

GLOUCESTER CITY COUNCIL MEETING

Tuesday, November 13, 2018 – 7:00 p.m.

Kyrouz Auditorium – City Hall

-MINUTES-

Present: Chair, Councilor Paul Lundberg; Vice Chair, Councilor Steven LeBlanc, Jr.; Councilor Melissa Cox; Councilor Valerie Gilman; Councilor Kenneth Hecht (entered the meeting at 7:02 p.m.); Councilor Jennifer Holmgren; Councilor Scott Memhard; Councilor Sean Nolan; Councilor James O’Hara

Absent: None.

Also Present: Joanne Senos; Jim Destino; John Dunn; Amit Chhayani; Nancy Papows; Bethann Brousseau; Gary Johnstone; Timothy Goode; Grace Poirier

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. At the request of Councilor Cox, Boy Scout Troop 60 attending the Council meeting in order to earn their “Citizen in the Community” badge, led the Council in the Flag Salute.

Councilor Gilman then dedicated the Moment of Silence in memory of her father, Bob “Beantown” Hanson who passed away on October 22. She described him as a U.S. Army Sargent in the Korean War; born in Arlington, MA, grew up in Belmont and spent the last 30 years as a resident of Orlando, FL. She recounted that he summered in Gloucester from 1968 to 1978 and while in the city he greatly enjoyed tuna fishing; fishing with his only daughter; led the Bass Rocks Tennis Team to several victories over the golfers, making Avis Murray proud. She highlighted her father took her to many GHS football games even though she was a summer resident at that time. He “loved” Notre Dame and UMass football; the Boston Red Sox. She announced that a celebration of her father’s life will take place on Monday, Oct. 19 at her home in Lanesville where her guests will enjoy an array of her father’s all-time favorite comfort food. She added that he was proud of her public service, and invited the Council to share the Snickers bars on the dais that was one of her father’s favorite candy in his honor.

Oral Communications:

Name: Karen Favazza Spencer

Address: 67 Langsford Street

Concern: Urging discontinuance of the fluoridation of the city’s water supply, referencing “dozens” of studies she had previously showed the harm of fluoridation and referenced new studies that came forward in October of 2018 which she enumerated, one of which she was a co-author (written statement submitted).

Name: Jim Muldowney

Address: 40R Englewood Road

Concern: The city’s ordinance re: the repair of private ways, indicating that it makes it restrictive and more difficult to obtain the public/private paving for private roadways suggesting that the non-refundable petition fee was an inhibiting factor as is obtaining the 75% vote in favor of entering a city betterment program. He asked the Council for any assistance they could offer.

Name: Cheryl Silva

Address: 26 Englewood Road

Concern: Spoke in support of Mr. Muldowney’s remarks advising that the DPW deemed that Englewood Road is now non-repairable and is not repairing potholes. She asked what the residents can do to get repairs to the road to in order get back on the DPW’s list for pothole repair.

Name: Patricia Ivas

Address: 9 Lewis Court

Concern: A wooden picket fence her neighbor originally erected was six feet. Upon its deterioration a new fence was erected that is eight feet, two feet above what was allowed without a permit from the city. She had expressed her concern to a city Building Inspector but was dissatisfied with the response, saying that the eight foot fence remains in place and no Inspectional Services action has been taken on the matter.

Presentations/Commendations:

John P. O'Rourke, Director of Marketing Northeast, Good Energy, LP re: municipal energy aggregation in Gloucester

This presentation is continued to November 27, 2018.

Confirmation of New Appointments:

Committee for the Arts

Avery McNiff (Cont'd from 10/15/18) TTE 02/14/22

COMMITTEE RECOMMENDATION: On a motion by Councilor O'Hara, seconded by Councilor Nolan, the Ordinances & Administration Committee voted 3 in favor, 0 opposed, to recommend that the City Council appoint Avery McNiff to the Committee for the Arts, TTE 02/14/22.

DISCUSSION:

Councilor LeBlanc explained that Ms. McNiff grew up in Gloucester, graduated from Gloucester High School in 2008, then studied Art History in college, and now works for Art Haven. She told the Committee that her goal is to make art more accessible to youth, and connecting art with education.

MOTION: On a motion by Councilor LeBlanc, seconded by Councilor Nolan, the City Council voted 9 in favor, 0 opposed, to recommend that the City Council appoint Avery McNiff to the Committee for the Arts, TTE 02/14/22.

Economic Development & Industrial Corp. Jerry Oppenheim

TTE 07/01/21

COMMITTEE RECOMMENDATION: On a motion by Councilor O'Hara, seconded by Councilor Nolan, the Ordinances & Administration Committee voted 3 in favor, 0 opposed, to recommend that the City Council appoint Jerry Oppenheim to the Economic Development & Industrial Corp. (EDIC), TTE 07/01/21.

Councilor LeBlanc conveyed that the EDIC position is to represent low-income folks, which has been a great part of Mr. Oppenheim's career as an attorney and legal advocate, with experience in the energy field which further developed interests and skills that he would apply to his volunteer commitment.

MOTION: On a motion by Councilor LeBlanc, seconded by Councilor Nolan, the City Council voted 9 in favor, 0 opposed, to appoint Jerry Oppenheim to the Economic Development & Industrial Corp. (EDIC), TTE 07/01/21.

Stage Fort Park Advisory Committee

Craig Anderson

TTE 02/14/21

COMMITTEE RECOMMENDATION: On a motion by Councilor O'Hara, seconded by Councilor Nolan, the Ordinances & Administration Committee voted 3 in favor, 0 opposed, to recommend that the City Council appoint Craig Anderson to the Stage Fort Park Advisory Committee, TTE 02/14/21.

Councilor LeBlanc advised that Mr. Anderson an Eagle Scout who worked with the city developing and installing QR codes at war memorials to increase access for information about the memorials. While he's only 20 years old, he will bring a youthful and fresh perspective to the Stage Fort Park Advisory Committee.

MOTION: On a motion by Councilor LeBlanc, seconded by Councilor Nolan, the City Council voted 9 in favor, 0 opposed, to appoint Craig Anderson to the Stage Fort Park Advisory Committee, TTE 02/14/21.

Consent Agenda:

- **MAYOR'S REPORT**

1. New Appointment:

Historic District Commission (effective 2/14/2019) (TTE 02/14/2019) Barbara Lambert, alternate member

(Refer O&A)

2. Memorandum and Special Budgetary Transfer Request 2019-SBT-5 from Police Department

(Refer B&F)

3. Memorandum from Assistant DPW Director re: request acceptance of a donation from the Gloucester Fund for the purchase of two benches and a picnic table at Burnham's Field, in the amount of \$5,137

(Refer B&F)

4. Memorandum from Interim Police Chief re: request acceptance of a FY18 Bullet Proof Vest Grant in the amount of \$11,925 (Refer B&F)
5. Memorandum from Council on Aging Director re: FY19 State Formula Grant Budget Application in the amount of \$88,848 (Refer B&F)
6. Supplemental Appropriation Budgetary Request 2019-SA-10 from the CFO (Refer B&F)
7. Supplemental Appropriation Budgetary Request 2019-SA-11 from the DPW Director (Refer B&F)
8. Memorandum from Planning Director re: Conservation Restrictions submitted by Essex County Greenbelt Association (Refer P&D)
 - **COMMUNICATIONS/INVITATIONS**
 - **APPLICATIONS/PETITIONS**
1. Special Events Application: Request to hold the Lobster Trap Tree Lighting on December 8, 2018 (Refer P&D)
 - **COUNCILORS ORDERS**
1. CC2018-043 (Gilman) Amend GCO Ch. 22, Sec. 22-269 "Stop Intersection" by ADDING Vulcan Street at its intersection with Emerald Street
2. CC2018-044 (O'Hara) Amend the City Council Rules of Procedure "Rule 2: Order of Business" by placing "Councilors' Requests to the Mayor" before and/or after the Consent Agenda (Refer O&A)
3. CC2018-045 (LeBlanc) Amend GCO Ch. 22, Sec. 22-269 "Stop Intersection" by ADDING Lookout Street at its intersection with Commonwealth Avenue, Lookout Street at its intersection with Beacon Street and Beacon Street at its intersection with Washington Street (Refer O&A & TC)
 - **APPROVAL OF MINUTES FROM PREVIOUS COUNCIL AND STANDING COMMITTEE MEETINGS**
1. City Council Meeting: 10/23/2018 (Approve/File)
2. Joint Meeting of City Council, School Committee and Board of Health: 10/30/2018 (Approve/File)
2. Standing Committee Meetings: B&F 11/08/18 (under separate cover), O&A 11/05/18, P&D 11/07/18 (Approve/File)

Unanimous Consent Calendar

1. Letter from the Stage Fort Park Advisory Committee re: the Cyclo-Cross race October 17 & 18, 2018 (Refer P&D)

Items to be added/deleted from the Consent Agenda & Unanimous Consent Calendar:

Councilor Gilman asked to remove Item #3 under the Standing Committee Meetings, P&D 11/07/2018 to correct a scribner error by striking the word "DELETING" and adding the word "INSERTING" in the second motion on page 1 of 3. **The Council unanimously voted to amend the P&D minutes of 11/07/2018.**

By unanimous consent of the Council the Consent Agenda was accepted as amended and the Unanimous Consent Calendar was accepted as presented.

Committee Reports:

Budget & Finance: November 8

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor O'Hara, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept under MGL c. 44, §53A a state grant from the Massachusetts Cultural Council in the amount of \$8,500 to the Gloucester Cultural Council for the purpose of supporting FY19 local cultural projects in the City of Gloucester by the Gloucester Cultural Council. The grant period is from July 1, 2018 to June 30, 2019.

DISCUSSION:

Councilor Memhard explained that this is an annual grant the city receives with no match, funds which are then distributed through the Gloucester Cultural Council.

MOTION: On a motion by Councilor Memhard, seconded by Councilor Hecht, the City Council voted 9 in favor, 0 opposed, to accept under MGL c. 44, §53A a state grant from the Massachusetts Cultural Council in the amount of \$8,500 to the Gloucester Cultural Council for the purpose of supporting FY19 local cultural projects in the City of Gloucester by the Gloucester Cultural Council. The grant period is from July 1, 2018 to June 30, 2019.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor O'Hara, the Budget & Finance Committee voted 3 in favor, 0 opposed, to recommend that the City Council approve Supplemental Appropriation 2019-SA-9 in the amount of \$1,400.00 (One Thousand Four Hundred Dollars) from the City Clerk Dog License Receipts Reserved for Appropriation Fund, Transfers to the General Fund Account # 32145-596001, to the General Fund, City Clerk, Other Expense, Account #0116152-578000 for the purpose of funding the purchase of a high workload color printer.

DISCUSSION:

Councilor Memhard conveyed that the City Clerk is requesting a new desktop color printer, to replace an aging printer and a surplus printer that the Clerk's office received from another department which isn't working properly.

MOTION: On a motion by Councilor Memhard seconded by Councilor Hecht, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to approve Supplemental Appropriation 2019-SA-9 in the amount of \$1,400.00 (One Thousand Four Hundred Dollars) from the City Clerk Dog License Receipts Reserved for Appropriation Fund, Transfers to the General Fund Account # 32145-596001, to the General Fund, City Clerk, Other Expense, Account #0116152-578000 for the purpose of funding the purchase of a high workload color printer.

Ordinances & Administration: November 5

There were no matters for Council action from this meeting under this heading.

Planning & Development: November 7

COMMITTEE RECOMMENDATION: On a motion by Councilor Holmgren, seconded by Councilor Lundberg, the Planning & Development Committee voted 3 in favor, 0 opposed, to recommend that the City Council permit the withdrawal of a Special Council Permit application SCP2018-008: East Main Street #116, Map 59, Lot 53, GZO Secs. 2.3.1(8) "Conversion to or new multi-family or apartment dwelling, seven or more dwelling units", 3.2.2(fn e) "Distance between principal buildings" and 3.2.2 (fn a) "Minimum lot area per dwelling unit and minimum open space per dwelling" without prejudice.

DISCUSSION:

Councilor Gilman explained that a letter (on file) was received on Nov. 1, 2018 from the applicant's attorney asking that the Special Council Permit application be withdrawn without prejudice.

MOTION: On a motion by Councilor Gilman, seconded by Councilor Holmgren, the City Council voted 9 in favor, 0 opposed, to permit the withdrawal of a Special Council Permit application SCP2018-008: East Main Street #116, Map 59, Lot 53, GZO Secs. 2.3.1(8) "Conversion to or new multi-family or apartment dwelling, seven or more dwelling units", 3.2.2(fn e) "Distance between principal buildings" and 3.2.2 (fn a) "Minimum lot area per dwelling unit and minimum open space per dwelling" without prejudice.

Scheduled Public Hearings:

1. **PH2018-055: SCP2018-004: Main Street #189, Map 8, Lot 27, conversion of a 3 retail/3 residential unit building to a 2 retail/4 residential unit building pursuant to GZO Sec. 2.3.1.7, 3.2.2(a) and 3.1.6(b) to alter/expand a non-conforming structure, exceed maximum building height and seek dimensional variances in the CB district (To be withdrawn)**

Councilor Hecht declared under MGL Ch. 268A that he is the owner of the subject property pursuant to SCP2018-004, recusing himself from the proceedings, and left the dais.

This public hearing is opened at 7:31 p.m.

Council President Lundberg announced that the Council is in receipt of an email from the Applicant's attorney dated November 9, 2018, requesting the withdrawal of SCP2018-004: Main Street #189 without prejudice and called for a motion to withdraw.

MOTION: On a motion by Councilor Gilman, seconded by Councilor Holmgren, the City Council voted 8 in favor, 0 opposed, 1 (Hecht) recused, to permit the withdrawal of a Special Council Permit application SCP2018-004 Main Street #189, Map 8, Lot 27, conversion of a 3 retail/3 residential unit building to a 2

retail/4 residential unit building pursuant to GZO Sec. 2.3.1.7, 3.2.2(a) and 3.1.6(b) to alter/expand a non-conforming structure, exceed maximum building height and seek dimensional variances in the CB district.

This matter is closed.

Councilor Hecht returned to the dais.

- 2. PH2018-056: Tax Classification in accordance with MGL c. 40, §5 and GCO Ch. 2, Sec. 2-26 to determine the percentage of the local tax levy for the Fiscal Year 2019 to be borne by each class of real and personal property**

This public hearing is opened at 7:33 p.m.

Nancy Papows, Principal Assessor recounted there are four options to consider as part of the tax classification process none of which changes the total tax levy: 1) a residential factor must be adopted which determines the share of the tax levy that will be paid by each property class; 2) consider an Open Space discount (no parcels); 3) consider a residential exemption; and 4) a small commercial exemption (the Mayor hasn't opted for 3) or 4)). She noted that this evening the Council will determine whether to shift a portion of the tax levy from one class of property to another. The assessed values and new growth for FY19 were certified by the Department of Revenue on October 11th. NOTE: The adoption of different rates does **not** change the total property tax levy; rather, it determines the share to be borne by each class.

Ms. Papows then reviewed the Tax Classification Information for Fiscal Year 2019 (on file) with the Committee as follows:

Page 4 – A Comparison of Fiscal 2019 Values by Class: The Residential class this year represents 90.27% (\$5,970,388,157) of the total value of the City, and Commercial/Industrial/Personal Property (CIP) class represents 9.73 % (Commercial: \$359,687,243; Industrial \$168,574,400; Personal Property \$115,407,390). The taxable value of the city increased this year by 5.53 percent from FY18. Based on sales analysis, the residential class as a whole increased 5.42%. Different property types within the residential class saw increases in the range of 1.0% to 7.7%. The commercial increased 1.6% and industrial had 0.2%, considered nominal.

Pages 5 – Fiscal Year Parcel Counts, Values, and percent of Total Taxable City Value: The table on this page shows the parcel counts and the assessed values of each class from 2006 to present.

Page 6 – Previous Classification Factors and Resulting Tax Rate: The table shows the historic shift factors adopted over the years, and the associated underlying residential shift factors. (Note: The 1.03 shift factor was adopted last year (prior to that for the last eleven years, shifts a portion of the residential tax burden to the CIP classes.)

Page 7 – Calculating the Maximum Allowable Levy: The table shows the calculation of the maximum allowable levy for FY19. It starts with the FY18 levy limit from the prior year and added to that is the Prop 2-1/2 increase and new growth (from Residential and CIP classes) which results in the FY19 levy limit. Added to that is the Pole's Hill debt exclusion (which runs through 2019), the CSO debt exclusion, and the water debt exclusion, which results in the maximum FY19 allowable levy (\$84,206,254). That figure divided by the total value of all city parcels results in the FY19 tax rate at a factor of 1.0 which is a tax rate of \$12.73 (down 24 cents from FY18). The tax rate at a factor of 1.0 would result in all properties paying the same rate for all classes of property. At a factor above 1.0, a portion of the residential tax levy would shift to a different class.

Page 8 – FY19 Tax Rate at a Factor of One = \$1, Shift in Tax Rate: This shows approximate tax rates that result from the various shifts to the CIP class. The maximum shift allowed by the state is 1.5 percent (represented by 150%).

Page 9 – Comparison of Levy by Class at Various Shift Factors: This further shows the levy by class and approximate shift of the levy and also shows the approximate excess levy capacity that results which is approximate based on a rounding of the tax rates when the tax recap is completed.

Page 10 – Change in Tax Dollars at Various Shifts: This shows the actual change in tax dollars for properties at different levels in terms of valuations (at various shifts). For example, a property value at \$500,000 is the closest to the average single family home in Gloucester which is \$585,495 this year (median \$423,200). At last year's shift factor of 1.03 that would save the residential taxpayer \$20 per year while the CIP taxpayer would pay an additional \$190. The extreme as shown at the bottom of the page shows that a \$500,000 property at a 1.5 shift saves the residential taxpayer \$340 annually while the CIP taxpayer would see an increase of \$3,180.

Page 11 – Open Space Discount and Residential Exemptions. This page explains the open space discount. There are no parcels defined as open space in the city at this time.

Page 11 and 12 Residential Exemptions and Page 13 – Small Commercial Exemption: The Mayor has not opted to adopt either the Residential or Small Commercial Exemptions.

Ms. Papows pointed out that through the Assessors Department personal exemptions are offered and are accepting applications at this time -- credits for tax bills for individuals where the property is their domicile and residents meet state requirements such as a senior or veterans exemptions. The application deadline is April 1, 2019. Should citizens wish to seek assistance in making their application, they can contact the Assessor's Office over the phone (978-281-9715) or in person at City Hall.

Councilor Cox asked for tax shifts on neighboring communities. **Ms. Papows** noted 2017 shifts for Essex, Hamilton, Ipswich, Manchester, Marblehead and Rockport are 1.0; Beverly 1.67, Salem 1.65, Danvers 1.36 and Lynn 1.75.

Councilor Gilman asked how seniors and veterans are notified of the April filing deadline for personal exemptions. **Ms. Papows** noted the information is on the back of the city's tax bills. She advised her department grants on average 350 exemptions a year. If someone is already in the "queue," reminder letters are sent for them to refile for their exemptions. She pointed out the Assessor's Department page on the city's website has a description of the exemptions and the application. Her department also does some outreach at the request of local banks through mini-seminars to bring awareness about these exemptions.

Council President Lundberg noted the city's current tax rate is a slight shift from residential to business classes. He conveyed that historically the city has slightly shifted from residential to business, and the amount of the shift has been declining. The last two years the shift has been at 1.03, prior to that for 11 years the shift was at 1.06, which means that the business tax rate is slightly higher than the residential tax rate. He highlighted that the overall amount of money the city realizes is unchanged by the shift. He cited that it is about which of these classes bears a burden and how it is allocated -- this is about which of these classes bears their tax burden.

Those speaking in favor of a 1.0 tax rate:

Ken Riehl, Executive Director, Cape Ann Chamber of Commerce ("Chamber"), conveyed the following information (Note: submitted were a full written remarks and a one-page document showing two charts of statistics related to the Rooms and Meals Taxes, both placed on file): Cape Ann Chamber's 900 members are in support of the B&F recommendation to eliminate the higher business tax rate. Gloucester's CIP factor stands at the lowest differential rate in the state. The effect on residential homeowners is low, about \$20 for a \$500,000 valued home, and about 10 times that for an equivalent business owner. It was noted that 237 Commonwealth communities don't have a higher business tax including Essex, Manchester, Rockport, Ipswich, and Newburyport. The Chamber believes that 1.0 will give businesses a strong incentive to move to the city. He mentioned the Beauport Hotel bringing "excitement" to the city from a business perspective; the new improvements to Gloucester Crossing; the anticipated development of the Fuller property; the opening of the Gloucester Marine Genomics Institute. It was cautioned that there are serious challenges to attracting businesses being an island with several factors voiced which deter businesses locating in the city. The business base has declined consistently over the last ten years, it was noted. Municipalities just 10 miles away have broader tax bases -- those that have a larger business base have a higher shift and higher tax rate. Gloucester's visitor-based economy is increasing. Demographic statistics were cited, especially the high cost of housing and the decline in population. He spoke of broadening the city's business base to attract new businesses, and initiatives the Chamber is undertaking. A North Shore Blue Economy Coalition is being formulated to develop a similar model that was implemented on the South Shore that is attracting grants and new blue economy jobs. Gloucester, as the North Shore's largest port, is poised to take full advantage of this new initiative.

Mr. Riehl urged the Council vote to adopt the B&F recommendation for a tax classification of 1.0 rate.

Greg Bover, Vice President of Operations, C.B. Fisk, 21 Kondelin Road, encouraged the Council to "level the playing field." He pointed out his company has been in the city since 1961 and suggested that new businesses will look to the business tax rate being the same as the residential tax rate.

Don Turcotte, General Manager of the Americold facilities at Rowe Square and 69 Rogers Street, advised that the tax shift matters to his company saying that by reducing the difference it will allow his company to continue to invest in the company to continue the competitive advantage of Americold and other companies within the city. He urged the Council to reduce the business tax.

Nick Pszenny, 27 Dodge Street, co-owner of the Cape Ann Lanes, expressed he was pleased to know the Council was considering a 1.0 tax classification rate, pointing out most city business owners also live in the city. Pointing out the costs for many permits his business must hold and renew annually for their business in order to run it in the city also includes \$10,000 in property taxes annually. He asked that the Council adopt the B&F recommendation.

Caitlin Pszenny, 27 Dodge Street, a member of Next Generation Cape Ann and co-owner of Cape Ann Lanes, urged the Council adopt the B&F recommendation in order to attract more businesses and attract young professionals to the community.

Nick Osgood, National Fish & Seafood, 159 East Main Street, advised that the lower rate is impactful to city businesses. As an investor in real estate, he conveyed that he views the balanced tax rate as a positive and when investing in communities that don't have the balanced rate it is a penalty to businesses. He advised it acts as an inhibitor to tenants with triple net-based leases. He offered his support for the B&F recommendation.

Robert Gillis, 31 Sayward Street, highlighted that business investment is good for Gloucester and its residents, pointing out this is about, "basic fairness." The tax classification factor affects everyone and urged passage of the B&F recommendation.

Ruth Pino, 82 Wheeler Street, noted she pays \$6,500 in real estate taxes a year, and that the shift will save her \$20 which she'll donate to the city.

Meredith Fine, 20 Eastern Avenue, spoke in favor of the B&F recommendation, noting it is about how things look. A study by an MIT professor about 10 years ago that looked at tax classification, that they don't serve any purpose, doesn't encourage any public policy, and is a "pointless" exercise.

Those speaking in favor of shifting some of the tax burden from the residential class to the business classes: None.

Communications: **Olimpia & Joseph Palazola**, 57 Western Avenue, by email 11/13/18 in opposition to a 1.0 tax classification factor; **Kathleen Clancy**, 78 High Popples Road, by email 11/13/18 in opposition to a 1.0 tax classification factor.

Councilor Questions: None.

This public hearing is closed at 8:05 p.m.

COMMITTEE RECOMMENDATION: On a motion by Councilor Hecht, seconded by Councilor O'Hara, the Budget & Finance Committee voted 3 in favor, 0 opposed, to adopt a RESIDENTIAL TAX CLASSIFICATION FACTOR OF 1.0 for Fiscal Year 2019.

DISCUSSION:

Council President Lundberg moved to amend the main motion by **adopting a RESIDENTIAL TAX CLASSIFICATION FACTOR OF .996800 that equates to a CIP Shift of 1.03 for Fiscal Year 2019**, seconded by **Councilor LeBlanc**.

DISCUSSION ON THE AMENDMENT:

Councilor LeBlanc urged the passage of the amendment. Saying that although he is a small business owner who understands the CIP tax burden, he advised he was speaking on behalf of the city's seniors, especially those on fixed incomes with limited income -- their only asset being their home. The cost of living has gone up, he pointed out; water and sewer rates have gone up adding to homeowners' burden. He conveyed that this was about giving a little bit of tax relief to a portion of the city's residents who are struggling. He spoke about consistency, citing the rate of 1.06 in place for eleven years which only changed recently to 1.03. Acknowledging that some Councilors want to go to 1.0, he urged stability for residents and business owners. While stating he was in favor of bringing new business to Gloucester, he highlighted that Ward 3, whom he represents, is a working class ward and knew many of his constituents were struggling just to make ends meet. He pointed out that real estate assessments have gone up which means higher taxes to homeowners and urged support for the amendment.

Responding to questions from **Councilor Cox Ms. Papows** conveyed the following information: There are several senior exemptions: \$175 and \$500 off the total annual real estate taxes which is also available to widows. For veterans there has to be a disability involved unless it is a Purple Heart or Medal of Honor. The most frequently granted exemption is \$400 for veterans, but the exemption can go up to the full tax amount; others are \$1,000 or \$1,250 depending on the disability. The legally blind exemption is \$437.50 annually. She noted that the Overlay Account covers some of the differential costs. The state does reimburse the city but not for the total amount the city exempts.

Councilor Hecht advised he would vote against the amendment. This is "small dollars" he pointed out, saying that the savings of the 1.03 shift equates to \$20 or \$5 a quarter or \$1.66 a month. He pointed out that his constituents ask him about what the city is doing about bringing jobs to the city in non-tourism dollars. He added that the city is in the forefront of the development of a "blue economy" highlighting the recently opened headquarters for GMGI which brings scientists to the city from all over the world. This is a chance to bring new businesses to the city, he conveyed, citing that no one spoke in favor of a 1.03 tax classification; rather they all spoke in favor of 1.0.

Councilor Holmgren expressed her thanks for those who spoke to the Council on this issue; to those who serve the community through their businesses and city residents. She noted she's talked to many people about this issue, which is a difficult decision citing that this is an issue that is "guaranteed leaving some people dissatisfied," especially those present who have served the community in many ways. She advised her intent to vote in favor of the 1.03 shift. She pointed out that the city is business friendly in many ways highlighting the city has given out TIF's, the "DMO is terrific", the Community Development and Economic Development Departments work to put forward great initiatives. The city's elderly are not only on fixed incomes, she cited, but are struggling to sell their larger homes in order to downsize. She advised she will vote for those residents who have reached out to her who are on fixed incomes who will soon be asked to "shoulder the burden" of new elementary schools. While noting that this vote may be viewed as symbolic, if they're going to send a message to the city's voters, it is faith they will do the right thing when the city goes to build a new school that can attract business owners with young families from the Greater Boston area to infuse the city's economy "with their own potential."

Councilor Gilman noted they speak of jobs but in order to have jobs they have to have people who can afford to live in Gloucester, saying that people are having a hard time finding homes they can afford be it the cost or the taxes. She conveyed she speaks with people frequently who complain about issues related to infrastructure mentioning the poor condition of city roadways. She highlighted that the majority of people in Ward 4 whom she represents, aren't "feeling the love" from city services because the city can't afford to make repairs and maintain what it has because the city doesn't have the money. The city needs a new East Gloucester/Veterans Elementary School, she explained, and with the city's residential class making up 90% of the city, she expressed her support for the 1.03 rate.

Councilor O'Hara expressed support for a 1.0 tax classification rate. Acknowledging his support of the city's seniors, he pointed out there are ways for seniors to save. Mentioning the need for a new school and what he indicated was the city's deteriorating infrastructure, he offered that the remedy is to bring new businesses to the city; businesses that he suggested would hire local residents who will spend their earned dollars here. He mentioned the cost of transportation to businesses as an inhibiting factor in the city. Gloucester needs to be better able to encourage businesses by beginning with its tax rate, he added.

Councilor Nolan expressed his support for the 1.03 residential tax classification factor pointing out that the residents of Ward 5, whom he represents, aren't getting what they need from the city, and as a business owner he understood the associated costs. Citing his constituency, he advised of his support for 1.03.

Councilor Memhard expressed that 1.03 is "a step backwards," that 1.0 appropriate. Businesses don't get to vote, he pointed out, saying that it was "shortsighted" to save a few dollars at a greater cost to the entire community. He advised they need jobs and businesses with a business base like Peabody or Danvers. While dollar wise it doesn't make a huge difference, he conveyed they're not serving the long-term needs of the city that reduces the tax obligation.

Councilor Cox, citing that while they want real estate values to increase, it means taxes increase. It is not just a \$20 savings, she suggested, but it is offset with exemptions for the elderly, veterans and the blind. She pointed out that the city doesn't offer middle class exemptions, a class that is told that if they're struggling financially to work harder and get better paying jobs to make ends meet. She highlighted that she could save a lot of money if she didn't have to commute to a job outside of the city. She conveyed that businesses don't come to the city because there is a tax classification factor of 1.0, but come because there's space available, a good labor force or the possibility of good schools which in turn attract and retain a good labor force. Noting she had been able to purchase an affordable home two years ago, she noted she'd no longer be able to find a house such as hers available in the \$300,000 range. Many people spoke as business owners this evening who are residents that own their homes in the city and pay in "both directions" she highlighted. She cited the fees Mr. Pszeny recited he must pay annually to run his business, and advised a factor of 1.0 is the fair thing to do and would vote against the amendment.

Council President Lundberg explained he offered the amendment saying that there is a serious housing issue because of Gloucester's location on the coast which raises property values which in turn causes residential taxes to rise because of the market. He expressed agreement that this action is symbolic, but saying with all due respect to the city's business community, the city is not complacent, but is business friendly and that the Council is there for them 100% of the time. He offered that they have to take care of the residents and was willing to make this symbolic gesture because to some, \$20 is important. He asked the Council to vote in favor of 1.03

MOTION: On a motion by Councilor Lundberg, seconded by Councilor LeBlanc, the Budget & Finance Committee voted 5 in favor, 4 (Hecht, Memhard, O'Hara, Cox) opposed, to AMEND the main motion to adopt a RESIDENTIAL TAX CLASSIFICATION FACTOR OF .996800 that equates to a CIP Shift of 1.03 for Fiscal Year 2019.

MOTION TO AMEND THE MAIN MOTION PASSES.

VOTE ON THE MAIN MOTION:

MOTION: On a motion by Councilor Memhard, seconded by Councilor Hecht, the City Council voted by ROLL CALL 5 in favor, 4 (Hecht, Memhard, O'Hara, Cox) opposed, to adopt a RESIDENTIAL TAX CLASSIFICATION FACTOR OF .996800 that equates to a CIP Shift of 1.03 for Fiscal Year 2019.

- 3. PH2018-0057: Technical amendment to GZO Sec. 5.31.4 "Use Allowance and Special Permit Procedures" re: medical marijuana treatment centers**

This public hearing is opened at 8:34 p.m.

Those speaking in favor: None.

Those speaking in opposition: None.

Communications: None.

Councilor Questions: None.

This public hearing is closed at 8:35 p.m.

COMMITTEE RECOMMENDATION: On a motion by Councilor Lundberg, seconded by Councilor Holmgren, the Planning & Development Committee voted 3 in favor, 0 opposed, to recommend that the City Council Amend the Gloucester Zoning Ordinance Sec. 5.31.4 "Use Allowance and Special Permit Procedures" by DELETING in the first paragraph the phrase "medical marijuana treatment centers".

DISCUSSION: None.

MOTION: On a motion by Councilor Gilman, seconded by Councilor Holmgren, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to Amend the Gloucester Zoning Ordinance Sec. 5.31.4 "Use Allowance and Special Permit Procedures" by DELETING in the first paragraph the phrase "medical marijuana treatment centers".

COMMITTEE RECOMMENDATION: On a motion by Councilor Lundberg, seconded by Councilor Holmgren, the Planning & Development Committee voted 3 in favor, 0 opposed, to recommend that the City Council Amend the Gloucester Zoning Ordinance Sec. 5.31.4 "Use Allowance and Special Permit Procedures" by DELETING in the second paragraph the phrase "a medical marijuana treatment center as defined in M.G.L. c. 94I or".

Councilor Gilman moved to AMEND the main motion by striking the word "DELETING" and adding the word "INSERTING", seconded by **Councilor Holmgren, and voted unanimously by the City Council.**

DISCUSSION: None.

MOTION: On a motion by Councilor Gilman, seconded by Councilor Holmgren, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to Amend the Gloucester Zoning Ordinance Sec. 5.31.4 "Use Allowance and Special Permit Procedures" by INSERTING in the second paragraph the phrase "a medical marijuana treatment center as defined in M.G.L. c. 94I or".

- 4. PH2018-058: Amend GZO Secs. 1.2 "Purpose, interpretation, Conflict, Definitions" 6.1 "Mobile Homes, Trailers and Campers" and 5.23 "Residential Land-based Wind Energy Conversion Facilities" per the Municode Ordinance Review and Recommendations**

This public hearing opened at 8:38 p.m.

Those speaking in favor: None.

Those speaking in opposition: None.

Communications: None.

Councilor Questions: None.

This public hearing is closed at 8:38 p.m.

COMMITTEE RECOMMENDATION: On a motion by Councilor Holmgren, seconded by Councilor Lundberg, the Planning & Development Committee voted 3 in favor, 0 opposed, to recommend that the City Council Amend the Gloucester Zoning Ordinance pursuant to the recommendations of General Council in a memorandum dated June 6, 2018 entitled, "Municode Ordinance Review and Recommendations."

DISCUSSION:

Council President Lundberg explained that this technical amendment was through a Municode review as recommended by General Counsel which was confirmed by **Councilor Gilman**.

MOTION: On a motion by Councilor Gilman, seconded by Councilor Holmgren, the City Council voted by ROLL CALL 9 in favor, 0 opposed, to Amend the Gloucester Zoning Ordinance pursuant to the recommendations of General Council in a memorandum dated June 6, 2018 entitled, "Municode Ordinance Review and Recommendations."

- 5. PH2018-059 SCP2018-003: Atlantic Road #171, Map 73, Lot 26, restoration of existing building into a single family home pursuant to GZO Sec. 1.8.3 and 3.1.6(b) for a building height in excess of 35 feet in the R-20 district**

This public hearing opened at 8:40 p.m.**Those speaking in favor:**

Attorney Deborah Eliason 63 Middle Street, representing 171 Atlantic Road LLC, Manager, Brian Melanson (present), and engineer for the project, the Morin Cameron Group, Inc., John Morin (present). She advised the Applicant is seeking to redevelop the former Ocean View Inn property into a residential development. The intention is to divide the property into five lots. At the same time with this Application, the Applicant filed an ANR Plan with the Planning Board and a variance application with the Zoning Board of Appeals (ZBA). The variance application was for a front yard setback off of High Popples Road for a small jut-out. The ZBA voted to approve the variance and the Planning Board approved the ANR plan. The new lots will meet the required frontage. The Applicant is before the Council because he doesn't want to tear down the existing "mansion" at the corner of Atlantic and High Popples Roads, and for the building to stay in place a height exception is necessary for the existing height which is 38 feet. The intent is to rehabilitate the building into a single-family home. Once the lots are created the building becomes non-conforming because it exceeds 30 feet. If the Council doesn't grant the Special Council Permit the building will have to be removed because it would be in violation of the Zoning Ordinance. All other buildings on the property will be removed excepting this building as part of the redevelopment.

A technical matter was noted under GZO Sec. 1.5.3.(b)(2) in that the Applicant hasn't included building and floor plans as required in the application because there is no proposed building; rather it is an existing building. Therefore, the Applicant was asking the Council to waive the requirement under the Zoning Ordinance for plan set submission. All other buildings on the property will be removed in pursuit of the overall property development.

Ms. Eliason then reviewed the six criteria for a Special Council Permit under GZO Sec. 1.8.3 as follows:

1. Social, economic and community needs are served by the Project: The Applicant intends to restore the existing building on the property into single-family residence, in keeping with similar larger homes in the area. The height of building which is currently nonconforming will not change. The restoration will add value to this home and may help to increase the value of the other homes in the area and provide additional tax revenue to the city.
2. Traffic flow and safety: 1.5 off-street parking spaces are required in the R-20 zone. This has a large driveway which can accommodate many more cars than the requirement. The change in use from a hotel/conference center to a single-family home will reduce traffic entering and exiting this property.
3. Utilities and other public services: Utilities will be updated as necessary and will be adequate to meet the needs of a residential household needs, and no additional utilities will be required.
4. Neighborhood character and social structure: The structure appears as a single-family dwelling appropriate to the other larger remodeled homes in this neighborhood. There will be no new obstruction of views as the height is pre-existing and will not be changed.

5. Qualities of the natural environment: The qualities of the natural environment will not be impacted as the height is pre-existing. Excepting this building, all other buildings on this site will be removed, creating more permeable area. The porch and the deck on this property will also be removed. Lot coverage proposed on Lot 1 would comply with the Zoning criteria as it would be approximately 12% where 25% is the maximum for the R-20 district.
6. Potential fiscal impact: The improvement and occupation of this long vacant building will increase its value and possibly that of its neighbors.

Ms. Eliason concluded her remarks on the Application as follows: The application is in harmony and intent with the Zoning Ordinance, and is compliant with Sec. 1.8.3 as just enumerated and Sec. 3.1.6(b); it will not adversely affect the neighborhood, the Zoning district or the city and will outweigh the beneficial effects of preserving this historic building. The 38 foot height is consistent with the neighborhood character; it will not be substantially detrimental to the neighborhood because of obstruction of views, overshadowing of other properties, the impairment of utilities or other adverse impacts. This application is for a building that has been in place for 100 years and be preserved, with the building height not increased by the project. This will allow the building to remain and continue it's a useful life that remains true to its historic architecture, and the property meets all other dimensional requirements. Mr. Melanson has met with several neighbors to discuss the application and received positive responses to the desire to preserve the building.

Those speaking in opposition: None.

Communications: None.

Councilor Questions:

Councilor Memhard asked about the review and revision of the FEMA flood maps in terms of the Velocity Zones; noting originally parts of this property were deemed inaccessible for emergency vehicles from Atlantic Road and sought alternative roadway access, which was avoided. **Ms. Eliason** noted the FEMA flood map originally showed the flood zone covering a great deal of the property (noted on the site plan on file), which has now been moved back after an amendment to Atlantic Road so that only a very small portion of the property is affected by the flood zone meaning that the five lots can meet the lot area requirements of the city.

Councilor Hecht asked if the ANR allows two-family dwellings by right. **Ms. Eliason** acknowledged the ANR did allow two-family dwellings by right, advising that plans are still in progress. She advised that Lots 1-4 are intended to be either single- or two-family dwellings, and Lot 5 will be some semblance of a multi-family building.

Communications: None.

Councilor Questions: None.

This public hearing is closed at 8:50 p.m.

COMMITTEE RECOMMENDATION: On a motion by Councilor Holmgren, seconded by Councilor Lundberg, the Planning & Development Committee voted 3 in favor, 0 opposed, to recommend that the City Council grant a Special Council Permit (SCP2018-003) to 171 Atlantic Road, LLC, Bryan Melanson, Owner, for a property located at Atlantic Road #171, Map 73, Lot 26, in the R-20 District pursuant to GZO Sections 1.8.3 and 3.1.6(b) "Building Heights in Excess of 35 Feet" in the R-20 district" for a pre-existing building with a height of 38 feet that is to remain unchanged. Further, the City Council is to waive the requirement of full plan sets to be on file for SCP2018-003. This project is found to be in harmony and intent of the Gloucester Zoning Ordinance.

DISCUSSION:

Councilor Gilman advised that this Special Council Permit application is before the Council because when the Applicant changed the lot lines of 171 Atlantic Road the height of the existing building was no longer "grandfathered" under the Zoning Ordinance. As a result, the Applicant had to seek a Height Exception through a Special Council Permit even though the height will remain unchanged. She reported that this Special Council Permit meets the six criteria under Sec. 1.8.3 and is in harmony with the Zoning Ordinance. Many of the neighbors in support of this project noting that one of the points Ms. Eliason made was that there are no obstruction of views, and there will be less traffic generated. She expressed her hope the Council would support the Planning & Development Committee's recommendation.

MOTION: On a motion by Councilor Gilman, seconded by Councilor Holmgren, the City Council voted by **ROLL CALL 9** in favor, **0** opposed, to grant a Special Council Permit (SCP2018-003) to 171 Atlantic Road, LLC, Bryan Melanson, Owner, for a property located at Atlantic Road #171, Map 73, Lot 26, in the R-20 District pursuant to GZO Sections 1.8.3 and 3.1.6(b) "Building Heights in Excess of 35 Feet" in the R-20

district” for a pre-existing building with a height of 38 feet that is to remain unchanged. Further, the City Council is to waive the requirement of full plan sets to be on file for SCP2018-003. This project is found to be in harmony and intent of the Gloucester Zoning Ordinance.

Councilor Gilman offered her welcome to Mr. Melanson who is a new resident of the city, and expressed her appreciation for his working so well with the abutters. **Councilor Memhard** noted as Ward 1 Councilor he has spoken with the neighbors, saying the project is welcomed with “open arms.” He suggested that Mr. Melanson is “doing it right,” and also offered his welcome to the city.

For Council Vote:

1. **FCV: PH2018-054 Amend GCO Ch. 22 “Traffic and Motor Vehicles” Sec. 22-270.1 “Resident Sticker Parking Only” by ADDING Babson Street (Cont’d from 10/23/18)**

The Committee Report was made at the 10/23/18 City Council meeting. During a Council discussion, it was learned that Babson Street was listed by the city as both a public and private way and if that was the case, it may not be eligible for the Council to legislate to make it “Resident Sticker Parking Only”.

Councilor LeBlanc advised he was asking the Council to continue this matter to the November 27, 2018 City Council meeting in order to hold a neighborhood meeting prior to the next Council meeting.

This matter is continued to November 27, 2018.

Unfinished Business: None.

Individual Councilor’s Discussion including Reports by Appointed Councilors to Committees:

Update on the Stage Fort Park Advisory Committee and the Magnolia Woods Oversight & Advisory Committee by City Council Representative, Councilor Sean Nolan, who reported the following matters:

- Magnolia Oversight & Advisory Committee: With winter coming the Committee is still waiting to learn if they can get a gate installed at the lower half of the parking lot for winter access other than the side of Western Avenue where trail hiking through the Gloucester Trail Stewards has become more accessible.
- Stage Fort Park Advisory Committee is still working on the restoration of the cannons and seeking grant funds to bring the park “up to par” for the city’s 400th Anniversary. They are also looking into the damage caused by the Cyclo-Cross race this past October and that they are looking into reparations for the park and the city.

Councilors’ Requests to the Mayor:

Councilor Hecht mentioned an upcoming Downtown Window Decorating Contest with a unified promotion by the Chamber of Commerce, Discover Gloucester, the Gloucester Downtown Association, Bridge Cape Ann and himself as Ward 2 Councilor. Starting the day after Thanksgiving voting will be open on Survey Monkey for people to vote their choices. It is hoped this effort will help to draw people to the city’s downtown to shop locally, he pointed out adding that voting is open through Dec. 20, and on Dec. 21 the winners will be announced.

Councilor Gilman reported she attended a workshop having taken place on Sunday, Nov. 11 on zoning at the Lanesville Community Center organized by Valerie Nelson and the Lanesville Community Center Board, which she described briefly. She highlighted that the Board had even invited the Rockport Planning Board Chair to join the panel, Herman Llija, whom she noted offered interesting insights. She advised that the Planning Director and the Community Development Director have been made aware of the meeting, and advised she had handouts for Councilors if they were interested. She mentioned an upcoming joint meeting of the P&D Committee and the Gloucester Historical Commission on Monday, Nov. 26 in Kyrouz Auditorium from 6:00 p.m. to 8:00 p.m. The main thrust of the meeting will be to talk about MGL Ch. 48D; oversight of City Council review with matters that forward from the Historical Commission; review the general nomination process and what the appropriate time is for the Council to weigh in. She pointed out that this meeting will be handled in a very objective and concise way. She conveyed that Councilor Memhard has a tool to help citizens through the private way street paving betterment process and commended him for creating a user-friendly tool. She offered to work with him to perfect it and then work on obtaining feedback from the Administration.

Councilor O'Hara noted that National Grid is in city streets cutting back tree limbs in anticipation of winter to help to prevent power outages. On Wednesday, Nov. 28 at the Magnolia Library there will be a Red Cross Blood Drive from 2:00 p.m. to 7:00 p.m. Call 1-800-RED-CROSS for an appointment.

Councilor Holmgren announced that "Present Gloucester" is now open, a pop-up shop with goods for sale made by local artisans at 186 Main Street in the Brown's Mall Building. She noted that the Sawyer Free Library will host a Visioning Session for a new library on Thursday, Nov. 15 from 6:00 p.m. to 8:00 p.m. The Library is asking residents to tell them what they want in a new library, and she added it is a kid-friendly event.

Councilor Memhard spoke to facilitating the availability of good information for remedying potholes, noting that the city's website on Item 7 under Municipal Services says residents can report potholes to the DPW or report them via the city's on-line system, "SeeClickFix". He pointed out that's fine, but only if your road isn't a private way. He suggested they need to get the city's community communication services up to par on that. He requested that the Mayor through the DPW Director, the Interim Police Chief and the Traffic Commission work together with the Ward 1 Councilor to address an area of the city with a history of accidents, most recently a serious hit and run accident on Main Street at bottom of Haven Terrace between the Speedway gas station and the Napa Auto Parts Store. Offered by way of suggestion is to utilize yellow flashing crossing lights such as those adjacent to the Gorton's manufacturing facility on Rogers Street and at McPherson Park. By way of background, in spite of the crosswalk there which was recently repainted, there are many businesses in the immediate area combined with residences and the Action Shelter which generates a great deal of pedestrian traffic.

Councilor Cox suggested that there are flashing lights on Prospect Street that indicate a School Zone and with St. Ann's School no longer being used as a swing school she suggested those flashing signs could possibly be moved to the location Councilor Memhard mentioned. She requested that the Mayor through the Board of Health and Inspectional Services prepare forms; fines citations, warning letters and any other necessary city administrative initiatives to be prepared now in advance of the city-wide ban for polystyrene containers and single-use plastic bags that goes into effect January 1, 2019. Further it is requested that the city mail to all city businesses a letter highlighting the institution of the dual ban and its effective date as soon as possible. By way of background, despite the great effort for outreach to educate the city's business community there is a concern there could be a business that will miss this information and be subject to warning letters and fines. She announced that the Seacoast Nursing & Rehabilitation Center is holding a holiday fair from 9:00 a.m. to 1:00 p.m. on Saturday, Nov. 17 as is the Magnolia Women's Club at the Magnolia Library on that same date. She wished everyone a Happy Thanksgiving and also wished Councilor Memhard a very Happy Birthday.

Councilor LeBlanc expressed his pride in the Council for their considered debate on tax classification.

Council President Lundberg seconded Councilor Cox's request to the Mayor as did Councilor Gilman.

Councilor Gilman thanked the City Clerk for her and her department's effort during the recent Early Voting and on Election Day.

A motion was made, seconded and voted unanimously to adjourn the meeting at 9:16 p.m.

Respectfully submitted,

Dana C. Jorgensson
Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING:

- **Oral Communications:**
Patricia Ivas, 9 Lewis Court, written documentation on her concern about a neighbor's fence
Karen Favazza Spencer, 67 Langsford Street, written statement under Oral Communication
- **Public Hearing #2: Tax Classification to determine the percentage of the local tax levy for the Fiscal Year 2019:**
Ken Riehl, Executive Director, Cape Ann Chamber of Commerce ("Chamber"), full written statement and a one-page document of two charts with statistics related to the Rooms and Meals Taxes