

METHUEN CITY COUNCIL REGULAR MEETING

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MONDAY, DECEMBER 21, 2009 – 7:00 P.M.
GREAT HALL, SEARLES BUILDING

Chair Deborah Quinn called the regular meeting to order at 7:00 p.m. with all members present.

ACCEPTANCE OF AGENDA

MOTION BY: Councilor Zanni to accept the agenda as posted.

MOTION BY: Councilor Cronin, seconded by Councilor Kannan to take TR-09-80 out of order, as the next item after Other Officers and Committee Reports. UPON VOTE: UNANIMOUS.

MOTION BY: Councilor Kannan, seconded by Councilor Zanni to accept the agenda, as amended. UPON VOTE: UNANIMOUS.

Councilor Kannan gave the Invocation for the evening. Everyone remained standing for the Pledge of Allegiance. On behalf of the City Council, Councilor Kannan wished Colleen McCarthy's mother a speedy recovery (she was in auto accident).

ACCEPTANCE OF MINUTES

MOTION BY: Councilor Zanni, seconded by Councilor Giordano to waive the reading and accept the minutes of December 7, 2009 regular meeting. Councilor Pappalardo said Council received the letter from the Fire Chief, which specified there were two firefighters and a lieutenant. The Mayor thought it was three Fire Fighters and she would like it reflected in the minutes that its two firefighters and one lieutenant.

UPON VOTE: UNANIMOUS.

CORRESPONDENCE/PROCLAMATION – None

PUBLIC PARTICIPATION

Jack Burke, 49 Canobieola Road, spoke about the two resolutions under New Business both of which are requesting an EPA. He read an excerpt from the Home Rule Charter – the definition for an emergency, noting neither of these items requires an EPA. In reference to TR-09-80 A Resolution Authorizing Declaration of Recreational Open Space for Head Start, he read from an article in the Eagle Tribune from March of 2004 which states, "Head Start is not asking Methuen for money, just the land. The project will cost an estimated 1.2 million dollars and it is considered a shovel ready project. Once the legislature approves the Home Rule Petition, Head start can break ground within four weeks. Head start officials said the project should be eligible for federal economic stimulus money. The resolution itself refers to a grant, grant #24-0035A, which was not attached. He questioned when this grant accepted by the city. He noted that the city assessor's site does not list a building on the parcel described but the

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resolution does and there is typo (parcel ID). He asked if the open space is the entire 16 acres or one acre to make up for the Gill Avenue property. He spoke on TR-09-81 Establishing a New Revolving Fund. As he read through the resolution, he noticed it mentioned a memorandum but there is no memorandum attached. He noted that he tried to find out who is on the City's Building Safety Task Force and he was unable to find anyone that's listed or anything listed as the Building Safety Task Force. He questioned who the members of the task force are, how there were appointed, when they met and how much money has been raised by the registration of abandoned foreclosed properties and whether or not there a list of these properties published somewhere. Mr. Burke questioned why the city is creating a revolving fund for foreclosed property. It was his understanding that the building reverts to the bank and the bank is responsible for the safety issues with that building. He then spoke on the tax rate issue, the newspaper article on the tax rate, and questioned what was going on noting that he doesn't understand the mathematics and percentages.

Frank Korn, President of the Methuen Superior Officers Association, a resident and a taxpayer of the City of Methuen, spoke on the proposed property tax increase. He reported that, approximately six months ago, he and many other union presidents sat down with Mayor Manzi and negotiated pay cuts affecting their members. All of the unions who agreed to pay and benefits cuts did so by signed agreement with Mayor Manzi, which became side letters to the existing union contracts or entirely new union contracts. These signed agreements are legally binding documents, which were ratified by the majority of the City Councilors and these negotiated cuts were incorporated into the City of Methuen FY 2010 budget for the purposes of balancing the budget (which prior to the agreements were approximately four million dollars in the red). Working with Mayor Manzi, collective and individual sacrifices were made to allow the city to have a functional working budget and avoid layoffs. Everyone involved in this process spent a significant amount of time struggling to make our numbers so we could contribute to a balanced budget because it was the right thing to do. He asked that the Council do the right thing and approve the currently proposed property tax increase. As a homeowner, he's not happy about a property tax increase. However, I know that the Mayor has made every reasonable attempt to soften the property tax impact on the homeowners of Methuen. The Mayor's first tax proposal was proof that he attempted to shift more of the tax burden to the individual business owners and less towards the homeowners. Its not his fault that he was barred from implementing his proposed tax structure by the State of Massachusetts, the same State of Massachusetts that reduced funding to cities and towns in the last year. The reduction in funding from the state made it incumbent upon cities and towns to balance their own budgets while dealing with reduced aid from the state. The reduction in state aid is not the Mayor's fault and currently he's trying to make the best of a problem as a result. The Mayor's revised tax proposal is estimated to increase the average Methuen homeowners annual property tax by \$40 from the previous increase of December 7th, which was approved by a majority of the Methuen City Council. That average of \$40 per year is an increase of \$3.33 per month or \$0.77 increase per week or \$0.11 increase per day. He asked if individuals are willing to potentially shut down the City of Methuen for the cost of \$0.11 a day per homeowner. If the tax rate is not set, there will not be a working budget. Without a

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budget the city would most likely have to shut down until the budget issue is resolved. He asked that the Council ask themselves individually and collectively what have you done to bring budget and tax relief to the citizens of Methuen. He asked "Have you examined every city contract, every budget line item to determine where and if cuts can be made? Have you forwarded your proposed budget cuts to the Mayor so they can be implemented?" The unions were actively involved in the budget reduction process, made concessions and collectively with the Mayor produced a balanced budget. If the City Council can make budget cuts and trim costs which will result in a reduction of the currently proposed tax rate then they should formulate their plan and propose it to the Mayor and the citizens of Methuen. If not, then the Council should support the Mayor's plan which calls for a balanced budget with a reasonable tax increase, with no reduction in services for the citizens of Methuen and no layoffs to the city employees. The increase is a \$0.11 per day per the average homeowner in the City of Methuen. This is not an unreasonable increase. He noted the daily cost of the local newspaper is \$0.75 per day.

Tim Sheehy, President of Firefighters Local Union 1691, 53 Butternut Lane, said approximately six months ago, he was in the Great Hall addressing the Council about the agreement reached with Mayor Manzi after many, many meetings. If this tax increase does not go through, they may have to give back \$500,000 to the state for grant money previously received. The department had three laid off firefighters and got them back through this grant money. Now, the money will have to be given back and at least three individuals will have to get laid off again. Without a tax increase, they're probably going to be forced to shut three of the four stations. He's not sure how things will work. He urged the Council to do the right thing and follow through on the agreement that they came up with six months ago.

Steve Buote, Fire Chief, lifelong resident of the City of Methuen, referred to the side letter of agreement that the union signed with the city six months ago. That's a half million dollars which, if it does get changed in any way, it becomes null and void. Also there are two grants that have been awarded. Council voted to approve the first grant at the last Council meeting and the approval for the second grant is on the agenda this evening. The two grants combined come out to just under \$500,000, add that side letter of agreement that's a million dollar savings to the city. He explained that the first grant voted last Council meeting brought back three laid off firefighters. Not only did they lay three people off but combined with the attrition spots due to retirements, the department was seven people permanently short in addition with other people that were out long term with injuries and illnesses. This forced them to shut down an engine company, another fact that all the citizens aren't aware of. The Howe Street station houses two companies, a ladder company and an engine company. That engine company has been shut down for the past six months. Acceptance of the first grant, bringing back three firefighters, allowed them to start discussions about possibly reopening that engine company. But because of slots lost through attrition and the cuts in the overtime budget, it was impossible to reopen it. The second grant award was worth about \$240,000 and gave the department the capability of hiring three new firefighters to fill three of the four vacancies. It also gave the department some remaining funding to put back into the overtime account. After crunching the numbers, the department was able to reopen that

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engine company (a couple of weeks ago). Layoffs for any reason will jeopardize these grants. It would probably not only cancel the grant but the department would have to pay some of it back. It would certainly result in shutting down the engine company On Howe Street and severely impact the department enough that before the year is out, they may be forced to shutting down a second engine company. He noted he just wanted to bring up this points so that the Council would have the information they need to make an educated judgment.

Councilor Pappalardo read the following messages: “John Delaney, 10 Vista Circle called to voice his opinion on the tax rate. His message is that Council already voted a rate a couple of weeks ago and it is not right raise it again. Everyone is hurting financially, have no jobs, and the elderly are on a fixed income. If you would like to speak with him, his phone number is.....” “John Terraova, 8 Dexter Street, called with the following message: he’s been a Methuen resident for 45 years, worked and was President of the Laborer’s union until he got hurt. Both he and his wife are out of work and cannot afford another increase. Every nickel is important. He strongly urges all Councilors not to vote the increase because of all the people who are injured, out of jobs, losing their homes, and the elderly.

Councilor Giordano asked if the fire department would lose the grants if the Council didn’t vote tonight. (Council did set the tax rate a couple of weeks ago)

Mr. Kelly indicated the fire department would lose the grants if there is any type of layoff whatsoever because all those grants were predicated on bringing people back.

Councilor Giordano said if the grants are good for one year, the Council could be doing this exercise over again next year.

Mayor Manzi said the Council voted for a classification factor at the last meeting. The Department of Revenue didn’t allow us to move forward with that.

Councilor Giordano said if Methuen doesn’t receive federal funds and the grant is only good for one year, Council would have to come back again.

Mayor Manzi noted that the attrition spots were good for one year. The three layoffs were good for one year but, even with the stimulus, the idea was to try to give some stability to both state and local governments in the hope that the economy would turn around. He prefer to have those firefighters back for one year and worry about it next year if the economy doesn’t turn around. It was through good work by the fire union with some good work by our administrative staff that Methuen applied and received the second grant for attrition. They are doing the best they can in a difficult situation. Despite the fact that the economy might not turn around, he would rather have them on for the one year.

Councilor Willette said we were talking about hundreds of public safety layoffs across the state, saying that it was not just a partial backfill with stimulus of returning a portion of that workforce, that all these communities had to buy into the proposition that all people previously laid off had to be returned with local dollars to match the stimulus dollars.

Mayor Manzi explained that there are two separate grants. Three employees were laid off and were brought back on a one year grant. Methuen agreed to bring them back, agreed to a manpower number under the terms of the grant. We can’t lay the employees off a second time.

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Ken Willette asked if this pertains to stimulus dollars and state dollars, in grants. Mayor Manzi said, in terms of the fire department, its just stimulus money. Chief Buote responded, federal stimulus.

Ken Willette said what he is hearing is that because Methuen accepted stimulus funds to restore a portion of their workforce, as well as other communities worse than us, should Methuen lay off in the future 1, 2, 3 individuals, that's not acceptable under the stimulus rules.

Mayor Manzi said the stimulus money did surpland our budget because there were three layoffs, we gathered that money through the budget process Councilor and now we've restored for that period of time. The difference is if I understand you is that budget period has come and gone, July 1, we laid them off as of July 1. we are now getting them back for that period of time. The issue here is in midstream after the budget, this budget should be set and they should be set at least for the duration of this fiscal cycle and if we have a problem here then maybe they wouldn't be. On one hand you're taking the grant and on the other hand, potentially you're saying through the potential for either non acceptance of a tax rate or some other action by the City Council that they may require further layoffs. You can't take it and then give it back at the same time. That's what he's saying. That's what I'm saying.

Councilor Willette I'm not even sure if these would be identical people that would be laid off and wasn't it attrition to begin with? It was layoffs, it was attrition. We were establishing a certain budget through attrition and this was designed to bring people either hire people back or rehired, it was through attrition.

Mayor Manzi said not entirely. In Methuen we had a layoff that was done, not on the basis of seniority, on the basis of a union agreement with the city so that the layoffs did occur. The layoff occurred July 1st. There were three, as Councilor says, two rank and file, one lieutenant and those went out when we derived the financial benefit through the budget of those three going out so we reduced our budget in the fire department by those three salaries. Now, we have since received a grant for those three, to bring back. Grant two would go to what your point is, which is attrition and attrition is separated under the terms of the grant from the layoffs. So we take the money, the grant Council already approved for the three, we know will take a second grant for those that are in attrition and the Chief can give you those numbers, but they are separate. So I think you are on the right track but we did lay three off in the July budget.

Councilor Willette said the issue he has, and this is going back to the summer, we were promised a budget with no tax increases, okay. Then there was an issue of the pension liability that was state imposed. So I bit the bullet, I supported the tax increase to balance the budget. Now we're going a second bite at the apple, state imposed, with no explanatory letter from the state, okay..we'll get into that discussion but this is the second time that we've received no relief from the state. We've tried to balance the budget with concessions from the unions. He took the difficult vote to set the tax rate because Council was told they would have a balanced budget with no tax increase but then they had the pension liability which was separate from the process. He understands that. Now, they're told that the state is not satisfied with how Council derived the numbers even though they were given a range of options and could have zonked commercial far greater and penalized residential far greater. Its like the state dictating to us what to do and my six years on the Council that never occurred and I can't understand for the life of

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me we had a previous administration that did one time revenues streams that drained every single account under the sun, okay. We have a conservative budget that doesn't have one time revenue streams. We received concessions from the union. We set a tax rate. We had a different range of options. We could have penalized commercial more. We could have. We had the middle range that was recommended by this administration that we approved. We have very selective memory in this community. He said he took the tough vote and he is not prepared to take the tough vote again without any explanation from the state and the state dictating to us what to do. What's the sense of being an elected official locally if he has no flexibility and has to vote on what the state tells him to do. No thank you. He suggested that the Mayor send a letter to the state, appeal the decision. But I fulfilled my promises up until this point tonight. We have people that are in dire straights and again I have made my concessions too with the state. I'm a state worker, okay, more for health insurance, less pay, fourteen years working for the state. He might have received maybe four pay increases. This is unbelievable tonight.

Mayor Manzi said he knows and doesn't want to say too much because he knows it's the Council turn but in terms of, I share the Councilor's frustration. We did set it at 1.70 last year and we're trying to set it at the same percentage this year and that was what was denied. He would like to clarify though. Its an important point that even though he agrees with Councilor Willette on that, that the total aggregate amount of dollars raised will be the same. There is no increase by the dollars raised by the city. Its simply the state mandating that a little bit more of those dollars be shifted into a different category. We will only raise what we said we were going to raise the last time Council took that tough vote and we appreciate it. It will not be a dollar increased over that amount. The levy increase is constant. Its just a matter of where the shift goes and its as Ken says only a function of the Department of Revenue.

Councilor Willette said we know where the shift went residential tax increase from \$88 to \$128. The commercial will go from 609 to 287. he's sure Joe Bevilacqua is dancing cartwheels over this. Six years on the Council, Joe Bevilacqua has always said please don't penalize the commercial base. Okay? We've always had a differential between the residential and the commercial base and we have that flexibility under all administrations that he served with and some how his final year on the City Council we don't have that flexibility anymore and the state has to audacity to question us at the final hour when we are trying to set a tax rate and he took a vote to do so, telling us that we have no flexibility whatsoever. This is it, your final offer. Take it or leave it. I say to the state go to

Councilor Pappalardo deferred comments until the item comes up on the agenda.

PUBLIC SERVICE:

Grants: None

Licenses: None

Contracts: None

Call to Order – Special State Election January 19, 2010

MOTION BY: Councilor Cronin, seconded by Councilor Giordano to approve.

UPON VOTE: UNANIMOUS

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Amend and Reconsider Tax Classification Factor – No Action taken by Council

OTHER OFFICERS AND COMMITTEE REPORTS - None

TR-09-80 Resolution Authorizing Declaration of Recreational/Open Space – Head Start (EPA REQUESTED)

MOTION BY: Councilor Cronin, seconded by Councilor Zanni to adopt an emergency preamble for the health and welfare of the citizens of Methuen

Councilor Kannan questioned the need for the EPA.

Attorney McQuillan said the property located on Gill Avenue is specifically targeted for the Head Start project, which is contingent upon receiving money from the federal government under a stimulus package. During the course of our research and reviewing the matter, they found documentation (in 1986) that this land was subject to federal grant money that allowed us to improve the ballfields and other parts of the property for purposes of the building and to construct a new ballfield. This documentation is from the National Parks service. Because this is open space and subject to federal grant money we are by virtue of the Head Start Program changing that use. Therefore we have to give them a replacement parcel of property, similar value, similar size and description. Several pieces of property were considered but some were already considered Open Space/Recreation which is unacceptable to National Park Services and Council would have to specifically designate the parcel to be exchanged for the property to be developed. Community Development came up with the parcel in question just off of Sable Avenue. A clarification of the resolution, it's a 15. plus acre parcel, if you look in third paragraph of the resolution, its only asking that one acre of that entire parcel be dedicated for recreational use for the purposes of affectuating an exchange.

Councilor Kannan said she asking about the EPA because she has a lot of questions and with an EPA the resolution doesn't require a second read.

Attorney McQuillan said there is a very time sensitive issue here. If in fact, GLCAC cannot present the stimulus agency providing the money any kind of action by the local legislature for the purposes of affectuating this parcel, they will lose that money and the project will simply die.

Councilor Giordano asked if the land being discussed previously housed the Veterans Building. Attorney McQuillan said responded, yes, on Gill Avenue.

Councilor Giordano asked if it would cost Methuen anything to do this. Attorney McQuillan responded that it would not cost anything. GLCAC is funding the project.

UPON VOTE: (EPA) 8 yes, 1 no (Clr. Pappalardo)

MOTION BY: Councilor Cronin, seconded by Councilor Kannan to adopt.

Councilor Kannan said this is the first time that she heard that Gill Avenue is not a go. Council had the whole presentation with that little red house, etc. it was a wonderful presentation. So now Gill Avenue is going to stay the way it is and that was actually a perfect area to do something like this because that area in her opinion could use something positive. If Council gives the okay tonight, with the EPA attached and its passed, Sable area has a lot of residential homes at the end of Washington Street (she

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didn't have a chance to drive by it). She asked if any of the residents have been notified of this school. She asked if it is going to be the same building and everything previously proposed.

Mr. Lopiano said to the best of his recollection, months ago, met with the residents of the area, all who approve of this. Peter is doing a good job explaining. This is a very complicated situation. They would like one acre of land transferred to them somehow legally and they will take down the building that is there, which is going to be a fire hazard obviously and they will build an 8,000 square foot early childhood center, state of the art, for 80 Methuen kids, maybe 120 if they put 40 more in the afternoon, a bus loop, a playground. It will become a drug free area and they will finance the entire project. The government has \$400,000 sitting in an account waiting for them to finance it. As the gentleman said earlier, the project was 1.6 million dollars. Its now two million because they keep making it bigger and better. If Council delays this, it may be three million dollars but hopefully it won't. So, the grant Peter was talking about actually ended September 30, at the end of the fiscal year but we went into Boston and asked them to roll it over for another year to finance what would be approximately 20% of the project, \$400,000 (it would be two million dollars). As Peter said, they want to see some progress being made. Once we take this action, then the deed has to be recorded, then we have to go to the State Senate, then they have to go to the state organization (EPA) and then we have to through the federal National Park service, then have to do bid specs. This is going to take months and months to go on but as he said to make it very simple, they do have 20% on hold with HHS and the Greater Lawrence Community Action Council will finance the rest of it. It will not cost Methuen one penny. They finance everything and operate it. Its all Methuen children that go too but we need this. It's a very complicated process and they never thought they would run into this. They thought it would be a simple land swap, take money because its there, and improve it and build.

Councilor Kannan asked when the city found out Gill Avenue was not going to be the proposed site.

Attorney McQuillan clarified that Gill Avenue is the proposed site. That is where the development is going to occur. Because it was subject to National Parks monies, we had to, under the federal government it is now designated for a specific purpose. We're going to transfer that purpose, open space/recreational for the purposes of education. National Parks Services is saying to us, if you're going to change the property that we subsidized for the purposes of open space/recreation, you have to give us a comparable piece of property. That's why Community Development determined that parcel off of Washington Street would be the exchange for allowing us to convert the use of Gill Avenue for this school, we'll give them the recreational property now located on Washington Street.

Councilor Kannan said she thought the building would not be located on Gill Avenue. The building will still be on Gill Avenue.

Attorney McQuillan said he found out approximately four weeks ago that National Parks Service did in fact provide money to the city in 1986, through Congresswoman Tsongas's office, and it precipitated a meeting with Methuen and Head Start to try and find out what we could do. There was a representative from Congresswoman Tsongas's office, a representative from Linda Dean Campbell's office,

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and it became quite a collective effort to find out what we could do to keep this project intact.

Councilor Pappalardo said she thought they were going to move the site. But in going over this whole packet here I have a couple of questions in regards to this memo sent from yourself Peter to Linda Gagnon in regards to the land swap, then it went on to from Karen Sawyer to Peter McQuillan and I'm trying to follow all of this and in reading this I have a couple of questions. The very bottom is the part that kind of disturbs me a little bit and its to Karen "Here's some language to get you started, the motion obviously will not be about accepting a grant but be more about acknowledging that the city must replace the land that is being developed for the school under the agreement with the National Parks service.throw in some language too that this land is believed to be of some equal value. That disturbs me ...Melissathat is writing to Karen Sawyer. I don't know what that was all about.

Karen Sawyer said when they were approached by Head Start and understood the magnitude of the issue. We understood we had to replicate roughly one acre of land, the Executive Office of Energy and Environmental Affairs told us that the one acre of land that we would replicate in order to let Head Start build on park land had to be permanently owned by the city, had to be of equal value and utility, had to have the ability to accommodate recreation and had to have public access. With the clock ticking, they met and decided it had to be land that the city already owned, didn't want to go about the business of acquiring land. We don't have the money to do that. The state offered to help us understand the process and we vetted the parcel by them, we vetted the language by which we are bringing this to you by them. They've done this in numerous other communities. So when we were explaining to the state what we wanted to have done, this was the feedback she was giving. I'm not sure why the email is part of the discussion tonight.

Councilor Pappalardo well its here and I think it's a little unprofessional on her part. She asked if there is a building on that parcel.

Attorney McQuillan said he understands it is vacant property.

Councilor Pappalardo asked the Solicitor is this is legal and right for a landswap.

Attorney McQuillan indicated there is no problem at all.

Councilor Pappalardo noted there is a paper street on Sable Run onto Washington Street.

Karen Sawyer noted that engineering explained it as a public right of way. She believes it is technically a paper street.

Councilor Pappalardo asked if Council ever received, when they voted, a copy of the grant that they received. She didn't recall every seeing a copy of the grant on this.

Mr. Lopiano said Council wouldn't see a copy of the grant as it was given to the Community Action Council for \$412,000 which represents 20% of the financing. The Community Action Council will borrow and finance 80% of the project, which will be two million dollars. That grant has already been given to the Greater Lawrence Community Action Council and sits somewhere waiting for the resolutions to pass, for the process to take place, then they put the whole financing package together and put it out to bid, etc.

Councilor Pappalardo noted she wished Council had known about this sooner.

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Councilor Leone isn't what we are doing is just taking the Washington Street parcel and designating it as open space. There is no landswap taking place.

Karen Sawyer said Council is designating one acre of the 16.62 acre parcel to be used for open space/recreation to be preserved.

Councilor Leone asked if it is owned by the City of Methuen.

Karen Sawyer said it is already owned by the city and does not anticipate improving the parcel at all.

Attorney McQuillan said land swap might be a misnomer. We're declaring property that we already own as open space/recreation.

Councilor Giordano you said the town is looking at not utilizing this land at all.

Karen Sawyer said as part of the motion that Greater Lawrence Community Action and Head Start need tonight, just the simple designation of the land as open space and recreation is enough to satisfy as we understand it, the legislature and the state. The city doesn't have any plans to do anything with the parcel at this time.

Councilor Giordano asked if in the future the Council could look at that. We are always looking for space for soccer fields and things like that.

Karen Sawyer said this motion would not restrict Council for doing that. We are only looking to designate one acre of the 16 acres.

Councilor Kannan said land swap was used, house on property was used. As a council we get this paper. Some of us drive by the property, some talk and say there is a house and what's this used for – we need to start getting it correct on these papers. A perfect example was the tax classification vote. Its coming to Council a few times. We're asking questions. We want to ask questions for the citizens and yet oh well a name swap or house isn't on there. From now on I really want this to be read thoroughly before it comes to us. Thank you.

UPON VOTE: UNANIMOUS.

OLD BUSINESS

TR-09-72 Resolution Authorizing Street Acceptance – Eagle Lane (request to become effective upon passage)

MOTION BY: Councilor Zanni, seconded by Councilor Cronin to adopt, effective upon passage. UPON VOTE: UNANIMOUS.

TR-09-73 Resolution Authorizing Street Acceptance – Birch Hill Estates (request to become effective upon passage)

MOTION BY: Councilor Zanni, seconded by Councilor Giordano to adopt, effective upon passage. UPON VOTE: UNANIMOUS.

TR-09-75 Resolution Authorizing Acceptance of Student Awareness of Fire Education (SAFE) Grant, Commonwealth of MA, Executive Office of public Safety, Fiscal Year 2010.

MOTION BY: Councilor Cronin, seconded by Councilor Giordano to adopt.

UPON VOTE: UNANIMOUS.

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TR-09-76 Resolution Authorizing Acceptance of a Grant from the Recovery Act State Fiscal Stabilization Government Services Fund to Support Massachusetts Fire Services Staffing

MOTION BY: Councilor Cronin, seconded by Councilor Giordano to adopt.
UPON VOTE: UNANIMOUS.

Ordinances: None

Consideration of Appointments: None

NEW BUSINESS

Resolutions:

TR-09-79 Resolution Amending Traffic Rules and Regulations – Broadway Limited Parking

MOTION BY: Councilor Cronin, seconded by Councilor Zanni to adopt for first read and set a public hearing. UPON VOTE: UNANIMOUS.

TR-09-81 Resolution Establishing a New Revolving Fund, Building Safety Task Force (EPA REQUESTED)

MOTION BY: Councilor Leone, seconded by Councilor Kannan to adopt an emergency preamble for the good and welfare of the community.

UPON VOTE: 7 yes, 2 no (Clr. Cronin, Clr. Pappalardo)

MOTION BY: Councilor Leone, seconded by Councilor Zanni to adopt.

Councilor Giordano asked how much money is in the fund right now.

Mr. Kelly said there isn't any. This is to establish a new revolving account.

Councilor Giordano asked who selected the group of people.

Captain Haggart reported that the Building Safety Task Force was started in the early 90's when he first was employed. It is comprised of one representative from every one of the major departments. The representative from each department, being someone who has authority to make decisions at that meeting. We have Captain Buote from the Fire Department, Ann Guastaferrero from the Treasurer's office, Gerry Deschene from Inspectional Services, the three code enforcement officers, Karen Sawyer from Economical Development, Brian Lacasse from the Health Department, etc.

Councilor Giordano asked if the Council passed a resolution.

Mayor Manzi said the Building Safety Task Force was formed by action of the Council. There is a resolution and the membership constituted under the terms of that resolution.

Councilor Giordano asked if the bank who owns these is responsible or does the city do this first.

Mayor Manzi said the impedious for this is that the city doesn't do this first. However, there are instances and when the City Council passed the foreclosure bill it was designed to attack these properties. However, as you know, not all property is mortgaged to local banks. There are some mortgage companies that you can almost never reach and its been a bit of a problem for all municipalities throughout Massachusetts. What we do is when we see an eminent danger to the public safety, if we cannot get in touch with either the owner or the mortgage company, we will go in upon the recommendation of the

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Board of Health and/or the Building Safety Task Force members and go in and potentially take an action on the property, then we would lien the property. For example, we had a situation down on Broadway where there was a demolition that was occurring that stopped because of a dispute between the mortgage holder and the person doing the demo. We had a hole in ground on Broadway that was unprotected and the city went in with its own funds and secured the property because there was an eminent danger to the public safety. We paid for it, lien the property and he thinks that when we look at the potential for a revolving fund here that would be the purpose. In those instances where we need to take quick action to protect the public safety. The monies would come back.

Councilor Giordano said the money we collect from these properties would go into this fund and then eventually you would get that money back.

Mayor Manzi responded, yes, through the lien process.

Councilor Cronin noted that is says the department collected \$18,900 so far. That's not going to be put into this fund. That's in the general fund.

Mayor Manzi said it is in the general fund.

Councilor Cronin said now its going to be a \$100 fee which is going to be renewed starting in January for all these foreclosed properties. He asked if there is any indicator out there that would tell us how much money we're going to derive from that renewal.

Mayor Manzi said he didn't have an estimate.

Captain Haggard said currently there are 250 vacant or abandoned houses within the city. We comprise them all on a spread sheet. They routinely inspect them, whether weekly, we have a lot of contacts with a lot of the neighbors. We've been keeping an eye on all of them. What we tried to do through the task force is obviously we don't want to go out and board up 250 houses. We're trying to identify a small amount. We want to start out with ten houses that are extreme issues right now that are public safety issues. One perfect example would be the old Glen Forest Cleaners on Haverhill Street. Currently right now the big plate glass windows out front are all cracked. Its only a matter of time until a child goes by there, hits the window and the plate glass comes down. These funds, obviously we don't have the funding to go out and board up these places. In the early 90s we had a grant where we were able to go out in the Arlington neighborhood and do a lot of our work down there, working with the Arlington neighborhood by boarding up these houses and getting them torn down. Obviously we're not looking to tear anything down now but all through the current ordinance right now, these 250 houses have to renew as of January 1st. Right now they have ten houses on their list that are extreme and wide open. People have been sleeping in the houses, homeless people, gas is still turned on (working with gas company to shut off), electricity they are trying to get shut off, vandalism are going in there and stealing the pipes, cutting the water, which causes mold in a lot of these buildings. So what they are trying to do is start off with the ten major ones. If they only need to board up a window they do one window. If they need to board up everything on the first floor. They will board up everything on the first floor. If they only have to do the two doors, they'll do the two doors. It's a problem that's causing a lot of community issues within the neighborhood and we're just rrying to address them now before they get any bigger.

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Councilor Cronin said he understands what the program does and they do need to take care of hazardous areas especially the cleaners.

Captain Hagggar said they assume that 250 as they get to know who the owners are. Other problems are and the reason the police have to take the steps in boarding them up is because the mortgage companies are in Texas, Florida, California and there's a movement going on right now within the courts that because the economy is so bad they're giving everyone extensions and extensions and extension but we still have these houses that we can't get anything done with because they are public safety issues and that was the reason for the EPA.

Councilor Cronin said he understands the problem and understand what they have to do and agrees with putting liens on the property to obtain that money. The only question in my mind is does he want to create a revolving fund to expend these funds where its not subject to appropriation by the Council at budget time. It should go into the general fund and MPD can still spend the money to do what they have to do to board up the properties, no hold up in services if the money goes in the general fund rather than a revolving fund. It doesn't matter. The only thins is if its in a revolving fund, its not subject to appropriation form Council. they just use that fund whenever they want to go in and do this. He agrees with the program 1005 and believes the money should go into the general budget. We need every dime we can get in the general fund, unless I'm wrong on the assumption on where the money goes.

Councilor Pappalardo asked Mr. Kelly for an explanation of the revolving fund.

Mr. Kelly explained that the revolving fund doesn't have to come back to the City Council.

Councilor Pappalardo said, the revolving fund, if its set up for this Task Force, they can only use it for that and nothing else. Mr. Kelly agreed. Councilor Pappalardo said this money that's collected and she knows there was \$18,900 collected, none of this money is going to be used to offset the inspector's salaries or anything. This is only going to board up the windows or whatever they need to do. She said she agrees with Councilor Cronin about putting the money into the general fund but she doesn't know what's the best way.

Chair Quinn asked if Captain Hagggar if this is just to get the work done and not have to wait to come in front of Council. Is this for immediate safety issues.

Captain Hagggar reiterated that this is for immediate public safety issues, address them right now, to get it done.

Councilor Cronin noted they don't have to come before Council to board up a building to take care of a safety hazard. There is no issue there. If the money is in the general fund all it needs to be expended is a signature by the Mayor.

Councilor Leone suggested an amendment to have the revolving fund subject to annual review at budget time. If it is in the general fund, everything else will be more important and these building will never get boarded up.

Councilor Cronin said he is not questioning getting the job done or the money being expended properly but if you spend \$10,000 to do what you have to do there is \$15,000 left over in the revolving fund when it could be used out of the general fund for other items. That is his concern.