

Chelsea, Massachusetts, October 19, 2015

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 Robinson, Perlatonda, Hatleberg, Murphy, Cataldo, Cunningham, Recupero, Brown, Frank, Barton, and Cortell. Council President Robinson presided over the meeting. The meeting opened at 7:00 p.m.

Prior to the start of the Regular meeting a recess was requested by Councilor Cataldo under suspension so that the Police Officers and Firefighters receiving a promotions could be sworn in.

The following were sworn in by City Clerk Deborah Clayman: Firefighter Philip Rogers to Fire Lieutenant, Fire Fighter Rony Gobin to Fire Captain, and Firefighter Paul Giancola to Deputy Fire Chief. Police Department promotions were Police Officer William Brizuela to temporary Police Sergeant, Police Officer Robert Belanger to Police Sergeant, and Police Officer Miguel Sanchez to Police Lieutenant.

The minutes of the City Council meeting dated September 28, 2015 and October 5, 2015 were approved at the request of Councilor Barton under suspension.

The following communication was read from City Manager Thomas G. Ambrosino. A motion from Councilor Hatleberg moved the request to a second reading under suspension.

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

Re: Appointment to Housing Authority

Dear Councilors:

I am writing to recommend Ms. Barbara Salisbury of 267 Washington Avenue for re-appointment to the Chelsea Housing Authority Board of Commissioners.

Ms. Salisbury is the CEO of MAB Community Services, a not-for-profit organization serving children and adults with disabilities. During her long career in the public and not-for-profit sectors, Ms. Salisbury served as the State Budget Director under Governor Michael Dukakis and as the Administrative Dean at Harvard's Kennedy School of Government.

For the past four years, Ms. Salisbury has served the Chelsea Housing Authority Board of Commissioners with diligence and integrity. I respectfully request your approval of her re-appointment.

Sincerely,
Thomas G. Ambrosino
City Manager

The following communication was received from City Manager Thomas G. Ambrosino. A motion from Councilor Hatleberg to accept and file was adopted under suspension.

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

Re: TIF Agreement for Golden Cannoli Shells Co. Inc. and Hilton Homewood Suites

Dear Councilors:

I am writing to request minor modifications in two Tax Increment Financing Agreement Projects which have already been approved by the City Council. The requests do not seek to change any of the financial benefits. Rather, in each case—the TIF for Golden Cannoli Shells Co., Inc. and the TIF for the Hilton Homewood Suites and Event Center Hotel (a.k.a. Lawrenceville)—the start date for the receipt of the promised tax benefits has been delayed for reasons beyond the control of the company, and I need Council approval to change the initial start year of the TIF. The TIF benefits remain unchanged.

Golden Cannoli

The City Council voted Golden Cannoli a TIF Agreement in 2013 for five years, initially set for FY14-FY18. In consideration for the TIF, Golden Cannoli relocated to its Crescent Avenue facility. Since the Council's action and its relocation, Golden Cannoli reports investment in excess of \$3 million, significant sales expansion and employment growth of 17 full-time jobs (to a total of 46

Surprisingly, following a recent review of the Golden Cannoli TIF, the City discovered that it failed to implement the TIF in FY'14 as prescribed in the TIF, the agreement, likely due to staff changes in the Assessors Department in that year. In order to remedy this problem and keep the City's commitment to Golden Cannoli, I ask the City Council to change the initial year of the five-year TIF from FY14 to FY16. Therefore, the five year TIF, with the same percentages voted by the Council, will be in effect from FY16 to FY20. All other terms of the Agreement remain as approved by the City Council.

Hilton Homewood Suites

The Lawrenceville project-now known as the Hilton Homewood Suites and Event Center-received from the City Council a seven-year TIF in 2013. At the time, the City and the project owner anticipated an imminent start of construction. As a result, the initial TIF year was identified as FY15, with a seven year TIF period from FY15-FY21. Unfortunately, the significant environmental clean-up of the site was far more complex and lengthy than projected, with the result that the project start was delayed. Because the TIF Agreement relies upon capturing the new investment, and that new investment of \$26M has not yet been completed, and will not be assessed until FY'18, the new proposed seven-year TIF term is FY18-FY24. For the Council's information, this Hilton Homewood Suites project finally commenced construction this past July, and it has an estimated completion date of mid/late 2016.

Because these two projects represent significant new investment and employment growth for the City, and because the requested TIF term adjustments align the projects with the tax benefits promised in the original agreements approved by the City Council respectfully ask that the Council approve these minor modifications in the initial starting years in two TIF proposals.

Sincerely,
Thomas G. Ambrosino
City Manager

Communications and petitions to the Council.

A copy of a communication regarding the warrant for the City Elections to be held on November 3, 2015, was received, from Deborah A. Clayman City Clerk. A motion from Councilor Hatleberg to accept and file was adopted under suspension. An order pertaining to the Warrant was filed under New Business.

Second Readings:

The following order was introduced by Councilor Hatleberg and read for the second time. A motion from Councilor Hatleberg to adopt by roll call passed 11-0-0-0. Voting yes were Councilors Robinson, Perlatonda, Hatleberg, Murphy, Cataldo, Cunningham, Recupero, Brown, Frank, Barton and Cortell. ORDERED, that the Chelsea City Council authorizes the appropriation of \$100,000.00 from Free Cash to the Fiscal Year 2016 Health and Human Services Department-Contract Services Account #0151052-530600 for Addiction Treatment On Demand and Clinician Services, and

ORDERED, that the Chelsea City Council authorizes the appropriation of \$100,000.00 from Free Cash to the Fiscal Year Health and Human Services Account #0151052-530600 for Emergency Housing Services, Food and Related Support.

The following order was introduced by Councilor Hatleberg and read for the second time. A motion from Councilor Hatleberg to adopt by roll call passed 11-0-0-0. Voting yes were Councilors Robinson, Perlatonda, Hatleberg, Murphy, Cataldo, Cunningham, Recupero, Brown, Frank, Barton, and Cortell. ORDERED, that the Chelsea City Council authorize the appropriation of \$25,700.00 from Free Cash to supplement the Fiscal Year 2016 City Manager-Professional and technical Expense Account 0112352-530000.

The following order was introduced by Councilor Hatleberg and read for the second time. A motion from Councilor Hatleberg to adopt by roll call passed 10-0-1-0. Voting yes were Councilors Robinson, Perlatonda, Hatleberg, Murphy, Cataldo, Cunningham, Brown, Frank, Barton and Cortell. Councilor Recupero was absent.

ORDERED, that the Chelsea City Council authorize the appropriation of \$13,730.00 from Free Cash to fund the City Grant Match portion of the Fiscal Year 2016 Assistant to Firefighters Grant Fund Account #3419.

The following order was introduced by Councilor Hatleberg and read for the second time. A motion from Councilor Hatleberg to adopt by roll call passed 10-0-1-0. Voting yes were Councilors Robinson, Perlatonda, Hatleberg, Murphy, Cataldo, Cunningham, Brown, Frank, Barton, and Cortell. Councilor Recupero was absent.

ORDERED, that the Chelsea City Council consider the negotiated collective bargaining agreement between the City of Chelsea and the Police Superior Officer's Association, FY2016, and

ORDERED, that the Chelsea City Council authorize the appropriation of \$87,846.32 from the FY2016 Salary Reserve Fund Account #0199959-598000 to the FY2016 Police Department Salaries Account #0121051-510200 to fund the FY2016 contract term retroactive and wage payments for the year.

The following order was introduced by Councilor Hatleberg and read for the second time. A motion from Councilor Hatleberg to adopt by roll call passed 11-0-0-0. Voting yes were Councilors Robinson, Perlatonda, Hatleberg, Murphy, Cataldo, Cunningham, Recupero, Brown, Frank, Barton, and Cortell.

ORDERED, that in accordance with M.G.L. Ch.44, Section 64, budget management procedures, whereby costs incurred in FY'15 was not paid and are owed to the vendor, and to meet this obligation funds are required from the current year FY'16 budget, the Council authorizes the expenditure of \$32,288.46 from the School Department expenditure line to satisfy the unpaid balance from the prior year.

The following order was introduced by Councilor Hatleberg and read for the second time. A motion from Councilor Hatleberg to adopt by roll call passed 11-0-0-0. Voting yes were Councilors Robinson, Perlatonda, Hatleberg, Murphy, Cataldo, Cunningham, Recupero, Brown, Frank, Barton, and Cortell.

ORDEERED, That in accordance with M.G.L. Ch. 44, Section 64, budget management procedures whereby costs incurred in FY'15 was not paid and are owed to the vendor, and to meet this obligation funds are required from the current year FY'16 budget, the Council authorizes the expenditure of \$450.84 from the Fire Department expenditure line to satisfy the unpaid balance from the prior year.

The following order was introduced by Councilor Hatleberg and read for the second time. A motion from Councilor Hatleberg to adopt by roll call passed 11-0-0-0. Voting yes were Councilors Robinson, Perlatonda, Hatleberg, Murphy, Cataldo, Cunningham, Recupero, Brown, Frank, Barton, and Cortell.

ORDERED, that in accordance with M.G.L. Ch.44, Section 64 budget management procedures, whereby costs incurred in FY'15 was not paid and are owed to the vendor, and to meet this obligation funds are required from the current year FY'16 budget, that Council authorizes the expenditure of \$148.91 from the Inspectional Services Department expenditure line to satisfy the unpaid balance from the prior year.

The following order was introduced by Councilor Hatleberg and read for the second time. A motion from Councilor Hatleberg to adopt by roll call passed 11-0-0-0. Voting yes were Councilors Robinson, Perlatonda, Hatleberg, Murphy, Cataldo, Cunningham, Recupero, Brown, Frank, Barton, and Cortell.

ORDERED, that in accordance with M.G.L. Ch.44, Section 64, budget management procedures, whereby costs incurred in FY'15 was not paid and are owed to the vendor, and to meet this obligation funds are required from the current year FY'16 budget, that Council authorizes the expenditure of \$259.97 from the Parking Department expenditure line to satisfy the unpaid balance from the prior year.

The following order was introduced by Councilor Hatleberg and read for the second time. A motion from Councilor Hatleberg to adopt by roll call passed 11-0-0-0. Voting yes were Councilors Robinson, Perlatonda, Hatleberg, Murphy, Cataldo, Cunningham, Recupero, Brown, Frank, Barton, and Cortell.

ORDERED, that in accordance with M.G.L. Ch.44, Section 64, budget management procedures, whereby costs incurred in FY'15 was not paid and are owed to the vendor, and to meet this obligation funds are required from the current year FY'16 budget, that Council authorizes the expenditure of \$1,611.50 from the Information Technology expenditure line to satisfy the unpaid balance from the prior year.

New Business:

The following order was introduced by Councilor Robinson. A motion from Councilor Robinson to adopt by roll call passed 11-0-0-0. Voting yes were Councilors Robinson, Perlatonda, Hatleberg, Murphy, Cataldo, Cunningham, Recupero, Brown, Frank, Barton and Cortell.

ORDERED, that the warrant for the City Election to be held on November 3, 2015 be adopted.

The following order was introduced by Councilor Robinson. A motion from Councilor Robinson to adopt under suspension was adopted.

REQUEST, for a conference with the City Manager and Planning and Development to explore a master plan in regards to development.

The following order was introduced by Councilor Robinson. A motion from Councilor Robinson to adopt under suspension was adopted.

REQUEST, that the City Manager and Treasurer consider any and all means to mitigate the impact of large debits due on water bills as a result of the delay in accurate meter reads and the lengthy periods when residents received estimated bills.

The following order was introduced by Councilor Perlatonda. A motion from Councilor Perlatonda to adopt under suspension was adopted.

ORDERED, that the City Manager instruct DPW Director Joe Foti to increase the setting on the LED lights throughout the city.

The following order was introduced by Councilor Perlatonda. Councilor Perlatonda moved to adopt under suspension. Councilor Frank requested roll call. The roll call defeated the order 3-8-0-0. Voting yes were Councilors Robinson, Perlatonda, and Recupero. Voting no were Councilors Hatleberg, Murphy, Cataldo, Cunniongham, Brown, Frank, Barton, and Cortell.

ORDERED, that the City Manager look into a way to hire an outside landscaping company to clean the city parks and islands.

The following order was introduced by Councilor Perlatonda. Councilor Perlatonda moved to adopt under suspension. Councilor Cortell amended the order, be sent to the Traffic and Parking under suspension.

ORDERED, that the City Manager instruct DPW Director Joe Foti to add a stop line on the corner of Congress Street and Broadway.

The following order was introduced by Councilor Hatleberg. Councilor Hatleberg moved the order to a second reading under suspension.

WHEREAS, the City of Chelsea (hereinafter referred to as the City) and Golden Cannoli Inc. (hereinafter referred to as Golden Cannoli) have been in negotiation relative to the mutual desire of each party to secure the necessary field leveling assistance to make it economically feasible for Golden Cannoli to relocate its baking operation to Chelsea; and

WHEREAS, in return for participation in the State's Economic Development Incentive Program, Golden Cannoli will invest approximately \$2,895,000 in property acquisition, reconstruction and equipment acquisition at 99 Crescent Avenue (hereinafter referred to as the Business Site) and

WHEREAS, the Golden Cannoli project will result in the hire of 12 new and retain 29 full-time jobs over the next five years, with Golden Cannoli agreeing to conduct a local hiring search to backfill any jobs which may become available in subsequent years, and

WHEREAS, Golden Cannoli is seeking a Tax Increment Financing exemption from the City, in accordance with the Massachusetts Economic Development Incentive Program and Chapter 23A of the Massachusetts General Laws, and the City has agreed to provide tax relief as outlined in the Tax Increment Financing Agreement agreed to by the parties, and

WHEREAS, the Golden Cannoli project, as located at the Business Site, is fully located within the boundaries of the Chelsea Economic Target Area (ETA) and the Crescent Avenue Development District (EOA), as approved by the City of Chelsea and the Massachusetts Economic Assistance Coordinating Council, and

WHEREAS, the Golden Cannoli project is consistent with the City's overall economic development strategies of focusing investment in the Food sector, one of six priority areas the City has identified for intensive investment support,

NOW THEREFORE BE IT ORDERED, that the City Council approves the Certified Project Application of Golden cannoli and forwards said application for certification to the Massachusetts Economic Assistance Coordinating Council for its approval and endorsement; and

BE IT FURTHER ORDERED, that the City Council authorizes the City Manager to enter into a Tax Increment Financing Agreement between the City and Golden Cannoli, with said agreement providing Golden Cannoli an exemption on property taxes based on the growth portion of the assessed valuation of the property at the Business Site at a rate of 50% for Year 1, 25% for Year 2, 25% for Year 3, 25% for Year 4, and 25% for year 5, beginning in FY2016 according to the requirements and regulations established that govern the implementation of such Tax Increment Financing Agreements.

The following order was introduced by Councilor Hatleberg. Councilor Hatleberg moved the order to a second reading under suspension.

WHEREAS, the City of Chelsea (hereinafter referred to as the City) and LAWRENCEVILLE LLC (hereinafter referred to as LAWRENCEVILLE) have been on negotiation relative to the mutual desire of each party to secure the necessary "field leveling" assistance to make it economically feasible for LAWRENCEVILLE to build and operate a hotel in Chelsea, and

WHEREAS, in return for participation in the State's Economic Development Incentive Program LAWRENCEVILLE will invest approximately \$26,790,000 in property acquisition, reconstruction and equipment acquisition at 145-155 Beech Street Eastern Avenue (hereinafter referred to as the "Business Site"), and

WHEREAS, the LAWRENCEVILLE will result in the hire of 40 new full-time jobs over the next five years, with LAWRENCEVILLE agreeing to conduct a local hiring search to backfill any jobs which may become available in subsequent years, and

WHEREAS, LAWRENCEVILLE, is seeking a Tax Increment Financing exemption from the City, in accordance with Massachusetts Economic development Incentive Program and Chapter 23A of the Massachusetts general Laws, and the City has agreed to provide tax relief as outlined in the Tax Increment Financing Agreement agreed to by the parties; and

WHEREAS, the Lawrenceville project, as located at the Business Site, is fully located within the boundaries of the Chelsea economic target Area (ETA) and the Beech Street Development District (EOA), as approved by the City of Chelsea and the Massachusetts Economic Assistance Coordinating Council, and

WHEREAS, the Lawrenceville project is consistent with the City's overall economic development strategies of focusing investment in the Airport-Related and Downtown Boston Support sectors, two of six priority areas the City has identified for intensive investment support,

NOW THEREFORE BE IT ORDEERED, that the City Council approves the Certified Project Application of Lawrenceville and forwards said application for certification to the Massachusetts economic Assistance Coordinating Council for its approval and endorsement, and

BE IT FURTHER ORDERED, that the City Council authorizes the City Manager to enter into a Tax Increment Financing Agreement between the City and LAWRENCEVILLE, with said agreement providing LAWRENCEVILLE a 7year exemption on property taxes based on the growth portion of the assessed valuation of the property at the Business Site, and a concurrent exemption on personal property tax at a rate of 50% for Year 1, 40% for year 2, 40% for Year 3, 30% for Year 4, 30% for Year 5, 25% for year 6, and 25% for year 7, beginning FY2018 according to the requirements and regulations established that govern the implementation of such Tax Increment Financing Agreements.

The following order was introduced by Councilor Brown and received late without objection. A motion from Councilor Brown to adopt under suspension was adopted.

ORDERED, that the City Manager instruct the DPW Director to put a fixture light at the corner of Second and Cherry Streets.

The meeting adjourned at 8:20 p.m.

Respectfully submitted,

Paul G. Casino
Clerk of the Chelsea City Council