



Committee on Finance and the Northampton City Council

*Councilor Gina-Louise Sciarra, Chair
Councilor Marianne LaBarge, Vice Chair
Councilor Michael J. Quinlan, Jr.
Councilor John Thorpe*

On-line Zoom Meeting

Meeting Date: April 15, 2021

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

1. **Meeting Called To Order:** At 10:28 p.m., Councilor Sciarra called the meeting to order.
2. **Roll Call:** Present were committee members Gina-Louise Sciarra (Chair), Marianne LaBarge (Vice-Chair), Michael J. Quinlan, Jr. and John Thorpe. Also present from the City Council were William H. Dwight, Alex Jarrett, Karen Foster, Rachel Maiore and Jim Nash. Also present were Mayor David Narkewicz, Finance Director Susan Wright, Office of Planning and Sustainability (OPS) Director Wayne Feiden, Conservation/ Preservation Planner Sarah LaValley and Administrative Assistant Laura Krutzler.
3. **Approval of Minutes of March 18, 2021**
Councilor Quinlan moved to approve the minutes of March 18, 2021. Councilor LaBarge seconded. The motion passed unanimously 4:0 by roll call vote.
4. **Third Quarter Financial Report**
Finance Director Susan Wright presented the third quarter financial report.

Starting with the General Fund (GF), while revenues are definitely below where they normally would be, they are on track and actually coming in slightly better than what was budgeted this year, Ms. Wright reported. Revenue is coming in as expected and, in some cases, a little better than they thought. There are key revenues not back to the 2019 level, she acknowledged.

One bright spot is that parking is picking up. Normally, the city would bring in \$2 million and, three quarters in, they are at \$592,000, which is about 40% of what they would normally collect. But when she isolates the 3rd quarter, they are actually at 54% rather than 40%. She thinks if councilors have been downtown they have seen the uptick in activity. She is optimistic parking revenues are going to start to rebound, particularly with outdoor dining.

The same is true for hotel/motel and meals taxes. Parking revenues are immediate, but for hotel/motel and meals, there is such a lag that third quarter revenues are really for November, December and January, she reminded.

City Council Committee on Finance Meeting Minutes for April 15, 2021

In other GF revenue, adult marijuana excise is also right on track, actually slightly above the amount budgeted, and building permits are doing quite well.

In general, at the end of the 3rd quarter, they are at about 75% of the revenues budgeted, so they are right on track. She looked at FY2020 and FY2019 to see where they were by the third quarter, and they were at 72% of revenues in FY20 and 73% in FY19. So, at 75.4%, they are on track to meet revenue projections.

In terms of GF expenditures, there are no areas of concern. For snow and ice, she will be coming to them at the next meeting with budgetary transfers and they will shore up the snow and ice account. It hasn't been one of their biggest years. There aren't any other line items in the GF she is concerned about; they are pretty much tracking where they should be.

She does project they will need to move some money around in the salary line items.

In terms of enterprise funds, there is not a whole lot to talk about. Sewer and water revenue are at 85%, so they are above budgeted.

Stormwater is at 77% and solid waste is at 84%. All of those are tracking as expected. The expenditure side are also about where they would expect. All are at about 50% because there are a lot of capital projects, many of which happen in the late spring. All are performing as expected as well.

Councilor Quinlan said he was wondering about the sewer and water enterprises since they moved \$600,000 into the revised budgets earlier to account for a loss in revenue. Since revenues are now well over 75% at three-quarters of the way through the year, would they move that money back? He asked.

As revenues come in, water seems to be tracking fairly well, but sewer is actually a little bit down, Director Wright related. The \$600,000 that was put in was from retained earnings. At the end of the year, the budget will close out to retained earnings and retained earnings will be recertified. In the fall when Free Cash and retained earnings are certified, they can move the money back into the stabilization funds.

Councilor Quinlan said he was looking at some of the allocations and noticed that, of the five largest departments represented in the budget hearings, the DPW actually spent less than 50% of its allocation. He wondered why the percentage spent was so low.

There are probably two reasons, Director Wright said. First, the DPW has some vacancies, which will result in excess in some salary lines. Also, Forestry, Parks and Cemeteries spends a lot of its money in April, May and June so it is not unusual to see the DPW not fully expended at this time of the fiscal year.

Councilor Jarrett said he noticed a few categories in the GF that are in the 80's for expenses; i.e., IT at 81%, the Clerk's office at 81%, Senior Services at 86% and Forbes and Lilly libraries at 84 and 83%. Are those ones expected to spend more earlier or are they ones they might have to shore up later? He asked.

Particularly for IT, it is not unusual for them to have spent almost 70 or 80% of their budget a couple of months in because they spend a chunk of their money at the beginning for software licenses, Director Wright responded. Lilly and Forbes have already received 10/12^{ths} of their budget. A lot of departments spend their OM upfront because of what they may be spending it on. The Clerk's office is through her busiest season, so it makes sense that she would be at 80%.

City Council Committee on Finance Meeting Minutes for April 15, 2021

She does track every payroll from January on and does a projection after each payroll. She will be bringing some adjustments at the next meeting.

Mayor Narkewicz noted that this was Director Wright's last quarterly report. She retires June 29th and so will not be here for the fourth quarter report. He thanked her for keeping all the budgets in line for so long.

5. FINANCIAL ORDERS

A. 21.244 An Order To Acquire And Amend Easements At The Mill River Greenway-Smith College

Councilor Sciarra read the order.

Councilor Quinlan moved to forward the order with a positive recommendation. Councilor LaBarge seconded.

OPS Director Wayne Feiden prefaced his explanation by saying that Smith College is being very generous and the city is very pleased. The city would be giving two rights to Smith; first, the ability to park in the gravel area on both sides of the fence at the bottom of Hospital Hill. As a practical matter they are already doing it. The easement allows parking for recreational use; it does not allow it for non-recreational uses, but the city hasn't really enforced that. It's mostly used by recreational users but, in snow emergencies, Smith College students park there and, during construction projects, construction crews park there. They would in essence be blessing what they are already doing.

Second, Smith College has committed to being carbon neutral by 2030 but is still exploring how to get there. This isn't definitely what they're going to do, but one approach they're exploring is a massive system of ground source heat pumps to heat and cool the entire campus. This would allow them to do that. There certainly would be a construction period, but once it was over, it wouldn't be visible since the pipes would be underground. Those are the two things they are giving them.

The city gets two things in return: the easement Smith gave the city that protects Hospital Hill is only a 30-year easement. The city would like it to be permanent. Smith College is agreeing that, instead of it running out after 20 years, it will be indefinite. In addition, going from the crew house to Ward Avenue, 80% of that walk is on Smith College property. They have never tried to exclude the public from using it. Smith would basically be committing it forever to public access.

It sounds like a win/win, Councilor Sciarra commented.

There being no questions, the motion passed 4:0 by roll call vote.

B. 21.248 An Order To Appropriate CPA Funds For Historic Northampton Collections Storage Councilor Sciarra read the order.

Councilor LaBarge moved to forward the order with a positive recommendation. Councilor Thorpe seconded.

Conservation/Preservation Planner Sarah LaValley identified herself as staff to the Community Preservation Committee (CPC). The CPC is responsible for making recommendations to the City Council for how Community Preservation Act (CPA) funds are spent in the four CPA program areas: community housing, City Council Committee on Finance Meeting Minutes for April 15, 2021

historic preservation, open space and recreation, she explained. The CPC is comprised of nine members, five of whom are appointed from boards and committees representing CPA program areas (one each from recreation, Planning Board, Conservation Commission, Historical Commission and the Housing Authority), two appointed by the mayor and two elected at large.

The CPC began reviewing project proposals back in January. Members unanimously voted to recommend everything before them tonight for a total of \$338,750. The Historic Northampton collections item is being recommended through the Small Grants program, which was created for discrete projects of \$3,000 or less. Historic Northampton's collections have grown over the years and have expanded well beyond the museum's storage capabilities in the limited archives room. The project will allow Historic Northampton to purchase new shelving, filing cabinets and document boxes that will preserve the collections and also allow for public access.

There being no questions, the motion passed unanimously 4:0 by roll call vote.

C. 21.249 An Order To Appropriate \$120,000 In CPA Funds Toward Habitat Housing On Burts Pit Road

Councilor Sciarra read the order.

Councilor LaBarge moved to forward the order with a positive recommendation. Councilor Quinlan seconded.

This project is being brought forward by Pioneer Valley Habitat for Humanity (PVH4H) after completion of several other successful projects in Northampton, Ms. LaValley related. It will include three small, energy-efficient homeownership units each on their own lot. The development is near a very popular multi-use trail recently put in by the city as well as Burts Bog Greenway and will be restricted to families earning 60% of area median income (AMI) or less. The units will be a size mix of one-, two- and three-bedroom homes.

Councilor LaBarge read a brief statement expressing her support as follows: "As a city councilor, I feel that building 1, 2 and 3 bedroom homes is creating a variety of ownership opportunities for those that would not be able to afford a home on their own. As long as I've been a city councilor, I have heard many, many strong voices asking for more affordable housing in our city. On my ward on Westhampton Road where I live, I have Habitat for Humanity housing which was put in several years ago, two units of condos and two other units with two condos each for a total of six units. I was in full support of making that happen with Habitat for Humanity and with the Planning Department and the Community Preservation Committee and also the city councilors and full support of surrounding neighbors. I am also very proud to say that for an investment by the city of CPA funds of only \$40,000 per unit, three new permanent, affordable, green ownership units will be created for a total of \$120,000. The \$120,000 will be used toward the construction expenses to build the three houses. The CPA grant that we are talking about tonight will definitely help us to respond to the many, many people who are asking to make homes affordable for low-income populations."

She listed the prices of the homes as follows: One bedroom - \$170,000, 2, two-bedrooms - \$180,000 and 3-bedrooms - \$190,000.

This is absolutely wonderful. Many homes on her ward could sell for \$800,000 to \$2 million, she continued. PVH4H always commits to putting deed restrictions on the homes so that the affordable housing dollars will not be lost and the home can remain affordable in perpetuity. In a city where the median home price was

City Council Committee on Finance Meeting Minutes for April 15, 2021

recently quoted as being \$310,000 this is an important safeguard for having diverse and inclusive residential neighborhoods. Habitat and the City of Northampton have already signed a regulatory agreement committing these units to permanent affordability. The Broughton's Meadow homes plan to sell for \$120,000 through \$175,000, highlighting that smaller energy-efficient homes are possible in Northampton at affordable prices. She praised the location of the homes, citing access to existing walking trails, including a safe route for children to Ryan Road School. "I support this 100%," she concluded.

The motion passed 4:0 by roll call vote.

D. 21.250 An Order To Appropriate \$14,500 in CPA Funds To Lilly Library Stair Repair Project
Councilor Sciarra read the order.

Councilor Quinlan moved to forward the order with a positive recommendation. Councilor LaBarge seconded.

In this instance, Lilly Library presented a project with a fairly small dollar amount but which will have a huge impact, the committee felt. The stairs were the main entrance to the library until 2005 when it was renovated for the first time since its original construction in 1890. The stairs were built using a masonry wall that supported the granite steps with just an aesthetic granite layer on top of the masonry. The supportive masonry has since collapsed leaving only the granite veneer. This project will correct that, maintaining the building's historic appearance and emergency exit.

The motion passed 4:0 by roll call vote.

E. 21.251 An Order To Appropriate \$70,000 In CPA Funds For Historic Preservation Plan
Councilor Sciarra read the order.

Councilor LaBarge moved to forward the order with a positive recommendation. Councilor Thorpe seconded.

Historic preservation and cultural resource plans are incredibly important tools that include public input, resource identification, priorities and needs. An action plan developed from those helps to achieve a community's goals. Northampton has never had a full historic preservation plan and CPC members agreed with the Historical Commission and OPS that this should be a priority item that really needs to be funded. All of the other CPA program areas – housing, open space and recreation – have at least one long-term guidance document and historic preservation does not. Creating this for historic preservation will fill a needed gap.

Councilor Nash expressed his understanding that Ms. LaValley was familiar with the discussions they've just been having around St. John Cantius and St. Mary's and how to preserve those structures. Right now, St. John's doesn't have any historic criteria to preserve it by. He asked if this plan would help develop criteria for places like St. John Cantius.

A historic preservation plan will help identify the important needs of the community, what they feel should be protected and where that funding should be spent, which is something lacking now, Ms. LaValley confirmed. The structure that the OPS and the Historical Commission put forward by including this in the overall Sustainable Northampton Plan won't limit that to historic preservation but will also bring in Planning

Board, Central Business Architecture Committee (CBAC) and other mechanisms to make sure it actually happens.

Councilor Jarrett spoke in favor. With the increasing development pressures that are happening and the demolition of houses and other buildings, it is an important step to understand the city's history and decide what they should preserve. There is overlap because, from an energy perspective, preserving and upgrading older homes and buildings is a better choice. It takes decades for the lower energy costs of new construction to outweigh the embodied energy of that construction. He is in favor, he said.

The motion passed 4:0 by roll call vote.

F. 21.252 An Order To Appropriate \$21,250 In CPA Funds For Damon House/Shepherd Barn Project

Councilor Sciarra read the order.

Councilor LaBarge moved to forward the order with a positive recommendation. Councilor Thorpe seconded.

These funds will allow Historic Northampton to restore the balustrade that surrounds the roofline of the 1813 Damon House as well as complete a technical and structural analysis of the 1805 Shepherd Barn prior to its preservation and restoration as well as eventual reopening to the public with unique displays, Ms. LaValley explained. The balustrade is a replica but was an important original component of the building and critical to restoring the house's historic appearance. It is not in good shape.

The Shepherd Barn project will protect the structure from harm or destruction.

The motion passed 4:0 by roll call vote.

G. 21.253 An Order To Appropriate \$60,000 In CPA Funds For Mill River Greenway Beach Project

Councilor Sciarra read the order.

Councilor LaBarge moved to forward the order with a positive recommendation. Councilor Quinlan seconded.

This project will allow the Conservation Commission to acquire a property along the Mill River in Leeds next to both the Mass Central rail trail and existing open space that is already part of the city-owned Mill River Greenway, Ms. LaValley advised. It is known recently as an owner unknown parcel since it has had no active owner since at least the early 1900's. Its acquisition will create public access and allow for a thorough clean-up of both historic and recent trash and allow the Conservation Commission to install signage, benches, trash receptacles and a concrete pad. As with all CPA open space acquisitions, a permanent conservation restriction will be placed on the property. This will include provisions to address trash disposal, cleanups and stewardship moving forward.

Councilor Maiore said she is very excited about this because it is really part of the issues they have had in the summer. It is kind of a 'no man's land' where nobody knows the rules. Thankfully they have the wonderful Leeds Civic Association that is committing to stewarding this. They've already designed beautiful way-finding and other signs referring to the handling of trash. She thinks it will really help with the overall

City Council Committee on Finance Meeting Minutes for April 15, 2021

monitoring of the Leeds swimming areas which are getting more popular every year. A lot of permanent volunteer commitment is being made.

Councilor Maiore asked the purpose of the \$60,000.

This is a friendly taking, so it represents the lesser of either the appraised or assessed value, Ms. LaValley explained. The money will be placed in escrow in case an owner comes forward.

Members asked questions to clarify the location of the parcel and timeframe for someone to make a claim.

Ms. LaValley said she believes the back taxes go back for five years. Purported owners would have to document that they were related to the last identified owner. There has not been an identified owner since the late 1800's or early 1900's, Councilor Maiore said.

The motion passed 4:0 by roll call vote.

H. 21.254 An Order To Appropriate \$50,000 In CPA Funds To The Affordable Housing Fund

Councilor Sciarra read the order.

Councilor Quinlan moved to forward the order with a positive recommendation. Councilor Thorpe seconded.

This should sound a little bit familiar since it was also recommended for funding by the CPC during the last round of CPA projects, Ms. LaValley reminded. The funds will be realized for due diligence and soft costs for pre-development planning needed for new housing opportunities such as environmental assessments, site plans, survey work, etc.

The city's affordable housing developers have told them they find it invaluable for this initial work to have been completed when they're working on affordable housing projects, she added.

The motion passed 4:0 by roll call vote.

I. 21.256 An Order Authorizing Waiver Of Right Of First Refusal For 2.93 Acres Off Kennedy Road

Although 21.255 was listed next on the agenda, Councilor Sciarra took this item out of order since it was being displayed on the monitor. Councilor Sciarra read the order.

Councilor Quinlan moved to forward the order with a positive recommendation. Councilor Thorpe seconded.

Property owners get reduced taxes for keeping land in recreational, forestry or agricultural use and in return the city gets a right of first refusal when the property comes out of this use, Director Feiden explained. The city always looks carefully at properties being released to see if there is any public use for the land such as affordable housing, open space, etc. In this case, planners are recommending against exercising the city's right of first refusal.

The motion passed 4:0 by roll call vote.

J. 21.255 An Order Authorizing Acquisition Of A Parcel Of Land On The Southeasterly Side Of Brierwood Drive

Councilor Sciarra read the order.

Councilor LaBarge moved to forward the order with a positive recommendation. Councilor Quinlan seconded.

This is part of a larger project encouraging safe routes to school and reducing students' walking distance, Director Feiden explained. It has been an existing short-cut for years but the city has never owned the land and had formal rights to it. As part of a normal review of tax title properties, staff came across this parcel and thought it would be a great opportunity for a shortcut to Ryan Road School. Students are already using it and the principal of Ryan Road School is very supportive of this and wants it to go forward. The action/order would both legalize that access and give the city the right to make some modest improvements. They would probably mark the property so people know where the boundary is and maybe make minor trail improvements.

Councilor LaBarge referred to a meeting with the Bombards a year and a half or two years ago when there were complaints about the use of this land. She said she thinks it is a great opportunity. She and Director Feiden did a site visit with Sandy Bombard and her husband, and they were very pleased about it because the city will have responsibility for the site and will make sure there is due respect and that people don't go onto the Bombard's property.

Councilor Dwight asked about the dissolution of Edbert homes

Between the end of WWII and the late 1970's most of the homes in the Ryan Road area were built, Director Feiden related. Most of the companies later dissolved. The companies had a living off of building Federal Housing Authority (FHA) and Veterans Administration (VA) homes and, once those programs ended, they didn't stay in business. The property is assessed at \$3,000 and the taxes due are \$9,120.

City Council at the mayor's request appropriates money in the Capital Improvement Program for buying land in tax title, he noted.

The motion passed 4:0 by roll call vote.

6. New Business

None.

7. Adjourn: There being no further business, Councilor Quinlan moved to adjourn. Councilor LaBarge seconded. The motion carried on a roll call vote of 4 Yes, 0 No. The meeting adjourned at 11:35 p.m.

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