

The Committee on Finance met on Wednesday, September 14, 2011 at 6pm.

The meeting was audio taped for the record.

Members present were Alderman L. Charles DiPerri, presiding, Alderman Michael Marchese, Councilors Daniel Napolitano, David Rodrigues, Rosa DiFlorio, Carlie Smith and Cynthia Sarnie. Also present were Non members Alderman Millie Cardello and Councilor Peter Napolitano.

Member absent was Alderman Sal Sachetta

Communication received from Alderman Sal Sachetta that he would be unable to attend due to a death in the family.

The Committee considered an Order offered by Councilor Sergio Cornelio, as President: To Petition the Great and General Court to enable legislation for an act authorizing the City of Everett to establish a linkage fee revolving fund.

Mayors Chief of Staff Melissa Murphy, Assistant City Solicitor Jill Barringer and Community Development Director Marzie Galazka were also present.

Ms. Murphy explained that the City Council was not voting on a Linkage Fee ordinance, but were voting to allow the City to Petition the State Legislature on the Act to allow the City to establish a Linkage Fee Ordinance. She stated that if the State Legislature did approve then the Mayor's Administration would work with the City Council's Rules and Ordinance Committee in drafting the proposed Linkage Fee ordinance. Ms. Galazka informed the Committee that at the present the City tries to get new developers to provide contributions as a Good Neighbor. Councilor Sarnie asked if other surrounding communities had linkage fees. Ms. Murphy noted that the cities of Boston, Cambridge and Medford did. Alderman Marchese questioned if this would be a one time fee and Ms. Murphy responded that it would depend upon the language developed in the proposed ordinance. Alderman Marchese expressed concern over this proposal with businesses already paying high commercial taxes. Councilman Peter Napolitano also expressed concern that this could limit future development within the City. Ms. Galazka reminded all that the cost of services needed to be considered and the burden shared. Councilor Peter Napolitano countered that commercial taxes were already paying for the cost of services and again he reiterated that he felt that this was limiting business consideration from coming into Everett. Ms. Galazka explained that the City Council would be working on developing the ordinance to apply it where they felt necessary. Ms. Murphy informed the Committee that the City of Medford had an "opt out" provision that the City of Everett may want to consider including in the proposed ordinance. Councilor DiFlorio asked if the linkage fees received would go into a revolving account only to be used for Parks, sidewalks and Public Facilities and Ms. Murphy responded that it would. Alderman Cardello noted that she had originally supported the idea of linkage fees but stated that these are different economic times and felt that any public property damage could be covered by the bonding the developers received rather than trying to apply linkage fees for this reason.

Alderman DiPerri asked how the fee would be determined. Ms. Murphy provided an overview of what some of the other cities do and noted that the final decision on fees would be determined by

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the City Council Rules & Ordinances Committee. Councilor Daniel Napolitano referenced the construction of Air Force Road as an example for the use of linkage fees as it relates to new development in that area. Councilor Peter Napolitano remarked that he felt it was an attempt to shake down potential developers and asked what other surrounding communities required a linkage fee from developers. He also expressed concern that the City was not going after developers on the bonding requirements if damage was done to public ways. Councilor Peter Napolitano stated further that the City wouldn't be able to account for businesses that decide not to locate in Everett due to this cost. Ms. Galazka responded that the City of Everett was a very desirable place to do business based on its location. Ms. Barringer stated that this was being done in other communities and it was not being used as a tax. Councilor Rodrigues indicated that one benefit would be to take negotiating contributions from developers away from the Planning Board so they could focus more on planning aspects. Alderman DiPerri questioned if the Planning Board actually negotiated the linkage type fees/contributions. Mr. Murphy responded that more or less the Administration negotiated these fees/contributions. Alderman DiPerri questioned that if the State Legislature approves would the Administration be presenting a draft Linkage Fee Ordinance to the City Council so the Committee on Rules & Ordinances could review and make appropriate changes as it felt needed. Ms. Murphy stated that the Administration would do so.

The Committee voted for favorable action on the Order with Alderman Marchese recorded in opposition.

The Committee voted: To report back to the Common Council with a recommendation favorable action.

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Member absent was Alderman Sal Sachetta

Communication received from Alderman Sal Sachetta that he would be unable to attend due to a death in the family.

The Committee considered a Resolution offered by Councilor Peter Napolitano: That the Mayor and the Director of City Services appear to explain a recent Globe article listing the cost of Public Works per resident in 2009 with Everett being listed in the top 20 highest communities at \$481.61 per Everett resident while the State median was \$178.00.

Acting City Service Director Peter Pietrantonio, Assistant City Solicitor Jill Barringer and Community Development Representative Caryn Antonelli were also present.

Ms. Antonelli provided the Committee with a copy of a spreadsheet to show an "apple to apple" approach on how the Boston Globe calculated the average cost for residents. Ms. Antonelli showed that the purchase of new equipment in 2009 along with the inclusion of water/sewer costs drove the cost per resident higher that year. After eliminating these expenditures in comparison to the information collected from other communities it revealed that the City of Everett's Cost of Public Works per resident was actually \$164.35 which was less than the State Median and lower than some of the surrounding communities. Councilman Peter Napolitano remarked that the purchase of the new equipment shouldn't be taken out of the calculation since it was still spent. Mr. Pietrantonio responded that the new equipment was very much needed at that time due to the disrepair of the equipment on hand. Ms. Barringer explained that they were not calling the Globe article inaccurate, but just showing what the cost per resident is now without that one time purchase of equipment or the inclusion of water/sewer costs. Councilor Peter Napolitano indicated that he needed more time to review the information provided. Councilman Rodrigues recommended that the matter be laid over in Committee to give Councilor Napolitano the opportunity to review further prior to the next meeting.

The Committee voted: To report back to the Common Council with a recommendation to request further time.

Respectfully Submitted,
John W. Burley
Clerk of Committees