



Committee on Community Resources and the Northampton City Council

Committee Members:

Councilor Dennis P. Bidwell

Councilor Maureen T. Carney

Councilor Alisa F. Klein

Councilor Gina-Louise Sciarra

Meeting Agenda

Date: June 27, 2016

Time: 1:00 p.m.

**Location: City Council Chambers
212 Main St., Northampton, Massachusetts**

1. Meeting Called to Order and Roll Call

2. Public Comment

3. Approve Minutes of June 20, 2016 Meeting

Documents:

[CommitteeCommunityResourcesMinutesJune_20_2016.Pdf](#)

4. Public Forum Regarding Downtown Workers (Part of the Northampton City Council Committee Study Request concerning Northampton and Florence downtown economy)

This public forum is being held as part of a series of events to hear from anyone who contributes to, participates in and cares about our local economy in downtown Northampton and Florence.

Other Upcoming Events:

Monday, July 18, 2016 @ 5:30 p.m. - A Public Forum regarding Property Owners, Leasing, Arts & Tourism

5. Update on CSR, including Research by Jonathan Goldman

Documents:

[Goldman_Research.pdf](#)

6. New Business

7. Adjourn

Prepared By:

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Committee Members:

Councilor Dennis P. Bidwell

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Councilor Alisa F. Klein

Councilor Gina-Louise Sciarra

Meeting Minutes

Date: June 20, 2016

Time: 5:30 p.m.

**Location: City Council Chambers
212 Main St., Northampton, Massachusetts**

1. Meeting Called to Order and Roll Call At 5:30 p.m. Councilor Sciarra called the meeting to order. Present were Councilors Sciarra, Bidwell, Carney and Klein. Also present in the audience was Councilor Marianne L. LaBarge. No other City Councilors were present. Councilors introduced themselves to the audience. Councilor Sciarra noted that the meeting was being video and audio recorded.

Councilor Sciarra reviewed the expectations during the public forum; in general the Committee follows the same expectations of conduct that the City Council follows. The Committee requests civility and respect from all participants; Committee members don't respond during public comment; the Committee will interact with speakers during a public forum. Speakers are asked not to refer to businesses or persons by name or obvious identifier when making negative or defamatory remarks. This is not a forum for grievances and the Committee is not an enforcement body for any perceived violations. The Chair reserves the right to rule someone out of order if the expectations are not met. Speakers are asked to give name and address for the record. Comments should be limited to five minutes. Time will be kept by means of a timer; when the five minutes are up, an audible beep can be heard.

2. Public Comment - None
3. Approve Minutes of the Previous Meetings
 - Minutes of May 3, 2016: Councilor Bidwell moved to approve the meeting minutes of May 3, 2016; Councilor Carney seconded the motion. The motion was approved on a voice vote of 4 Yes, 0 No.
 - Minutes of May 16, 2016: Councilor Klein moved to approve the minutes of May 16, 2016; Councilor Carney seconded the motion. Councilor Klein and Councilor Sciarra noted misspelling of names in the minutes and asked the Administrative

Minutes of the Committee on Community Resources Meeting of June 20, 2016
Public Forum regarding Downtown Workers and Residents

Assistant to make the corrections. The minutes were approved as amended on a voice vote of 4 Yes, 0 No.

4. Committee Study Request Public Forum Regarding Business Owners – No update to report.
5. Public Forum Regarding Downtown Workers & Residents

Councilor Sciarra explained that this is the second in a series of forums that is being held by the committee to get a better understanding about the concerns and pressures that are faced in downtown Florence and Northampton. There will be four forums in total. The forums are being held in response to the Committee Study request issued by the Council President and Vice-President to study the local economy with a focus on businesses and workers. The committee has received reports from the City's Economic Development Director, the Director of Planning and Sustainability, the Greater Northampton Chamber of Commerce, the Pioneer Valley Worker's Center, and the UMASS Amherst Labor Center. The first public forum was held on May 16, 2016 and was centered on business owners. The next forum for downtown workers will be held on May 27, 2016 at 1pm in City Council Chambers. The last forum will be held July 18, 2016 at 5:30 with a focus on Property Owners, Leasing, Arts & Tourism. The forums are intended to solicit input from those directly involved in the downtown economy. The general question that is being asked is, "what are the pressures that you feel or experience, what things do you think are done well, and what are the things that you think can and should be supported. Following the forums the committee will compile the information into a report for the full City Council and consider any recommendations where the City Council could take action. The Committee will not be deliberating until the forums are closed out and have heard from everyone who wishes to testify. The Committee has a webpage set up that is dedicated to information about the CSR. It includes links to committee minutes, videos, handouts and more. It also contains information about how to solicit written testimony.

Bess Hepner is a former server at ZEN restaurant.

Ms. Hepner reports that Zen restaurant closed unexpectedly and left approx. 17 workers jobless, and about ten employees homeless. Before the restaurant shut down, there was a lot of wage theft happening. Ms. Hepner met up with employees every night for six months or so to talk about stolen wages during their shift. The employees would do a rough calculation every night and figured that their boss was stealing approximately \$10 - \$100 per employee. Ms. Hepner knows for a fact that other co-workers were making far below minimum wage. One co-worker was making \$5.50 an hour and many were making \$7, \$8 and \$9 per hour without overtime pay, and this was all under the table. Ms. Hepner explained that it is hard to communicate the feeling of being exploited at a restaurant and feeling powerless in the situation. Ms. Hepner explained that all of her co-workers have found work in restaurants along the east coast and are making the same wages under the same working conditions, more or less. Although the employees knew that their boss was breaking the law, the employees were afraid to speak out. At one point Ms. Hepner confronted her boss and asked why she did not receive a paycheck. Her boss responded that the money goes to taxes on tips. Ms. Hepner noted that even though the law protected the workers, many of whom were undocumented immigrants, felt that speaking out would cause the boss to bully them at work, report them to the police, fire them, and kick them out of their housing. Ms. Hepner believes that it should not be the responsibility of the workers to protect themselves and their wages; employees are already risking so much just going to work, including hard labor. Employees, she feels, should not be tasked with enforcing a law that exists to protect workers. Had there been a wage theft ordinance, Ms. Hepner believes that the employees would have been spared their experiences, and that employees would have been protected. The employees are afraid that the owner of Zen has run away with the wages now that the business has been sold. Ms. Hepner states that her co-workers need the money to send back to their families in other countries, build houses back home, afford plane tickets to return to their families, and to live day-to-day in the US. They did not come to the US to be exploited. A wage theft

ordinance is a first step; Ms. Hepner feels that there is a lot more that needs to be done. There is a lack of respect among workers and a hierarchy exists in the workplace. Ending sexual harassment also needs to be a priority, as well as discrimination against those that do not speak fluent English. Ms. Hepner asked what City government could do for restaurant workers if it didn't uphold wage and hour laws.

After Ms. Hepner's testimony, Councilor Sciarra asked that speakers not identify businesses or individuals by name.

Amy Bookbinder of Grove Avenue in Leeds

Ms. Bookbinder supports the wage theft ordinance, which she believes is a "no-brainer". It is simply asking the City to license only businesses that comply with existing law. Many in the room attended a funeral for a worker who committed suicide; the gentleman was horribly abused. For some people, workplace issues are becoming a life-or-death situation. Ms. Bookbinder hopes that the wage theft ordinance will be passed.

Jonathan Wynn resides at 25 Summer St.

Mr. Wynn is a Professor of Sociology and has published books on cities, communities and local culture. Mr. Wynn believes that the downtown business owners should be a little more nuanced in their thinking about the homeless population. Homelessness is not a cause of the downtown economy; they are a symptom of other economic forces. They are still stakeholders in our community and Mr. Wynn believes that the community should be stakeholders in them. Northampton could generate a few more "desirables" by extracting some of the cultural resources at the City's disposal. Culture draws crowds, more people means more successful places and there are a number of examples of cities successfully using public spaces like Northampton. There are a dozen or so examples of programming that work in other places and there is no reason why they couldn't work in the public spaces here. Mr. Wynn hopes that Pulaski Park will be heavily programmed. He would also like to see the Tuesday Market relocate to Pulaski Park. Other ideas include working with Forbes Library to establish a pop-up library in the park at regular intervals; there are a number of acapella groups who might be willing to perform. Mr. Wynn believes that the City could foster a "zero vacancy" philosophy by filling vacant storefronts with pop-up art displays. Mr. Wynn also embraces the plans to make wider sidewalks, more space for the public, consumers, etc., and improved bike lanes.

Jena Sujat is the owner of Pinch located at 179 Main Street

Ms. Sujat has owned Pinch for ten years and had formerly been a Northampton resident. Ms. Sujat appreciates the comments of Mr. Wynn; they are very focused on the positive. Ms. Sujat stated that the number of the people who have asked for handouts has grown over the years. She notes that while it is annoying, she has learned from customers and community members that it keeps people from walking down Main Street. She wished that there was a way to distinguish between those in need, homeless and hungry and those who are not. She notes that people often rebuff food offers but want money instead. Business owners and others who want to do something about it have been framed as selfish, enemies of the poor, homeless, all of which are not true. Labeling concerned people as such is a simplistic way of looking at the issue; however, just giving people money can be viewed as enabling.

Shelly Schieffelin is a resident of Florence at 9 Hillcrest

Ms. Schieffelin is a thirty year resident and has been a tutor at the Center for new Americans for the past two years. In that capacity she has met workers who have worked at local restaurants. Since she has become aware of the issues with many of the restaurants in downtown Northampton, she does not enjoy the experience as much anymore. Recently she opted not to

patronize a specific restaurant due to the fact that she does not agree with how employees are treated. In addition to this being a worker's issue, it is also an issue of people feeling comfortable and confident and wanting to patronize restaurants in downtown. Students that she was working with have shared their negative experiences about the working conditions. She has learned about wide-spread wage theft, a common complaint amongst students. A lawyer came in to talk with the workers but the employees were nervous about working with a lawyer and having their boss find out. Many of the workers were undocumented, but not all of them. Even citizens and those here on green cards were nervous about speaking out. She was very surprised to learn about the experience of workers. People that she was tutoring were in their fifties and working 10 – 12 hours per day six days a week. One has a problem with his leg and was on his feet almost the whole time. There did not seem to be dedicated bathroom breaks. Frequently they ate while there was a little lull. Ms. Schieffelin wants Northampton to have a good reputation; we want people to come to our restaurants to enjoy all of the cultural activities. If that is the case, then we need to be sure that workers are treated fairly and with respect and that wage theft is not going on.

Adam Rose is now a resident of Russell Street in Hadley, but was formerly a resident of Eastern Avenue in Northampton.

Mr. Rose is an experienced restaurant and hotel worker in Northampton. Mr. Rose supports the wage theft ordinance that has been proposed in the community. He has a deep love and respect for business owners in downtown Northampton. He understands that they take enormous financial risk in opening a business and continuing to operate. They are the reason why so many have jobs. However, Mr. Rose has witnessed firsthand the deep financial pressures that face owners as the excuse for unfair treatment of workers, unsafe working conditions, all of which amount to a general lack of dignity among workers.

Lin Geng lives at 2 West Street in Northampton.

Mr. Geng has worked in the restaurant industry for over 14 years. His first job as a kitchen helper required him to work 74 hours per week and brought home \$1,300 per month. He also worked in Connecticut for four years as a cashier and a line cook. As such, he made \$2,300 per month and he worked seventy hours per week. His last job at Zen required him to work sixty two hours per week while bringing home \$1,600 per month. Just a few months before the restaurant closed, Mr. Geng began making minimum wage; many of his co-workers never made minimum wage. The dishwasher makes \$6.00 per hour while the cook makes \$8.00 per hour. He likes to eat in a restaurant where workers make minimum wage and can pay their rent or go to a hospital and not worry about medical bills. He often hears the term, "happy valley", but he finds it hard to connect with the term. The term for Mr. Geng is like a boat floating on the water—on the surface—underneath that surface there are many unhappy things happening because of his experiences in the restaurant. He is optimistic that "we" can work together to pass the ordinance regarding wage theft. Then, Mr. Geng suggests, it will truly be a "happy valley".

Jonah Vorspan-Stein lives at 13 Monroe Street in Northampton

Mr. Vorspan-Stein is a former food service employee for over three years. He suggests that all anyone is asking for is for the existing laws to be enforced. There was not a month that he worked in the food service industry where his wages were not stolen. This was done by being asked to "punch-out" for breaks but then be required to continue working during those breaks. He was also asked to punch out after an eight-hour shift, but then expected to stay until the job was done. He was also expected to work over forty hours per week without being paid time-and-a-half. He brought this up to his first employer who replied by stating, "this is the job; if you don't want to do it we can find someone else who will". The labor wage and hour laws are laughed at in Northampton. He believes that the Dept. of Labor and the State agency is not looking into the issue. He also feels that workers won't often want to get involved because they might be

retaliated against. He notes that there are laws on the books, but Mr. Vorspan-Stein feels that a local ordinance would provide reassurance.

Councilor Sciarra asked how enforcement might be different if there were a local ordinance. Mr. Vorspan-Stein noted that he would have to see the proposal, but if there was a body that was appointed to investigate allegations independently and then this might help. There might be another effective enforcement mechanism. He notes that he is aware of one employee whose wages were stolen; they were ultimately paid back and then the business put up posters that basically said, sorry, we won't do it again. It does not seem to be a deterrent to owners who feel that since one-in-ten workers complains, it is still cheaper to pay that one employee, but continue with the practice of wage theft. Right now the current laws don't prevent employers from stealing wages.

Harris Freeman lives at 55 Fort Street in Northampton

Mr. Freeman has been a Northampton resident for approx. seventeen years. He also teaches labor employment law at Western New England University and at the Labor Center at the University of Massachusetts. He feels that there is the need for this kind of local endeavor to make sure that federal and state laws are enforced. He feels that this is a good investment for the community and it is necessary today. Mr. Freeman reports that there is an epidemic of wage theft in the low wage sector. People have documented it here in town and this is creating big challenges when there are federal and state agencies that have their own budgetary restrictions and challenges in having enough people to enforce laws. There is not a structure in the US to see that wages are adequately paid. Many of the workers in the low wage sector are vulnerable and are uncomfortable coming forward to complain. Creating a means to have a local community partner with the federal and state government to make sure that the laws are enforced is an effective means of maximizing resources to provide the kind of work places and public places that we want in Northampton. Adding an extra layer of enforcement (not regulation) will convey to employers that there will be consequences of not obeying the law. This has proven effective in other communities across the United State. It is clear that local government can't ask federal government to step up enforcement. One way that communities can step up enforcement is by putting some measure of oversight into the hands of the community. This can contribute to visitors and citizens feeling good about the Northampton community.

Councilor Sciarra asked what the enforcement has looked like in other communities, including what kind of agency does the enforcement. Mr. Freeman suggested that creating an avenue where people can register a complaint and enforce local laws isn't creating any kind of burden on businesses. The Pioneer Valley Workers Center has given voice to what is going on in cities across the country. There are more partnerships, not just with local governments, but with organizations like worker's centers and state Attorney General's Offices. The challenge for the AG is one of resources. A local partner amplifies the resources of enforcement in significant ways. These local partners can work with the AG to see that law breakers are prosecuted and made an example of problem businesses. Many of the sectors that experience these issues don't have unions. These sectors need a voice for workers if local government doesn't partner with community organizations

Councilor Bidwell asked about example communities where this is effective. Mr. Freeman noted that historically labor unions have been the voice of workers. When unions speak up and talk to elected officials or government agencies (such as the Wage and Hour Division of the Attorney General's Office), they are listened to. Other agencies have stepped up to fill a void where sectors of the work force don't have unions to represent them. Worker Centers have developed partnerships with local and state government entities. This has been happening in the Boston area.

Councilor Bidwell wondered what level of city government was involved in those communities where this approach has been successful, and where in local government are the resources that can actually do something? Mr. Freeman indicated that this has been approached in different ways. The ordinance language stipulated a body that could look into these problems and to create a reporting system.

Councilor Klein commented that both she and Councilor Carney have been working with some folks in the community on an ordinance. This may not have been clear to the other councilors on the Committee because this information has not been shared yet.

Councilor Sciarra noted that the Committee does not have an ordinance in front of the body.

Manny Pintado is a resident of 20 Hampton Avenue in Northampton.

Mr. Pintado has lived in Northampton for over twelve years. He is representing First Churches as well as the Jobs with Justice Program. He implores the committee to pass the wage theft ordinance. He believes that everybody needs to get paid for the work that they do. If you are not paid, then you have all the right to ask your employer for proper wages. Not paying employees is a crime and business owners need to be accountable for that action. No employee should be subjected to abuse at work, whether physical or mental. Many workers have been told lies, including threats of deportation.

Ben Willsea is a Northampton worker who resides at 283 Spring Street in Florence.

Mr. Willsea is originally from Rochester, New York. He is a worker at a Florence restaurant and enjoys his job. He has worked for several restaurants and has done a variety of jobs. During his time, he has made many friends with both customers and other employees. He is friendly and respectful with everyone in the restaurant. He understands that there are differences between hours and pay. He doesn't need to work in the restaurant industry, but he does love the work. With some of the issues that others are raising, he doesn't feel as proud to be part of that industry, but his bosses treat the employees like family. He would like to continue to recommend all of the restaurants in Northampton.

Jenn Ramsey is a Northampton worker who resides in Hadley.

Ms. Ramsey is a former resident of Northampton. She is here tonight to speak about the music industry in Northampton. She currently works in Northampton but resides in Hadley because she was unable to find affordable housing in the City. Ms. Ramsey is part of the independent music industry. Over the years she has seen many of the music venues change hands or close. Now there are so few places for her and fellow musicians to play in Northampton so now many acts will book shows in other towns and cities. Ms. Ramsey is also friends with some of the promoters who have booked bars and events in Northampton, and she knows that there is a desire to keep the music scene thriving in the City. There are not, however, affordable venues to purchase in the City. The only venues left are all owned by the same person. In this case, local bands are asked to sell a certain amount of tickets prior to the show, and additionally are asked for a percentage of the merchandise sold at the event. Ms. Ramsey feels that this is a big loss for the City.

Sharon Moulton lives at 48 Evergreen Road in Leeds.

Ms. Moulton told about her experience of visiting a restaurant prior to today's meeting. She spoke to a wait staff member who expressed that there were wage laws that were not being followed at that restaurant. Ms. Moulton may never go back to that restaurant again. She would like to have a way to know that when she chooses a place to eat that the business owners are not

making money off of their workers. She will often eat at River Valley Coop where she knows that workers are unionized.

Tseng Shao Yu is an Amherst resident.

Ms. Yu stated that an undocumented worker at an Amherst restaurant hung himself on April 22nd. There was a vigil held on this young man's behalf in which Ms. Yu was approached by someone who said she was sorry for her loss. The young man and Ms. Yu were only co-workers and she does not know whether the young man's death was considered a loss to her. She was thankful that the woman attended the vigil. The woman asked why the worker didn't contact the Tibetan community or a local church. "Why didn't he", Ms. Yu expressed seemed a simple question that could be expressed as, "why didn't he sue the restaurant"; "why didn't he quit the restaurant"; why didn't he go to another restaurant"; why didn't he seek out"; why didn't he stay in Tibet". Ms. Yu explained that many workers are vulnerable and not very protected. They are scared to reach out.

Ruth Tirado is formerly of 491 Bridge Road in Florence.

Ms. Tirado spoke on behalf of Pioneer Valley Workers and also spoke on behalf of a good friend who worked at a local restaurant years ago. Ms. Tirado worked at a restaurant for five years. She is a documented immigrant. She has had flexibility in her schedule and has the opportunity to speak freely with her bosses, even if she disagreed with them. Some workers don't have such freedoms and don't have a democratic voice of liberties. Her friend, "Martha" was a single mother who made minimum wage and was required to work fifty hours per week. She only lived here four years before she had to move back to Mexico. Ms. Tirado explained that "Martha" loved her job and her employer but could not afford heat and other needs at the wages she was making. Ms. Tirado hopes that a wage theft ordinance will help those that feel disadvantaged.

Patrick Burke is a resident of Northampton; he lives at 218 State Street

Mr. Burke works for the United Food and Commercial Workers Union Local 1459 out of Springfield. As a union organizer he spends a lot of time talking with people about working conditions. Mr. Burke explained that even though there is a law on the books, it doesn't mean that it is going to get enforced. Mr. Burke noted that it is not as though Northampton is worse than other communities at following the laws; however, many other communities are taking wage theft more seriously. An ordinance is a proactive way to educate the community, workers, employers and others about how the laws can be better enforced. Mr. Burke is also on the PVTA Board representing riders. The Mayor is the rep for Northampton and Mr. Burke feels that the Mayor is doing a good job. Access to public transit is very important, and there are things that can be done in the community to support more ridership. Mr. Burke thanked the committee for hosting the forums; it is rare that an opportunity exists for workers to express what they feel and think.

Rose Bookbinder of 6 High Street in Haydenville and is a former resident of Northampton

Ms. Bookbinder thanked the committee and the speakers for coming together. As a worker at 42 Gothic Street, she frequents the town often. She felt that Mr. Wynn had awesome ideas; Ms. Bookbinder attended the Business forum and didn't hear many positive ideas come out of that meeting. She knows that panhandling is a form of free speech; the Vibrant Sidewalks Resolution was "beautiful". She eats out often with her daughter and when she sees people asking for money she uses that as an opportunity to talk to her daughter about injustice that exists in our economy and ways that people are disenfranchised because of racism or sexism and different things that happen in a capitalist society. She never finds herself not wanting to go to town. Ms. Bookbinder urges the City to continue the Vibrant Sidewalk resolution. She also sees a lot of great things that are being done to support businesses in town. She would like to see that

continued and also to figure out how workers can be supported at the same time. In the Committee's conclusions, Ms. Bookbinder would like to have the Committee think about how a wage-theft ordinance can be passed in Northampton. Ms. Bookbinder shared some of the wage theft statistics:

In MA, \$700 million are stolen in wages from approx. 350,000 low wage workers. Only \$5 million are recovered by the Attorney General's Office. Annual losses to the State are over \$280 million due to jobs lost and lost taxes. An employer hires a worker for 80 hours per week and then only paying the worker half of minimum wage. Ms. Bookbinder feels that under this scenario, another job could be created if the employer was following the law. One way that enforcement could be handled is by connecting the business activities to business licenses. Employers would sign an affidavit with the business license office. Northampton could be the first in Western Mass to sign such a law in Massachusetts.

Councilor Sciarra reiterated that the Committee is not deliberating on any issues until after the conclusion of the public forums.

Councilor Bidwell asked about how the City would know when a business is telling the truth when they sign an affidavit stating that they are following the laws. Ms. Bookbinder noted that in Burlington Vermont there is a living wage ordinance requiring pay above minimum wage. The City has contracted with a local organization that does compliance monitoring. Ms. Bookbinder compared this to when building a house; there is an inspection that is done to ensure proper compliance with laws. Also, there is a yearly health inspection of businesses that is done. These are examples of creative ideas that can be implemented. Burlington got grant money to support the initiative. Ms. Bookbinder stated that the PVWC operates in a similar way. There is a worker community task force; when a worker expresses a concern, the task force will mediate with the employer. Ms. Bookbinder noted that they will notify the employer that they are not following the law, but also let the employer know that they can be reported for the violation. The City of Boston has created a Wage Theft Office. There is also talk about a regional wage enforcement body. Currently there is no work being done to pass wage theft ordinances in other communities surrounding Northampton. There is a Bill at the state level; passing legislation locally will help to move legislation along at the state level.

Councilor Bidwell asked about what happens when a complaint is filed in Burlington; does the business have an opportunity to respond to the complaint? Ms. Bookbinder stated that in Massachusetts, the wage theft ordinance has streamlined cases to the Attorney General's Office. At the local level, if a business was found to be in violation of wage theft laws, then the AG's office would impose the penalties. Ms. Bookbinder is not proposing that the sanctions be imposed at the local level independent of the AG's finding.

Councilor Klein noted that as soon as a business comes to the City to get a license, the City is in contact with the AG's Office to see if anything has been filed at the State level.

Vanessa Calderon lives on Hubbard Avenue in Northampton.

Ms. Calderon stated that to her, it is not a question of budgeting, but more of a question of values. As a community, she feels Northampton needs to decide if protecting workers rights is important, and if action should be taken. Ms. Calderon believes it is important to protect people. There can be a creative solution that doesn't drain the budget.

Councilor Sciarra noted that in order to meet the CSR timeline, the Committee won't be able to deliberate. The expectations of the President and the Vice-President are that the Committee report on the activities that the Committee has done to fulfill the study. Councilor Sciarra would like to flush out the minutes a little bit more and presents this information to the Council. More

deliberating will be done is September. Councilor Sciarra noted that there are two additional forums:

- June 27, 2016 1:00 p.m. – Forum for Downtown Workers
- July 18, 2016 5:30 p.m. Forum for Property Owners, Leasing, Arts and Tourism

6. New Business – None

7. Adjourn: At 7:05 Councilor Klein moved to adjourn the meeting; Councilor Carney seconded the motion. The motion was approved on a voice vote of 4 Yes, 0 No.

Prepared By:

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**City Council Committee On
Community Resources Research**

Prepared by Jonathan Goldman
May 2016

Online Retail

Key Terms

- Retail trade- entities “engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.”¹
 - This rules out businesses like strip malls, sidewalk storefront shops, restaurants and bars as well as personal services like barbers, nail salons, and repair shops.¹

Online Research

- 88% percent of US consumers research a product online before buying.²
- In other words, online research doesn't just lead to online purchases, it's also critical in driving traffic to physical businesses.²

Online Purchases

- Total e-commerce sales for 2015 were estimated at \$341.7 billion.³
 - E-commerce sales in 2015 accounted for 7.3 percent of total sales.³
- The Estimated Quarterly U.S. Retail E-commerce Sales as a Percent of Total Quarterly Retail Sales has increased from around .9% to around 8.5% from 2000 to 2015.^{3,4}
- 70% of the overall growth in online sales in 2010 came from existing shoppers simply buying more online.²
- Of the product classes all but two (drugs, health, and beauty, as well as food and beverages) are projected to hit 50 percent e-commerce shares by 2025 (the music and videos category has already surpassed this level).⁴

Northampton Downtown Projects

All files regarding the King and Main Streets changes can be found at:

<http://archive.northamptonma.gov:8080/weblink8/Browse.aspx?startid=9&dbid=0>

Proposal Summary (page 8):

- This would create only two lanes with an increase in sidewalk space, change Main Street to reverse angle parking, and add a bike boulevard on Main Street.
 - This process would also include changes to some intersections, sidewalks, crossing islands, and curb extensions

For more information on previous/ongoing plans and reports go to this link:

<http://www.northamptonma.gov/DocumentCenter/View/5244>

- This includes projects, regulations, and ideas to be implemented within Northampton

1. Hortaçsu, A., & Syverson, C.. (2015). The Ongoing Evolution of US Retail: A Format Tug-of-War. *The Journal of Economic Perspectives*, 29(4), 89–111. Retrieved from <http://www.jstor.org/stable/43611012>

2. PricewaterhouseCoopers LLP. (2012). Understanding how US online shoppers are reshaping the retail experience. PricewaterhouseCoopers LLP: Boston, MA. Retrieved from

<https://www.pwc.com/us/en/retail-consumer/publications/assets/pwc-us-multichannel-shopping-survey.pdf>

3. U.S. Department of Commerce. (2016) Quarterly Retail E-Commerce Sales. *U.S. Census Bureau News*. Retrieved from https://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf

4. Hortaçsu, Ali and Chad Syverson. (2015) The Ongoing Evolution Of US Retail: A Format Tug-Of-War. *National Bureau of Economic Research*. Retrieved from <http://www.nber.org/papers/w21464.pdf>

Other Communities

Summary

The main focus of all of the following four case studies is to create a downtown area that residents of that city and other cities want to be whether they are shopping, working, or looking for a place to relax. Each of these cities include ideas of minimizing the amount of traffic by shrinking lanes in some way, creating public private partnerships to fill vacant storefronts or to add something new to the city, improving natural scenery in the downtown area, and updating lights, benches, and other parts of the city.

2008 Downtown Burlington, NC Master Plan ⁵

- Introduced a branding plan to adopt an image that could be pitched to new businesses
 - Part of this plan included new signs and banners to highlight important parts of the city
- To address an issue of empty storefront, they proposed programs for public-private partnerships to create office areas
- Recommendations they made included:
 - The city could participate in these developments through writing down the cost of the land or participating in developing the parking for mixed-use projects
 - Develop special financing for purchase and rehabilitation of structures.
 - Develop a grant program.
 - Develop information sheets for each vacant and underutilized property in downtown.
 - Investing in a downtown revitalization corporation
- They proposed a program to shrink streets
 - Part of this proposal included a center island between the two lanes
- Introduced programs to improve tree inclusion in the downtown area
- Improved gateway signs and connections to major highways
- Created an biannual summit for business owners and the city to address major problems.

Burlington, VT Plan BTV Master Plans ⁶

- Developed and implemented standards for new benches and trash receptacles
- To help implement programs, they created a city-wide survey (550 responses out of 2,000 random residents sampled)
- Like Burlington, NC, they included several programs for private-public partnerships
 - This included working with colleges, institutions, businesses, and volunteer groups
- Introduced programs to connect bike paths and walking trails to the main downtown area
- Introduced new signs
- Increasing areas for people to bring their dogs as well as introducing programs to make this work efficiently
- Increasing the number and quality of available public restrooms

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Ithaca, NY Commons Rebuild Project

- The original plan turned the busiest street into a pedestrian walking and shopping area
- The new plan has focused on pushing out the curb, increasing the number of benches and natural scenery, and adding structures such as playground that makes it a place people want to be.
- A big focus of this project was making the Commons a place people wanted to be by creating ways for people to work there and feel as though they were in a hybrid between a city and nature.

Chapel Hill, NC Downtown 2020

- The overall focus is creating a place people want to be by improving lighting, adding greenery and areas to sit, and creating downtown art
- Additionally, they want to add more affordable downtown housing
- Like the previous case studies, they are also going to be widening sidewalks and increasing bike accessibility
- The city also wants to have designated areas for some combination of pop-up stores, incubator groups, or work centers that can change with time

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<http://www.townofchapelhill.org/residents/about-chapel-hill/demo-components/2020-downtown-strategy> (Summary link)

**City Council Committee On
Community Resources Research Pt.II**

Prepared by Jonathan Goldman
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Online Retail

Key Terms

- Retail trade- entities “engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.”¹
 - This rules out businesses like strip malls, sidewalk storefront shops, restaurants and bars as well as personal services like barbers, nail salons, and repair shops.¹
- **Retailer - Businesses that sell goods in small quantities directly to consumers.**⁵
- **Vehicles are included in retail trade numbers**⁶ (however, I would note here that when this is weighed against everything else bought in retail, the high cost of vehicles are unlikely to skew data)

Online Research

- 88% percent of US consumers research a product online before buying.²
- In other words, online research doesn't just lead to online purchases, it's also critical in driving traffic to physical businesses.²

Online Purchases

- Total e-commerce sales for 2015 were estimated at \$341.7 billion.³
 - E-commerce sales in 2015 accounted for 7.3 percent of total sales.³
- The Estimated Quarterly U.S. Retail E-commerce Sales as a Percent of Total Quarterly Retail Sales has increased from around .9% to around 8.5% from 2000 to 2015.^{3,4}
- 70% of the overall growth in online sales in 2010 came from existing shoppers simply buying more online.²
- Of the product classes all but two (drugs, health, and beauty, as well as food and beverages) are projected to hit 50 percent ecommerce shares by 2025 (the music and videos category has already surpassed this level).⁴
- **People are more likely to purchase items online when they think those items will be cheaper, if they do not think local stores carry this item, or if they have a disinterest in going where those stores are located.**⁷ (The main thing I think we should take away from this is that, yes, e-commerce is growing, but it doesn't need to make retail obsolete as long as people are shown and given reasons to still shop at retail stores.)

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 3. U.S. Department of Commerce. (2016). Quarterly Retail E-Commerce Sales. *U.S. Census Bureau News*. Retrieved from https://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf
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7. Forman, Chris, Anindya Ghose, and Avi Goldfarb. (2006). Competition Between Local and Electronic Markets: How the Benefit of Buying Online Depends on Where You Live. *Management Science*, 55(1), 47-57.

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Other Communities (Events)

Summary

The overall mentality in these reports is "build it and they will come." There was also a common focus on trying to inspire groups outside of the city to put on events by creating incentives, providing resources, or making event areas for friendly. Two of the plans also included creating easier methods for groups to fill out forms or do the necessary work to be able to put on an event in the first place. Lowering the bar for how difficult it is to put on an event and then asking groups to put on events are likely two keys to success.

*Ithaca, NY Commons Rebuild Project*⁸

- They recommend creating designated areas for downtown events.
 - For example, having an area where electrical outlets, water, and other necessities are easily accessible.

*Burlington, VT Plan BTV Master Plans*⁹

- As part of their rebuild, Burlington created a spot for a downtown events coordinator to focus on outreach, accessibility, and putting on events
 - Part of this job also included creating an events map to show different areas events can be put on and the utilities in those areas

*Plano, TX Downtown*¹⁰

- This plan refocused on creating a series of frequent, smaller events in certain areas of downtown coupled with a few large events throughout the year
- They also created incentives for downtown businesses to put on events in the downtown area

*Turning Around Downtown*¹¹

- The key to the most successful downtown cities appears to be "urban walkability," which is how easy and enjoyable it is for people to walk in a downtown area.

*The Main Street Approach to Downtown Development*¹²

- Create public-private partnerships to do things such as cooperative advertising
 - This can help incentivize events to be put on and make it less of a burden for outside parties

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