



CITY OF SOMERVILLE, MASSACHUSETTS
CLERK OF COMMITTEES

May 27, 2015
REPORT OF THE FINANCE COMMITTEE

Attendee Name	Title	Status	Arrived
Tony Lafuente	Chair	Present	
Maryann M. Heuston	Vice Chair	Present	
Katjana Ballantyne	Ward Seven Alderman	Present	
John M. Connolly	Alderman At Large	Absent	
William A. White Jr.	Alderman At Large	Present	

Others present: Alderman Niedergang, Alderman McWatters, Peter Forcellese, Jr. - Treasury, Marc Levey - Assessing, Michael Glavin - OSPCD, Amanda Maher - OSPCD, Brad Rawson - OSPCD, Stephanie Costa Leabo - SomerStat, Omar Boukili - Mayor's Office

198750: Requesting an adjustment to the property exemption for seniors with respect to income and asset limits under MGL c59 s5(41C).

Mr Levey explained the exemption and said that there is an opportunity to increase the income and assets limits, thereby increasing the number of seniors who might want to apply for this exemption. Currently, between 280-350 seniors receive the exemption.

RESULT:	APPROVED
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198927: Requesting an adjustment to income limits and interest rates with respect to the senior property tax deferral under MGL c59 s5(41A).

Mr. Levey explained the exemption and is recommending that the maximum gross income limit be raised to \$56,000 and that the interest rate be cut from 8% to 4% in effort to make program more attractive. Alderman Niedergang (speaking as a member of the audience) suggested that the Council on Aging perform some outreach get the information to the city's seniors.

The committee approved a resolution *that the Council on Aging, in conjunction with the Assessors' Office, develop an outreach program to inform the city's senior citizens about the senior property tax deferral exemption under MGL c59 s5(41A).*

RESULT:	APPROVED
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198751: Requesting an adjustment to income limits with respect to the senior work off program under MGL c59 s5 (5K).

Mr. Levye said that the income limit has not changed since FY-10 and that he is proposing to update the limit to the 80% level to afford more flexibility and allow for more participation.

RESULT:	APPROVED
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198983: Requesting approval to pay a prior year invoice of \$360 in the Planning Division of SPCD.

Mr. Rawson explained that this is for an expenditure from the Somerville by Design program.

RESULT:	APPROVED
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199066: Requesting an appropriation and authorization to borrow \$2,475,000 in a bond for LED Light Conversion.

Mr. Boukili and Ms. Costa Leabo spoke on this item. The city is not pleased with the current lighting maintenance vendor and is considering converting its street lights to LED. An audit has been performed to get an inventory of equipment and a cost for the conversion. The plan is to contract out the maintenance for the first year, at a cost of \$40,000, and then bring the work in-house. LED fixtures are more reliable, with an annual failure rate of about 1%. It's estimated that there would be a 4% fixture turnover per year, based on the industry standards. The estimated cost savings to the city would be \$450,000 per year.

RESULT:	APPROVED
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199154: Requesting the adoption of MGL c59 s5C 1/2, to approve an optional additional real estate tax exemption.

Mr. Levye said that this is the same exemption offered every year, however, approval is needed because the state re-codified it.

RESULT:	APPROVED
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199249: Requesting an appropriation and authorization to borrow \$2,200,000 in a bond for the Union Square Streetscape and Utility Early Action Project.

Mr. Glavin, Mr. Rawson and Ms. Maher spoke on the item. There was a discussion about the traffic congestion in Union Square, including what might happen when the O'Brien overpass comes down. The funds would be split evenly between surface level upgrades and sub-surface upgrades. Alderman Heuston would like the Board of Aldermen to be kept apprised of the situation so that any resident complaints that might become known may be dealt with in an expeditious manner. Mr. Forcellese reviewed the city's bonding numbers and reported that the Board of Aldermen has approved \$12.3 million during the current fiscal year, to date.

RESULT:

APPROVED

199253: Requesting to appear before this Board to describe the city's application for the Transportation Investment Generating Economic Recovery discretionary grant program.

Mr. Glavin, Mr. Rawson and Ms. Maher spoke on the item. The city is applying for a federal grant of \$20 million. The application must be submitted by June 5th of this year and would be awarded in 2017. The funds would be applied to work in Union Square, but can only be used for surface level improvements. The city would need to come up with a 20% match and may utilize any funding source except federal funds. The successful grant acceptance rate is 3% but Ms. Maher feels that Somerville's story is very compelling and addresses all 5 of the grant's criteria. The estimated total cost for infrastructure improvements in Union Square is in the \$40-\$50 million range.

A motion by Aldermen White and Ballantyne, that the Executive Director of the Office of Strategic Planning and Community Development provide the Finance Committee with a comprehensive financial plan for the development of the Union Square area, including all expenditures to date for infrastructure, engineering, planning and takings, including reimbursed amounts as well as future costs for all streetscape work, infrastructure work and engineering work. Such plan to be submitted to the Board of Aldermen in early September, within 10 days of the Finance Committee meeting to discuss the plan, was approved.

Alderman White's motion that the Committee on Finance supports the city's application for the TIGER grant, was approved.

RESULT:

WORK COMPLETED