

Chelsea, Massachusetts, September 12, 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 02150. The following Councilors were present: Councilors Frank, Vidot, Rodriguez, Recupero, Murphy, Lopez, Tejada, Garcia, Avellaneda, Cortell, and Robinson. Council President Cortell presided over the meeting. The meeting opened at 7:00 p.m.

Public Speaking:

The public speaking portion of the meeting opened at 7:02 p.m. The following came forward to speak:

- 1) Richard Torico 39 Warren Avenue, spoke about Malone Park and was not in favor of any changes.
- 2) Teresa Czeripica 21 Prospect Avenue, spoke about Malone Park and against any changes to it.
- 3) Gladys Vega Chelsea Collaborative, spoke about Councilors using Facebook, not fair.
- 4) Yessina Alfaro Alvarez, spoke about immigration talk and poor taste in judgement.
- 5) Tod Taylor County Road, spoke about proposed zoning changes and transparency of money issues in the City
- 6) Sylvia Ramirez Chelsea Collaborative, did not agree with a Councilors remarks on immigration.

The public speaking portion closed at 7:23 p.m.

The minutes of the City Council Meeting dated June 6th, June 20th, June 27th, and August 1st were accepted at the request of Councillor Murphy under suspension.

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. Also send to the scheduled public Hearing for October 3rd.

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

Re: Zoning Change to Adult Entertainment Ordinance

Dear Councilors:

I am submitting for your consideration another zoning change, this one pertaining solely to our existing Adult Entertainment Ordinance.

It is clear based upon my own review as well as on comments from the City's lawyers in the pending Phantom Venture/King Arthur's federal court litigation, that our current Adult Entertainment Ordinance is open to interpretation. Specifically, it does not expressly encompass the entire definition of adult entertainment establishments set forth in the Massachusetts Zoning Act, omitting the term "live nude dancing" which is the activity that is the essence of the King Arthur's appeal. The City's lawyers are arguing the existing definition is broad enough to include "live nude dancing", but amending the Ordinance to expressly include this term, and other statutory terms, will resolve any ambiguity.

To remedy this concern, I am proposing a revision to the definition section of our zoning Ordinance that will define adult entertainment establishments with explicit reference to the state statute. The proposed Ordinance will make no change in the sections of the City where this use would be allowed by Special Permit. Those areas would continue to be the Highway Business District and the Shopping Center District.

Please note it will be up to the federal court to decide if this change will have any impact on the pending King Arthur's litigation. But, it will help us in future challenges to this Adult Entertainment provision.

I ask the Council schedule this matter for a public hearing and favorably vote on the change.

Sincerely
Thomas G. Ambrosino
City Manager

The following communication was read from City Manager Thomas G. Ambrosino. A motion from Councillor Avellaneda to accept and file was adopted under suspension. It will posted on the Web.

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

Re: First Year Report

Dear Councilors:

I have been City Manager for just over one year. So, it seems an appropriate time to step back and review our progress. I specify "our progress" because the Council has been a true partner in all of these efforts.

In the midst of constantly responding to daily crises and focusing on immediate needs, we sometimes overlook the bigger picture and lose sight of broader gains. But, when we carefully consider all that has occurred this past year, I feel we have much of which to be proud. This report confirms that. I have separated the report into categories corresponding to my three previously identified priorities.

Economic Development

Three development projects made progress this past year that will significantly add to the tax base in FY17: Phase II of One North, which had its grand opening last week; the FBI building, scheduled for substantial completion before the end of Summer, and the Hilton Homewood Suites and Event Center, now visible in construction adjacent to Chelsea High School, with an expected completion date in the Winter. Two other projects supported by the City are expected to break ground in FY17; the Broadway Hotel adjacent to Mill Creek at the Revere line; and the Chelsea Clock residential project, now known as the Fairfield Residential Project. Depending on state funding schedules, it is possible that the 34 unit French Club project by TND might commence before the end of June, which would certainly help with the City's affordable housing efforts.

The City made some decent progress in its efforts to encourage sound development in the Broadway Business District and on the Waterfront. Several projects involving new residential units above storefronts have been approved for construction in the Broadway area, and there is a pending proposal to improve the former Centro Latino building. Other developers are eyeing the Broadway Business Corridor, intrigued by the City's commitment of substantial public infrastructure investment. Along the Waterfront, the City has submitted to the Seaport economic Council a proposal for funding a comprehensive Harbor Plan, and we are hopeful we will hear favorable news about this grant sometime in August. And, the owners of the Forbes site continue to express interest in a major redevelopment of that area, albeit in a scaled down version that better fits the City's goals.

We also made progress in transportation improvements tied to economic development. The road reconstruction work around Phase II of One North is coming to a close. The Everett Avenue reconstruction, from the railroad tracks to Carter Street, should be completed this fall, and the City now is preparing another MassWorks grant to complete the remaining stretch of Everett Avenue to Route 16. And, Phase I of the Silver Line is on schedule for completion sometime in the first part of 2017.

To enhance economic development throughout the City, the Council is now considering some comprehensive Amendments to our Zoning Ordinance. The proposal includes provisions mandating affordable housing in any residential development of 10 units or more, a major aspiration of this City Council.

Finally, the City Council has approved for the ballot in November a Community preservation Act surcharge of 1.5%. I know this has been a long-standing goal of the City. If approved by the City's voters in November, that surcharge will generate at least a half million dollars annually for affordable housing, open space development and historical preservation.

Support for Chelsea Public Schools and Youth Initiatives

The City Council should be proud of its significant investment and commitment to the Chelsea Public Schools this past year. In just one budget season, the Council reversed a longstanding net school spending deficit and delivered substantial new funding for the Chelsea School System. This funding has allowed the Chelsea School System to expand its Citizens Schools programming in the middle schools, to enhance the social services offered to unaccompanied youth at Chelsea High School and to add a summer and afterschool program for elementary students. The latter effort will be aided this Fall by a new 21st Century grant for Chelsea Public Schools in collaboration with For Kids Only, the City's new afterschool provider.

The New Clark Avenue Middle School also made substantial progress. The best news is the building is currently on time and on budget. Students are expected to move into the new academic wing of the building in January of 2017. This past year, the City also revamped the design for the front yard for this public building.

In addition to greater support for the public schools, the City this past year made a major commitment to general youth programming. The FY17 Budget included a doubling of funding for summer youth jobs. The Council also approved funds for a new Youth Navigator and created a new recreation and Cultural Affairs Division within the Health and Human Services Department. The hiring for that new Division will take place over the course of FY17. We anticipate that this Division will be at full capacity for next summer, allowing for increased programming both in Chelsea Community Schools and in the community at large.

Neighborhood and Quality of Life Issues

The City also made a well-documented commitment to neighborhood improvements this past year.

In the Downtown, the new FY17-FY21 Capital Improvement Plan carved out \$400,000 in planning funds and \$5 million in infrastructure improvements for Bellingham Square and the Broadway Business Corridor. The planner, Nelson Nygard, has already been hired. The Council also approved a Downtown Urban Initiative that includes a Downtown Coordinator position, a façade improvement program and funding for events. We hope to commence all of these Urban Initiative activities in the Fall with the hiring of the Downtown Coordinator.

The Council also cemented its commitment to addressing social ills in the Downtown. The Navigators Program was fully funded, allowing for two full-time Navigators with wrap around contract services for emergency clinical treatment, including detox beds, and emergency housing. Although problems of substance use, both alcohol and opioid, still exist in the area, the Navigators program seems to be making a dent in the overall condition.

The Council buttressed the social service work with increased public safety support. Due to Council funding, dedicated walking patrols now exist in the Bellingham Square area and along the Broadway Corridor seven days a week, at least until Winter.

During the past year, the Council also supported a handful of other initiatives to improve the quality of life of the residents. There is major park development ongoing or planned in many areas of the City, including upgrades to Kaboom Playground, work on the Highland Street Green Corridor, design work for the Mystic River Overlook Park, and planning for upgrades to the Highland Park basketball courts. The Council also approved funding for major roadway improvements this past year, including new asphalt for the length of Broadway. And, to alleviate the burden on homeowners, the Council approved an unprecedented increase in the number and value of tax exemptions and discounts for seniors, including a new discount on water and sewer bills.

Finally, the Council supported the City's efforts to improve the manner in which residents interact and do business with City hall. The City unveiled a new website with better information about City departments and services, installed a kiosk in City Hall to streamline the payment of bills, created a Facebook page for disseminating information and acquired a new emergency notification system to

ensure resident awareness of important municipal information. And, by the end of FY17, the City hopes to adopt a new software which will provide improved access and transparency to all of the City's financial information through an interactive webpage.

I am sure I missed some important accomplishments. But, these are the highlights. It is an impressive list.

The paramount task of any municipal government is to improve the life of its residents. During this past year, through collaboration and good decision-making, we have advanced this goal. I look forward to another productive year ahead.

Yours truly,
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: Request for Adoption of M.G.L. Chapter 59, Section 5, Clause 54

Dear Councilors:

Last year, the City Council approved several important initiatives to provide tax and rate relief for residential property owners. First and foremost, the Council approved a Home Rule Petition to increase the Residential Exemption to 35%, legislation recently signed by the Governor. In addition, to benefit seniors, the Council increased the value of the statutory tax exemption available to senior homeowners and expanded the eligible pool of seniors able to take advantage of these exemptions by increasing the income and asset limits. The Council also authorized a senior discount for water and sewer users.

With relief already provided to residential property owners, the City has been considering some similar tax relief for small businesses. One option, which I am recommending now, is the adoption of Clause 54 of M.G.L. c. 59, Section 5. This local option allows for a municipality to establish a minimum fair cash value for the personal property tax to apply. The highest minimum fair cash value allowed by this statute is \$10,000. In other words, if you are a small business with personal property assessed at less than \$10,000, you are exempt from paying any personal property tax. It is a full 100% exemption. However, if a small business has personal property of \$10,000 or more, there is no benefit. In that situation, personal property taxes are assessed and paid on the full value of the personal property.

The Assessing Department has completed an analysis of the cost of this local option if the City were to adopt \$10,000 as the minimum fair cash value required for the personal property tax to be paid. As you will see from the attached spreadsheet, with a \$10,000 minimum value, the total cost to the City for tax break will be \$46,220.38.

Please note that, like every initiative aimed at benefiting one class of taxpayers, there is always another group that pays. In this case, all other taxpayers will pick up the cost of the approximately \$46,000 in taxes saved by these small businesses. However, I still recommend that the Council approve this local option. Adoption will send the important message that the City is cognizant of the financial constraints faced by small businesses and is seeking to provide some relief. Further, the total cost of the measure, relative to the City's overall budget, is miniscule that the adverse impact on our tax rate will be negligible.

A copy of the proposed Order is attached. If approved as proposed, the exemption will take effect in this FY17 tax year.

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: Rate Increases

Dear Councilors:

I am writing to inform you of Water, Sewer and Trash rate increases that were approved last night following a public hearing. The rates are effective as of July 1, 2016. The new fee schedules are attached.

Water Rate

The new water rates are \$4.69 per hundred cubic feet ("HCF") for Tier 1 (1-1,000 per month in cubic feet). These water rates represent a 10% increase over current rates.

I recognize that a 10% increase is significant. But, the reason is straightforward. The goal in an Enterprise Fund System is at least to break even. That was not the case in FY16. Because the City did not raise its Water Rates for FY16, we did not have sufficient funds to cover our water system costs. Although not all numbers are final, we expect to end FY16 with a deficit in excess of \$600,000 in our Water Enterprise System. We simply cannot absorb that kind of a deficit on an annual basis. Even with the 10% increase in rates, we estimate that we will probably end FY17 with a slight deficit. But, that will be significantly better than our experience in FY16. And, I did not want to increase rates above 10% in any one year. In the future, to avoid large spikes in rates, I intend to seek more modest rate increases each and every July.

Sewer Rate

The new sewer rates are \$8.27 per hundred cubic feet ("HCF") for Tier 1 (1-1,000 per month cubic feet), \$9.02 for Tier 2 (1,001-2,500 monthly cubic feet), and \$10.36 for Tier 3 (over 2,500 monthly cubic feet). These new sewer water rates represent an increase of just 2%. Last year, we had a small deficit in the Sewer Enterprise Fund. With this modest increase, I expect we should come close to breaking even in FY17.

Combined Rate

For residential customers who use under 1,000 cubic feet per month and pay Tier rates, the new combined water and sewer rate is \$12.96, an increase of 4.7%. The MWRA estimates that the average family uses 90,000 gallons or 120 HCF per year. Using this 120 HCF figure, the average annual water and sewer bill in Chelsea for FY17 will be \$1,555.20. That is an increase of \$70.80 annually over the cost in FY16. This average water and sewer bill for Chelsea remains quite close to the average bill in all MWRA communities.

Senior Discount

Please note that, at the request of the City Council, the City will be adopting a modest Senior Discount for water and sewer bills. After careful review as requested by the City Council, I have decided to adopt a 10% discount for any senior 65 years or older who owns and occupies his/her own home in Chelsea and receives an individual water bill. The discount will apply only to the owner's unit. Although the final details are yet to be concluded, I anticipate that the discount will appear as a credit on the January bill reflecting a 10% discount on billings for the previous Calendar Year.

Trash Rate

The new trash rate is \$24.86 monthly for residential property and \$117.32 monthly for commercial units in mixed buildings. Owner occupied units continue to be exempt from this fee. The new charges represent an increase of 5%. The increase is necessary because our trash costs have increased by more than 11% over last year. Much of that increase is attributed to the new and more expensive solid waste disposal contract with our vendor Russell. Because we ran a surplus in FY16, a rate increase of 5% should allow us to break even in FY17. Please note that this is the first trash increase since FY15. Again, it is my intent to raise trash rates modestly each and every July in order to smooth out the rate increases and avoid large spikes in any one year.

I am available to answer any questions the Council has about these new rates.

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: Requested Approval for Increase in School Dept. FY17 Budget

Dear Councilors:

The final FY17 State Budget included a significant increase in Chapter 70 funds for the Chelsea School Department. I am writing now to request City Council approval for an increase to the Chelsea School Department Budget to reflect that increase in state aid. The total amount of the requested budget increase is \$566,447, for a revised School department FY17 Budget of \$84,080,668. Because all of this increase is funded by Chapter 70 aid, there will be no adverse impact on the municipal side of the City's budget.

In the Spring of 2016, the Chelsea School Committee, and subsequently the Chelsea City Council, approved a FY17 School Department Budget of \$83,514,221. At the time, that budget was supported by the Chapter 70 allocation of \$70,494,941 proposed by Governor Baker. However, as the proposed State Budget meandered through the Legislature additional Chapter 70 money was added by lawmakers. In the final budget document approved by the Legislature and signed by the Governor, the total Chapter 70 funding allocated to the Chelsea Public School System was \$71,681,078, an increase of almost \$1.2 million above the number originally utilized by the School Committee. However, this increase was offset by a lower charter school reimbursement figure than the Governor proposed, so that the overall increase to the School Department budget was \$566,447.

At its meeting on August 9, 2016, the School Committee voted to increase its budget by this precise amount of \$566,447. The new proposed School Department FY17 Budget is \$84,080,668. That revised budget now requires City Council approval.

If the City adopts the \$84,080,668 budget approved by the School Committee, the School Department budget will be 4% above net school spending. At one point, I did discuss with the Council the possibility that the City would retain some of this excess funding. However, it is now my strong opinion that the City should approve the full budget passed by the School Committee. The needs of the School Department, especially given the influx of unaccompanied youth from Central America, are significant. Any cutbacks by the City will threaten the gains made by the School Dept. in the past few years and reduce the programming that is essential for integrating these new immigrants. Further, at a time when the City is actively seeking additional state support for Chelsea Public Schools, and trumpeting the City's renewed financial commitment to CPS, a reduction of support would undermine our credibility.

For all of these reasons, I respectfully ask that the City Council approve the full \$84,080,668 revised budget approved by the School Committee on Aug 9. As noted above, this approval will have no impact on the City's budget. No additional appropriations are necessary because the full additional amount is covered by the increased Chapter 70 funding approved by the state.

Finally, the School Department would the opportunity to make a presentation to the City Council about its ongoing work and the progress it has made in the past few years. This would also give the Council an opportunity to ask questions about the revised budget. Accordingly, I respectfully request that, in addition to considering this funding request, the City Council also set a half hour of time to allow for that presentation by School Department officials at its September 26th meeting.

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: TIF Agreements for Broadway Hotel and Rosev Dairy

Dear Councilors:

I am writing to request a new vote on two of the three Tax Increment Financing (TIF) Agreements which this City Council approved in June—the one for the Broadway Hotel Project and the one for Rosev—in order to correct a clerical error.

In the case of both the Broadway Hotel and Rosev, the City was recommending a TIF for both real estate taxes and personal property taxes. The analysis which I provide as an attachment to my support letter included calculations on both taxes, and the figures I presented to the Council for total taxes saved by the developer and total additional taxes to be paid to the City, contained information on both taxes. (See attached June 20, 2016 letter) Unfortunately, in the actual draft Orders provided to the Council, the language on personal property was included only in the Order for the Hilton Homewood Suites. The language on personal property was inadvertently omitted for the orders for the Broadway Hotel and Rosev. We didn't recognize the error until we were preparing the required paperwork for the Commonwealth Economic Assistance Coordinating Council, which must vote to approve all TIFs.

To remedy this unintentional error, I ask that the Council re-vote these two TIFs. The new attached Orders include the previously missing language. In all other respects, the TIFs are identical to what was voted in June. The TIF percentage remain the same, there is no request for additional taxes relief, and the financial terms remain unchanged from those presented in June.

Thank you for your assistance in this matter.

Sincerely,
Thomas G Ambrosino

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: Request for Funding

Dear Councilors:

I am writing for my first request in FY17 for additional funding to cover some existing municipal deficits and to pay for some projects that I desire to pursue this year. With one exception, the funds are requested from our Operating Stabilization Account. A brief discussion of each of these requests follows.

Funding for Deficit in the Harvard Pilgrim Group Health Premium Account-\$768,659.93.

As we discussed during the FY17 Budget hearings, the City, with the approval of its Public Employee Committee, decided to become a self-funded group health insurer as of July 1, 2016. In essence, that means that, instead of paying a vendor like Harvard Pilgrim Health Care a premium amount each month to cover the cost of employee medical bills, the City will pay the actual costs of these employee medical needs and merely utilize the services of HPHC to administer the payments to doctors, hospitals and pharmaceutical companies. Most municipalities the size of Chelsea are self-insured. Generally, over time, a self-insured program is less expensive than a premium program, because the premium costs include a large risk factor which can be avoided through self-insurance.

As the city was closing the books on its premium account with HPHC, we determined that we had a large outstanding balance of approximately \$1.5 million. Although there appear to be many reasons for this debt, including small monthly administration errors that compounded over time, the majority of this debt stems from the Spring of 2012 when the City broke away from the City of Boston and contracted directly with HPHC for its premium payments. It appears that, in the transition away from Boston, at least two months' worth of premium charges went unpaid, and HPHC simply carried the deficit year to year.

In any event, having inherited this problem, I need to fix in order to close the books on our premium based service with HPHC and turn the page to our new self-insured system. The total amount owed by the City to HPHC is \$1,537,319.86, but one half of that amount will be paid by the School Department. Accordingly, the amount necessary from Operating Stabilization is \$768,659.93.

Funding for Deficit in the Delta Dental Account--\$15,000

At the same time that we were doing a final accounting on our Harvard Pilgrim account, we did a similar analysis on our dental insurance account with Delta Dental. We uncovered similar problems there with some old outstanding balances, although the problems were nowhere near as significant. The total amount owed to Delta Dental for old bills is approximately \$15,000. I ask for an appropriation from Operating Stabilization to cover this debt.

Streets and Sidewalks-\$200,000

Last year, the City Council approved a FY17 CIP proposed spending \$322,000 from Free Cash for street and sidewalk work, with the balance for this work coming from anticipated Chapter 90 funds as well as some municipal bonding.

Unfortunately, as we began preparing specifications and estimates for the FY17 Street and sidewalk work, we have determined that our cost is higher than anticipated and that we are short \$200,000. Rather than reducing the scope of work and eliminating some projects, my preference is to proceed with the full scope of street and sidewalk work outlined in the FY17 CIP. To do so, an additional appropriation of \$200,000 from Operating Stabilization is required.

Salt Shed Problems--\$40,000

Recently, the DPW determined that the salt shed in the DPW yard is in serious need of repair. Without such repairs, this critical structure may survive usage during the upcoming Winter. The total cost of repairs is \$40,000. Because this necessary repair work was not identified in advance of the DPW's FY17 budget request, the funding was not included in the approved FY17 Budget. To address this need, I request an appropriation from Operating Stabilization of \$40,000.

Reorganization of Clerk's office and Duties-\$56,637

Following submission of the FY17 Budget, our former City Clerk Deborah Clayman announced her retirement, effective June 30. We are currently in the process of hiring her replacement.

In the course of considering the Clerk's Department in light of Ms. Clayman's departure, I decided that the City would be better served by removing the Licensing Commission administration duties from the job responsibilities of the City Clerk and creating a separate administrative assistant as opposed to having the part-time attention of an otherwise fully occupied City Clerk. As a result, I have created, and we are in the process of hiring, a part-time administrative assistant for the Licensing Commission. This position was not included in the FY17 Budget.

As part of that same review, I concluded that the Clerk's Office as a whole needed some additional staffing. That office, which handles elections and parking and vital records among other responsibilities, is at times overwhelmed, often resulting in long lines for window service and frustration among residents. To help mitigate this situation, I am proposing the hiring of an additional clerical staff person who could be shared by the Clerk's Office and other offices (such as the Inspectional Services Department) when Clerk's Office is not especially busy. Again, this position was not included in the FY17 Budget. The total cost for funding for the remainder of this fiscal year both the new administrative position for the Licensing Commission and the floater clerical position is \$56,637. I respectfully request approval of this amount from Operating Stabilization.

Addison Street Sewer Work -- \$50,000 (Sewer Enterprise Transfer)

During the past few months, we have had some serious sewer blocks within the sewer line that services Addison Street. The cause is an underground transition point between a new segment of 12" pvc pipe installed on Addison Street during a previous repair and the old 15" concrete pipe that runs the remaining length of Addison St.

There appears to be a relatively easy fix to this problem on Addison St. The fix is to add length to the 12" pvc pipe and run this 12" pvc pipe all the way to one of the manholes in Addison St. By doing so, the transition from new 12" pvc pipe to old 15" concrete pipe will take place within a manhole, thereby eliminating the current problematic transition point from pipe to pipe in the middle of the street.

The cost of this repair is approximately \$50,000. I respectfully request the transfer of \$50,000 from excess funds still remaining from the FY14 Garfield Avenue Sewer Project.

Christmas Decorations -- \$65,000

Finally, I would very much like to install new Christmas decorations along Broadway for the upcoming Holiday Season. The cost for both the electrical work necessary to install such lights and the new decorations themselves is approximately \$65,000.

I recognize that some may consider the expenditure of municipal funds on this purpose a silly extravagance. However, I have had numerous comments made to me since my arrival here, including from Broadway merchants, lamenting the lack of such decorations. Personally, I believe such lights add significantly to the ambiance and attractiveness of a Downtown. I feel that the installation of such lights will both enhance our efforts to improve the Downtown and boost community spirit. For these reasons, I respectfully ask for approval. I am reasonably certain, although I can't guarantee, that if these funds are approved by the end of September, we will be able to accomplish the necessary procurement and actual electrical contract work to have decorations in place for this Christmas season.

I respectfully request that the City Council act favorably on these requests. I will be available to answer any questions which arise. The specific Orders for approval are attached.

Sincerely,
Thomas G. Ambrosino
City Manager

The following communication was received from City Manager Thomas G. Ambrosino. A motion from Councillor Vidot moved the communication to a second reading under suspension.

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

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 following individuals to Boards and Commissions in the City.

For appointment to the Chelsea Community Schools Advisory Board, for a three year term expiring in 2019, Mr. Daniel Padilla, 37 Springvale Ave. Chelsea.

For appointment to the Chelsea Community Schools Advisory Board, for a three year term expiring in 2019, Ms. Mathilde Noel Simon, 63 Clark Avenue, Chelsea.

For appointment to the Chelsea Community Schools Advisory Board, for a three year term expiring on 2019, Dr. Alice Murillo, 175 Cottage Street, No. 210, Chelsea.

For appointment to the Council on Elder Affairs, Mr. Greg Walczak, 124 Chester Chelsea, to fill the unexpired term of Mr. John Bayless ending on Feb. 28, 2018. Mr. Bayless passed away in April.

For re-appointment to the Chelsea Housing Authority, for a new five year term expiring in 2021, Mr. Thomas Standish, 36 Medford Street, Chelsea.

I respectfully request your approval of these appointments. I have attached resumes for the new appointees.

Sincerely,
Thomas G. Ambrosino
City Manager

Communications and petitions to the Council:

A copy of a communication was received from City Treasurer Robert Boulrice, regarding the Senior Water Discount Program. A motion from Councillor Robinson to accept and file was adopted under suspension.

A copy of a communication was received from Richard M. Rogers, Executive Secretary-Treasurer of the Greater Boston Labor Council, with regards to the City Council accepting an award at the 13th annual Salute to Municipal Officeholders for adopting a strong Wage Theft Ordinance. A motion from Councillor Robinson to accept and file was adopted under suspension.

A copy of a communication was received from Planner/Land Use Administer Alexander Mello with regards to updates on the proposed package of Zoning Amendments. A motion from Councillor Robinson to accept and file was adopted under suspension. A copy of the communication will be attached to the scheduled conference and Public Hearing.

A copy of a communication was received from Joseph Riccio with regards to Malone Park being used for supervised, permitted youth football and soccer practice. A motion from Councillor Avellaneda to accept and file was adopted under suspension.

New Business:

The following order was introduced by Councillor Vidot. A motion from Councillor Vidot to adopt under suspension was adopted.

ORDERED, that the City Manager report back to the City Council with a comprehensive assessment of what entities have permitted to utilize Highland Park soccer field for the past 5 years and any fees and contact information associated with said permits.

The following order was introduced by Councillor Cortell. A motion from Councillor Cortell to adopt under suspension was adopted.

ORDERED, that a Sub-Committee on Conference be scheduled for Tuesday, September 20th to review and discuss the proposed amendments to the Chelsea Zoning Ordinance.

The following order was introduced by Councillor Vidot. A motion from Councillor Vidot to adopt under suspension was adopted.

ORDERED, that a Sub-Committee on Conference be held to discuss the possibility of a 2-year development moratorium until we can work on a general Masterplan that addressed concerns of density, parking, and traffic flow.

The following order was introduced by Councillor Frank. A motion from Councillor Frank to adopt under suspension was adopted.

REQUEST, that the City Manager look into the creation of a historical commission, in the interest of protecting the historical nature of the City of Chelsea.

The following order was introduced by Councillor Frank. A motion from Councillor Frank to adopt under suspension was adopted.

ORDERED, that a Sub-Committee on Housing and Development be called to discuss the roles that the different boards and departments play in the City with regards to planning and development.

The following orders were all moved to a second reading by Councillor Robinson Chairman of the Sub-Committee on Finance and Accounts, under suspension.

ORDERED, that the Chelsea City Council authorize the appropriation of \$768,659.93 from Operating Stabilization Fund 7023 to supplement the Fiscal Year 2017 Employee Benefits-Health Insurance Account #0191051-51700.

ORDERED, that the Chelsea City Council authorize the appropriation of \$15,000.00 from Operating Stabilization Fund 7023 to supplement the Fiscal Year 2017-Withholding Payable Dental Insurance Account #GL01-216800.

ORDERED, that the Chelsea City Council authorize the appropriation of \$200,000.00 from Operating Stabilization Fund 7023 to supplement the Fiscal Year 2017 DPW Streets and Sidewalks Department-Capital-Road Improvements Account #0142258-583100.

ORDERED, that the Chelsea City Council authorize the appropriation of \$40,000.00 from Operating Stabilization Fund 7023 to supplement the Fiscal Year 2017 DPW Buildings and Grounds Department-Capital-Building Improvements Accounts #0147058-583000.

ORDERED, that the Chelsea City Council authorize the appropriation of \$56,637.00 from Operating Stabilization Fund 7023 to supplement the Fiscal Year 2017 City Clerk Department-Salaries Account 0116151-510200.

ORDERED, that the Chelsea City Council authorize the appropriation of \$65,000.00 from the Operating Stabilization Fund 7023 to supplement the Fiscal Year 2017 DPW Streets and Sidewalks Department-Street Signs Account #0142252-546500.

ORDERED, that an increase of the Fiscal Year 2017 School Department original appropriation from \$83,514,221.00 to \$84,080,668.00 for a net increase of \$566,147.00 attributed to an increase in Fiscal Year 2017 Chapter 70 State Aid.

The following order was introduced by Councillor Cortell and Avellaneda. A motion from Councillor Avellaneda moved the order to a second reading under suspension.

Adoption of M.G.L. C.59, Section 5, Clause 54

ORDERED, that the City of Chelsea accept the provisions of General Law Chapter 59, Section 5, Clause 54 which authorizes the City to establish a minimum fair cash value required for personal property taxes and fix that minimum fair cash value at \$10,000 to be effective for the fiscal tax year beginning on or after July 1,2016.

The following order was introduced by Councillor Robinson. A motion from Councillor Robinson moved the order to a second reading under suspension.

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

WHEREAS, in return for participation in the State's Economic Development Incentive Program, Broadway Hotel will invest approximately \$29,564,000 in property acquisition, reconstruction and equipment acquisition at 1012-1018 Broadway (hereinafter referred to as the "Business Site"), and

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

WHEREAS, Broadway Hotel is seeking a Tax Increment Financing exemption from the City, in accordance with the Massachusetts Economic Development Incentive Program and Chapter 23 A 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 Broadway Hotel 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 ORDERED, that the City Council approves the Certified Project Application of Broadway Hotel 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 Broadway Hotel, with said agreement providing Broadway Hotel an 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, 25% for Year 3, 25% for Year 4, and 25% for Year 5, beginning in FY 2019 according to the requirements and regulations established that govern the implementation of such Tax Increment Financing Agreements.

The following order was introduced by Councillor Robinson. A motion from Councillor Robinson moved the order to a second reading under suspension.

WHEREAS, the City of Chelsea (hereinafter referred to as the "City") and Rosev Dairy Foods, Inc. (hereinafter referred to as "Rosev") have been in negotiation relative to the mutual desire of each party to secure the necessary assistance to make it economically feasible for Rosev to retain and expand its dairy operations to Chelsea; and

WHEREAS, in return for participation in the State's Economic Development Incentive Program, Rosev will invest approximately \$6,500,000 in property acquisition, construction and equipment acquisition at 8 Griffin Way (hereinafter referred to as the "Business Site"), and

WHEREAS, the Rosev project will result in the retention of 37 new full-time jobs over the next five years, with Rosev agreeing to conduct a local hiring search to backfill any jobs which may become available in subsequent years, and

WHEREAS, Rosev is seeking a Tax Increment Financing exemption from the City, in accordance with the Massachusetts Economic Development Incentive Program and Chapter 23 A 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 Rosev 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 Rosev 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 Rosev, with said agreement providing Rosev an 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 5% for Year 1, 5% for Year 2, 5% for Year 3, 5% for Year 4, and 5% for Year 5, beginning in FY 2018 according to the

requirements and regulations established that govern the implementation of such Tax Increment Financing Agreements.

The following order was introduced by Councillor Cortell. A motion from Councillor Cortell referred the order to a Public Hearing, October 3rd, and the Planning Board under suspension.

WHEREAS, It is the express purpose of municipal zoning to promote the health, safety, and general welfare of the inhabitants of the City of Chelsea; and

WHEREAS, A specific objective of the City of Chelsea's Zoning Ordinance states the need to encourage the most appropriate use of land throughout the City of Chelsea; and

WHEREAS, The City Administration has recommended an amendment to Section 34-241 of the City of Chelsea Zoning Ordinance which is the a change in the definition of Adult Entertainment Establishments outlined in the petition signed by the City Manager and filed on August 29, 2016 with the City Clerk, and as stated as follows:

- (a) *Adult entertainment establishments* shall include adult bookstores, adult motion picture theaters, adult paraphernalia stores, adult video stores, or establishments which display live nudity for their patrons as defined by Chapter 40A, Section 9A of the Commonwealth of Massachusetts General Laws, as amended.

NOW, THEREFORE BE IT ORDERED,

That the following petition for the adoption of an amendment to Section 34-241 of the City of Chelsea Zoning Ordinance be reviewed and that a public hearing be scheduled on October 3, 2016 to discuss the proposed zoning amendments pursuant to Mass. Gen. Laws c. 40A.

BE IT FURTHER ORDERED,

That the petition be forwarded to the Chelsea Planning Board for a recommendation of the Zoning Amendment pursuant to Mass. Gen. Laws c. 40A.

The following order was introduced by Councillor Robinson. A motion from Councillor Robinson moved the order to a second reading under suspension.

AN ORDER TRANSFERRING PROCEEDS OF A BORROWING THAT ARE NO LONGER NEEDED TO COMPLETE THE PROJECT FOR WHICH THEY WERE ORIGINALLY BORROWED, TO PAY COSTS OF AN ALTERNATIVE CAPITAL PROJECT, AS AUTHORIZED BY CHAPTER 44, SECTION 20 OF THE GENERAL LAWS.

Ordered, that in accordance with Chapter 44, Section 20 of the General Laws, the sum of \$50,000 representing the unexpected portion of the \$650,000.00 borrowed under the Fiscal Year 2014 Capital Improvement Plan for sewer infrastructure

improvements – Gardner Sewer, Water Drain Project – Account 55451410-584503, but which is no longer needed to complete that project, is hereby transferred 1) in the amount of \$50,000.00 to fund sewer improvements for a NEW FY'17 Addison Street Sewer Connection Project – Account #554017 series.

The following order was introduced by Councillor Recupero and received late. A motion from Councillor Recupero adopted the order under suspension. Councillor Avellaneda moved to send a copy to the Department of Public Works Sub-Committee under suspension.

ORDERED, that the City manager look into doing a study to alleviate the traffic congestion specifically on Meridian St. Bridge-Park and Pearl –that's affecting the lives of all residents of the City of Chelsea.

The following order was introduced by Councillor Recupero received late. A motion from Councillor Recupero to adopt the order under suspension was adopted.

ORDERED, that the City Manager ask the City Auditor to provide an accounting of the Enterprise Fund for FY'15, showing receivables and expenses.

The following order was introduced by Councillor Recupero received late. A motion from Councillor Recupero to adopt under suspension was adopted. Councillor Avellaneda moved to send a copy to the Dept. of Public Works under suspension.

ORDERED, that the City Manager look into how to alleviate the horrible rat problem that the City is encountering and that's been in existing for five years or longer. The rats are as big as cats and nothing is alleviating the situation.

The following order was introduced by Councillor Recupero and received late. Councillor Frank objected to the first reading.

ORDERED, that the City Manager schedule a meeting with Mass general regarding urgent care, which the City does not have. Mass General wants the City to rezone it so it can open up a counseling center but it does not want to open up urgent care for the residents. The City Manager should inquire why that is.

The meeting adjourned at 8:15 p.m.

Respectfully submitted,



Paul G. Casino
Clerk of the Chelsea City Council