



# Finance Committee Report

## City of Newton In City Council

**Monday, January 24, 2022**

Present: Councilors Grossman (Chair), Humphrey, Noel, Kalis, Oliver, Norton, Gentile and Malakie

City staff present: Comptroller Steve Curley, Chief Financial Officer Maureen Lemieux, Fire Chief Gino Lucchetti, Director of Planning and Development Barney Heath, Director of Transportation Planning Nicole Freedman, City Clerk/ Clerk of the Council Carol Moore and Chief of Staff for DPW Shawna Sullivan

**#102-22      Authorizing funds for fire prevention education classes**

HER HONOR THE MAYOR requesting authorization to appropriate and expend the sum of two thousand six hundred dollars (\$2,600) from Fire Prevention Fine Receipts Reserved for Appropriation, Acct # 5500-335519. In compliance with M.G.L. 148A, these funds will be used for fire prevention education classes such as fire investigation and code updates.

**Action:**      **Finance Approved 6-0 (Councilor Gentile and Norton not voting)**

**Note:**      Fire Chief, Gino Lucchetti presented the request for \$2,600 from the Fire Prevention Fine Receipts Reserved account to be used for fire prevention education classes such as fire investigation and code updates.

It was questioned if the \$2,600 is enough to fund one round of classes?

Chief Lucchetti explained that it costs approximately \$1,500 to become a member of the National Fire Code System and then it is \$300 per class.

Councilor Kalis motioned to approve which passed 6-0 with Councilors Gentile and Norton not voting.

**#106-22      Authorization to expend a MassDEP Recycling Dividends Grant**

HER HONOR THE MAYOR requesting authorization to accept and expend a sixty-eight thousand dollars (\$68,000) in MassDEP Recycling Dividends grant funding for the City's waste diversion efforts.

**Action:**      **Finance Approved 6-0 (Councilor Gentile and Norton not voting)**

**Note:**      Shawna Sullivan, Deputy Director of DPW presented the request to accept and expend \$68,000 in MassDEP Recycling Dividends grant funding for the City's waste diversion efforts. Ms. Sullivan explained that the City does receive this grant annually. These funds are based on a point system that can be earned from waste diversion and other city programs. She further explained that as the City continues to invest in programs, the more points are earned for the grant.

Councilor Kalis motioned to approve which passed unanimously.

**Referred to Public Facilities and Finance Committees**

**#110-22 Rescind and Transfer \$4,000,000 to fund Water Main Improvements**

HER HONOR THE MAYOR requesting that the sum of four million dollars (\$4,000,000) of the ~~Board~~ Bond Authorization approved through Council Order #198-20 be rescinded and further requesting authorization to appropriate and expend four million dollars (\$4,000,000) from Water Fund Undesignated Fund Balance Acct # 6000-3599 for the purpose of funding FY2020 21 Water Main Improvements.

**Public Facilities Approved 7-0 on 01/19/21**

**Action: Finance Approved 6-0 (Councilor Gentile and Norton not voting)**

**Note:** Maureen Lemieux, Chief Financial Officer presented the request that the sum of \$4,000,000 of the Bond Authorization approved through Council Order #198-20 be rescinded and further requested authorization to appropriate and expend \$4,000,000 from Water Fund Undesignated Fund Balance Acct # 6000-3599 for the purpose of funding FY21 Water Main Improvements. Ms. Lemieux explained that they were conservative in the budget last year due to Covid-19 so there is more of a surplus in that account than the City needs. The City will use the \$4,000,000 for water main improvements and the rest of the funds will be bonded. This account will still have 5 months' worth of reserves left.

Councilors asked the following questions:

Q: Is water consumption back to where it was pre-pandemic?

A: Ms. Lemieux explained that the total water consumption is weather dependent.

Q: Will it be necessary to raise water rates this year?

A: Ms. Lemieux explained that they have not reviewed that portion of the budget yet.

Councilor Oliver motioned to approve which passed 6-0 with Councilor Gentile and Norton not voting.

**#107-22 Acceptance of \$75,000 from the Housing Choice Communities Grant Program**

HER HONOR THE MAYOR requesting authorization to accept and expend the sum of seventy-five thousand dollars (\$75,000) in grant funding from the Commonwealth's Housing Choice Communities Grant Program to assist in a zoning and planning study for the California Street Manufacturing District.

**Action: Finance Approved 6-0-1 (Councilor Malakie abstaining and Councilor Norton not voting)**

**Note:** Barney Heath, Director of Planning & Development presented the request to accept and expend a \$75,000 grant from the Commonwealth's Housing Choice Communities Grant Program to

assist in a zoning and planning study for the California Street Manufacturing District. Director Heath noted that the study will help fund the needs for this community which could include residential and commercial properties.

Councilors asked the following questions:

Q: Are these Housing Choice funds?

A: Director Heath explained that the State has communities apply under certain categories. The category that Newton applied for was community planning but it was funded out of the housing choice funds.

Q: If Newton does not comply with the Housing Choice regulations regarding the MBTA are these funds no longer available?

A: Director Heath explained that when speaking to the State they noted that the plans for the MBTA are forward-facing so these funds will not be affected but the City would not be eligible for any future funding if they were to not comply.

Q: What was the reasoning for choosing this location?

A: Director Heath explained that there has been development interest for California Street. He further explained that they will continue to review different areas for future grants.

Councilors made the following comment:

It was noted that the City should try to preserve this commercial area and expressed concerns regarding the planning study.

Councilor Kalis motioned to approve which passed 6-0-1 with Councilor Malakie abstaining and Councilor Norton not voting.

**Referred to Public Safety & Transportation and Finance Committees**

**#112-22**

**Request for the establishment of a fee relative to Permanent Outdoor Dining**

HER HONOR THE MAYOR requesting the establishment of an annual fee of two-hundred and fifty dollars (\$250) per parking space for approved outdoor dining spaces and requesting such fee be waived for calendar year 2022.

**Public Safety & Transportation Approved 8-0 on 01/19/22**

**Action:**

**Finance Approved 7-0 (Councilor Norton not voting)**

**Note:**

Barney Heath, Director of Planning & Development and Nicole Freedman, Director of Transportation Planning presented the request to establish an annual fee of \$250 per parking space for

approved outdoor dining spaces and requested such fee be waived for calendar year 2022. Director Heath explained that this deals with the use of parking spaces in front of restaurants for outdoor dining which has been successful. Ms. Freedman presented the attached information for parking space fees which shows what peer towns are charging.

The Chair noted that unlike other situations where the Council sets fees, the calculation for deciding this particular fee is not required to be based on what administering the program costs the City.

Councilors asked the following questions:

Q: Why was the decision made that Brookline and Cambridge are not Newton's peers in this scenario?

A: Ms. Freedman explained that with respect to restaurant performance, profitability, and demand for parking, those cities are more developed. Arlington is the closest peer to Newton based on restaurant performance and the demand for parking.

Q: How much would the lost revenue be for a single parking spot?

A: Ms. Freedman explained that the total meter revenue citywide is approximately \$1.3 million a year. There are 1700 to 1800 metered spots in Newton which means each spot's revenue would be approximately \$700 for a 12-month period and approximately \$500 for the 9 month period outdoor dining will be active. She noted that it is difficult to do these calculations because the City was not chagrining for metered parking last year during the pandemic.

Q: Can the fee be set after this year?

A: It is important to set the fee now so that there is an expectation conveyed to the restaurants that there will be a fee in the future.

Q: Is it possible to determine the individual demand and revenue for parking spaces?

A: Ms. Freedman explained that this is possible with the new meters but the benefits that outdoor dining brings to Newton also need to be considered.

Q: How many spots were used for outdoor dining last year?

A: Ms. Freedman explained that approximately 43 spots were used last year and the numbers should be close to the same this year.

Councilors made the following comments:

Councilors expressed support for waiving the fee this year due to the financial hardships that are impacting restaurants.

There was concern that the proposed fee is too low. The City should be using the spots in front of restaurants that generate the most revenue for their calculations when deciding the fee.

Director Heath noted that the City still receives revenues from outdoor dining through the meals tax. He also noted that they are open to revisiting the fees after this year.

Councilor Gentile motioned to approve which passed 7-0 with Councilor Norton not voting.

**#98-22      Acceptance of \$983.73 from Amelia Sillman Rockwell & Carlos Perry Rockwell Charities fund**

CITY CLERK/CLERK OF THE COUNCIL requesting authorization to accept and expend the sum of nine hundred eighty-three dollars and seventy-three cents as a one-time grant to the Newton City Council for general operating support.

**Action:**      **Finance Approved 6-0 (Councilor Gentile and Norton not voting)**

**Note:**      Carol Moore, City Clerk/Clerk of the Council presented the request to accept and expend \$983.73 from Amelia Sillman Rockwell & Carlos Perry Rockwell Charities fund to be used by the City Council for general operating support.

Clerk Moore explained that using the funds could be put towards hiring a graphic designer to create a template for the City Council newsletter. The goal for the newsletter is to make it ADA compliant and have it available in different languages to make it easier for the community to read.

Councilor Noel motioned to approve which passed 6-0 with Councilors Gentile and Norton not voting.

**#103-22      Request for Authorization to issue refunding bonds**

HER HONOR THE MAYOR requesting authorization to issue refunding bonds to refund all or any portion of the City's general obligation bonds outstanding as of the date of adoption.

**Action:**      **Finance Approved 7-0 (Councilor Norton not voting)**

**Note:**      Maureen Lemieux, Chief Financial Officer, presented the request for the authorization to issue refunding bonds to refund all or any portion of the City's general obligation bonds outstanding as of the date of adoption. Ms. Lemieux explained that a number years ago Newton was able to take advantage of an advanced refunding opportunity of Newton's bonds which meant that the City could refinance their bonds just like what would be done with a mortgage. This helped Newton save approximately \$15 million in interest for the bonds.

Ms. Lemieux further explained that because of the 2018 changes to the tax laws the City was no longer able to participate in the advanced refunding opportunities. The request is needed so that the administration can refinance their bonds when it makes sense.

Councilor Oliver motioned to approve which passed 7-0 with Councilor Norton not voting.

**#101-22      Transfer \$2,600,000 to fund retroactive raises**

HER HONOR THE MAYOR requesting authorization to transfer the sum of two million six hundred thousand dollars (\$2,600,000) from Acct# 0110498-519700 General Fund Wage Reserve to Acct# 0120103-511001 Police Patrol Services-Full-Time Salaries for the purpose of funding all retroactive raises owed to the Newton Police Association (NPA) as agreed to in the Collective Bargaining Agreement settled for the period July 1, 2018 through June 30, 2021.

**Action:**      **Finance Approved 6-0-1 (Councilor Humphrey abstaining and Councilor Norton not voting)**

**Note:**            Maureen Lemieux, Chief Financial Officer presented the request to transfer \$2,600,000 to fund retroactive raises. Ms. Lemieux explained that they have settled a contract with the Newton Police Association for the period of July 1, 2018 through June 30, 2021. The union was interested in settling through 2021 and the City agreed because this gave the Chief time to really see the needs of the department going forward. She also noted that there should be savings in attrition from positions that are being filled by new police officers.

Councilors asked the following questions:

Q: What percentage was decided on for the salary increases?

A: Ms. Lemieux explained that it is a 3% increase for each year.

Q: Is the contract resolved at this time?

A: Ms. Lemieux explained that the contract was resolved in December but it was too late in the term to docket this request. She noted she hopes that following approval by the City Council, these checks will go out by the end of February.

Q: Has the union agreed to the vaccine mandate?

A: Ms. Lemieux explained they needed to bargain what the terms of employment would be with a number of different unions through memorandums of agreement. The Newton Police Association has not reached an agreement with the City but this does not preclude them from adhering to the vaccine mandate. She also noted that everyone in this union has complied with the mandate. This means that the employees that are currently working have either received the vaccine or applied for waivers. The memorandum of agreement is separate from the collective bargaining agreement.

Q; Did the agreement deal with issues other than compensation?

A: Ms. Lemieux explained that the NPA agreed to the language that the City can hire supplemental detail personal and they have agreed to set up a committee to work on shift structures. Ms. Lemieux further explained that if the City can't come to an agreement with the police union then the collective bargaining agreement will be brought to the Joint Labor Management Committee which is run by the State.

Councilor Gentile motioned to approve which passed 6-0-1 with Councilor Humphrey abstaining.

**#77-22 Mayor's reappointment of Rabbi Suzanne Offit to the Taxation Aid Committee**

HER HONOR THE MAYOR reappointing RABBI SUZANNE OFFIT, 1429 Commonwealth Avenue, Newton, 02456 as a member of the Newton Taxation Aid Committee for a term of office to expire December 31, 2024. (60 days: 03/02/2022)

**Action:** Finance Approved 8-0

**Note:** With no questions or concerns from the committee, Councilor Kalis motioned to approve which passed unanimously.

**#99-22 Council President's reappointment to the Financial Audit Advisory Committee**

TERRENCE FINN, 32 Lenox Street, West Newton, reappointed as a citizen representative on the FINANCIAL AUDIT ADVISORY COMMITTEE for a term of office to expire on January 31, 2025. (60 days 03/19/22)

**Action:** Finance Approved 8-0

**Note:** With no questions or concerns from the committee, Councilor Kalis motioned to approve which passed unanimously.

The committee adjourned at 8:47 p.m.

**Respectfully submitted,**

**Rebecca Walker Grossman, Chair**

## Fees for Parking Space Dining

Norwood: No charge

Quincy: as of date of response no charge

Maynard: \$225/parking space

Needham: \$250 for up to 3 spaces but has been waived for 2022

Arlington: \$250 application fee (there is a fee of \$50 for sidewalk dining and private areas) There are no other fees.

Cambridge: \$750 for establishments serving alcohol; \$250 for others; \$75 application fee

Brookline: Fees effective April 1, 2022: Seasonal on-street: \$680

Brookline future fees for the next years are subject to Select Board approval:

	Jan. 1 2023	Jan. 1 2024	Jan. 1, 2025
Annual on-street:	\$4165	\$7045	\$9925
Seasonal on-street:	\$2360	\$4040	\$5720
Annual Sidewalk	\$360	\$360	\$360
Seasonal Sidewalk	\$310	\$310	\$310