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P/m

**ACCEPTED AND FILED
SUSPENSION**

Chelsea, Massachusetts, June 20, 2016

A Regular meeting of the Chelsea City Council was held. The meeting was held at the Chelsea City Hall located at 500 Broadway Chelsea, Massachusetts. The following Councilors were present: Councilors Frank, Vidot, Rodriguez, Recupero, Murphy, Lopez, Tejada, Garcia, Cortell, and Robinson. Councilor Avellaneda was absent. Council President Cortell presided over the meeting. The meeting opened at 7:00 p.m.

Memoriums and celebratory resolutions:

The following Resolution was introduced by all members of the Chelsea City Council. A motion from Councillor Vidot to accept and file was adopted under suspension.

WHEREAS, the recent horrific events of the Orlando massacre that filled 49 and injured many others has been on the minds and heart of many; and

WHEREAS, members of various disenfranchised communities are feeling vulnerable as a result of this heinous act of violence; and

WHEREAS, people have a right to live and gather safely without fearing being attacked or targeted on the basis of who they are; and

WHEREAS, we are a tolerant body that represents a community that encompasses multiple nationalities, ethnicities, religious faiths, genders and sexual orientations; let it be

RESOLVED, that we the members of the City Council of Chelsea, do hereby express our deepest sympathy and condolences to the families of the victims of our Muslim, LGBTQ and Latino communities, and we hereby condemn all acts of violence against humanity and stand in solidarity with those directly and inadvertently affected by the recent tragedy.

Public Speaking:

The public speaking portion of the meeting opened at 7:25 p.m.

The following came forward to speak:

John Valinch, Chelsea resident. Spoke about the LGBTQ event held in Chelsea and spoke about the LGBTQ community.

The public speaking closed at 7:35 p.m.

Communications from City Manager:

The following communication was read from City Manager Thomas G. Ambrosino. A motion from Councillor Robinson to accept and file was adopted under suspension.

Honorable City Council
Chelsea City hall
Chelsea, MA 02150

Re: Conflict of Interest Exemption, Ms. Katie Laundre

Dear Council:

I hereby submit for your review and consideration a conflict of interest exemption on behalf of Ms. Katie Laundre so that she may hold a part-time position as Yoga instructor of the Chelsea Youth program of the Chelsea Community Schools. This request is made to establish the Chelsea Yoga Instructor position as "special" under M.G.L. Chapter 268A, Section 20, and is necessary as Ms. Laundre is also employed as the Social Worker at the Chelsea Public Schools.

The Chelsea Yoga instructor position will be part-time for (5) hours per week. As Ms. Laundre will perform as a paid employee only part-time and for less than 800 hours in the year, the City seeks to obtain an exemption of the Conflict of Interest Law from the City Council. M.G.L. Chapter 268A Section 20, also known as the Conflict of Interest Statute, provides for exemptions of this nature.

I respectfully request that the Council approve the conflict of interest exemption for Ms. Laundre. I have attached a draft Order. Please let me know if you need any further information.

Sincerely,
Thomas G. Ambrosino
City Manager

The following communication was read from City Manager Thomas G. Ambrosino. A motion from Councillor Robinson to accept and file was adopted under suspension.

The Honorable Chelsea City Council
Chelsea City Hall
500 Broadway
Chelsea, Massachusetts 02150

Re: Green Communities Act-Adoption of Stretch Energy Code

Dear Councilors:

I am writing in follow-up to Monday's presentation regarding the Green Communities Act.

As we noted at that meeting, one criterion for eligibility which requires City Council action is adoption of the Stretch Energy Code. This is an alternative Building Code that will be implemented for certain construction in the City. At this point the Stretch Energy Code does not differ all that significantly from the base code. And, every municipality surrounding the City of Chelsea, including Boston, has already adopted this Stretch Energy Code.

In order to adopt the Stretch Energy Code, the City Council must amend its Ordinance. Specifically, a change is required to Chapter 6, Section 6-27(a). I have attached the necessary text for this Ordinance change. Because some developers and residents may be interested in this topic, I do suggest that the City Council advertise this change for a public hearing.

Please note that the Board of Building Regulations and Standards requires that the Stretch Energy Code only be implemented either on January 1 or July 1 of any given year, and that there be at least a six month notice period prior to implementation. Accordingly, assuming a public hearing and adoption after July 1, the effective date of this Stretch energy Code in Chelsea will be July 1, 2017.

Sincerely,
Thomas G. Ambrosino
City Manager

The following order was received late from the City Manager. There were no objections. A motion from Councillor Robinson to accept and file was adopted under suspension.

The Honorable Chelsea City Council
Chelsea City Hall
500 Broadway
Chelsea, Massachusetts 02150

Re: More Final Fiscal Year 2016 Financial Requests

Dear Councilors:

Well, I was mistaken in my previous communication. There are still remaining financial adjustments, and one final administration action, necessary to close out Fiscal Year 2016. The details follow. I truly hope this is it.

1) MIS Dept. Salary Reserve Transfer---\$5,546

The MIS Department Budget is short \$5,546. This is done due to the 53rd pay week in 2016. We simply overlooked this account when analyzing our salary accounts. The transfer should come from our Salary Reserve Account.

2) Transfer from Capital Stabilization to School Capital Stabilization---\$956,000.

In the FY17 CIP Program, the City had proposed, and the City Council approved, renovation of the ELC roof and security area. The total cost of both projects is \$956,000. In drafting the Orders which the Council approved, the City identified the School Capital Stabilization Fund (Account 7024) as the source for this money. However, that fund has been depleted by payments for the New Clark Avenue Middle School. Accordingly, the funding for these ELC projects needs to come from the Capital Stabilization Fund (Account 7022). To accomplish this, a transfer from the Capital Stabilization Fund to the School Capital Stabilization Fund is required. As an appropriation order for a Stabilization Account, this matter requires two readings and a two-thirds vote of the Council

**3). Appropriation from Overlay Surplus to Assessor's Data Processing Services—
\$20,000**

The Board of Assessors has determined that it has at least \$20,000 in surplus in its Overlay Account. The Board will be moving that amount to an Overlay Reserve Account. For your information, the Overlay Account is the account from which the Assessors pay, among other items, tax exemptions and tax refunds resulting from overvaluations. The Assessors currently have more money in the Overlay Account than is required for these payments. The Assessors are seeking to utilize this excess money to make improvements in their Assessor's maps. To accomplish this end, the City Council must appropriate the \$20,000 in Overlay Reserve to an appropriation line item within the Assessor's FY17 Budget.

4) Transfer from Stabilization Fund to Clark Ave. Middle School Project---\$2,000,000

The New Clark Avenue Middle School funding plan endorsed by the City Council in April, 2015 included the utilization of \$2 million in each of the project years in order to reduce the total amount of long-term borrowing. The Council approved a \$2 million payment last June. This request for \$2 million from the Stabilization Fund (7020) represents the FY16 installment. The full funding plan, including long-term borrowing and cash payments, is attached. The total project cost of \$57.3 million is split between the State (\$37.3 million) and the City (\$20 million). As an appropriation order for a Stabilization Account, this matter requires two readings and a two-thirds vote of the Council.

5) JAG Grant Approval

The Police Department prepares an annual grant application to the Department of Justice-Justice Assistance Grant (JAG)-to support anti-gang, drug and anti-crime initiatives in Chelsea. The JAG supported Police initiative has yielded positive impacts in the higher crime areas. I have attached a brief abstract of the proposed JAG supported program that includes a request for grant funds in the amount of \$45,892 for the coming year. No City match is required. As a condition of the grant, the City Council must endorse the JAG application.

I will be available to answer any questions on these requests. The specific Orders for approval are attached.

The following communication from the City Manager was received late. There were no objections. A motion from Councillor Robinson to accept and file was adopted under suspension.

The Honorable Chelsea City Council
Chelsea City hall
500 Broadway
Chelsea, Massachusetts 02150

Re: TIF Agreements for Hilton Homewood Suites, Broadway Hotel and Rosev Dairy

Dear Councilors:

I am writing to request three new Tax Increment Financing (TIF) Agreements from the City Council, one of which is an adjustment from a TIF previously granted. Because these are the first TIF Agreements presented to this City Council, and because there are many new Councilors who have not yet considered a TIF, let me provide explanatory information.

Tax Increment Financing Agreements are available to municipalities to encourage investment. They provide a real estate tax break for businesses, but the tax break, in whatever percentage the municipality decides, only applies to the new taxes generated by the new investment in the property. The City always retains the full value of the old taxes paid on the parcel prior to the new investment. Therefore, as long as the TIF percentage is less than 100% of the new taxes, the City will generate new tax revenue from the investment, notwithstanding the TIF. For this reason, TIF's are often considered win-win propositions for both the developer and the municipality.

I recognize that some view TIF's with skepticism. But I am a firm believer in TIF's because, in my opinion, they encourage investment and demonstrate to developers a City's supportive approach to commercial growth. Growth in the commercial tax base is the best means for keeping residential property taxes stable. I support the three TIF's proposed here because, in each case, there has been or will be new investment in the City. And, in the cases of the hotel developments, the two areas were previously blighted.

The specific TIF requests are as follows.

Hilton Homewood Suites

The Lawrenceville project - now known as the Hilton Homewood Suites and Event Center - previously received from the City Council a seven-year TIF which will commence in FY18. The TIF provides a descending tax break from 50% in FY18 to 25% in FY24. When this TIF was originally proposed, both the City and the developer anticipated environmental cleanup costs in the \$1 million range. That was one of the key factors driving the grant of the TIF. Unfortunately, through no fault of either party, the conditions on the site proved far more costly to remediate. The total cleanup costs were just under \$3 million. To assist the developer in absorbing the additional investment required as a result of these costs, including the costs of the additional construction

delay, the City is proposing to adjust the TIF by increasing the annual tax discount as follows: FY18-60%, FY19-60%, FY20-50%, FY21-50%, FY22-40% FY23-35%, FY24-25%. The additional tax savings to the developers will be \$506,050. Even with these savings, the City will still receive new real estate tax dollars of \$1.5 million over five years of the project. Combined with anticipated new room and meal taxes, the total new taxes expected to be generated to the city from this hotel over the course of five years of the 7-year TIF is in excess of \$4.2 million.

The Broadway Hotel

The City also seeks to provide a TIF related to the new hotel on Broadway. This TIF had long been discussed as part of the encouragement to invest in a hotel in this portion of the City which is somewhat distant from the City's other hospitality areas. Here, the City proposes a more modest 5 Year TIF as follows: Yr1-50%, Yr2-40%, Yr3-5-25%. This is consistent with the TIF offered for the Town Place Suites Hotel on Eastern Avenue. With this TIF, the total new real estate taxes paid over the life of the TIF will be \$1.8 million, and the total new taxes \$3.9 million.

The Rosev Relocation

The final proposed TIF involves the relocation of Rosev Dairy from Second Street to Griffin Way. Rosev, a current tenant, has decided to remain in the City and purchase and construct a new building in place of an existing building. Rosev's total investment is a modest \$6.5 million. The City proposes to provide Rosev with a 5 year TIF (FY18-FY22) at 5% per year. This minor TIF is consistent with other TIF's the City has offered when companies relocate within the City but still pursue new investment providing the potential for employment growth.

I respectfully request that the City Council approve all three of these Tax Increment Financing Agreements. The appropriate Orders are attached.

Sincerely,
Thomas G. Ambrosino
City Manager

Communications and petitions to the Council:

A copy of a communication was received from City Solicitor Cheryl Watson Fisher regarding Councillor Avellaneda's request as to Linkage Fees. A motion from Councillor Murphy to accept and file was adopted under suspension.

A copy of a communication was received from City Solicitor Cheryl Watson Fisher regarding a response to the alcohol and cigarette tax inquiry. A motion from Councillor Murphy to accept and file was adopted under suspension.

A copy of a communication was received from Parking Clerk Debbie Clayman regarding the actions that were approved at the June 14, 2016 Traffic and Parking Commission Meeting. Councillor Murphy moved to accept and file the communication with the exception of Agenda

Item #2, which will be sent back to the Traffic and Parking for reconsideration. Adopted under suspension.

A copy of a late communication was received from City Solicitor Cheryl Watson Fisher with regards to Councillor Recuperos' request as to the adoption of a Tax exemption for the rehabilitation/renovation of owner occupied properties. No objections to the late communication. A motion from Councillor Recupero to accept and file was adopted under suspension.

Second Readings:

The following appointments from City Manager Thomas G. Ambrosino were read for the second time. A motion from Councillor Robinson to affirm the appointments by roll call passed 10-0-1-0. Voting yes were Councilors Frank, Vidot, Rodriguez, Recupero, Murphy, Lopez, Tejada, Garcia, Cortell and Robinson. Councillor Avellaneda was absent.

The Honorable Chelsea City Council
Chelsea City Hall
500 Broadway
Chelsea, Massachusetts 02150

Re: Appointments to Boards and Commissions

Dear Councilors:

Pursuant to Section 4-2 of the Charter of the City of Chelsea, I am writing to recommend the appointment of the following individuals.

For appointment to the Chelsea Affordable Housing Trust Fund Board for 2 year terms, the following seven individuals:

1. Ned Keefe, 143 Whitcomb Ave., Boston, the City Manager designee;
2. Robert Boulrice, 13 Orange Street, Chelsea (financial experience)
3. Laurie McEachern, 165 Winnisimmet St. Chelsea
4. Brian Hatleberg, 18 Franklin Street, Chelsea
5. Laura Wiener, 73 Jason Street, Arlington (housing development experience)
6. Norieliz DeJesus, 31 Louis Street, Chelsea (from Chelsea Collaborative).
7. Colleen Kelly, 11 Spinney Path, Lynn, MA (affordable housing experience).

For appointment to the Chelsea Cultural Council, for a new three year term ending in 2019, Mr. Dakeya Christmas, 67 Cook Avenue, Chelsea.

For appointment to the Community Schools Advisory Board, Mr. Mohamed Quasim, 3 Clinton Ct #4, Chelsea.

I have attached resumes of those who are unfamiliar to the Council.

Sincerely,
Thomas G. Ambrosino
City Manager

The following Revolving Accounts were introduced by Councillor Robinson Chairman of the Finance Committee. A motion from Councillor Robinson to adopt all of the Revolving Accounts by one roll call was not objected to. The roll call passed 10-0-1-0. Voting yes were Councilors Frank, Vidot, Rodriguez, Recupero, Murphy, Lopez, Tejada, Garcia, Cortell and Robinson. Councillor Avellaneda was absent.

**Authorization of a Revolving Account
For the School Department Non-Resident Student Tuition Revolving Fund**

WHEREAS, Section 71F of Chapter 71 of the General Laws authorizes cities and towns to accept and establish departmental revolving funds subject to certain budgetary restrictions; and

WHEREAS, the City of Chelsea School Committee adopted and implemented a tuition fee to be charged to other public school systems wishing to use the Chelsea Public Schools' special education programs and further voted to establish a Non-Resident Student Tuition revolving fund for the receipt and disbursement of said tuition and fees collected by Chelsea Public Schools.

THEREFORE, subject to the following conditions, the City Council hereby authorizes the establishment of a revolving fund for the School Department in accordance with the provisions of Section 71F of Chapter 71 of the General Laws, subject to the following conditions:

- 1) Only proceeds received by the City, pursuant to the provisions of M.G.L. c. 71 section 71F shall be credited to the fund;
- 2) Aggregate expenditures from the fund shall not exceed \$250,000 in a single fiscal year;
- 3) All proceeds received in a single year after the fund has reached a balance of \$250,000 shall be credited to the General Fund;
- 4) Expenditures from this fund shall be authorized by the School Committee or their designee and shall not exceed the available balance of the revolving fund;
- 5) Such funds shall be expended only for purposes directly associated provisions of M.G.L. c. 71 Section 71F;
- 6) No expenditure may be made from such revolving fund for the purposes of paying full or part-time employee's wages or salaries unless the revolving fund is also charged for the costs of fringe benefits associated with the wages or salaries so paid;

- 7) The School Department shall provide a report including all receipts and expenditures of this fund to the City Manager on a quarterly basis and to the City Council on an annual basis in accordance with the provisions of Section 53E1/2 of Chapter 44 of the General Laws;
- 8) This revolving fund requires authorization for each ensuing fiscal year, and
- 9) This fund is hereby authorized until June 30, 2017.

**Authorization
Of Elder Affairs Revolving Fund**

WHEREAS, Section 53E½ of Chapter 44 of the General Laws authorizes cities and towns to establish departmental restrictions; and

THEREFORE, The Chelsea City Council hereby authorizes the establishment of a revolving fund (#3802) for the Elder Affairs Division, under the provisions of Section 53E½ of Chapter 44 of the General Laws where no appropriation is needed, subject to the following conditions:

- 1) All dues, fees, and payments received from participants in the various programs of the Senior Center since the conception of this revolving fund shall be deposited into the Elder Affairs Revolving Fund, and may be expended therefrom without further appropriation;
- 2) Expenditures for the Elder Affairs Revolving Fund may include the payment of salaries of full or part-time personnel related expenses for Senior Center instructional and recreational activities, including salaries of program instructors, caterers, rentals of facilities for parties and special events, and supplies related to instructional and recreational activities of the Senior Center, provided, however, that no funds from the Elder Affairs Revolving Fund may be expended for the regular operation expenses of the Senior Center, except upon approval of the City Manager;
- 3) No expenditure may be made from such revolving funds for the purposes of paying any full or part-time employee's wages or salaries unless the revolving fund is also charged for the costs of fringe benefits associated with the wages or salaries so paid;
- 4) Expenditures from the Elder Affairs Revolving Fund shall be authorized by the Chelsea Council on Elder Affairs Executive Director, or delegate, and shall not exceed the available balance in the fund;
- 5) Total expenditures from the Elder Affairs Revolving Fund shall not exceed \$1,000 in a single fiscal year;
- 6) The Chelsea Council on Elder Affairs Executive Director shall provide a report including all receipts and expenditures of this fund to the City Manager on a quarterly basis and to the City

Council on an annual basis in accordance with the provisions of Section 53E½ of Chapter 44 of the General Law;

- 7) This revolving fund requires authorization for each ensuing fiscal year, and
- 8) This fund is hereby authorized until June 30, 2017.

**Authorization
Of an Emergency Management Revolving Account**

Whereas, Section 53E½ of Chapter 44 of the General Laws authorizes cities and towns to establish departmental revolving funds subject to certain budgetary restrictions; and

Whereas, the Emergency Management Department responds to hazardous material incidents and administers cost recovery for such incidents under Section 5 of Chapter 21E of the General Laws; and

Whereas, the funds received under the provision of Chapter 21E are in fact reimbursements for equipment and supplies consumed and personnel utilized at an incident site; and

Whereas, the establishment of an Emergency Management Department Revolving Fund for the purposes of receiving funds, reimbursing the appropriate departments and funding incident expenditures is fundamental to a financially self-supporting incident response system; and

Whereas, the technology for hazardous materials mitigation changes daily, and it is therefore increasing difficult to make long range predictions of what tools and equipment will be needed for future incidents; and

Whereas, in past years, this revolving account has been used to benefit the community including through the purchase of necessary fire fighting equipment; and

Whereas, such reimbursement funds were not used in calculating the tax levy;

Therefore, subject to the following conditions, the City Council hereby authorizes the establishment of a revolving fund (#4615) for the Emergency Management Department in accordance with the provisions of Section 53E½ of Chapter 44 of the General Laws, subject to the following conditions;

- 1) Only proceeds received by the City, pursuant to the provisions of Section 5 of Chapter 21E of the General Laws shall be credited to the fund;
- 2) Aggregate expenditures from the fund shall not exceed \$30,000 in a single fiscal year;
- 3) All proceeds received in a single year after the fund has reached a balance of \$30,000 shall be credited to the General Fund;

- 4) Expenditures from this fund shall be authorized by the Director of Emergency Management and shall not exceed the available balance of the revolving fund;
- 5) Such funds shall be expended only for purposes directly associated with the clean-up and operation of hazardous waste spills, including equipment, supplies, consultants, and full or part-time personnel, and with the written approval of the City Manager for related other purposes;
- 6) No expenditure may be made from such revolving fund for the purpose of paying any full or part-time employee's wages or salaries unless the revolving fund is also charged for the costs of fringe benefits associated with the wages or salaries so paid;
- 7) The Emergency Management Director shall provide a report including all receipts and expenditures of this fund to the City Manager on a quarterly basis and to the City Council on an annual basis in accordance with the provisions of Section 53E½ of Chapter 44 of the General Laws;
- 8) This revolving fund requires authorization for each ensuing fiscal year, and
- 9) This fund is hereby authorized until June 30, 2017.

**Authorization of a Revolving Account
For the Department of Inspectional Services for
The Enforcement of City Ordinance Section 2-24.**

WHEREAS, Section 53E½ of Chapter 44 of the General Laws authorizes cities and towns to establish departmental revolving funds subject to certain budgetary restrictions; and

WHEREAS, the Department of Inspectional Services responds to vacant and unsafe buildings and administers the costs to make safe such conditions of Section 2-24 of the City of Chelsea's Ordinances and pursuant to State Building Code: and

WHEREAS, the funds received under the provision of Section 2-24 are in fact reimbursements for costs for personnel expenditures and the costs to board up the vacant unsafe properties; and

WHEREAS, such reimbursement funds were not used in calculating the tax levy for fiscal year 2017;

THEREFORE, subject to the following conditions, the City Council hereby authorizes the establishment of a revolving fund (#4627) for the Department of Inspectional Services in accordance with the provisions of Section 53E½ of Chapter 44 of the General Laws where no appropriation is needed, and subject to the following conditions:

- 10) Only proceeds received by the City, pursuant to the provisions of Section 2-24 of the City of