road, Assessors Map 43, Lots 4 and 5; and 7 Gloucester Crossing, Assessors Map 262, Lot 37 as shown on the plan entitled, "Exhibit to Accompany an Amendment to the Gloucester Zoning Ordinance, Mixed Use Overlay District," to accompany an amendment to the Gloucester Zoning Ordinance, plan dated December 28, 2016, which is attached hereto and is herein incorporated by reference.

**DISCUSSION: None.**

**MOTION: On motion by Councilor Lundberg, seconded by Councilor Cox, the City Council voted by ROLL CALL 9 in favor, 0 opposed to AMEND the Gloucester Zoning Map to create a Mixed Use Overlay District to include 4 Schoolhouse Road, Assessors Map 262, Lot 14; 2 Schoolhouse Road, Assessors Map 43, Lots 4 and 5; and 7 Gloucester Crossing, Assessors Map 262, Lot 37 as shown on the plan entitled, "Exhibit to Accompany an Amendment to the Gloucester Zoning Ordinance, Mixed Use Overlay District," to accompany an amendment to the Gloucester Zoning Ordinance, plan dated December 28, 2016, which is attached hereto and is herein incorporated by reference.**

#### **For Council Vote:**

##### **1. P&D Standing Committee Report of 03/08/17 re: Gloucester Housing Production Plan**

NOTE: This matter was taken out of order earlier in meeting and considered closed.

**Unfinished Business: None.**

**Individual Councilor's Discussion including Reports by Appointed Councilors to Committees: None.**

**Councilors' Requests to the Mayor: None.**

**A motion was made, seconded and voted unanimously to adjourn the meeting at 11:10 p.m.**

**Respectfully submitted,**

*Dana C. Jorgensson*  
**Clerk of Committees**

**DOCUMENTS/ITEMS SUBMITTED AT MEETING:**

- **Under Oral Communications:** Written statements of Ronn Gary, 209 Atlantic Road and David Murray, 161 East Main Street
- **Under PH2017-013: RZ2017-001: Amend GZO by adding Sec. 5.29 “Mixed Use Overlay District (MUOD):** Written statements of: Amanda Kesterson, 5 Western Avenue; Ken Riehl, CEO, Cape Ann Chamber of Commerce; Jason Grow, 12 Marble Road; Julie Cleveland, 9 Foster St., Apt. 1; Rev. Richard Emmanuel, 149/153 East Main Street; Rev. Rona Tyndall, 44 Fort Square.