



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 Minutes

Date: May 16, 2016

Time: 5:30 p.m.

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

1. Meeting Called to Order and Roll Call: At 5:31 pm Councilor Sciarra called the meeting to order. Councilor Sciarra announced that the meeting was being video and audio taped. The City Councilors introduced themselves to the audience. Present were: Councilors Bidwell, Carney, and Sciarra. Councilor Klein arrived at 5:40 p.m.
2. Public Comment: Councilor Sciarra opened the floor for general public comment, however, no one chose to speak at this time.
3. Minutes of Previous Meeting: The Committee did not review minutes of the previous meeting.
4. Committee Study Request Public Forum Regarding Business Owners:

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; defamatory remarks about a person or business should not refer to a person or business by name or obvious identifying way; the forum is not a grievance body that can provide remedy; the Chair has the right to rule a speaker out of order if the rules aren't being followed.

The Committee Study Request is a fact finding mission of which the public forum is one way in which the Committee is gathering data and information. Comments should be limited to five minutes. Speakers are asked to state name and address.

Today's forum is the first of four public forums that are scheduled to address the Committee Study Request issued by the City Council President and Vice-President. The request asks the Committee to study issues relative to the local economy with the focus on businesses and workers in downtown

Northampton and downtown Florence. The Committee has received reports from the City's Economic Development Director, the Planning and Sustainability Director, the Greater Northampton Chamber of Commerce, the Pioneer Valley Worker's Center, and the UMass Amherst Labor Center. The public forums are intended to solicit direct testimony from those involved in the downtown economy, including workers, property owners, business owners, arts and events organizations, and residents. The Committee wishes to get a better understanding on the pressures they feel, the issues they experience, and to hear about the things that are done well and should continue to be supported. Following the forums, the Committee will compile the information into a report for the full City Council and consider recommendations where the City Council could take action. The public can follow the progress of the Committee by viewing the web page set up on the City's web site.

John Rhoades of 172 Nonotuck Street, Florence

Mr. Rhoades is a partner in the Union Station operation and the businesses contained within. He has lived in the town for his entire life. He doesn't feel as though there is a very business friendly environment within City government. Mr. Rhoades cited a situation at the Hotel Northampton in which the Council President and Vice-President delivered a petition. At Union Station there is an on-going situation with the parking lot. There is an established agreement whereby the Union Station has control over the parking lot after 6 p.m. However, because of the parking tickets that are issued by the City's kiosk, parkers feel they have parking privileges until 8 a.m. the following morning. Mr. Rhoades has tried to resolve the situation with the Mayor, Central Services, the Community and Economic Development Director, and others. When the business assumes the parking lot at 6 p.m., often the lot is already full and unavailable to the business. The Mayor recently sought 4 over-quota liquor licenses from the State. Mr. Rhodes feels that as an economic development plan, this does not benefit the City. Just by increasing the amount of liquor licenses doesn't mean that there will be more people coming to town. Mr. Rhoades proposed that any money that the City makes as a result of the over quota liquor licenses should be donated to the Downtown Northampton Association for holiday lights. Mr. Rhoades came to the March 21st meeting when the Worker's Center delivered their report. His concern is that his business will be subject to audits. He is not concerned about the wage ordinance that the City may pass because his business follows all of the rules already. Regarding the living wage, the City is currently advertising a DPW seasonal laborer @ \$11.00 per hour. He questions how the City should expect businesses to pay a living wage when they don't follow this practice themselves. He asks that the City be more business friendly. The fixed cost for water/sewer is increasing by 2000%

Jack Finn of 57 King Street

Mr. Finn ran the A2Z Science and Learning Store for 28 years. He is the property owner of 57 King Street and currently lives above the business. He considers himself an optimist. He believes that we live in a beautiful valley, with beautiful architecture throughout the City. Over 100 years ago the City was referred to as the "Paradise of America". Newly added is passenger train service, we are in the process of rebuilding Pulaski Park, Smith College has recently re-built its front gate, we have a new Police Station, the Center for the Arts building is now under construction, the Academy of Music was recently restored, we have a beautiful bike path leading to downtown, and many private property owners have made improvements. He is concerned about the critical comments regarding the life of the downtown. Criticism is important as long as it is constructive in nature. There are a couple of things that the City Council could do in support of the downtown. First, there is a brand new D.N.A. The City is an important partner and should have a positive working relationship with the D.N.A. Both the Mayor and the City Council should play a role in the forward thinking nature of the working relationship.

Susan Lantz of 74 Lyman Road

Ms. Lantz agrees that a donation of some kind for the holiday lighting is a good idea. Perhaps the businesses that received the above quota liquor license might consider giving some amount to the D.N.A for the holiday lighting fund. She suggests that the City Council look into passing an ordinance regarding business properties that remain vacant for a period of time. For those that remain vacant for over "x"

amount of time, perhaps rents should be lowered, or some other thing done when properties are left vacant.

Councilor Bidwell suggests that state enacted legislation might be required to do the kind of thing Ms. Lantz suggested. There is provision in state law that allows local governments to step in when property owners allow their property to deteriorate to the point where it is a nuisance or safety hazard.

Councilor Sciarra noted that this might be outside of the jurisdiction of the City Council.

Annmarie Lucey of 42 Pleasant Street

Ms. Lucey is the owner of Main Street Records, formerly located on Main Street (1977-1997). The business has closed when declining sales income could no longer keep pace with increasing costs, specifically cost of labor and rent. The long term vacancies create an artificial lack of square footage and causes an increase in rents. The current square foot price on Main Street is around \$37.50, with some locations as high as \$42.00 per square foot. This is difficult for small start up businesses. Mr. Finn made a point to say how beautiful the City is and also made good points about how to improve pedestrian traffic. In addition, Ms. Lucey would like to see the City encourage property owners not to let their properties go derelict. The Calvin Theater renovation is one example where the City and property owner worked together and a good example of where a property owner worked with the town in some ways. The Academy is another example of money well spent on property improvements. Ms. Lucey would like to see Smith College have a better relationship with the City, perhaps appointing an ombudsman to facilitate the relationship between the City and Smith College. Public Policy, like tax abatements and Grants, should be in place to promote or encourage new business. Perhaps more advertising for "Art Walk" would encourage more people to participate in these events. She would like to see a year-round market be established, perhaps with rotating vendors. It would also be great if information about our town could be better coordinated on travel websites or social media.

Councilor Sciarra is aware that Smith College is a contributor to the D.N.A. and that there is a Community Relations person who is a contact for the City. Also, the property that the Tuesday Market is on (near Thornes) is owned by the City.

Councilor Bidwell commented that Smith College recently announced that they have contributed \$520,000 to the City and various non-profit organizations. A press release discusses this information further.

Adam Dunetz of 121 William Street

Mr. Dunetz owns the Green Bean restaurant on Main St. and is the co-owner of the Roost. Mr. Dunetz moved to Northampton 11 years ago. He recognizes that there will be an ebb and flow to business. He does believe that the downtown is in a downward spiral at the moment. He summarizes the downward trend to three main causes: Parking; Panhandling & Property Values. Regarding parking, he believes that there is enough parking spaces, however, the City is not hospitable toward parking, especially considering that Easthampton has free downtown parking for visitors. He believes the meters could be "much friendlier", by extending parking times and by accepting credit cards. He does not support banning panhandling, however, he does believe that panhandling does make Northampton a less hospitable place to come for a day of shopping than it has been in the past. The problem has become worse over the last eleven years he has been in business. It gives the impression that Northampton is a haven for young people trying to make a life "on the streets". Mr. Dunetz does not have any suggestions to address the issue of panhandling. Regarding property values, the overvaluation of property is a concern. Some property owners require such high rent that the property remains vacant for extended periods of time (years). Everything about the vacant property is an eyesore for property owners and visitors alike. It also has the effect that other property owners think that they should be charging more for their space. However, we don't have the demographics of a Cambridge or Brooklyn to make this inflated economy work. Large monthly rents make it impossible for downtown businesses to price their goods competitively. Given all the factors, it makes it much more desirable to shop on-line. He would like to see

friendly parking meters, to see the City do away with ticket machines, to provide services to people who would like to get sober, fed, sheltered, and employed. He wonders if the City could compel property owners to maintain the appearance of vacant property in the Central Business District.

Councilor Sciarra commented that the City did do a parking study last year and the City has been looking at implementing card readers for parking. There is an economic concern regarding fees per use that the City is trying to understand a little better before implementing. It is a challenging issue.

O'Brien Tomlin of 21 Clement St.

Mr. Tomlin runs Sierra Grill and is the manager at Building 8 Brewery in Florence. His business is one of the businesses that is looking to receive an over quota license. He would support having the money for the license be used for a lighting display. Once the business is done with the license, the license will be returned to the City. It cannot be sold if the business closes or is sold. Mr. Tomlin agrees that the "three P's" identified by Mr. Dunetz are of concern. Parking is difficult in Northampton. He does recall that the parking lot at Union Station was supposed to be turned over to Union Station @ 6 p.m. He supports Mr. Rhodes' assertion that something should be done on behalf of the business. Mr. Tomlin suggested that perhaps some of the streets could be turned into one-ways or allow for angled parking to get more cars downtown. Regarding panhandling, it is intrusive form of free speech. Musicians who attend Berkley have to have a permit to perform on the street, perhaps because they are conducting commerce. Perhaps parameters for conduct could be established for panhandlers, up to and including permitting for this type of commerce. It is incredibly expensive to be in the downtown area. Perhaps there could be more festivals or events to attract people downtown. Business has a strange cycle in Northampton in the summer. Mr. Tomlin's business is busy on Friday night, but the business dies on Saturday and Sunday when people go out of town.

Councilor Sciarra commented that Northampton does have an ordinance on the books that traffic cannot be impeded by loiterers. Mr. Tomlin is familiar with the law and has had discussions with one individual who appears regularly in front of his business.

Bud Stockwell of 240 Audubon Road, Leeds

Mr. Stockwell owns Cornucopia Foods located in Thornes Market. The business has been open since 1980. Downtown Northampton has always been a great place to visit and to shop. Mr. Stockwell's impression is that the Council is not very business friendly. Sometimes the tone and message from some of the members of the Council seems to have a real bias against the downtown. The downtown, however, is vital to the property values remaining high in Northampton and for people to remain interested in living in Northampton. Running a business is very difficult. The City Council President was once an owner of a video store; if told that they had to pay employees an additional \$3 per hour, then that business might have gone under much quicker. That seems to be the state for a lot of businesses. The Casino in Springfield will be competing for our business. He hopes that the City Council is willing to work with businesses to help them to remain in the downtown area. Mr. Stockwell brought a survey that he thought might be helpful to give to people in the downtown to help understand why people come to Northampton. The survey was developed with a few other business owners. Parking is very aggressive in Northampton. In terms of panhandling, if we put up signs that ask people to donate to a local agency that helps people instead of a direct donation to an individual who may use it to support a drug habit. He recognizes that there are people who may not feel comfortable walking down the streets of Northampton.

Melissa Lewis-Gentry of 98 Maple Street, Easthampton

Ms. Lewis-Gentry is the manager of Modern Myths Comics and Games at 34 Bridge Street. Ms. Lewis-Gentry has been the manager for one-and-a-half years. The challenges that the business is facing in property costs (in terms of rent) and labor costs are much more than expected. The percent of sales put toward wages has not really changed much in the past fourteen years; however, there has been a shift in more recent times. Twenty percent of revenue was formerly allotted to payroll but now the percentage is more like thirty to forty percent. The federal salary exemption laws that are coming in place will

completely change the business model. The business is currently situated outside the downtown area. When the rest of downtown is empty, when there is no other business to employ people, then Modern Myths is affected. The business survives off people who live and work in Northampton. Ms. Lewis-Gentry hopes that more business can be brought to Northampton. In 2008, Dallas, Texas applied for grants to support small businesses. Perhaps this is something that Northampton could consider to bring new business to the city.

Rebecca Robins of 39 South Street in Williamsburg

Ms. Robbins is half-owner of #16 Masonic St. and also owns Woodstar Café with her husband. Ms. Robbins supports the suggestion of credit cards for parking meters. She also supports a permanent market and suggested a produce market in season, and an artists' market from Thanksgiving to Christmas. She feels that this would be a great draw for the City. Amherst has a festival on their common every weekend. She imagines that this is a great draw for downtown businesses in Amherst. Her businesses are thriving, however, she feels like the tipping point is coming. Forty-two cents of every dollar that comes into the café goes to employee wages. The meals tax makes meals prices look inflated. Her business has always offered health insurance, but she knows that not all businesses do offer this to their employees. The paid sick time law is a significant cost to businesses. It costs \$14,000 per year for her business alone. There is also an aggressive minimum wage in Massachusetts. The business answers approx. 15 requests per week for donations. She knows that the downtown businesses are incredibly generous with the amount that they give. It used to be good enough to just provide jobs, but that no longer seems to be the case. The businesses want to continue to do these things, and she hopes that the City Council will be supportive. She doesn't think that the businesses can handle anything more. The internet doesn't seem to affect her business, however, she know that the internet can be brutal on businesses like booksellers. There should be some kind of initiative to shop locally as a civic duty. Every dollar spent on-line is a dollar that goes to the "one-percent". Ms. Robbins noted that the City recently implemented a different method to charge for water. While the new structure would not affect her businesses to a large degree, she does recognize that some businesses will see a heftier increase. She asks that in the future, the City take this into consideration and look for increased revenues in places other than local businesses.

Councilor Bidwell thanked Ms. Robbins for calling out that the businesses employ many residents, including kids in summer jobs. He also thanked Ms. Robbins, for acknowledging businesses for their support in civic activities, non-profit organizations, etc.

Councilor Klein asked if the B.I.D. supported "events"; Ms. Robbins is not aware of the requirements to support the infrastructure, but perhaps the City could provide an easy and adequate infrastructure for others to run events and such.

Councilor Sciarra noted that part of the re-design of Pulaski Park was to promote more congregations of people.

Nancy Callaghan is owner of Happy Valley on Main Street

Ms. Callaghan is aware that there are problems with panhandling and parking in the downtown area. She hears these two complaints most often from people. Parking could be helped by extending time on the meters. Almost every day people are rushing back to their car from retail shops to feed parking meters or move their car. One thing that Ms. Callaghan has heard tonight is that people come to Northampton for the experience. This is something that the internet cannot provide. People don't come downtown because they don't think that there is anything for them here. They also have to walk the gauntlet of people begging. This, however, doesn't make the City vibrant. Ms. Callaghan's business is growing by offering experiences, such as storytelling. People sacrifice communication for convenience. Every time that people think about Northampton as a place to go or a place to retire or a place to live it is because of downtown.

Ms. Callaghan indicated that there is an organization known as Pioneer Valley Local First which is an organization that encourages people to be local, buy local, etc. Regarding events, Ms. Callaghan wonders if there could be an effort to spread out events, instead of having them all at one location. Centralizing events in one area of the City, she believes, supports only the businesses close by the event(s) while other businesses may suffer.

Councilor Sciarra shared that she is aware that there are plans to create event locations. There are discussions, for example, of closing down Cracker Barrel Alley for a day to hold an event in or around that location.

Ms. Callaghan wondered if there was a group tasked with coming up with ideas for events. Amy Cahillane suggested contacting her with ideas. She can be reached at amy@northamptondna.com. She thinks that the DNA is a great umbrella for organizing events, finding spaces, etc.

Tess Perrone Poe of 32 Masonic Street is also the owner of Beehive Sewing at 271 Pleasant Street.

Ms. Perrone Poe thanks the City for initiative parking validation for downtown. She encourages her customers to park in the parking garage when visiting her business and is pleased to validate parking while downtown. She hopes that other businesses consider the validation program. She also thinks that implementing the D.N.A. was a great idea. She also recognizes that the B.I.D. is the mechanism that the state gives to communities for stable funding for downtown activities. That method takes away the need to do private fundraising. The D.N.A. board is now looking to raise funds to operate. She knows that the lawsuit in 2014 was not a good experience; however, she hopes that the B.I.D. will be reconsidered in the future. In terms of non-food retail sales in the fourth quarter of 2015 as reported by the US Economic Census were at \$600 billion and 13% of that was attributed to on-line sales.

Rich Madowitz is owner of Thornes Market Place, Co-Owner of Hampshire Property Management Group, Cedar Chest and Emerson Way.

Looking out five-ten years from now, Mr. Madowitz believes that the prognosis for Northampton is not good. He sees sales data from businesses on Main Street and from Thornes Market Place so he believes his information is more factual. If the downtown is not healthy, then this affects everybody. Private Business and Enterprise needs to execute well with the City Council. There is a general feeling from the business community that there is not a good level of execution by City government. The government has this perception that businesses can continue to give, however, this is not the case. Mr. Madowitz is frustrated with the soliciting situation in downtown. There was an instance recently in which two individuals were opening the doors of Thornes and asking people coming and going for \$1 each. A certain percentage of those people who were asked won't be coming back to Northampton. The soliciting in downtown is a competitive disadvantage for business owners in Northampton.

Dan Gaskin, of 32 Summer Street, Northampton is also the Manager of Guild Art Supply at 102 Main Street

Reporting for Mr. Muler, the store's owner, Mr. Gaskin indicated that rents in general are too high. The owner is also concerned about the lack of destination shops in downtown. While there are a lot of summer jobs, there are not a lot of "career" jobs. He points out that once the college students graduate, they are gone from our community. Under the B.I.D., there seemed to be a little more advertising for festivals. Events such, as bag day and sidewalk sales seem to be pretty well known, however, when the store needs to pay advertise for such events, it is more of a burden. Pride was wonderful, and the event did bring a lot of people into town. However, after the event, the crowds seemed to disappear. Mr. Gaskin suggested working more things into the venue to keep people in the community.

Mr. Gaskin also pointed out that there seems to be additional costs for second story businesses to put a sign on the sidewalk. This adds to the cost burden for business owners.

Richard Cooper is the owner of State Street Fruit Store in downtown and Cooper's Corner in Florence. He resides at 136 South Main Street in Florence. He is also a property owner in the City and a worker as well. He loves Northampton. He feels that the City is transparent; the fees posed seem to be going to pay for infrastructure. He likes paying taxes because he knows that the taxes are going toward improvements. He notes that if water or sewer didn't work, the community would be pretty upset. He believes that the Mayor and the City Council are both doing a good job. Between the two store locations, his business employs eight-eight people. He employs many "first job" kids at his businesses. Both store locations are doing well and are not affected by internet sales. Cooper's has been in business since the 1950's; State Street has been in business since the 1920's. Mr Cooper bought the business in 1976 and has not had a "down" month in the entire time that he has been in business. Sales continue to rise; he is able to re-invest in the business. He compares this to what the City does: it re-invests in the City infrastructure. He believes that Smith College gives more to the City than any other entity. They are very forthcoming with their dollars and offer many educational opportunities to Northampton residents free of charge. To say that Smith needs to contribute more is heading in the wrong direction. In the food business CISA has a great "Shop Locally" campaign. People will shop and like the "Local Hero" sticker and they like the fact that they are buying local products.

The number of requests for donations that businesses receive is enormous. When offered, say a case of water, the requester might respond, "I bought that at Costco". Mr. Cooper suggests that when buying products, he would prefer to see people shop locally.

Mr. Cooper mentioned that the Mayor holds monthly lunch meetings in Florence, however, only a handful of people attend those events. He believes this is a good opportunity for business people to air concerns and discuss important matters.

Amy Cahillane lives at 25 Brookline Drive in Florence.

Ms. Cahillane is the new Executive Director for the D.N.A. and wanted the businesses to know that she is now on board to support their needs and address concerns that they may have. She likes the suggestion made by Mr. Rhoades to donate liquor license proceeds to the downtown light fund.

Liz Karney lives at 121 Williams Street

Ms. Karney thanked the Committee for having the forum. She loves Northampton and is excited that the event was happening. She realizes that the Council is limited on what they can do to penalize property owners who keep storefronts vacant; she wonders if there is a way to incentivize owners that do rent their space. She also thinks it is a good idea to have a permanent market; she feels that the location where the Tuesday Market is located is a little cramped. She wondered if something like the Burlington Market would be a good option for Northampton.

Councilor Sciarra invited participants to come to future forums or to provide further information directly to Councilor Sciarra through e-mail @ gsciarra@northamptonma.gov. The City Council webpage offers page where updates of the committee study can be found and additional contact information. Written testimony can be submitted to the City Council Administrative Assistant @ ppowers@northamptonma.gov.

5. New Business: None

6. Adjourn: At 8:30 p.m.

Prepared By:

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