



Committee on Finance and the Northampton City Council

*Councilor David A. Murphy, Chair
Councilor Maureen T. Carney
Councilor Marianne L. LaBarge
Councilor Gina-Louise Sciarra*

**City Council Chambers, 212 Main Street
Wallace J. Puchalski Municipal Building
Northampton, MA**

Meeting Date: November 1, 2018

Note: The Finance Committee Meeting will take place during the City Council Meeting as announced. The City Council Meeting is scheduled to begin at 7:05 pm.

1. Meeting Called To Order

2. Roll Call

3. Approval Of Minutes From The Previous Meeting

A. Minutes Of October 18, 2018

Documents:

[10-18-2018_finance committee minutes.pdf](#)

4. Financial Orders

A. 18.192 An Order To Establish A Tax Classification For FY2019

Documents:

[18.192 an order to establish a tax classification for fy2019.pdf](#)

B. 18.193 An Order To Authorize Supplemental Appropriation From Water Stabilization Fund For Storage Buidling At WTP - 1st Reading

Documents:

[18.193 an order to authorize supplemental appropriation from water stabilization fund for storage buidling at wtp.pdf](#)

C. 18.194 An Order To Suspend Parking Fees On Certain Days - 1st Reading

Documents:

[18.194 an order to suspend parking fees on certain days.pdf](#)

5. New Business

A. 18.173 An Ordinance To Amend Chapter 312-36 Of The Code Book (To Increase Fees In E.J. Gare Parking Garage)

History:

- Referred to Legislative Matters and Transportation & Parking - 10/4/2018
- Continued by Legislative Matters until recommendations received from other committees, including the Finance Committee - 10/9/2018

Documents:

[18.173 ej gare parking garage rate change recommendation memo october 2018 .pdf](#)

[18.173 an ordinance to amend chapter 312-36 of the code book.pdf](#)

6. Adjourn

*Contact: D. Murphy @ david.murphy8@comcast.net
or 413-586-5461*



Committee on Finance and the Northampton City Council

*Councilor David A. Murphy, Chair
Councilor Maureen T. Carney
Councilor Marianne L. LaBarge
Councilor Gina-Louise Sciarra*

**City Council Chambers, 212 Main Street
Wallace J. Puchalski Municipal Building
Northampton, MA**

Meeting Date: October 18, 2018

Note: The Finance Committee Meeting took place during the City Council Meeting as announced. The City Council Meeting began at 7 p.m.

1. **Meeting Called To Order:** At 8:14 p.m., Councilor Murphy called the meeting to order.
2. **Roll Call:** Present were committee members David Murphy, Maureen Carney, Marianne LaBarge & Gina-Louise Sciarra. Also present from the City Council were Bill Dwight, Jim Nash, Ryan O'Donnell, Dennis Bidwell, and Alisa Klein.
3. **Approval of Minutes From the Previous Meeting**
 - A. Minutes of October 4, 2018

Councilor LaBarge moved to approve the minutes of October 4, 2018. Councilor Sciarra seconded. The motion passed with 4 Yes, 0 No.

4. **FY2019 First Quarter Financial Report**

Finance Director Susan Wright presented the FY2019 1st quarter financial report. With regard to General Fund revenues, there is nothing to highlight other than that they are on track, she reported. Some of the economic indicators are a little higher than she had expected at this point. As far as enterprise funds, all four have between 24 and 27% of revenues collected as expected.

For expenditures, all General Fund accounts are where they should be on the Personnel Services (PS) side and, where they are not, it is because of known vacancies, she advised. On the Ordinary Maintenance (OM) side, the percentage isn't as useful since some departments have expenditures that are paid out all at once at the start of the fiscal year. However, all accounts are tracking as expected.

Enterprise funds are also on track as far as expenditures. Building permits are up, which is a good sign for new growth and revenue.

Councilor Bidwell wondered about parking revenues since some categories of revenue (parking lot revenue, parking garage and parking pass revenue) lag behind the 25% benchmark.

The city recently added new categories of parking revenue to the four major categories that previously existed, Ms. Wright explained. She will be realigning the revenue to divide it among the six budget categories instead of four to correct the percentages, she advised.

5. Financial Orders

A. 18.176 An Order To Reprogram AOM Capital Project Surplus To AOM Stage Door Handicapped Access Capital Project

Councilor Murphy read the text of the order.

Councilor LaBarge moved to return the order to the full City Council with a positive recommendation; Councilor Sciarra seconded.

The order is pretty self-explanatory, Mayor Narkewicz suggested. The project began with trying to fix some unsafe granite steps and ended up looking into making the backstage access handicapped-accessible since this is the only access for performers. They attempted to accomplish the project with existing funds but the bids came in a little high. They are going to rebid but want to take some funds from other categories to supplement the existing appropriation, he explained.

The motion passed with 4 Yes, 0 No.

B. 18.177 An Order To Increase Senior Tax Work-Off Program Maximum Abatement

Councilor Murphy read the text of the order.

Councilor LaBarge moved to return the order to the full City Council with a positive recommendation; Councilor Sciarra seconded.

The increase to the maximum allowable abatement is a result of the Municipal Modernization Act, Mayor Narkewicz advised. At the start of his second term, he proposed that the city accept state laws allowing the programs and start both the veterans and senior tax work-off programs. Originally the limit was \$1,000 and the state raised it to \$1,500. The state didn't raise the maximum abatement for the veterans program until sometime later, so the city waited until the state raised the limit for this program as well before accepting the increase.

The city had 40 to 45 tax work-off participants this year, and generally five or six are veterans. The programs are a little different in that there are no income requirements for veterans while there are income limits for seniors.

The motion passed with 4 Yes, 0 No.

C. 18.178 An Order To Increase Veterans Tax Work-Off Program Maximum Abatement

Councilor Murphy read the text of the order.

Councilor LaBarge moved to return the order to the full City Council with a positive recommendation; Councilor Sciarra seconded.

Councilor LaBarge asked how many hours a week volunteers work. Under this program, 25 hours, Ms. Wright responded.

The motion passed 4 Yes, 0 No.

D. 18.180 An Order To Authorize PILOT Agreement With Syncarpha Solar, LLC

Councilor Murphy read the text of the order.

Councilor LaBarge moved to return the order to the full City Council with a positive recommendation; Councilor Sciarra seconded.

This is sort of a carbon copy of the order discussed and approved in the last two council meetings (for a PILOT agreement with CED Northampton Solar, LLC), Mayor Narkewicz reminded. The City Council recently took a peripheral vote on the project because the city held a right of first refusal on this land. The owners reached out to the city to discuss a PILOT agreement.

With each pending solar project on private land, the city is obliged to negotiate a PILOT agreement with the LLC, Councilor Dwight observed. He noted that this puts the city at somewhat of a competitive disadvantage since whatever terms it locks in initially will set a precedent for future contracts. Mayor Narkewicz said he is mindful of that and is doing a lot of research on other agreements to make sure that they are consistent.

One of the major components of the analysis is what the property would be taxed if it were assessed by conventional means, Councilor Murphy noted.

Councilor Dwight rued the state's inability to accommodate or address the issue in a more reasonable way. He offered the commentary that the state "really has kind of hand-cuffed" [local officials]. There is a big mess that the state has decided not to face and, as usual, the consequences fall on the smaller communities, he observed.

His point is well-taken, Mayor Narkewicz responded.

The motion passed 4 Yes, 0 No.

E. 18.181 An Order To Approve The Purchase Of 119 Acres On Marble Brook, Leeds

Councilor Murphy read the text of the order.

Councilor LaBarge moved to return the order to the full City Council with a positive recommendation; Councilor Carney seconded

This is an exciting project, Sarah LaValley related. The property includes half a mile of frontage along Marble Brook and abuts existing open space. Although it could not be developed for a single-family home or anything else, the parcel could potentially be logged, thereby eliminating the view

shed on one of the highest if not the highest peaks in the city, she indicated. The purchase is being largely funded through an already-received state grant that the city is working on in partnership with the Kestrel Land Trust. The trust will also hold a conservation restriction on the property to make double-sure it is permanently protected. The order includes borrowing authority for the required local match, but, as is typical, this will never be utilized. Instead, planners will request CPA funds and use donations for the local match, she said. Although the parcel is land-locked, it does include access from Kennedy Road. Planners hope to continue to fill in gaps with future acquisitions.

Councilor Klein wondered if there is a way to include a provision to keep this parcel from being used for hunting. Ms. LaValley said that would be up to the council since it is within the council's purview. Planners do not usually like to put language in orders regarding hunting because they like to leave that to the city for future decision-making.

The motion passed 4 Yes, 0 No.

F. 18.182 An Order Authorizing Acquisition Of Easements For Garfield Avenue Extension

Councilor Murphy read the text of the order.

Councilor LaBarge moved to return the order to the full City Council with a positive recommendation; Councilor Sciarra seconded.

The requested order is to correct an order that was passed in May, Mayor Narkewicz confirmed. The order previously approved didn't have the proper wording, as it authorized the Mayor to take the land by eminent domain while technically only the City Council has this authority.

The motion passed 4 Yes, 0 No.

G. 18.185 An Order To Reprogram Radio Hardware Funds For Radio Hardware And Radio Consulting

Councilor Murphy read the text of the order.

Councilor LaBarge moved to return the order to the full City Council with a positive recommendation; Councilor Sciarra seconded.

The plain language of the order was just to purchase equipment but, as part of the larger upgrade of the public safety radio system, city officials need some technical assistance with the acquisition. Therefore, they'd like to expand the authorization to be able to hire consulting services as well as purchase the radio hardware, Mayor Narkewicz explained.

The motion passed 4 Yes, 0 No.

H. 18.188 An Order To Appropriate \$75,000 In CPA Funds For Housing For Homeless Youth Project

Councilor Murphy read the text of the order.

Councilor Sciarra moved to return the order to the full City Council with a positive recommendation; Councilor Carney seconded.

The .10 in the \$75,000.10 figure is a typo, Ms. LaValley advised.

The project is under construction on Hatfield Street, she confirmed. She came before them two years ago to locate initial funding for the purchase of the parcel. At the time there were a lot of unknowns. As details started to get fleshed out, Dial-self realized it had a gap in funding and came before the Community Preservation Committee (CPC) to request expedited funding. CPC is requesting two readings to accommodate that request.

As Councilor Murphy noted, the foundation is already poured, Councilor Dwight volunteered. He talked to Rick Hart, and [project proponents] are anxious to get started.

These funds will allow construction to get started, Ms. LaValley confirmed.

Councilor Klein said she saw the vote by CPC to approve the project was divided 6:2. She asked if Ms. LaValley could discuss.

There was a little concern about spending money before knowing what other applications might be coming in, Ms. LaValley responded. Also, there was some concern about the way the project developed. Members unanimously agreed it is a tremendously important project. The two votes were not against the project but were against the way that it transpired, she elaborated.

Councilor O'Donnell asked why the order doesn't specify where the project is happening, and Ms. LaValley said it certainly could be added.

The motion was approved 4 Yes, 0 No.

6. **New Business**

-Reserved for topics that the Chair did not reasonably anticipate would be discussed.

7. **Adjourn:** At 8:53 p.m. Councilor Carney moved to adjourn; Councilor Sciarra seconded. The motion was approved on a voice vote of 4 Yes, 0 No.

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City of Northampton

MASSACHUSETTS

In City Council

October 19, 2017

Upon recommendation of Mayor David J. Narkewicz

18.192

An Order

To Establish a Tax Classification for FY2019

Ordered, that

The Northampton City Council approves for Fiscal Year 2019 a Residential Factor of One (1).

City of Northampton
MASSACHUSETTS

In City Council

November 1, 2018

Upon recommendation of the Mayor

**18.193 An Order to Authorize Supplemental Appropriation from Water Stabilization Fund for
Storage Building at WTP**

Ordered, that

\$332,972 be appropriated from the Water Stabilization Fund to provide supplemental funding for the construction of a pre-manufactured wood frame building for equipment and vehicle storage at the Water Treatment Plant.

City of Northampton
MASSACHUSETTS

In City Council, November 1, 2018

Upon the recommendation of Mayor David J. Narkewicz

18.194 An Order

to Suspend Parking Fees on Certain Days

Ordered, that

On the following days collection of fees for on-street and off-street parking spaces, excluding the EJ Gare Parking Garage, shall be suspended:

Friday, November 23, 2018 (Black Friday)

Saturday, November 24, 2018 (Small Business Saturday)

Monday, December 24, 2018 (Christmas Eve)

Monday, December 31, 2018 (New Year's Eve)



MAYOR DAVID J. NARKEWICZ

City of Northampton

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MEMORANDUM

TO: City Council

FROM: Mayor David J. Narkewicz

DATE: October 1, 2018

RE: Recommended E.J. Gare Parking Garage Rate Change

Over the past several years the city has implemented improvements to its downtown parking management technology. A new system at the E.J. Gare Parking Garage was installed in December of 2014 that improved the functionality and reliability of the garage system as well as provided the convenience of a credit card payment option. New parking kiosks for on-street and off-street lots were deployed in June of 2017, bringing a new pay-by-plate system and credit card accessibility to much of the downtown. In September of 2017, ParkMobile, an application for smart phones, increased parking payment options.

Throughout this transition, parking revenues have remained stable. In FY16, parking revenues totaled \$1.97 million, and in FY17 and FY18 parking revenues totaled \$2 million in both fiscal years. On-street rates for premium Main Street parking spaces were increased from \$0.75 per hour to \$1.00 per hour in November of 2016 and this increase has helped keep revenues stable as the use of credit cards and the associated fees continues to grow.

At the end of FY18, approximately 42% of the on-street and off-street parking transactions, and 44% of the transactions at the E.J. Gare Parking Garage were conducted with credit cards. In FY18 the city paid \$90,334 in credit card transaction fees which represents approximately 5% of the overall parking revenue. The transition from an entirely cash system to a system with credit card options has resulted in new costs that are reducing what we have available for other capital investments in parking.

At the E.J. Gare Parking Garage, the percentage of garage revenue going toward credit card fees has slowly increased. In FY16, FY17, and FY18 credit card transaction fees represented 4.64%, 6.15%, and 7.19% respectively of garage revenues and we anticipate use of credit cards will steadily increase. During this same time, the average cost per transaction has grown from \$0.23 per transaction to \$0.25 per transaction.

For a credit card transaction, with the first hour free and the second hour at a rate of \$0.50, a two hour stay at the garage nets only \$0.25 in revenue to the city. Data from the parking garage system indicates that 26% of the visits to the garage are less than one hour, 31% are two hours or less, and 16% are three hours or less. The means that 73% of all transactions at the garage are paying between \$0.50 and \$1.00 and if a credit card is used the city nets \$0.25 less on each of these transactions.

The E.J. Gare Garage is a premium parking location. Located in the heart of downtown, with covered access to Main Street, and secure parking, it also provides the peace of mind that those using the garage can stay as long as they like with no concern for parking tickets. The garage provides covered parking,

which is desirable during rain, snow, and other inclement weather. The table below compares various locations and the net revenue to the city when the transaction involves a credit card. With parking downtown on Main Street at a rate of \$1.00 per hour, and the adjacent Armory Street Lot rate at \$0.75 per hour and a three hour maximum, this chart illustrates the difference in what the city receives per transaction at the E.J. Gare Garage versus nearby parking options. In my view, the premium parking offered at the E.J. Gare Garage should be at least equivalent to rates at nearby locations.

Revenue Per Transaction with Credit Cards at Various Locations			
	1 hr	2 hr	3 hr
Garage	\$ -	\$ 0.50	\$ 1.00
Average Credit Transaction Fee:	\$ -	\$ 0.25	\$ 0.25
Total Received by City:	\$ -	\$ 0.25	\$ 0.75
Armory Lot	\$ 0.75	\$ 1.50	\$ 2.25
Average Credit Transaction Fee:	\$ 0.22	\$ 0.22	\$ 0.22
Total Received by City:	\$ 0.53	\$ 1.28	\$ 2.03
Main Street	\$ 1.00	\$ 2.00	
Minus Credit Card Fee:	\$ 0.22	\$ 0.22	
Total Received by City:	\$ 0.78	\$ 1.78	
Roundhouse Lot	\$ 0.25	\$ 0.50	\$ 0.75
Minus Credit Card Fee:	\$ 0.22	\$ 0.22	\$ 0.22
Total Received by City:	\$ 0.03	\$ 0.28	\$ 0.53

There has not been an increase in the E.J. Gare Garage hourly rates for nineteen years. The last rate increase was June 3, 1999, when the City Council and Mayor approved a rate increase at the E.J. Gare Garage from \$0.30 per hour to \$0.50. On June 16, 2005, the City Council and Mayor approved making the first hour at the E.J. Gare Garage free as a way to increase garage usage.

In spite of the fact that there have been no hourly rate changes for the E.J. Gare Garage since 1999, major infrastructure improvements were implemented in FY16, FY17 and FY18, during which \$649,338 of parking revenue was invested in the structural integrity of the facility, the elevator, stairwells and drainage. In order to ensure funds continue to be available for sustained maintenance and upkeep of this important downtown asset, it is important that the city implement an increase in the rate at the E.J. Gare Garage.

Therefore, I propose the rates at the E.J. Gare Garage be made consistent with other off-Main Street parking areas throughout the city. I propose keeping the first hour free at the garage and raising the rates from \$0.50 per hour to \$0.75 per hour from the second hour onward. Such an increase is projected to raise approximately \$200,000 more per year. This will cover the loss of revenue from credit card fees and will bring the hourly rate in line with adjacent parking options such as the Armory Street and Masonic Street lots as well as the after-hours Gothic Street covered parking facility under the Police Station parking deck. It will also provide additional revenue that will continue to be placed in the Receipts Reserved for Appropriation for Parking, providing financial flexibility to maintain and expand parking options throughout the downtown in the future.

City of Northampton
Massachusetts

In the Year 2018

Upon the Recommendation of Mayor David J. Narkewicz

18.173 AN ORDINANCE
To amend Chapter 312-36 of the Code of Ordinances

An Ordinance of the City of Northampton, Massachusetts, providing that Chapter 312-36 of the Code of Ordinances be amended.

Be it ordained by the City Council of the City of Northampton, in city Council assembled, as follows:

That Chapter 312-36 of the Code of Ordinances of the City of Northampton, Massachusetts, be amended, which shall read as follows:

§ 312-36 Parking Meter Locations and Regulations

Amend:

312-36 E. (1)

<u>Class</u>	<u>Time Limit</u>	<u>Fee</u>
5B	Unlimited	Free for first hour; 0.50 0.75 for every hour after; \$20 for lost ticket