



**Committee on Community Resources
and the Northampton City Council**

Committee Members:

Chair: Councilor Garrick Perry

Vice Chair: Councilor Marissa Elkins

Councilor Alex Jarrett

Councilor Rachel Maiore

Meeting Agenda

Date: November 21, 2022

Time: 5:30 p.m.

**Location: City Council Chambers
212 Main Street, Northampton, MA
Hybrid Meeting**

The November 21, 2022 Community Resources Committee meeting will be held in a hybrid format. The public can follow the committee's deliberations by attending in person or joining the virtual meeting by phone or computer. The meeting will be recorded for later broadcast and uploaded to the Northampton Government Video Archive on YouTube.

Live public comment will be available using telephone call-in or video conferencing technology.

"Jurisdiction. Matters affecting the community including economic development, local business, tourism, the environment, the arts, planning, zoning, sustainability, land use, housing and affordability, among others"

INSTRUCTIONS FOR CALLING IN OR JOINING THE MEETING

[PUBLIC MEETING LINK](#)

For telephone call-in, call:

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MEETING ID: 897 6060 4223

PARTICIPANT ID: #

PASSCODE: 216457

1. Meeting Called to Order and Roll Call

2. Announcement re: Audio/Video Recording

This meeting is being audio/video recorded.

3. Public Comment

4. Minutes of Previous Meeting

A. Minutes of September 19, 2022 and September 21, 2022 Joint Community Resources/Finance Committee Meeting

Documents:

[09-21-2022_Finance Committee Minutes.pdf](#)

[09-19-2022_Community Resources Committee.pdf](#)

5. Updates and Announcements from Committee Members

6. Roundtable Discussion on Topics Related to Housing Needs

Speakers include Office of Planning & Sustainability (OPS) Director Carolyn Misch, Catherine Ratte, Principal Planner, Pioneer Valley Planning Commission (PVPC); Roger Cooney, Director of Special Projects, Wright Builders; Scott Keiter, President, Keiter Corporation; Laura Baker, Real Estate Development Director, Valley Community Development Corporation (Valley CDC) and Rachel Simpson, Maple & Main Realty.

7. Items Referred to Committee

None.

8. New Business

9. Adjourn

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Joint Meeting of the Committee on Finance, Committee on Community Resources and the Northampton City Council

Community Resources Committee Members

*Councilor Garrick Perry, Chair
Councilor Marissa Elkins, Vice Chair
Councilor Rachel Maiore
Councilor Alex Jarrett*

Finance Committee Members

*Councilor Rachel Maiore, Chair
Councilor Marianne LaBarge, Vice Chair
Councilor Stanley W. Moulton, III
Councilor Jim Nash*

Virtual Meeting

Meeting Date: September 21, 2022

Time: 5 p.m.

1. **Meeting Called To Order:** At 5:02 p.m. Chair Rachel Maiore convened the joint meeting of the Finance Committee and Community Resources.
2. **Roll Call:** Present were Finance Committee members Councilor Rachel Maiore, Chair; Councilor Marianne L. LaBarge, Vice Chair (absent on roll call but joined shortly after), Councilor Stanley W. Moulton, III and Councilor Jim Nash. Also present were Community Resources Committee members Councilor Garrick Perry, Chair; Councilor Marissa Elkins, Vice Chair (not present on roll call but joined at 5:14 p.m.), Councilor Alex Jarrett, Councilor Rachel Maiore, Office of Planning and Sustainability (OPS) Director Carolyn Misch and Administrative Assistant Laura Krutzler.

Councilor Maiore explained the procedure she would use in conducting the meeting, i.e. - allowing presentations followed by questions and answers and then public comment. She will table any other agenda items tonight including approval of the minutes because of time constraints, she said.

3. **Items Referred To Committee**
 - A. **22.167 An Order to Appropriate \$500,000 In CPA Funds For 10 Hawley Street Rehabilitation Project**
History:
- Referred to Finance Committee and Community Resources - 9/1/2022

She is there to answer questions about the general process, OPS Director Carolyn Misch said. As background, almost two years of work has gone into the project and several iterations of the application have gone before the Central Business Architect Committee (CBAC) for review of demolition. There is a permit process for removal of a historic building within the CBAC district and the CBAC standard for review requires the committee to evaluate multiple parts of an application, she explained. The CBAC found there was not enough detail about the building's replacement in the initial application and so voted not to approve demolition but left the door open for the applicant to reapply.

City Council Committee on Finance Meeting Minutes for September 21, 2022

Through the process of evaluating demolition, the applicant pulled back to rethink the project and look at potential means of saving the building, she continued. At staff's suggestion, they decided to look at the Community Preservation Act (CPA) as a means of funding to offset the cost of restoring the building. Based on the numbers, staff knew early on that it would be very hard for the applicant to put forward an application for reuse of the building without some form of outside support since renovations were so expensive and knew it was an important building from the city's perspective.

The CBAC request for demolition is on hold until the determination is made of whether CPA funding will be approved to help preserve the building, she reported.

Matthew Welter of O'Connell Hawley, LLC said he was there to present information about the firm's history and involvement in Northampton and to answer a couple of questions raised at the last City Council meeting. O'Connell is a western Massachusetts-based development firm whose history in Holyoke goes back to 1879. The company has been a long-time owner of affordable housing in Northampton, having owned Michael's House with 112 affordable units since 1982. The company's average hold period in Northampton is 20 years, so they are long-time stakeholders who recognize the importance of affordable housing. In the context of what they're trying to do here, he realizes there may be some misconception about their role in the greater Northampton community. He is here to essentially answer any questions on design elements and construction and on how they've reached their ask.

PUBLIC COMMENT

Rather than having the public ask questions directly, she has put Councilor Moulton in charge of writing down questions and he will list and address them to staff after public comment, Councilor Maiore advised. She is not planning on timing the comments but will wrap them up if they go on too long.

Director Misch said she had information about different types of projects (i.e. - public/private) that have been funded by the Community Preservation Committee (CPC).

Councilor Maiore opened the floor to public comment

Jackie Ballance of Florence said she is very excited that the city has opened up this discussion to the residents at large and that they are listening to public input. There have been elements of public input all along the way but the idea of giving the developers half a million dollars changed everything. She knows people on both sides of the issue and is just glad the city is listening.

When she first came to Northampton in the 1970's, someone gave her directions by telling her to go down Hawley Street to the Polish church and make a left. If someone uses a building to give directions, "that makes it a landmark." she asserted. She wondered why the city can't give the building landmark status. Why can't the city give the developer half a million dollars, take ownership of the building, and develop it itself? She suggested.

Councilor Elkins arrived at 5:14 p.m.

Pamela Hunter of Sheffield Lane, Florence, said she is very concerned by the proposed grant to the O'Connell firm to repair the St. John Cantius Church. This is a private building and it seems their money basically would be used to help this corporation sell fairly expensive condos. She is very sympathetic to the parishioners and people in this neighborhood who want to preserve the church, so one question she has is, isn't there any other way to give it historic preservation or landmark status without using CPA funds?

City Council Committee on Finance Meeting Minutes for September 21, 2022

She reminded members that, in 2015, CPA funds were denied to repair the Union Street jail, also a real landmark and historic building. One of the members at the time said it was not 'CPA-worthy.'

She doesn't see a public benefit to the use of this money. Since the gentleman said O'Connell is involved in affordable housing, she is also concerned about why this isn't affordable housing. She does not think it is a good use of CPA funds at this time because there is no specific public benefit to the use of the building.

Claudia Lefko, 40 Valley Street, said she wanted to make three points: 1) there is no question in anybody's mind that the city believes in historic preservation because the city voted in the CPA several years ago. What they don't agree on, perhaps, is exactly what is worth preserving. Some of them are trying to preserve vernacular houses in Bay State and on Williams Street - houses that have historic significance to the neighborhood - while other people are trying to preserve more magnificent structures. It's not a question of not believing in historic preservation; the city and the public are generally behind it.

2) It is not clear how many want to preserve the church. The statistic often cited is the change.org petition with all the signatures in support, but that petition was circulated before the CPA entered the conversation. There doesn't seem to be any way to measure how support is going since the introduction of CPA funds.

3) She thinks everybody is trying to come up with a solution here. Save St. John Cantius had \$50,000 and hired people to create and offer proposals to O'Connell. It's not like she wants to demolish the building, what she doesn't want is to spend her extra tax dollars to save it.

Like Jackie, she is asking why they can't come up with a different solution. Given the sentiment that nobody wants to demolish the building, can the city, the Planning Department and the City Council bring O'Connell back to the table with the stakeholders - the people who don't want to spend the money, the people who want to save the church, the city and O'Connell? She asked.

In light of the comment Pam Hunter just made about the Union Street jail and previous comments about the Look Park fountain - two projects that were denied - **Mac Everett, 40 Valley Street**, said he is concerned about setting a precedent. A lot of historic buildings in Northampton are privately-owned such as all the old Victorians on Elm Street. He feels giving O'Connell money sets a precedent for giving funds to private individuals for historic preservation. They also have the incredible St. Mary's church sitting there which will probably be a candidate for historic preservation. The city gave CPA money to First Churches but they have AA meetings, total community access and other activities that provide a public benefit. He thinks there needs to be more benefit here.

Can they make even three units affordable housing? That would go a long way for those of them who want to see more public good in this project. They know there are more affordable housing projects in the pipeline such as the Bridge Road project and one from Habitat for Humanity, etc. That's where housing is really needed in Northampton.

He would love to see them just sell it back to the city for the resilience hub.

CPC Chair Brian Adams, 9 Hayward Road, said he was here to answer questions. With regard to the precedent issue, he thinks they addressed that there is no precedent by the fact that CPA funds were denied for the old jail and Look Park. The CPC evaluates projects on an individual basis, he stressed. The fact that they are in this case recommending public money for O'Connell does not mean that they will

City Council Committee on Finance Meeting Minutes for September 21, 2022

recommend money for any private entity that comes along. They do their due diligence by evaluating projects on a case-by-case basis. To reiterate what the city gets out of this, the city gets a historic preservation restriction in perpetuity for the building and assurance that O'Connell will conform to the Secretary of the Interior's historic preservation restrictions and hire a certified historic preservationist to guide them every step of the way.

Darcy Sweeney, Florence, echoed what Mac said about the city having a higher standard than simply historic preservation; the city should be pushing for affordable housing as well. This is a big theme of the city; it should take every opportunity it can to ensure that affordable housing is part of any project. It is discouraging to see the development that's happening being out of the reach of average people.

Deborah Henson, 118 Franklin Street, who used to live at 83 Pomeroy Terrace right around the corner from the church, thanked councilors for their diligence in studying this matter. She is happy all agree they love historic Northampton treasures. She thinks the support for preserving this wonderful building is not just reflected in the 1,600-plus petition signatures but more so in the people who wrote to the CPC: 48 in support vs. 13 opposed. The Historical Commission and CPC are given this historic preservation role, she pointed out. They have worked very diligently in reviewing the historic structures report, asking questions of the builder and accepting extended public comment. It seems to her that their making this recommendation for the use of CPA money is pretty important for the City Council to think about. They're the ones in charge of this; let them do their job, she urged. She would give them a lot of credit for the work they've done. She hopes they will support preservation in this way.

Gerritt Stover, 55 Fairview Avenue, the owner of a unit in the historical Old School Commons, said he was involved both in the state passage of the CPA Act and in drafting the Central Business Architecture ordinance decades ago, and in trying to save this beautiful building. In almost any CPA-funded project, there is usually some sort of benefit to private individuals; for example, a land conservation project usually involves the purchase of land or a conservation restriction from a private landowner. For projects preserving individual houses, the individual homeowner gets a financial benefit. He appreciates the arguments about preferring affordable housing but thinks O'Connell has a pretty strong point in that this property sat there for 10 years and nobody took a gamble on it until they came along. It took a lot of financial calculations, structural studies and feasibility studies to get to this point so he thinks it is pretty hard to argue there's an alternative use out there that people who own the building and the city can agree on. Lastly, most of the alternatives uses that have been proposed would take a lot more than \$500,000 whether it be the resilience hub or affordable housing. Let's keep the church standing and enjoy it, he urged.

Elaine Jandu, Hubbard Avenue, reiterated what Deborah, Gerritt and Mac Everett have said. She feels as though the CPC has done so much extra work to prove that the city of Northampton should be willing to support CPA funding. They went through so many extra hoops to get where they got to make the decision. She expressed surprise at the fact that there's a question even though the Historical Commission and the CPC approved it. She thinks the city should step up to the plate a little bit because O'Connell really did put in extra work by preparing structural reports, etc. She really believes strongly the city of Northampton should support the CPA funding.

Regarding the affordable housing piece, Director Misch screen-shared a map of downtown showing all the affordable housing units within a half mile and quarter mile of the church. The city has 660 units of deed-restricted affordable housing for people earning 80% or less of the Area Median Income (AMI) within a half mile. Within a quarter mile, they have just under 200 units of affordable housing. The largest portion of affordable housing within the city is located within half a mile of downtown. The city is also investing

City Council Committee on Finance Meeting Minutes for September 21, 2022

additional public money (\$2.5 million) to develop a space and services for a hub/resilience center providing support services for people at the very lowest income levels in their community. The city has set aside space behind City Hall for additional affordable housing so even more affordable housing is coming in this downtown area.

“We not only need affordable housing, we need housing at all different income levels,” Director Misch pointed out. The proposed units are small units - slightly over 800 square feet - making them more accessible for people of lower income ranges, probably between 120% and 150% of Area Median Income (AMI). This kind of housing is something that's not being built a lot. They have more units coming on at the very high end of the range and they have a good strategy in place to continue to develop subsidized affordable housing at the lower end of the range. This middle range is important to support downtown; it provides housing for people who potentially work downtown or don't need a three-bedroom home.

The City Council adopted zoning a year and a half ago that creates incentives to create units of this size. With respect to the types of historic preservation projects the CPC has funded over the years, these have included some private buildings beyond churches: i.e. - Smith Charities and the Sergeant House on Bridge Street. Valley CDC received money for preserving the Sergeant House although a portion of the award was for affordable housing. There are other examples of smaller-scale projects the CPC has funded that have been private. She stressed that the money proposed is for restoration of a building left by the church for over 10 years with no maintenance at all. It is not about providing support for deferred maintenance; it is really about whether or not the church can remain as a structure because so much needs to be done to protect it and it is so large. O'Connell will be there for the long term to make sure there is ongoing maintenance. In terms of the city using the money instead, the city did make an offer for the resilience hub but that didn't work for the private property owner. As mentioned, \$500,000 would not be the full amount of what would be required to renovate and reuse the building. In its package, O'Connell explains that it is just asking for support for the exterior of the building and that this will leverage support to bring the rest of the building into viable condition for reuse.

Councilor Maire stated her intention to recognize Brian Adams if there was no objection.

Councilor LaBarge said she had concerns. The September 15th Daily Hampshire Gazette listed area property transfers from O'Connell Properties Inc. to 57 Suffolk Street, LLC as follows: 261 – 265 Maple Street, \$695,000; 265-1/2 Maple Street, \$695,000; 267 – 273 Maple Street, \$695,000; 57 Suffolk Street, \$695,000 and 70 Suffolk Street, \$695,000, for a total of \$3,475,000, she reported. She knows all about the church; it is a beautiful church. Looking at the request for \$500,000; the developer is making \$3,475,000. This leaves only \$25,000 they would have to find somehow, so they wouldn't have to take the CPA money. She was shocked to see this herself.

Director Misch said she did not see the real estate transfers she referred to.

As Mr. Adams mentioned, when applications come to the CPC, the CPC looks at the cost of a particular project and evaluates the request on its own merits so every property is different and unique in that regard, Misch stated. What property owners own in other communities doesn't come into play because it isn't part of the equation of what it costs to renovate the church, restore it and convert it into something that can be used in the long-term. That's what the CPC looks at and what the council is being asked to look at, solely the cost relative to this project.

Councilor Jarrett thanked Director Misch for talking about where this fits into the city's housing needs. CPA money is often used to leverage other funding and, other than funds put in by this applicant, they're not seeing any other funding here. Are there no other sources of funding? He asked.

Another potential source of funding is historic tax credits, but it depends on the revenue generated by the property, Director Misch explained. Typically you need a lot more revenue generated from the end use to make those numbers work. More importantly, the historic value from the Secretary of the Interior's standpoint is the sanctuary so, once that sanctuary has been carved away, they may not be eligible for those tax credits. She doesn't know about any other source of funding.

CPC allocations are often combined with other funding but the leverage can be private investment as well, she added.

In response to a question about whether the council can adjust the amount of the award, Ms. Misch said the council vote is up or down and no amendment is possible.

Councilor Moulton reviewed questions posed by the public: 1) Are there alternatives to CPA money that would come with the historic preservation restriction in perpetuity, and 2) Are there alternatives to some sort of historic or landmark status that would also result in preservation.

Director Misch said the short answer is no. Mostly what historic or landmark status allows is access to other funds, she clarified. A historic preservation restriction is the best tool for preserving the building.

Another question was, is there a way to get O'Connell back to the table to consider other uses for the building?

Before O'Connell applied for CPC funding, they were looking at all sorts of uses for the property including some combination of restaurant/bar use. Then COVID hit and the market kind of fell apart. It would take a very robust commercial entity to offset the costs of renovation, restoration and reconfiguration of that space. They looked at other uses and, because of market conditions, their focus shifted to housing.

The CPC voted to protect the building; they didn't vote on the inside use, she stressed. If O'Connell desired to shift gears and put something else inside, funding from the CPC does not preclude that.

Finally, on behalf of the public, Councilor Moulton asked her reaction as planning director to the suggestion that this is setting a precedent for CPA funds going to a private developer.

She thought Brian Adams answered that well in saying that they look at each project individually, Misch responded. This building and St. Mary's are at risk of being demolished because they are so hard to reuse and because of the neglect of the systems within the buildings. This is really about; is there a threat of the church being demolished. It is not an idle threat; it is a financial reality. She doesn't think this necessarily sets a precedent. These are very visible, local landmarks, so it's a different calculus.

Councilor LaBarge asked if Director Misch knew why the property owner wouldn't let the city buy the property for use as a resilience hub.

It's not any different from many other property owners they've approached about this; people are concerned about the impact of having that use in certain locations. It is very close to the buildings they've

City Council Committee on Finance Meeting Minutes for September 21, 2022

already built so they wanted to make sure it was a compatible use with the town homes they have already invested money in and sold to other buyers. This has happened across the city when they've approached property owners about buying property for the hub; people want to make sure it's not going to disturb other investments on site.

There will be 10 apartments with one that will be handicapped-accessible, she confirmed.

Councilor Maiore asked what happens if they do not vote for this funding.

The CBAC has continued its hearing to see the outcome of the CPA application, Director Misch confirmed. The CPA process shows the applicant's due diligence in trying to find a solution without demolishing the building. They first came with a request to demolish the building then took a step back. She would think the fact that they've gone through this additional step would mean that they would bring this back to the CBAC saying that they've tried to make it work and shown that it doesn't work. The CBAC has the jurisdiction to approve demolition. Because of the changed boundaries of the Central Business (CB) district, the CBAC would not have review of this building for any new application.

Councilor Maiore asked why the church hasn't had landmark or historic preservation status up until now.

She doesn't think anybody has applied for that status on behalf of the church. The status doesn't guarantee that the building is protected.

Anyone can opt to put a historic preservation restriction on their property to bind themselves to certain rules. It becomes a benefit to the city in that the building will continue to be there and be part of the street-scape. The historic preservation restriction goes with the property

In response to a question from Councilor Perry, Director Misch expressed her understanding that the permanent preservation restriction is for 30 years.

Deborah Henson said she talked to Mass Historic. If Mass Historic is involved and the owner meets the Secretary of the Interior's standards then it becomes a perpetual easement, she clarified. If they do not meet those heightened standards, then it would only be a state restriction, which is for 30 years. The property owner has voluntarily opted to meet the higher standard.

"I think half a million to keep this building standing forever is a pretty good deal," she commented.

Claudia Lefko agreed it is a very difficult subject and that, no matter what the decision is, there are going to be hard feelings on both sides. That is why she is advocating for the planning department to try to mediate a win/win situation. The most obvious is for one or two of these units to become affordable units.

She and Mac have been living there for 43 years. In the 80's and early 90's, Ward 3 was the place where half-way houses were being built. Those are the very people who will now be displaced, who O'Connell doesn't want living in their gated community. They've always prided themselves on how they were a mixed-income neighborhood. "I find this very offensive honestly," she said.

Following secondary comments from **Jackie Ballance** and **Gerritt Stover**, Councilor Maiore gave Mr. Welter an opportunity to address some of the questions raised, including what consideration O'Connell has given to making some of the units affordable.

City Council Committee on Finance Meeting Minutes for September 21, 2022

Regarding O'Connell's sale of property in Holyoke, all the tax id's described concern one property. It was sold for \$695,000 and was sold at a considerable loss, Mr. Welter advised. Although it may look like some kind of windfall was received, he can assure them it was operated at a loss for many years and didn't have any relevancy to this project.

As mentioned, O'Connell did look into historic tax credits. Part of the issue is that the sanctuary space and the knave is the character-defining feature of the church. His understanding is that as soon as they begin dividing up this interior space, they lose eligibility for historic tax credits. In concert with the fact that COVID changed the overall market for retail for the worse, they no longer have any confidence that retail or commercial use is going to be possible in the church.

Regarding low income housing credits, they are very familiar with these as they currently own 1,200 affordable housing units across the Commonwealth. The problem with low-income housing credits in this application is that they typically look to have some sort of density. The sweet spot is usually between 30 and 40 units and they're only talking 10 units, so the probability of success is very, very low.

Both of these processes are extended so they would be looking at two to three years from pre-application to funding. As the condition of the church is deteriorating, they didn't feel time would be on their side.

They also looked at the housing development incentive program (HDIP); unfortunately, Northampton does not qualify as a gateway city so they were not eligible for HDIP funds. This was the kind of progression they went through in looking at alternative funding sources. For them, they made the value determination when they applied for the demolition permit that it was just not financially viable without some sort of public subsidy.

It kind of boils down to profit and affordability. Based on 2022 MA housing HUD income guidelines, they are targeting 120 to 150% AMI so they are within the band of workforce housing. They think they are delivering a product that is in very high demand and very low supply in Northampton. As a property owner of 112 units in Northampton, last year they paid \$200,000 in property taxes, so they appreciate the use of property taxes and how they get applied. They anticipate that, once built, these will be going on the tax rolls to the tune of \$35,000 to \$40,000 in annual taxes. He knows there is no direct mechanism for property taxes to pay down this money, but, if they were to assume \$35,000 per year, they are talking about a 14-year payback period and at \$40,000 per year it goes down to about 12 years. The property was not assessed at full market value when it was owned by the diocese but they intend to be assessed at full tax value.

Their budget for overall construction and soft costs is about \$4.5 million. They are intending to spend a lot of money to bring the property up to code. Essentially everything within the church needs to be upgraded. This is not a situation where they are expecting some kind of windfall that will offset the total cost of construction; this essentially allows them to break even and that's how they've approached it.

Eight (8) one-bedroom and two (2) two-bedroom units are proposed. The one bedrooms are targeted to rent for \$1,700 to \$1,900 a month and the two bedrooms for \$2,000 to \$2,400, within the range of 120 to 150% AMI.

Councilor Moulton asked Mr. Welter what he believes will happen if CPA money is not approved.

They have an active demolition permit through the CBAC and they would follow that through the ordinary course, Mr. Welter confirmed.

Mark Thaler, the consultant working on the structural report, commented that they do a lot of work with buildings that are marginal and need a lot of assistance. Most of them have some access to either historic tax credits or some sort of public funding. Unfortunately, churches are some of the most difficult buildings to try to renovate and make profitable. He has seen a number of projects in the past that have just floundered. The problem with the church is that you can't subdivide it into apartments and get the historic tax credits. This \$500,000 is really an investment in being able to see a building like this continue to function as an important part of the built community. From the standpoint of what makes a building historic, a lot of it has to do with that streetscape and the connection with the community. It is really an investment in making sure the architectural quality remains and is strong. It helps not only bring in tax dollars but helps the rest of the neighborhood remain intact and maintain its quality on an upward slope rather than declining in some way.

DISCUSSION

Committee members in turn shared their thoughts. To anyone who disparages the CPC, she really respects the time and commitment they have put into this, Councilor Maiore commented. She thinks they have done their job well. She is also impressed with the community outpouring to save the church. It is clear that the church is beloved. She is not personally concerned with the issue of precedence setting.

She referred to a letter **from Gerrit Stover** stating that it's not the recipient but the benefit to the community that matters. She hears that. She also sees some of the pros: tax revenue for the city, a historic preservation restriction in perpetuity, a historic preservationist working with O'Connell, and the church façade and its history being saved. Frankly, slightly less expensive housing units and more of them will be created if the church is not demolished.

She sees all of that but is still left with a feeling of discomfort around this. Other communities in Massachusetts have further restrictions on the use of CPA funds such as requiring the building to be one the public is able to walk through. She is still sitting with what is the public good. She hears practically that the money can be made back but thinks that, as stewards of taxpayer money, they have to think beyond that.

Councilor Jarrett said he values historic preservation and has been happy to support past recipients. These recipients by far have been ones where additional public benefits have been provided and it is not just the view from the street. Other projects have allowed for public access or for an additional public purpose in addition to historic preservation such as supporting a non-profit charity such as Smith Charities. The one exception is Michelson Galleries which was a much smaller amount and included a provision for payback if it was sold within a certain timeframe. The dollar amount matters here. The question for him comes down to priorities. Looking at applications for the autumn 2022 funding round, he really wants to be sure they can fund affordable housing in particular which is at a crisis point here in Northampton. He sees applications for the Crafts Avenue housing behind City Hall, Evergreen Road and Habitat for Humanity. There are also recreation, open space and other historic preservation opportunities that do provide additional benefits to the community such as the Northampton Community Music Center.

He is not feeling comfortable with a positive recommendation at this dollar amount. He would consider a positive recommendation at a lower amount or if an additional public benefit were added.

Councilor LaBarge said she is not comfortable voting on this. She has great concerns that the public would not have access going into the building at all. She is not comfortable even making a recommendation; she is going to do some more intensive research.

Brian Adams said the dollar amounts have come in for fall funding. The CPC is getting about \$1.4 million in project proposals of which around \$400,000 are affordable housing proposals, not including the \$500,000 for O'Connell. Adding O'Connell's award, it would be \$1.9 million, and they have somewhere around \$2.3 million to spend. If they fully-funded all projects, it would leave them around \$400,000 going into the spring round.

Councilor Maire said she is very disturbed about the idea of demolishing this building if there is a way to preserve it. She wished they had someone from the CBAC for the full council meeting since she might have questions for them as well.

Councilor Moulton noted that the amount of \$335,737 would be taken from a reserve exclusively for historic preservation. They heard from Sarah LaValley September 1st that there are not large requests for historic preservation competing for this, so that is money he is comfortable putting into a building that clearly should be preserved. Architecture is an artistic form and this is a building that is unusual in the Italian Romanesque-style so they should do everything they can to preserve it. It is the remaining \$164,000 that is at issue in terms of what competing uses are for that money.

He reiterated that the council is not able to reduce the amount. He agrees he would like to know more about the projects that have been submitted so he can weigh the \$164,000 against other applications that may be competing for that money. He said he is uncomfortable with the Finance Committee making a recommendation on this tonight.

Councilor LaBarge asked if Brian Adams could send councilors a list of pending projects.

The projects are listed on the CPC website, he said. He quickly reviewed applications received, including \$100,000 for Habitat for Humanity and \$100,000 for the Home Ownership Fund. \$450,000 is for new affordable housing requests, he stated.

Councilor Maire asked if the CPC considered funding a lower amount and Adams said no. Their funding has always allowed a project to move forward

Councilor Moulton pointed out that at one point O'Connell had requested \$830,000 and reduced that to \$550,000. He asked Mr. Welter if he wanted to address why that was done and if a lower amount would work for O'Connell.

The original application was for \$830,000, Mr. Welter confirmed. Based on competing projects from Valley CDC and Historic Northampton, there was some concern about the ability to fund both those projects without the city either having to finance or issue bonds. As a compromise, they offered to lower their ask to \$550,000, which was their bare minimum. That is the lowest they are comfortable accepting. They also were asked to push funding to FY2023 so as not to compromise any projects in FY2022. They compromised on two fronts: not requiring the city to issue bonds and not crowding out other applications.

Claudia Lefko said she brought up with Brian that the public knows very little about CPA money. However this turns out, she thinks one thing the publicity around St. John Cantius has done is opened up awareness

City Council Committee on Finance Meeting Minutes for September 21, 2022

about this source of funding. 107 Williams Street might have been saved by CPA money if only they had known, she said.

She is hearing from Finance Committee members that they are not feeling prepared to vote, Councilor Maiore noted.

One of the reasons he is uncomfortable voting is that they have lost Councilor Nash, Councilor Moulton said.

Councilor Perry said he is still forming his vote, but he opened the floor to a recommendation from Community Resources.

She is also still taking in new information but, at this time, she is inclined to support this and anticipates that is the way she will be headed, Councilor Elkins volunteered. She too has been assiduously reading her emails and the packets that have been delivered

Councilor Elkins moved to send the order to the full City Council from Community Resources with a positive recommendation. Councilor Maiore seconded. The motion failed with two in favor and two opposed (Councilor Jarrett and Councilor Maiore opposed) by roll call vote.

Councilor Elkins moved to forward the order with a neutral recommendation. Councilor Maiore seconded. The motion passed unanimously 4:0 by roll call vote.

4. **New Business**

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

None.

5. **Adjourn:** There being no further business, **Councilor Elkins moved to adjourn. Councilor Jarrett seconded. The motion carried on a roll call vote of 4 Yes, 0 No. Community Resources adjourned at 7:06 p.m.**

Councilor LaBarge moved to adjourn. Councilor Moulton seconded. The motion carried 3:0 with Councilor Nash absent by roll call vote. The Finance Committee meeting was adjourned at 7:11 p.m.

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Committee on Community Resources and the Northampton City Council

Committee Members:

Chair: Councilor Garrick Perry

Vice-Chair: Councilor Marissa Elkins

Councilor Alex Jarrett

Councilor Rachel Maiore

Meeting Minutes

Date: September 19, 2022

Time: 5:30 p.m.

Virtual Meeting Via Zoom

1. **Meeting Called to Order and Roll Call.** At 5:33 p.m. Chair Garrick Perry convened the meeting. Present were Councilors Garrick Perry (Chair); Marissa Elkins (Vice Chair); Alex Jarrett and Rachel Maiore. Also present was Administrative Assistant Laura Krutzler.

2. **Announcement of Audio/Video Recording**

Councilor Perry announced that the meeting was being audio and video recorded. He stated for the record that the meeting is not to discuss a particular location for a dispensary or capping dispensaries per se but to have a more general discussion, gather information and allow different voices to speak. He opened the floor to public comment.

3. **Public Comment**

Lizzie identified herself as a sober marijuana addict and long-time Northampton resident. Pot addiction is real and it's agony, and it's quieter and easier to hide than other addictions, she asserted. The myth that there's a bias against pot that does not exist against alcohol is a lie. It is an argument left over from the days when pot was illegal and is no longer relevant. As a member of AA who has been sober a long time, she finds this argument manipulative, insulting and a flat out lie. Alcohol is a runaway train and they need to prevent the pot industry from taking the same path. There are caps on liquor licenses; similarly, they are looking for a cap on marijuana. They need to put safeguards in place now to protect people before this gets more out of control. Northampton is becoming a cautionary tale for other communities of what not to allow to happen in their cities and towns.

She has lived experience. Listen to her, she pleaded. Thousands of people in Northampton are being hurt by the onslaught of dispensaries: thousands of people in recovery and a multitude of people in active addiction, many of whom are able to cover up their addiction. Their suffering is real and their families are suffering. Adolescents are being lied to in the same way she was that pot is harmless. In her experience, pot is very similar to alcohol. Some can enjoy it, but, for others, their lives are completely dismantled by it. Dispensaries and their consultants are just dressed-up versions of the drug pushers she dealt with when

she was using. Only the City Council can stop this. There is a quiet fire raging in Northampton and only the City Council can put it out by placing a cap.

Jackie Ballance repeated her comment from an earlier meeting that this discussion is a wonderful gift to the community and a conversation they need to have. She is only disappointed that they have experts from mental health and from the industry but not people from the community who have been impacted. She is very happy to see the ACLU here and imagines they are going to continue to support the ban on facial recognition software by municipal authorities.

Wendy Foxmyrn thanked the committee for having the meeting and inviting experts but said she wanted to address one of the experts. It was drawn to their attention late that one of the experts representing the cannabis industry is a party to a contract currently being negotiated with the city. Given that there is a pending contract, she thinks it's an inappropriate person to have representing the industry. There are many other people; i.e., lawyers in town like Dick Evans and Mike Cutler, who probably could have presented the same information. She was quite stunned when she saw Mr. Parzybok on the agenda.

Relative to the idea of having balance at these meetings, she noted that a previous subcommittee meeting had the ACLU in to talk about the facial recognition ordinance but nobody from the Northampton Police Department. As far as having people represented here, Jackie Ballance just spoke about having members from the community with lived experience. To echo something mentioned by Lizzie and stressed repeatedly during the many, many conversations about policing, "lived experience, lived experience lived experience." Nobody invited at least publicly has said they have lived experience with addiction so at least that part of the representation is missing.

His presentation is based on research from the National Institute on Drug Abuse, Florence resident **Rick Haggerty** shared. Just last week a press release stated that prenatal cannabis exposure is associated with mental disorders in children that persist into early adolescence and that there is growing evidence of the negative health effects of cannabis use during pregnancy. Specifically during the middle of the first trimester and after only the first five or six weeks of fetal development, cannabis use is associated with attention, social and behavioral problems that persist as children progress into early adolescence. These conditions may put children at greater risk of mental health disorders and substance use in late adolescence, typically the most vulnerable age for these disorders and behaviors. The adolescent brain cognitive development (ABCD) study tracks nearly 12,000 youth as they grow into young adults. Investigators regularly measured participants' brain structure and activity using MRI and collected psychological, environmental and cognitive information as well as biological samples. He thinks substance use and mental health professionals can agree it is a well-researched and well-documented study.

Similarly, the National Institute of Health (NIH) reported marijuana and hallucinogen use among young adults 19 to 30 years old reached an all-time high last year (2021), having increased significantly from five to 10 years ago and reached historic highs since first recorded in 1988, he continued. Specifically, past-year, past-month and daily marijuana use (use on 20 or more occasions in the past 30 days) reached the highest levels ever recorded since these trends were first monitored in 1988. The proportion of young adults who reported past year marijuana use reached 43% in 2021, up from 34% in 2016.

He thinks the cited research, which he sent to the City Council, Mayor's office and chief of police, is clear that pregnant women are affected in their own right and that use in early adolescence might lead to lower birth weight of children even if women have children up to 29 to 30 years old – a decade or more later. He

implored all of them to support a ban on cannabis facilities in Northampton and thanked them for their time and attention.

The committee took a one-minute break at the request of Councilor Elkins, during which Councilor Perry explained the format of the meeting.

Florence resident **David Velez** commented on capping dispensaries, saying his concern is about the character of the town. In the six years he has lived here, he has seen a transformation in the character of downtown Northampton; what it's known for. It has turned into a hub for the burgeoning marijuana industry. Now Florence – his neighborhood - is targeted; it is up next. He doesn't think it is appropriate in the dead center -the four corners of town - where many, many children walk every day. It just doesn't seem like the right location. He knows there is no cap now and that the City Council has the power to address [future openings] with a cap. He doesn't think it is equivalent to compare it directly to liquor licenses; this is different. How many of these businesses are appropriate in one municipality? It seems like this is too much. It is not compatible with the character and overall image of downtown Florence. He mentioned the Pie Bar, the library, Florence Diner, the rag shag parade, etc. Another pot shop is not going to help this community or this neighborhood. He asked the City Council to address this with whatever power it has.

Lindsay Davison identified herself as a **Florence** resident and licensed clinical social worker with three kids in the Ryan Road School. Four years ago when the first dispensary opened, it was right where she got on the highway to take her kids to preschool. When they were four, they had all these conversations about what was going on, the police, the lines, etc. They've been talking about cannabis for a long time now, and, these days, it sort of feels like cannabis shops are a dime a dozen. Where ever they go, her kids are like, "oh, it's another cannabis shop."

They walk into downtown Florence all the time - to the library, the bike shop, Tandem, Pie Bar, etc. She is in full support of the diversity of their community and the variety of interests. As a clinician working with young adults, she has clinically seen the ease and dismissiveness with which many young people utilize marijuana. She is really concerned about the normalization of cannabis in their community with the number of dispensaries and easy access to cannabis. For the 12 years she has lived here, the main intersection in downtown Florence has always been known as the 'pizza corner.' She would hate for it to become the 'cannabis corner.'

If setting a cap is what the council has the power to do, as a community member involved in the community who likes and supports the community and also has three young children. . . Ms. Davison said she would stop there.

Ananda Lennox, Ward 7, thanked the committee for having this exploration around how different sectors of the community feel about cannabis. She used to run the Northampton Prevention Coalition and now works out of the area but is still a resident raising teenagers and a preteen. She was pro-decriminalization as she thought having a legal place to buy pot would probably not be such a bad thing for the community. Knowing they have a limited number of liquor licenses, she was really surprised when Northampton didn't consider a cap. She is frustrated with the marijuana growth and how quickly it seems to be happening. To her, it feels like now they have a lot of liquor stores and a lot of pot shops and it doesn't feel better; to her this doesn't feel like an improvement. It is getting really normalized. She doesn't want people who use pot to be stigmatized but she doesn't want her kids to think that's what they're going to do next. She's pro cap and looks forward to the conversation.

Michael Willers, MD, a Florence resident and pediatric cardiologist, began by thanking councilors for their hard and often thankless work. He sees patients from across New England and New York but most of his patients come from western Massachusetts and a very large number from Northampton. He cited four main reasons for capping the number of cannabis shops: to preserve and enhance the character of their town, to protect children and those in recovery and to pay heed to the voices of residents and Northampton's electorate.

Northampton used to be known for its visual, performing and culinary arts. People from all over western Mass came to town to see theater, dance and music, visit art galleries and eat at restaurants. Now their town has changed and it's known among others as the pot capital. Truly, they're the laughing stock of western Mass. "We're no longer known for our art and theater and music." Stores and restaurants are leaving and storefronts lie empty. What seems clear to him is that landlords are raising rents, hoping that cannabis stores that can afford the high rent will move in and preventing other merchants like restaurants and stores from doing so.

He has been seeing patients in this area, children and young adults, for 12 years. Since the legalization of cannabis and the sprouting up of pot shops he has seen a definite increase in the prevalence of addiction to marijuana among children and young adults. 'Mouthpieces' of the highly profitable cannabis industry will try to tell them that marijuana is not addictive and that it's safe, but that's a lie. Scientific research and clinical experience tells them otherwise; they know that addiction is dangerous. It leads to school and social problems and marijuana leads to health issues. For example, he knows of students at Northampton High School who go to school high every day and without it feel like they can't function. They come in with palpitations, fainting, anxiety attacks and withdrawal symptoms. Recently a paper published by the Journal of the American College of Cardiology linked marijuana use with cardiac arrhythmia and emerging research has shown that smoking marijuana actually leads to the exact same cardiopulmonary effects as smoking tobacco. Even kids as young as middle school have been found to be using marijuana regularly.

Speaking with a friend who is a pediatric emergency medicine doctor at Baystate, he has been seeing little kids coming in after overdosing on marijuana having eaten their parents' gummies. They eat them and go into cardiac arrest, then need to be intubated and placed on a ventilator, requiring a stay in pediatric intensive care. Marijuana is not harmless to children.

Lizzie and Ananda have spoken eloquently about the dangers of cannabis shops to those in recovery. He doesn't have anything to add except that, as citizens of Northampton, they owe it to this vulnerable population to support them in whatever way they can. The vast number of Northampton residents do not want any more pot shops; in fact, most of them want far less. He doesn't think any who voted to legalize cannabis would have foreseen that they would have 12 or more shops in their little town and would not have wished for such an overpowering deluge, crowding out other stores and venues. He begged them to listen to the concern of the vast majority of Northampton residents rather than to the money of the greedy and profitable cannabis industry.

As a lay person and concerned grandparent, her young adult grandchild with mental health concerns came across a gummy that sent them into a horrible psychotic event, **Adrienne** reported. It was terrible. As someone who lived in an urban area as an adult for many years, she is anxiety-ridden at the incidence; i.e. - pot shops on every corner. It is like an influx into a very peaceful, idyllic environment. Northampton is definitely a city now, not the country town she always thought of it as being. She hates to see what she

sees happening with this influx of cannabis. She dreads the appropriation of 'kind of a naïve innocence' on the part of a community that has been a safe and trusting place to be and to raise children from being 'snuck up on' by people who may not have its best interests at heart. A cap, please! Twelve shops within a five-mile radius? Come on! She really hopes that a cap will be imposed.

Annie Doran said she was in support of legalizing marijuana but believes there really should be a cap in Northampton. She is the mother of a soon-to-be kindergartner. The overpopulation really does scare her for some of the reasons that have been mentioned. One of the fears that hasn't been mentioned but is something to consider is the potential coming of cannabis cafes and the combination of that with alcohol, local road conditions, drunk driving and their children who walk around on the streets and will be driving.

Nikki Hanor, who said her spouse, Batya Cohen, is an ER physician, spoke in favor of a cap. She's heard what Michael said reiterated time and time again. Marijuana is not benign but the legislation was pushed through as if it were one of the more benign things without the extenuating circumstances that exist. They are a community of 28,000 with 12 marijuana shops. There is no reason why they should not have a cap or moratorium. She has heard people say that market forces will take out some and, yes, some beautiful Scandinavian-like stores can be seen with just two cars in the parking lot. It underscores a kind of ridiculousness. They talk about how this is a paradise town, well, now it's become a pot town. The fact that they cannot stop and take a look at what it's doing to their community and what the people really want, rather than what those with money and influence want, "is pretty shameful," she suggested. "It's okay to say there's a cap. . . We're not taking away things; we're saying okay, let's halt," she asserted.

"Let's step back. Let's see where we are. Let's put a cap on it," she proposed. The town has an image she thinks they'd like to preserve, she noted.

4. Items Referred to Committee

A. Three-Year Review of Chapter 290 Article 1 Use of Face Recognition Systems by Municipal Agencies, Officers and Employees

Councilor Perry used his discretion as chair to take review of the facial recognition ordinance out of order.

He recited its legislative history and recognized Javier Luengo-Garrido, Organizing Strategist/Community Advocate for the American Civil Liberties Union (ACLU) of Massachusetts.

ACLU representatives have attended several meetings of City Council committees to talk about the three-year review of the facial surveillance ordinance passed in 2019 with the sponsorship of former Councilors Bill Dwight and Alisa Klein and then Councilor Gina-Louise Sciarra, Mr. Luengo-Garrido related. The recommendation coming out of the ACLU is not to change the ordinance at this point. In regard to the provision added for it to come back every three years for review, he has since talked to former Councilor Dwight, and, in the end, he felt it was enough for it to come back for review just once.

The research presented when the ordinance first passed, such as MIT research showing that facial surveillance technology misidentifies black women up to 35% of the time, hasn't changed, he stressed. The technology is still extremely biased and what they have seen across the board is people misidentified by facial technology being wrongfully detained and arrested by police. Coming out of the last session in July, proponents were able to move an amended version of the bill passed two years ago. The House voted favorably but the Senate didn't act upon it. They are hoping to come back in the next legislative session because they want to make the law stronger. Right now there is no requirement in Massachusetts for a

judicial warrant, which they view as a minimum threshold for any agency in the state to have access to this technology. He offered to entertain questions.

Councilor Perry thanked him for the overview. He is proud that the original legislation was so strong and pleased that it was written in such a way that it will stand the test of time.

Councilor Maiore said the lingering question for her was the review process and how often it should be triggered, and he has addressed that. The council can always decide to review something so she thinks he is right about not needing to have a scheduled review.

They have passed these in Somerville, Boston, Springfield and Easthampton, most of the time with the support of the local police department, Mr. Luengo-Garrido noted. In 2019, the City Council passed it unanimously and what was passed was supported by the full administration and then Mayor Narkewicz. It was specifically that process that created a pretty strong and straightforward ordinance, he suggested.

Councilor Jarrett moved to recommend no change to the ordinance at this time and no further automatic review. Councilor Elkins seconded. The motion passed unanimously 4:0 by roll call vote.

5. Roundtable Discussion - The Impact of Retail Marijuana Sales on Community Resources

Councilor Perry prefaced the discussion by noting that it is part of a broader discussion taking place in different City Council subcommittees. The purpose is not just to discuss a cap or one dispensary but to look at the impact of the cannabis industry as a whole on the community over the past four years. For this discussion, he has chosen to invite people from the industry and also from the mental health community. He introduced Sue Stubbs, President and Chief Executive Officer (CEO) of ServiceNet.

Sue Stubbs said her colleague, Amy Timmins, was also present. To address the question of whether ServiceNet has seen any impact on people in its Northampton clinics with addiction issues, she interviewed the director of ServiceNet's outpatient clinic, the person who oversees addiction services and a couple of other therapists who work with people with addiction, she related.

All pointed out that cannabis was already readily available and freely accessible prior to legalization and the opening of the dispensaries, she reported. Somewhat to her surprise, they also said their clients generally do not frequent dispensaries because they are too expensive and the cannabis available outside of legal channels is still much cheaper. This may explain why they haven't really seen any uptick in addiction issues or problems, although they have seen a lot of mental health issues surface since the pandemic. They did not see any connection with the dispensaries, she presented.

One pointed out that some people who previously self-medicated with cannabis now have prescriptions for medical marijuana which can be a harm reduction strategy to help people get off heroin and harder drugs, which is a positive result. Her staff also noted that alcohol addiction is actually a bigger problem in their community than cannabis and that they have 93 liquor licenses. People that she talked to in general assume that many of the dispensaries will weed themselves out and not exist after a while. (No pun intended.) There is a dispensary right next door to their clinic on Pleasant Street and the director said she never saw a client of theirs (or anybody else for that matter) go in there.

In reading about previous community meetings, one objection to the location proposed in Florence was that it is too close to the CSO facility. She couldn't help but remember the community vigorously opposed the

opening of that mental health facility, so it is ironic that it is now being used as a reason not to put a dispensary there.

In summary, her staff has not noticed a particular negative impact on their clientele. Not to say that there aren't any negatives or that the community hasn't changed because of dispensaries, but, as far as a direct impact on ServiceNet clients, nobody has reported any big uptick or change.

Volkan Polatol, owner of Mulino's Restaurant and the Honey dispensary, shared his experience and perspective as a retail cannabis store owner. Among other things, he testified to the complicated and rigorous nature of the licensing process and the difficulty of owning and operating a store. None of the 12 in Northampton were licensed six months ago and all took literally three to four years to go through the licensing process, he shared.

Owners have to comply with numerous regulations and go through multiple compliance checks and inspections, he related. A lot of paperwork is involved as well as checks and balances at the state and local level to make sure stores are completely compliant and as safe as possible.

Products sold are all tested, grown and manufactured in Massachusetts, which he understands has the most stringent testing regulations in North America, he presented. Every product has to be child-proof and child resistant (CR) and every customer has to be checked and recorded for ID purposes. Day to day operations are strict and highly regulated and stores are subject to regular inspections. Operators cannot be missing one product. If something falls on the floor, owners have to pick it up, wave it to the camera and document that it fell on the floor. It is a very tedious process. Compared to what is sold on the black market, the product is also safe and well-documented. THC levels and the cannabinoid profile of each product is known as well as the expiration date.

Mr. Polatol also voiced his perception that the market is capping itself out. Three or four years ago, when people saw the success of NETA, "a light bulb went off in everybody's minds," he asserted. Prospective owners thought they were going to open these stores and buy a jet the next day. Everybody knows now that is not the case. The market kind of settled itself out.

"You have to be a nonbusiness person to open another dispensary," he observed. It just doesn't make sense. As people have said, new establishments are often seen with only one car in the parking lot or one person inside.

Most come in for the pleasure of smoking or to replace some kind of psychoactive medication such as anti-depressants or sleeping medication, etc. It's more for medical than recreational purposes, he suggested.

As far as capping, he wishes it was done a few years ago instead of now. From a business perspective, some MSO's (multi-state operators) literally spent millions of dollars to open and each store probably carries two to three hundred thousand dollars' worth of inventory. Owners also have payroll and rent, so owning and operating a dispensary is not easy.

The black market is still alive and well and runs 60 to 70% of cannabis sales. Whether they cap it or shut it down, the market is still going to be there. He would rather have retailers regulated by the state with quality-controlled merchandise, tax revenue for the town and assurances that consumers are getting the right product for their needs.

Heather Warner, Manager of the Strategic Planning Initiative for Families and Youth (SPIFFY) Coalition at the Collaborative for Educational Services (CES) and Caroline Johnson, PhD, SPIFFY's Public Health Data & Evaluation Specialist, gave a Powerpoint presentation entitled, "Youth Cannabis Use in Northampton."

The presentation started with the following observation:

As justification for more cannabis shops, people often highlight how many alcohol retailers exist. At the exact same time, they point out all the social problems alcohol use causes in an attempt to promote cannabis.

It seems like we can all agree that there is a link between the number of retailers in a community, substance use and negative consequences.

The number of cannabis retailers right here in Northampton has implications for use, Ms. Johnson concluded.

Next, she answered the question 'Why do we care about youth cannabis use?' with the statement, 'It is harmful.'

[See Powerpoint, attached, for additional details.]

Following the presentation, **SPIFFY Coalition Manager Heather Warner** explained the rationale for capping from a public health perspective. As they talk about the impact of retail cannabis shops on their communities, they need to realize that many dispensaries have only recently opened and that they have a lot more to learn about future impacts, she noted. Like alcohol and tobacco, cannabis is a controlled substance and therefore different from ordinary commodities. Controlled substances are regulated to insure quality control and keep them out of the hands of young people, among other things, so there are reasons for regulating them differently.

With no cap, market forces to increase competition can actually have a negative influence when they're talking about a controlled substance, she suggested. It could lead to cutting corners, hiring staff that are less qualified, seeking out younger markets, etc. The business model for tobacco and alcohol is that they need heavier users and lifetime users, and she's not convinced the model is any different for cannabis.

She was here before the City Council in 2018 and asked for caps then. At the time, they had even less data on the impact on their communities. In listening to the recording, some city councilors then said they thought the industry would plateau at about five or six shops. Taking a guess at where they might plateau now could be risky too.

There is big money at stake and, when that's the case, she thinks caps are even more important. The World Health Organization (WHO) says the top three ways to control excessive alcohol use and youth use are pricing, availability and advertising. These are the same factors that can be directly related to cannabis and to the need for capping. When there is a glut of stores in a region, there starts to be price competition and increased youth access. Since stores are all competing for the same market, there may be a greater inclination to go for a younger market. They might not have seen that yet, but they really haven't seen what it's like yet to have 12 to 15 stores in a market.

Cannabis consultant Ezra Parzybok said he didn't really want to re-litigate the law. In 2016, Massachusetts legalized marijuana for adult use and a decade ago in 2012, it legalized marijuana for medical patients. Northampton is famous for its legacy growers. His perspective is less one-sided, he suggested. He is very aware of the harms, the dangers and the effects on the brain. What he is interested in is a 20-year outlook moving forward.

Mayor Narkewicz before he left said that he regretted capping liquor licenses, Mr. Parzybok claimed.

He would agree they should probably cap liquor licenses. What if more liquor means more kids use? Well, it also means economy. When Dr. Willers mentioned art, theater and music, a lot of that economy thrives in an environment where alcohol is present, he asserted. "That is what drives people to come to Northampton, to go to restaurants, to listen to live music."

The Cannabis Control Commission (CCC) has allowed kids to walk by dispensaries and for cannabis to be grown at home where kids are. So basically what they've determined in this state is that it's here to stay.

What they have coming in 2023 are social consumption sites where people can consume cannabis and drive away. These cafes are going to bring people. It's going to be a destination. He understands the perspective of fear. There are people who only know and research the negatives. He assumes people speaking in opposition often are not around the culture and the people who consume it.

If they accept that it is here, the question becomes how they develop a successful economy. They brought alcohol into this town as of 1937. It has harms, but they would all be really disappointed if none of the restaurants had alcohol and there were no package stores. They have allowed it to be normalized despite the harms.

What happens in a market where licenses are capped is that a secondary market develops. Liquor licenses can be sold, so if licenses are limited, they become more valuable. As the value goes up, those who can participate in the market have to be wealthier. This is what is going to create a push for corporate, non-local ownership. Every single license in Springfield has already sold to a larger company because host community agreements (HCA's) are so rare. "If you lock down the number, those who have licenses who aren't making enough money" will sell to larger corporations. All of the local people who are passionate about the industry will lose out and giant MSO's (multi-state operators) will come in. Then, if there is an issue with increased youth use, it just goes up the chain of command.

If Euphorium is the tipping point of acceptance, he's not sure capping is the answer. Instead, a special permit process is a very simple way to regulate, he proposed. If special permits were required for retail as they are in probably 99% of the communities in Massachusetts, the Euphorium store would never pass because it has to be in harmony with the local character. This is a simple way to regulate that still allows the industry and economy to grow.

He would encourage everyone, especially those looking at data that only confirms their existing bias, to think about it on a much longer timescale. He reads articles every day on cannabis. The pharmaceutical industry suffers a \$10 billion loss for every legalization event. Every time there is legalization on a state level, they lose money because people replace their sleeping aids, opiates, etc. - more expensive products with stronger side effects - with cannabis.

His perspective, his thinking, is hmm . . . it's here. How are we going to make it sustainable? How are we going to educate our children?

People seek him out for information on cannabis, he noted. In 20 or 30 years, they will have so much more education. He loves this town. He is going to usher cannabis into this town as safely as he can but with education.

If anyone wants more unbiased data, he is happy to present some more balanced information, he offered.

Caroline Johnson noted that her background is social psychology, a field closely related to public health. Her background is in research and understanding research at a comprehensive level, not to present her own bias.

In public health, they have to show that the scientific benefits to society outweigh the costs to public health of doing something. She would love to hear Ezra comment on some peer-reviewed medical literature that speaks to how the health benefits outweigh the costs, she said.

At Councilor Perry's request, the committee recessed for 5 minutes. At approximately 7:30 p.m., the committee reconvened. Councilor Elkins assumed the position of chair until 7:40 p.m., when Councilor Perry returned.

Upon rejoining, Councilor Elkins invited Mr. Parzybok to present other data if he wished to do so. As a point of clarification, she also clarified that Mayor Narkewicz did not impose a cap as mentioned. Liquor licenses are regulated and controlled at the state level. She recalls conversations with Mayor Narkewicz in which he certainly lamented the caps and their effect, but he could not have said he regretted having passed a cap because he didn't have anything to do with it.

In response to her invitation, Mr. Parzybok said that part of the issue is a lack of data. Also, a deficiency of the data presented is that, if the whole purpose of a person doing research is to find the harms of cannabis to kids, they're only going to look for harms.

Discussion

For the next hour and 15 minutes, Councilor Perry directed questions from councilors and the public to presenters and facilitated a group discussion.

Among other things, councilors asked about the impact of capping on existing cannabis retailers, whether prevention coordinators had a specific recommendation for a minimum buffer from schools and how they might suggest setting a cap based on data.

Caroline Johnson said she knows Northampton reduced its buffer zone from 500 feet to 200 feet and that's probably something they should revisit. Heather Warner said she doesn't think they will be able to come up with a number for Northampton; she thinks they're on new ground. What they're hearing from the business community is that maybe they should have capped at five or six.

In response to a question about public education, Ms. Warner said this is one of the roles of prevention coalitions. One of the things they have been fighting for is mandatory health classes with curriculum that

talks about the war on drug and its negative impact and examines how corporate interests and advertising influence young people's decisions.

However, "We will never be able to educate our way out of substance use problems," she cautioned. "Policy is what will change youth use," she asserted. Policy is the most effective public health approach, she stressed.

Warner pointed out there is a continuum associated with prevention efforts, similar to that in place for sex education. In college settings, the focus of education is harm reduction. In high school, there's a waiting that happens. If educators were to fully embrace harm reduction, they would be setting a norm or expectation for younger students that this behavior is a rite of passage and something to be expected. They are partnering with harm reduction folks to explore ways to reframe the discussion about drugs.

At the state level, Cannabis Control Commission (CCC) regulations require education in the form of very specific educational materials in every cannabis store, Mr. Parzybok said. However, he feels there is 'a huge glaring lack of education.' It frustrates him that, as a guy who went to art school, he is the local expert on the endocannabinoid system. He would love to see more education.

Councilor Perry addressed questions to Volkan and Ezra about disposal requirements for products and containers and rules and restrictions that have had the unintended consequence of causing cannabis retailers to make greater use of single-use plastics.

After their responses, Florence resident Kara McLaughlin commented that it is very upsetting to her that the marijuana industry is here to rebut all of the comments about public health. If committee members wanted to hear about the impact to the community, they should have invited community members, not members of the cannabis industry, she suggested.

"It's very upsetting to have everything rebutted by the cannabis industry," she said.

She also said she was really concerned about the coming of cannabis consumption outlets.

In the remaining time, additional public comment was accepted from **Michael Willers, David Velez, Laurie Loisel, Kipp Armstrong, Trish Armstrong and Rick Haggerty.**

6. Minutes of Previous Meeting

A. Minutes of February 28, 2022, March 21, 2022 and June 27, 2022 Meeting

Councilor Elkins moved to approve the minutes of February 28, 2022, March 21, 2022 and June 27, 2022 as a group. Councilor Maire seconded. The motion passed unanimously 4:0 by roll call vote.

7. Updates and Announcements from Committee Members

Florence Night Out is coming, Councilor Perry announced.

Councilor Jarrett reminded those listening of the dates of the next subcommittee meetings related to the topic of cannabis. The City Services Committee meeting Monday, October 3rd will feature a discussion on the impact of retail marijuana sales on city services and the Finance Committee on Wednesday, October 12th at 6 p.m. will discuss the financial implications of a cap on retail establishments.

8. New Business
None.

9. Adjourn. Councilor Maiore moved to adjourn; Councilor Elkins seconded. The motion was approved on a roll call vote of 4 Yes, 0 No. The meeting was adjourned at 8:46 p.m.

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