

Chelsea, Massachusetts November 30, 2020

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 Zobot, Garcia, Taylor, Recupero, Robinson, Brown, Vidot, Rodriguez, Avellaneda, Lopez. Councilor Vega-Maldonado absent at roll call but then was in attendance later, on zoom. Was present on Zoom. Council President Avellaneda presided over the meeting. The meeting opened at 7:00 p.m.

Public Hearing:

The public hearing with regards to the setting of the FY21 Tax Rate was open to the public for comment at 7:06 p.m.

The following came forward to speak:

City Manager Thomas G. Ambrosino, spoke about the benefits of the 35% Tax Exemption and the maximum shift allowed by law of the 1.75% to the Commercial. The tax rate would be 13.62 for residential and 26.65 for commercial.

The public hearing closed at 7:11 p.m.

The minutes of the City Council Meeting held on November 16,2020 were approved at the request of Councilor Brown under suspension.

Communications from the City Manager:

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

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

Re: MassWorks Grant

Dear Councilors:

I am writing to inform you that the City has been awarded a \$5 million MassWorks grant to assist with infrastructure for the Innes Apartment. Approximately \$4 million of this amount will be allocated to on-site work performed by the developer Joseph J. Corcoran. The balance of approximately \$1 million will be utilized by the City for associated street and underground utility work in the Central Avenue area.

With this MassWork financing in place, we anticipate that work on the Innes Apartments Redevelopment will commence sometime in mid-2021.

Sincerely,
Thomas G. Ambrosino
City Manager

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

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

Re: Grants for Chelsea Eats Food Debit Card Program
Dear Councilors:

As I have previously discussed, the Sha Family Foundation and the United Way have both awarded the City of Chelsea grants for the purpose of supporting the Chelsea Eats Food Debit Card Program. The grants are as follows: \$822,000 from United Way; and \$700,000 from the Sha Family Foundation. The funds will help to extend the debit card program for two additional months. Copies of the respective Award Letters are attached.

In accordance with M.G.L. c. 44, &53(a), I am requesting that the City Council formally approve the acceptance of these two grants. Copies of the required Orders are also attached.

Sincerely,
Thomas G. Ambrosino
City Manager

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

The Honorable Chelsea City Council
Chelsea City Hall

500 Broadway
Chelsea, Massachusetts 02150

Re: Appropriation for Homeowner Stabilization Program

Dear Councilors:

I am writing to a follow-up to my comments at last week's subcommittee meeting on the setting of the FY21 Tax rate in which I proposed that the City appropriate funds for the Homeowner Stabilization Program. The goal is to provide grant funds to any owner occupied struggling to meet any financial need, including mortgage payments, local property tax payments and utility bills, due to the economic impacts of covid-19.

As outlined at the sub-committee, the setting of the tax rate, even with the adoption of the 35% Residential Exemption and the 175% tax shift to commercial and industrial owners, will lead to tax increases, especially significant for two-family and three-family owner occupants. For those impacted financially by COVID-19 this may exacerbate already difficult economic circumstances. To help these owners, and any other owner occupants facing COVID-19 impacts, I am requesting that the City appropriate a total of \$750,000 to the existing Homeowner Stabilization Program.

Funding from the City in the amount of \$750,000 will allow for the Homeowner Stabilization Program to expand eligibility beyond the current income limits of 80% of Area Median Income. That current restriction is due to the fact that the initial \$250,000 in funding for the Homeowner Stabilization Program came exclusively from the Affordable Housing Trust Fund Board ("AHTFB's"). Based upon AHTFB's this funding added to the mix, the City can set its own separate income limits for grants distributed from these funds and broaden the reach of the program to include more homeowners. I suggest that the City set those limits at 100% of AMI, which currently is \$119,000 annually for a family Of four. With that as an income limit, and with funding of \$750,000, the Program should help to mitigate the hardships caused to owner-occupants by COVI-19, including ameliorating any adverse impact created by local property tax increases.

For the above reasons, I respectfully request that the City Council appropriate from the General Stabilization Fund the total of \$750,000 to the Homeowner Stabilization Program offered by the Housing & Community Development Department. A draft Order is attached.

Sincerely,
Thomas G. Ambrosino
City Manager

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

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

Re: Fiscal Year 2021 Tax Rates

Dear Councilors:

In follow-up to my November 16, 2020 presentation on taxes and valuations, I am writing to formally request the two votes required by the City Council prior to the setting of the tax rate.

The first required vote is the setting of the Residential Exemption pursuant to M.G.L. c. 59, Section 5C. I am recommending that we increase the exemption to 35%, the maximum amount allowed by statute. Although this will bring to conclusion our policy to slowly spread the increase of this exemption from the previous 20% to the new maximum of 35%, this is the year to year to do that. Given the economic impacts of COVID, feel we need to maximize tax benefits for our owner-occupants.

The second required vote, under M.G.L. c. 40, Section 56, is for the City Council to determine the percentage of the tax levy that should be borne by each class of real property and personal property. This City has historically always voted, by virtue of adopting a minimum residential factor that results in a 175% shift, to transfer to commercial and industrial properties the maximum amount of the tax levy allowed by law. I recommend the same this year. If that 175% shift is adopted, the residential tax rate will likely be \$13.62 (pending DOR approval), and the commercial rate will be \$26.65. This will result in a reduction of the average tax bill for condominiums a modest increase in single family homes, but a substantial increase for two and three family owner-occupants. Contemporaneous with this letter, I am submitting a request to appropriate funds to the existing Homeowner Stabilization Program to help owner-occupants for whom this increase will create a hardship.

I have attached drafts of the appropriate Council Orders necessary to accomplish what I propose.

Sincerely,
Thomas G. Ambrosino
City Manager

Second Readings:

The following order was introduced by Councilor Robinson. A motion from Councilor Robinson to adopt by roll call passed 10-0-1-0. Voting yes were Councilors Zabet, Garcia, Taylor, Recuperero, Robinson, Brown, Vidot, Rodriguez, Avellaneda, and Lopez. Councilor Vega-Maldonado was absent.

Whereas, the City owns space known as Mace Tot Lot, which is located at 57 Crescent Avenue and documented as Parcel ID 48-108 on the City's Assessors Maps; and

Whereas, Mace Tot Lot will be dedicated to parkland in perpetuity, under MGL Chapter 45, Section 3; and

Whereas, the priorities detailed in the City's 2017 Open Space and Recreation Plan include the renovation of the City's most heavily used recreational facilities, such as Mace Tot Lot, to provide active recreational opportunities for all ages that take advantage of Chelsea's environmental cultural, and scenic resources; and

Whereas, Mace Tot Lot is a heavily utilized and popular playground that is a vital recreational asset for City residents, yet Mace Tot Lot's main playground has not been substantially renovated in over ten years, although it's existing condition warrants refurbishment; and

Whereas, the City, through the Department of Housing & Community Development, filed a grant application to the Executive Office of Energy and Environmental Affairs (EOEAA) PARC Grant Program and was awarded a \$400,000 PARC grant for the renovation of Mace Tot Lot; and

Whereas, the renovations of this facility is estimated to cost \$750,000 and the City will be reimbursed for 70% of the full project cost, up to \$400,000, under the PARC grant requirements; and

Whereas, because the PARC grant reimburses the City for design and construction, the City is required by PARC grant requirements to set aside the full cost of the project and certify that full funding, including the State share, is available for the project prior to reimbursement; and

Whereas, the City has funded the remainder of the total project cost through a \$350,000 appropriation through the FY21 Capital Improvement Plan; and

Whereas, to ensure the successful implementation of this and other PARC grant funded projects, the funds appropriated through this order for the renovations for Mace Tot Lot may be utilized for all of Mace Tot Lot's project costs in the event that the construction costs exceed the estimated costs, and any surplus funds may be allotted towards future PARC grant funded open space improvements;

Therefore, it is Ordered By this vote, the Chelsea City Council endorses this project for the receipt of PARC grant funds, appropriates the balance of the total project cost of \$ 400,000 from the General Stabilization Fund #7020, designates Mace Tot Lot as parkland in perpetuity, under MGL Chapter 45, Section 3 and authorizes the City Manager to utilize any surplus funds for current and future PARC funded improvements for open space within the City of Chelsea, certifies the City Manager's authority to enter into an agreement for the receipt of these funds and directs the City Manager to take any and all necessary action to accomplish th3e project.

New Business:

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

Request, that the City Manager look into changing the administrative code to allow associate members of the ZBA vote to be counted.

The following order was introduced by Councilors Garcia and Zobot. A motion from Councilor Zobot to adopt under suspension was adopted.

Request, that a Sub-Committee on Conference be held to discuss Downtown Beatification initiative and potential long-term funding.

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

Request, that the City Manager provide an update on the Office of Diveristy, Equity and Inclusion position.

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

Request, that the City Manager place a "Welcome to Chelsea" sign in the corner of Pearl Street and Marginal Street.

The following order was introduced by Councilor Recupero. It was originally ruled out of order by the President Councilor Avellaneda. Councilor Recupero amended the original order to have the City Manager respond if the \$1,000 is feasible and it was adopted under suspension.

Request, that the City Manager take off an additional \$1,000 off of homeowner-occupier's property taxes if they have difficulties paying.

The following order was introduced by Councilor Recupero. Councilor Recupero moved to adopt under suspension. Councilor Rodriguez moved roll call Councilor Robinson moved to send it to Conference. The amendment to send to Conference was adopted under suspension.

Request, that the City Manager to look into funding for the Council to hire an attorney to consult City Council matters.

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

Ordered, that the Chelsea City Council authorizes the appropriation of funds in the amount of \$750000 from General Stabilization Account #7020 to the Housing & Community Development Redevelopment Fund #3030, or such other Fund as the Auditor deems appropriate, for the purpose of assisting owner-occupants of residential property who have been adversely impacted financially by COVID-19, provided they earn no more than 100% of Area Median Income.

The following order was introduced by Councilor Robinson. A motion from Councilor Robinson for roll call passed the order 11-0-0-0. Voting yes were Councilors Zobot, Garcia, Taylor, Recupero, Robinson, Brown, Vidot, Vega- Maldonado, Rodriguez, Avellaneda, and Lopez.

Ordered, That the City Council hereby accepts and approves the Sha Family Foundation grant in the amount of \$700,000 for the public purpose of funding the Chelsea Eats Food Debit Card Program.

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 Zobot, Garcia, Taylor, Recupero, Robinson, Brown, Vidot, Vega-Maldonado, Rodriguez, Avellaneda, and Lopez.

Ordered, That the City Council hereby accepts and APPROVES THE United Way of Massachusetts Bay and Merrimack Valley grant in the amount of \$822,000 for the public purpose of funding the Chelsea Eats Food Debit Card Program.

The following Order was presented to the Council by Council President Avellaneda. Councilor Vidot requested a roll call and it passed 11-0-0-0.

Voting yes were Councilors Zabol, Garcia, Taylor, Recupero, Robinson, Brown, Vidot, Vega-Maldonado, Rodriguez, Avellaneda, and Lopez.
Ordered, that the Chelsea City Council adopt a 35% Residential Exemption for Fiscal Year 2021.

The following Order was presented to the Council by Council President Avellaneda. Councilor Robinson requested a roll call and it passed 11-0-0-0. Voting yes were Councilors Zabol, Garcia, Taylor, Recupero, Robinson, Brown, Vidot, Vega-Maldonado, Rodriguez, Avellaneda, and Lopez.
Ordered, that the Chelsea City Council adopt the Minimum Residential Tax Factor for Fiscal Year 2021, with a 1.75 commercial, industrial and personal property (CIP) shift factor.

The meeting adjourned at 8:05 p.m.

Respectfully submitted,

Paul G. Casino (KM)

Paul G. Casino
Clerk of the Chelsea City Council