### City of Salem, Massachusetts Office of the City Clerk

Ilene Simons City Clerk



Room 1 City Hall

December 6, 2022

#### **MEETING NOTICE AND AGENDA**

The City Council will meet on Thursday, December 8, 2022 at 7:00 P.M. in the City Council Chambers, City Hall, 93 Washington Street, 2<sup>nd</sup> floor to hold its regular meeting for the purpose of discussing any and all business including the public hearing for the Fiscal Year 2023 Tax Rate.

For this meeting, members of the public who wish to watch, listen or provide comment remotely (if applicable) during the meeting may do so in the following manner:

Please click the link below to join the webinar:

https://us02web.zoom.us/j/87667227987?pwd=RjJYbExGY2pxeDJwUIFLaTVPRIQ0Zz09

Password: 386274

Go to the website link <a href="https://zoom.us/join">https://zoom.us/join</a>. Enter meeting/webinar ID# 876 6722 7987 Followed by the meeting password above if directed to do so on screen.

- Or Telephone: Participants can dial a toll free number at 877-853-5257 (Toll Free) or 888- 475-4499 (Toll Free). When prompted, enter meeting/webinar ID#: 876 6722 7987 and follow the instructions to join the meeting. For those dialing in, you may press \*9 to raise your hand to speak if signed up for public testimony or to participate in the public hearing portion of the agenda (if applicable)
- Watch meeting live on SATV on Channel 22.
- Members of the public wishing to speak on the agenda items must follow the "How to Sign Up for Public Testimony" outlined on the agenda below.
- Members of the public wishing to speak during hearings designated as public hearings may do so by following how to participate noted above.

Very truly yours,

ATTEST: ILENE SIMONS CITY CLERK

"Persons requiring auxiliary aids and services for effective communication such as sign language interpreter, an assistive listening device, or print material in digital format or a reasonable modification in programs, services, policies, or activities, may contact the City of Salem ADA Coordinator at (978-619-5630) as soon as possible and no less than 2 business days before the meeting, program, or event." Assistive Listening System is available for City Council Meetings. Those interested in utilizing these devices for meetings at 93 Washington Street may contact the City Clerk's Office at 978-745-9595 ext. 41200 or isimons@salem.com.

A Regular Meeting of the City Council is being held remotely on Thursday, December 8, 2022 at 7:00 P.M. for the purpose of transacting any and all business. Notice of this meeting was posted on December 6, 2022 at 9:55 A.M. This meeting is being taped and is live on S.A.T.V.

Councillors absent:

Council President Morsillo presided.

Councillor moved to dis

moved to dispense with the reading of the record of the previous meeting.

VOTED

President Morsillo requested that everyone please rise to recite the Pledge of Allegiance.

#### **PUBLIC TESTIMONY**

Public Testimony not to exceed 15 minutes. Public Testimony is not a public hearing or question and answer period. Public Testimony shall only pertain to Agenda items. Sign up must occur 30 minutes prior to meeting. Emails nor phone calls will be accepted anymore.

### How to Sign Up:

You may participate in Public Testimony remotely or in-person or the Council President may read your comment into the record.

You may sign up to speak using the following two (2) methods:

 On-line form by using the link below: https://records.salem.com/Forms/PublicMeetingSpeaker

This form is available beginning 6:30 P.M. on the Tuesday before the Thursday meeting and remains open until 6:30 P.M. on the day of the Council Meeting. This form requires information such as your name, address, subject matter, etc.

2. You may also sign the roster in the City Clerk's Office, Room #1 no later than 6:30 P.M. on the date of the meeting.

#### **HEARINGS**

Public Hearing on the issue of allocating the local property tax levy among the four (4) property classes for the fiscal year 2023, and the residential, open space, and small commercial exemption options

Present are: Mayor Driscoll, Finance Director, City Assessor, and Board of Assessors

d the Board of Assessor for discussion and presentation
PPEARING IN FAVOR:
PPEARING IN OPPOSITION:

**Action Contemplated** 

### **APPOINTMENTS AND REAPPOINTMENTS**

Held from the last meeting, the Mayor's Appointments of the following to the Salem Food Policy Council with a terms to expire:

NAME: Johan Arango-Quiroga Robyn Burns Allison Caffrey Flora Cordoleani Celia Grant Sara Moore Claudia Paraschiv Irvelt Perrin Julie Pottier-Brown Joel Simonson	ADDRESS: 7 Fairview Ave. Salem 15 Carlton St. Salem 35 Congress St. Salem 52 Webb St. Salem 8 Alvah Kittredge Park, Boston 1 Purchase St., Salem 20 Fowler St., Salem 437 Andover St., Lawrence 2 Gedney Court, Salem 34 Forrester St., Salem	Nov. 1 Nov. 1 Nov. 1 Nov. 1 Nov. 1 Nov. 1 Nov. 1	7, 2023 7, 2025 7, 2023 7, 2023 7, 2023 7, 2023 7, 2025 7, 2024 7, 2024 7, 2024 7, 2024 7, 2025	<u>::</u>
Action Contemplated				
Councillor Hapworth	Confirmation by roll call vote	Yeas	Nays	Abs
Held from the last meeting, Mayor Sustainability, Energy and Resilier Action Contemplated  Councillor Hapworth	• •	•		Abs
Held from the last meeting, Mayo Beautification Committee with a te		•	St. to the	
Action Contemplated				
Councillor Watson-Felt	Confirmation by roll call vote	Yeas	Nays	Abs
Held from the last meeting, Mayo Scholarship and Education Comn				
Action Contemplated				
Councillor Watson-Felt	Confirmation by roll call vote	Yeas	Nays	Abs

### **APPOINTMENTS AND REAPPOINTMENTS**

Held from the last meeting, Mayor's Appointment of Kelly Tyler-Lewis 23 Warren St., to the Historic Commission with a term to expire on November 17, 2024.

**Action Contemplated** 

Councillor Watson-Felt Confirmation by roll call vote Yeas Nays Abs

Held from the last meeting, Mayor's Appointment of Captain Fred Ryan to the Salem Harbor Port Authority with a term to expire November 17, 2025.

**Action Contemplated** 

Councillor Prosniewski Confirmation by roll call vote Yeas Nays Abs

Held from the last meeting, Mayor's Appointment of Michaela Short 81 Bancroft Road, Melrose to the Food Pantry Council with a term to expire November 17, 2024.

**Action Contemplated** 

Councillor Hapworth Confirmation by roll call vote Yeas Nays Abs

### **APPOINTMENTS AND REAPPOINTMENTS**

The Mayor's Re-appointment of the following to various boards with a term to expire December 8, 2023.

FNAME	LNAME	BOARD	ADDRESS
Filipe	Zamborlini	Affordable Housing Trust Fund Board	62 Perkins Street #3
Mary Ellen	Halliwell	Beautification Committee	81 Orchard Street
Sandra	Power	Beautification Committee	18 Loring Avenue
Colleen	Downie	Bicycling and Shared Path Advisory Committee	12 School Street #2
Robert	Millerick	Board of Assessors	4 Gallows Circle
Paul	Kirby	Board of Health	8 1/2 Daniels Street #3
Sara	Moore	Board of Health	34 Leach Street
Darren	Black	Commission on Disabilities	1 Essex Street #1
Rebecca	Christie	Commission on Disabilities	17 Marlborough Road
Debra	Lobsitz	Commission on Disabilities	11 Forest Avenue
Eliud	Alcalá	Council on Aging	11 South Street #3
Abigail	Butt	Council on Aging	11 South Street
Kristin	Macek	Council on Aging	48 Webb Street #1
Marc	Perras	Design Review Board	6 Union Street #1
Sarah	Tarbet	Design Review Board	1 Chase Street #1
F. Reed	Cutting	Historical Commission	14 Clifton Avenue
Vijay	Joyce	Historical Commission	10 1/2 Herbert Street
Kurt	Ankney-Beauchamp	Public Art Commission	19 Harbor Street #5
Charles	Barton	Registrars of Voters	26 Marlborough Road
Kathy	Winn	Salem Harbor Port Authority	133 Fort Avenue
Peter A.	Copelas	Zoning Board of Appeals	40 Warren Street
Rosa	Ordaz	Zoning Board of Appeals	13 Forest Avenue
Steven	Smalley	Zoning Board of Appeals (Alternate)	141 Washington Street #2

Action Contemplated

Councillor Hapworth Moved Confirmation by RCV Yea Nay Abs

### **APPOINTMENTS AND REAPPOINTMENTS**

The Mayor's Re-appointment of the following of the following Department Heads with a term to expire January 31, 2024.

NAME	TITLE
Anna Freedman	Finance Director/Auditor
David Knowlton	Director of Public Services
Patricia O'Brien	Parks, Recreation, and Community Services Director
Teresa Gove Arnold	Council on Aging Director
Anthony Delaney	Purchasing Agent
Stephen Cortes	Director of Assessing

**Action Contemplated** 

Councillor Hapworth Moved Confirmation by RCV Yea Nay Abs

#### **COMMUNICATIONS FROM THE MAYOR**

ORDERED: That the sum of Seven Million, Three Hundred Thirty-Two Thousand Fourteen Dollars and Twenty-Five Cents (\$7,332,014.25) is hereby appropriated from General Fund Balance Reserved for Free Cash to the following special revenue funds. The amount of free cash to be transferred is per the City's Financial Policies and in accordance with the recommendation of Her Honor the Mayor.

Description			Amount	
Stabilization Fund (83	01) 10%	1,629,33	6.50	
Capital Improvement I	Fund (2000) 30%	4,888,00	9 50	
Other Post Employ Be (8313) 5%	nefits (OPEB)	814,668.		
Total		7,332,01	4.25	
Councillor McCarthy	suspension of t	he rules	Councillor	object
Action Contemplated				
Councillor McCarthy	Moved A	•		Voted
	Refer to Admin	. & Finance	under the Rules	

ORDERED: That the sum of Three Million, Eighty-Two Thousand, Five Hundred Nineteen Dollars (\$3,082,519.00) shall be Raised and Appropriated from the City of Salem General Fund for the purpose of supporting the fiscal year 2023 Trash Enterprise Fund Expense Subsidy, which represents the amount to be raised less operational expenses, in accordance with the recommendation of Her Honor the Mayor.

Councillor McCarthy	Suspension of the Rules	C.	Objection
Action Contemplated			
Councillor McCarthy	Moved Adoption by RCV OR		Yeas Nays Abs
	Refer to Admin. & Finance und	er the R	ules

### **COMMUNICATIONS FROM THE MAYOR**

ORDERED: That the sum of One Million, Six Hundred Eighty-Two Thousand, One Hundred Thirty-Six Dollars (\$1,682,136.00) is hereby appropriated from the following "Receipts Reserved for Appropriation" accounts to reduce the tax rate amount to be raised by taxation when the Fiscal Year 2023 tax rate is set in accordance with the recommendation of Her Honor the Mayor.

Description		Amount	
Receipts Reserved - Witch House	622,135.00		
Receipts Reserved - Golf Course	730,000.00		
Receipts Reserved - Harbormaster	230,000.00		
Receipts Reserved - Charter Street	100,000.00		
Total	1,682,136.00		
Councillor McCarthy	suspension of the rules	Councillor	object
Action Contemplated			
Councillor McCarthy	Moved Adoption OR		Voted
	Refer to Admin. & Finance	under the Rule	s

ORDERED: That the sum of Eight Hundred Thousand Dollars (\$800,000.00) is hereby transferred from the General Fund Balance Reserved for Free Cash and appropriated to the following account in the Capital Improvement Fund (2000) below for the costs associated with soil remediation and restoration at Mansell Field in accordance with the recommendation of Her Honor the Mayor.

Description		Amount	
20002320-5846FR	\$800,000	.00	
Total	\$800,000	.00	
Councillor McCarthy	suspension of the rules	Councillor	object
Action Contemplated			
Councillor McCarthy	Moved Adoption OR Refer to Admin. & Finance	under the Rules	Voted

### **COMMUNICATIONS FROM THE MAYOR**

ORDERED: That the sum of Seven Hundred Fifty Thousand Dollars (\$750,000.00) is hereby transferred from the General Fund Balance Reserved for Free Cash and appropriated to the following account in the Capital Improvement Fund (2000) below for the Fire Department's purchase of a new Ladder truck to replace Salem Ladder 1 in accordance with the recommendation of Her Honor the Mayor.

Description		Amount	
20002310-5846FQ	\$750,000	.00	
Total	\$750,000	.00	
Councillor McCarthy	suspension of the rules	Councillor	object
Action Contemplated			
Councillor McCarthy	Moved Adoption OR Refer to Admin. & Finance	under the Rules	Voted

ORDERED: That the sum of Two Hundred Twenty-Nine Thousand Six Hundred Sixty-Four Dollars and Eighty-Eight Cents (\$229,664.88) is hereby appropriated from General Fund Balance Reserved for Free Cash to the Stabilization Fund (8301) to replenish appropriations made prior to the certification of fiscal year 2022 free cash in accordance with the recommendation of Her Honor the Mayor.

Description		Amount	
Stabilization Fund (8301)	\$229,664	.88	
Total	\$229,664	.88	
Councillor McCarthy	suspension of the rules	Councillor	object
Action Contemplated			
Councillor McCarthy	Moved Adoption OR Refer to Admin. & Finance	under the Rules	Voted

### **COMMUNICATIONS FROM THE MAYOR**

ORDERED: That the sum of One Hundred Fifty Thousand Dollars (\$150,000.00) is hereby transferred from the General Fund Balance Reserved for Free Cash and appropriated to the following account in the Capital Improvement Fund (2000) below for the costs associated traffic calming infrastructure, including the permanent installation of speed humps on Fairfield, Cedar, and Gardner Streets, and design, engineering, and education work for other measures throughout the city in accordance with the recommendation of Her Honor the Mayor.

Description		Amount	
20002318-5846FS	\$150,000	0.00	
Total	\$150,000	.00	
Councillor McCarthy	suspension of the rules	Councillor	object
Action Contemplated			
Councillor McCarthy	Moved Adoption OR Refer to Admin. & Finance	e under the Rules	Voted

ORDERED: That the sum of One Hundred Forty Thousand, Eighty-Eight Dollars and Thirty Cents (\$140,088.30) is hereby appropriated and transferred from the "General Fund Balance Reserved for Appropriation – Free Cash" account to the Transit Enhancement Fund as provided in the Cannabis Host Agreements for payments received from sales from January through June 30, 2022, in accordance with the recommendation of Her Honor the Mayor.

Description		Amount	
Transit Enhancement Fund			
_(1%)		\$140,088.30	
		\$140,088.30	
Councillor McCarthy	suspension of the rules	Councillor	object
Action Contemplated			
Councillor McCarthy	Moved Adoption OR		Voted
	Refer to Admin. & Finance	e under the Rules	

### **COMMUNICATIONS FROM THE MAYOR**

ORDERED: That Ninety-Thousand, Five Hundred Forty-Eight Dollars and Forty-Nine Cents (\$90,548.49) is hereby appropriated from the Community Preservation Act (CPA) fund balance to the accounts listed below in accordance with the recommendation of the Community Preservation Committee.

FY	Fund	Fund Name	Description	Org/Obj	Amount
2023	2001	General Fund CPA	Salem Willows Phase II Improvements	2001323- 580688	90,548.49
					90,548.49

**Action Contemplated** 

Councillor McCarthy Moved Adoption Voted

ORDERED: That the sum of Forty-Five Thousand Dollars (\$45,000.00) is hereby appropriated from the "Retained Earnings – Water/Sewer Fund" account (6000-3120) to the Water-Engineering Contracted Services account (610132-5320) for a water and sewer rate study in accordance with the recommendation of Her Honor the Mayor.

Councillor McCarthy suspension of the rules Councillor object

Action Contemplated

Councillor McCarthy Moved Adoption Voted

OR

Refer to Admin. & Finance under the Rules

ORDERED: That the sum of Forty-One Thousand, Seven Hundred Seventy-Three Dollars and Forty-Eight Cents (\$41,773.48) is hereby transferred from the General Fund Balance Reserved for Free Cash and appropriated to the following account in the Sale of City Property Fund (2441) below to complete licensed site professional (LSP) services for Parcel A adjacent to Furlong Park in accordance with the recommendation of Her Honor the Mayor.

	Description		Amount	
	24413-5846		\$41,773.48	
	Total		\$41,773.48	
Counc	illor McCarthy	suspension of the rules	Councillor	object
Action	Contemplated			
Counc	illor McCarthy	Moved Adoption OR Refer to Admin. & Finance	under the Rules	Voted

ORDERED: That the sum of Twenty-Five Thousand Dollars (\$25,000.00) be hereby appropriated from the following "Receipts Reserved for Appropriation" account, to be transferred to the Park & Rec – Contracted Services account 16502-5320 for costs associated with lifeguarding services at Forest River Pool in accordance with the recommendation of Her Honor the Mayor.

Description		Amount	
Receipts Reserved – Forest River Poo	\$ 25,000.00		
Total		\$ 25,000.00	
Councillor McCarthy	suspension of the rules	Councillor	object
Action Contemplated			
Councillor McCarthy	Moved Adoption OR Refer to Admin. & Finance (	under the Rules	Voted

### **COMMUNICATIONS FROM THE MAYOR**

ORDERED: That the sum of Twenty-Four Thousand Dollars (\$24,000.00) is hereby transferred and appropriated from the Receipts Reserved funds listed below to the Department of Public Services Burial Account (14112-5383) in accordance with the recommendation of Her Honor the Mayor.

	From		То	А	mount	
2430-4800	R/Res Sale of Lots	14112-5383	DPS Burial	\$	10,000.00	
2431-4800	R/Res Sale of Vaults	14112-5383	DPS Burial	\$	14,000.00	
			Total	\$	24,000.00	
Councillor McCarthy  Action Contemplated		suspension o	of the rules	Counci	illor	object
Councillor McCarthy			d Adoption OR nin. & Finance	under the	Rules	Voted

ORDERED: Per MGL Chapter 44 Section 64 which allows for a municipality to pay for prior fiscal year invoices using current fiscal year appropriations by two-thirds vote of the City Council we request the sum of Twenty-Three Thousand Five Hundred Dollars (\$23,500.00) of outstanding Fiscal Year 2022 invoices is hereby allowed to be paid from the Fiscal Year 2023 Mayor's Office budget ("Accounting and Audit" account 11212-5305) as listed below in accordance with the recommendation of Her Honor the Mayor.

	Department	Vendor	Am	ount		
	Mayor Segal \$23,500.00					
	-	Total	\$	23,500.00		
Counc	illor McCarthy		suspension of the rules	Councillo	or	object
Action	Contemplated					
Councillor McCarthy			Moved Adoption by RCV (2/3 VOTE NEEDED) OR Refer to Admin. & Finance under the Rules			Nays Abs

### COMMUNICATIONS FROM THE MAYOR

ORDERED: To accept the donation of Nine Thousand Five Hundred Dollars (\$9,500.00) from John Russell representing the funds collected from the usage of parking spaces during the Halloween season. The donation is to be deposited into the Parks and Recreation Donation Fund 2406 (24061-4830) in accordance with the recommendation of Her Honor the Mayor.

**Action Contemplated** 

Councillor McCarthy Moved adoption Voted

OR

Refer to Admin. & Finance

Ordered: That the Mayor and the City Council accept the provisions of Section 4, Chapter 73 of the Acts of 1986 for Fiscal Year 2023, and that such additional exemptions granted be 100% of the statutory exemption amounts, provided all other qualifications specified in said Section 4, Chapter 73 of the Acts of 1986 are met.

**Action Contemplated** 

Councillor McCarthy Moved Adoption Voted

OR

Refer to Admin. & Finance under the Rules

ORDERED: That the City establish an Opioid Settlement Special Stabilization Fund pursuant to Massachusetts General Laws Chapter 40, Section 5B to receive distribution payments from state opioid settlements for further appropriation consistent with settlement requirements in accordance with the recommendation of Her Honor the Mayor.

Action Contemplated

Councillor McCarthy Moved adoption by RCV Yeas Nays Abs

(2/3 vote needed)

OR

Refer to Admin. & Finance

### **COMMUNICATIONS FROM THE MAYOR**

ORDERED: That the City accept the provision within Massachusetts General Laws Chapter 40, Section 5B, which provides for the dedication, without further appropriation, of all, or a percentage not less than 25 percent, of particular fees, charges or receipts to a stabilization fund established under Massachusetts General Laws Chapter 40, Section 5B, to be effective for the fiscal year beginning on July 1, 2023.

**Action Contemplated** 

Councillor McCarthy

Moved adoption by RCV (2/3 vote needed) OR Yeas Nays Abs

Refer to Admin. & Finance

ORDERED: That the City dedicate one hundred percent (100%) of the distributions to Salem from state opioid settlement agreements to the Opioid Settlement Special Stabilization Fund established under Massachusetts General Laws Chapter 40, Section 5B, effective for the fiscal year 2024 beginning on July 1, 2023

**Action Contemplated** 

Councillor McCarthy

Moved adoption by RCV (2/3 vote needed) OR

Yeas Nays Abs

Refer to Admin. & Finance

#### **COMMUNICATIONS FROM THE MAYOR**

ORDERED: That the sum of Two Hundred Seventy-Six Thousand Five Hundred Sixty Dollars and Sixty-One Cents (\$276,560.61) shall be appropriated and transferred from the City of Salem General Fund to the Opioid Settlement Special Stabilization Fund as listed below, which represents the amount received to date in fiscal year 2023 in municipal distributions from state opioid settlement agreements, in accordance with the recommendation of Her Honor the Mayor.

Description		Amount
Opioid Settlement Spec	ial Stabilization Fund \$276,560.	61
Total	\$276,560.	61
Councillor McCarthy	suspension of the rules	Councillor object
Action Contemplated		
Councillor McCarthy	Moved Adoption by (2/3 vote needed OR Refer to Admin. & Finance	)

**An Ordinance** to amend language relative to the tree donation fund.

**Section 1.** Section 43-62 *Tree donation fund* of Chapter 43 *Trees* is hereby amended by deleting the section in its entirety and replacing it with the following:

#### "Sec. 43-62. - Tree donation fund

Collection of voluntary contributions under this ordinance shall be deposited into the tree donation fund, a separate, identifiable account, provided such fund is administered by the city to be dedicated solely for the planting and maintenance of new trees. The trees warden, with input from the tree commission and commensurate with the reasonably practicable suggestions of any donor, may expend these funds for tree planting, and other tree-related needs."

Section 2. This Ordinance shall take effect as provided by City Charter.

Action Contemplated

Councillor Riccardi Moved Adoption for first passage

Voted

OR

Refer to the Comm. on Ord., Lic. &

Legal Affairs

#### **MAYOR'S INFORMATIONAL PAGE**

Letter from the Mayor with her recommendation of the setting of the current fiscal year tax rate. (See below for letter in full)

**Action Contemplated** 

Councillor McCarthy

Moved Received & Filed

Voted

Honorable Salem City Council Salem City Hall Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

Each year the City Council must vote to set the residential tax factor and thereby set the tax rate for the fiscal year. In Massachusetts, Proposition 2  $\frac{1}{2}$  caps new property taxes at no more than 2.5% of the previous year's levy; increases over that amount require a Proposition 2  $\frac{1}{2}$  override, which Salem has never required. This year, the tax rate – \$12.51 for residential, a reduction in the residential tax rate by 5.6%, and \$25.25 for commercial, a reduction in the commercial tax rate by 4.0% – is once again under the City's allowable levy limit. Excess levy capacity stands at \$7,077,431, a 7% increase over last year's figure and the largest dollar figure for our levy capacity ever, which is a strong validation of our City's responsible approach to budgeting and managing public finances. We continue to maintain a generally low tax bill increase over time, as well, with the average increase over the last five years for the average single-family taxpayer in Salem coming in at a reasonable 2.9% per year.

Based on the rates above, the change in the average single-family tax bill will be \$289 (4.7%), the average condominium unit change will be \$228 (4.9%), the average two-family tax bill will have a reduction of \$58 (-0.8%), and the average three-family change will be \$132 (1.6%) or \$44 per unit. The average apartment building tax bill change will be \$2,309 (10.0%). Given the range of commercial properties in Salem, from small shops to hotels to large office complexes, it is hard to identify a truly "average commercial property," however the average commercial property tax bill change will be \$499 (2.5%). The discrepancy between commercial and residential rate impacts is due in large measure to the rapid growth of residential values in Salem, which is occurring at a much faster pace than commercial value growth.

Appropriation orders submitted separately applies receipts reserved to help hold down the increase in property taxes, reducing the total amount raised by taxation and saving Salem property owners an additional \$1,682,136, almost one-third more than the receipts applied to lessen the tax burden last year.

Despite an active housing market increasing values and despite increases in fixed costs for delivering local services by around \$2.5 million this fiscal year, we have managed to keep tax increases relatively low. The reason for this is simple: growth matters. As we grow our tax base, we have been able to successfully distribute the burden of funding critical local services to more taxpayers, alleviating the burden on existing property owners. This is why – in addition to the housing need and the desire to create good, local jobs – it is so very important we consider new growth opportunities with an open mind and strategic approach. We cannot cut our way to stabilized taxes or better services; we can, however, broaden the size of the base that funds our local government, thereby stabilizing taxes and improving services. FY2023 once again demonstrates that exact strategy at work.

#### **MAYOR'S INFORMATIONAL PAGE**

We always strive to manage the overall tax burden on our City's homeowners and I am proud that we have never needed or sought a Proposition 2 ½ override. We seek efficiencies and opportunities for regionalization or streamlining. We look to technology and performance improvement strategies to reduce the cost of doing business. We shift the cost of government off property taxpayers by pursuing a substantial number of grant opportunities and by looking to tax options that shift those costs to visitors, when possible, by supporting the development of new hotels, the extension of lodging taxes to short-term rentals, and the responsible growth of the recreational cannabis industry.

The most powerful tool at our disposal, however, is responsible, sensible private development that adds to our tax base. Therefore, we have advocated for the appropriate redevelopment of sites such as the former courthouses, the power plant property, and other under-utilized and vacant former industrial parcels. I am extremely pleased that certified new growth this fiscal year is a very strong \$1,828,203, exceeding our anticipated new growth amount by almost double.

We also continue to be pro-active in pursuing grant opportunities whenever they become available. Since the start of my administration in 2006 we have successfully received over \$200 million in state and federal grants. Just about one-fifth of our revenues is aid from the state, and we still rely on and require a strong state partnership to make much needed infrastructure investments, despite the egregious problems with the Student Opportunity Act formula that has cost Salem millions in state aid for our schools.

We also work to have meaningful partnerships with our anchor institutions and non-profits, including our tax agreement and CBA with Footprint, investments in our schools and neighborhoods from SSU, expanded community support from NSMC, and our ongoing push for a nearly two decades' over-due adjustment in our SESD PILOT.

Combined, new growth, grants, and non-tax revenue opportunities has reduced the average tax bill increase by roughly half when comparing the years of my administration to the same time prior to that. In the 17 years since I took office the average bill increase has been just 3.2%, which is nearly half of the average bill increase of 6.1% in the 17 years prior to that.

One of the biggest challenges we continue to face is pressure from increases in fixed costs. Fixed costs for FY2023, such as state charges, health insurance costs, Medicare, worker's compensation, debt payments, and municipal insurance, increased by \$2.5 million over last year. For every \$3 of spending in our budget, \$1 of that goes to fixed costs.

As we set our tax rate for the current fiscal year, the recommendation is to adjust the CIP split to 1.73, making the residential factor 0.857132.

The vision for our City laid out in our annual budget, and continued with this tax proposal, reflects our collective desire to keep Salem a vibrant, thriving community that delivers quality public services in as efficient and affordable a manner as possible. Upon taking office we faced a \$3.5 million deficit. We spent all our savings just to keep the lights on and were forced to borrow money to pay normal operating expenses. We have worked collaboratively over the years to eliminate prior deficits, improve city finances, and balance our books with an eye on both the needs of today and our aspirations for the future. It has not always been easy. Just as we emerged from those local fiscal trials in 2007 our national economy spiraled into a recession and, just as we were building back from that crisis the pandemic brought a sharp decline in our economy.

But whatever the cause of our challenges, we weathered them and are today still resiliently positioned for success, with strong growth, a declining unemployment rate, record bond ratings, and award-winning balanced budgets. Our City's bond rating from Standard & Poor's was upgraded nine years ago to AA, the highest in the City's history, and remains there today. In their most recent ratings report the agency cited our financial stability and reasonable budgeting practices in affirming that strong rating. This is validation that Salem's fiscal policies are of the highest standard and that the path we have set for ourselves is the correct one for our community.

#### MAYOR'S INFORMATIONAL PAGE

I am grateful for our partnership in securing a healthy municipal fiscal environment and recommend adoption of the proposed residential factor, which will enable us to finalize property tax rates for this fiscal year. I look forward to discussing this recommendation with you at the December 8<sup>th</sup> tax classification hearing.

Sincerely,

Kimberley Driscoll Mayor City of Salem

**Action Contemplated** 

Letter from the Mayor resigning from the position of Mayor of the City of Salem effective at the conclusion of her remarks at the 2023 City Council organizational meeting scheduled to be held on Wednesday, January 4, 2023. (See below for letter in full)

**Action Contemplated** 

Councillor McCarthy Moved that the letter by received & filed

Voted

And that the City Council vote for Acting Mayor take place at the conclusion of her remarks on

Wednesday, January 4, 2023

Honorable Salem City Council Salem City Hall Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I am writing to inform you that I will resign from the position of Mayor of the City of Salem, Massachusetts effective at the conclusion of my remarks at the 2023 City Council organizational meeting scheduled to be held on Wednesday, January 4, 2023.

As I prepare to step away from this role and into a new one, I could not be prouder or more satisfied with the work that has been accomplished since I first entered office in January 2005. We – together – have transformed Salem into a vibrant, thriving, and successful community. We fixed bad practices of the past to professionalize municipal operations, rebuild City finances, improve transparency in government, and engage more resident participation. Salem, today, has a new focus on equity, sustainability, professionalism, and livability, all of which is a direct result of intentional actions we have taken and so many of which I am proud to have had the opportunity to initiate and lead.

### **MAYOR'S INFORMATIONAL PAGE**

As a Navy kid, we moved around a lot when I was growing up, so we never really had a hometown - until I came to Salem. Salem is and will always be my hometown. I am so deeply grateful for the chance that I have been afforded over these last 17 years to help shape it and improve it.

When I announced my first candidacy in 2005 I said that we deserved a City government as dedicated, passionate, and forward-looking as the people it serves. I believe we achieved that vision, and I am thankful for your partnership in making it possible.

Sincerely,

Kimberley Driscoll Mayor City of Salem

#### **MOTIONS, ORDERS AND RESOLUTIONS**

#### RESIDENTIAL FACTOR

Determination of the percentage of total taxes to be borne by the four (4) classes of property

Councillor McCarthy

ORDERED: That the City of Salem adopt a Residential Factor of 85.7132% for fiscal year 2023.

**Action Contemplated** 

Councillor McCarthy Moved Adopted by RCV YEAS NAYS ABSENT

Councillor McCarthy Moved for Immediate Reconsideration in hopes it would not prevail

**DENIED** 

#### **OPEN SPACE EXEMPTION**

Councillor McCarthy

**ORDERED:** That the City of Salem NOT adopt An Open Space Exemption for fiscal year 2023.

**Action Contemplated** 

Councillor McCarthy Moved Adopted by RCV YEAS NAYS ABSENT

Councillor McCarthy Moved for Immediate Reconsideration in hopes it would not prevail

**DENIED** 

### **MOTIONS, ORDERS AND RESOLUTIONS**

#### RESIDENTIAL EXEMPTION

Councillor McCarthy

ORDERED: That the City of Salem NOT adopt a Residential Exemption for fiscal year 2023.

**Action Contemplated** 

Councillor McCarthy Moved Adopted by RCV YEAS NAYS ABSENT

Councillor McCarthy Moved for Immediate Reconsideration in hopes it would not prevail

**DENIED** 

#### SMALL COMMERCIAL EXEMPTION

Councillor McCarthy

ORDERED: That the City of Salem NOT adopt a Small Commercial Exemption for fiscal year 2023.

**Action Contemplated** 

Councillor McCarthy Moved Adopted by RCV YEAS NAYS ABSENT

Councillor McCarthy Moved for Immediate Reconsideration in hopes it would not prevail

**DENIED** 

### **MOTIONS, ORDERS AND RESOLUTIONS**

Councillor N	/IcCarthy
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ORDERED: That the monthly financial reports dated June – October, 2022 (inclusive) be received and filed.

**Action Contemplated** 

Councillor McCarthy Moved Adopted Voted

#### **COMMITTEE REPORTS**

Councillor McCarthy offered the following report for the Committee on Administration and Finance co-posted with the Committee of the Whole to whom it was referred the matter of a Public Hearing on Urban Center Housing Tax Increment Financing Program for Lee Fort Terrace, has considered said matter and would recommend (Action unknown meeting held after agenda deadline)

Accept the Report Voted

Adopt the Recommendation Voted

Councillor McCarthy offered the following report for the Committee on Administration and Finance co-posted with the Committee of the Whole to whom it was referred the matter of a Public Hearing on Tax Increment Financing for Lee Fort Terrace, has considered said matter and would recommend (Action unknown meeting held after agenda deadline)

Accept the Report Voted

Adopt the Recommendation Voted

Councillor McCarthy offered the following report for the Committee on Administration and Finance to whom it was referred the matter of carrying matters forward has considered said matter and would recommend (Action unknown meeting held after agenda deadline) (if carrying any matters forward than the committee report shall state that rule 31B be suspended so the matters may be carried into the new year of 2023)

Accept the Report Voted

Adopt the Recommendation Voted

Councillor Riccardi offered the following report for the Committee on Ordinances, Licenses and Legal Affairs to whom it was referred the matter of Amending an Ordinance relative to Pick up of Large Items has considered said matter and would recommend Adoption for First Passage

Accept the Report Voted

Adopt the Recommendation Voted

#### **COMMITTEE REPORTS**

Councillor Riccardi offered the following report for the Committee on Ordinances, Licenses and Legal Affairs to whom it was referred the matter of Granting of certain Licenses – Secondhand Valuables ecoATM (2 locations) has considered said matter and would recommend Granted

Accept the Report Voted

Adopt the Recommendation Voted

Councillor Riccardi offered the following report for the Committee on Ordinances, Licenses and Legal Affairs to whom it was referred the matter of carrying matters forward has considered said matter and would recommend (Action unknown meeting held after agenda deadline) (if carrying any matters forward than the committee report shall state that rule 31B be suspended so the matters may be carried into the new year of 2023)

Accept the Report Voted

Adopt the Recommendation Voted

Councillor Dominguez offered the following report for the Committee on Community & Economic Development to whom it was referred the matter of carrying matters forward has considered said matter and would recommend 31B be suspended so the enclosed matters may be carried into the new year of 2023

Accept the Report Voted

Adopt the Recommendation Voted

Councillor Hapworth offered the following report for the Committee on Government Services to whom it was referred the matter of carrying matters forward has considered said matter and would recommend 31B be suspended so the enclosed matters may be carried into the new year of 2023

Accept the Report Voted

Adopt the Recommendation Voted

#### **COMMITTEE REPORTS**

Councillor Hapworth offered the following report for the Committee on Government Services to whom it was referred the matter of appointing a liaison to the Cultural Council has considered said matter and would recommend Adoption

Accept the Report Voted

Adopt the Recommendation Voted

Councillor Prosniewski offered the following report for the Committee on Public Health, Safety and Environment to whom it was referred the matter of carrying matters forward has considered said matter and would recommend 31B be suspended so the enclosed matters may be carried into the new year of 2023

Accept the Report V

Voted

Adopt the Recommendation Voted

Councillor Morsillo offered the following report for the Committee of the Whole to whom it was referred the matter of Reviewing City Council Rules and Orders, has considered said matter and would recommend (Action unknown meeting held after agenda deadline)

Accept the Report

Voted

Adopt the Recommendation Voted

Councillor Morsillo offered the following report for the Committee of the Whole to whom it was referred the matter of carrying matters forward has considered said matter and would recommend 31B be suspended so the enclosed matters may be carried into the new year of 2023

Accept the Report

Voted

Adopt the Recommendation Voted

#### **COMMUNICATIONS FROM CITY OFFICIALS**

The following order submitted by the City Solicitor relative to the Council approving a Massachusetts Conflict of Interest Law Exemption for James Rogers.

Ordered: In accordance with Massachusetts General Law, Chapter 268A, Section 20(b) the City Council hereby declares that James Rogers has met the requirements for exemption as set forth in this Section and may be retained as an Independent Contractor/Vendor for Pioneer Village Garden Projects by the Park, Recreation and Community Services Department, not to exceed 500 hours in this calendar year.

Action	Contempl	lated

Councillor Riccardi Moved Adoption Voted

#### **PETITIONS**

Petition from Attorney Joseph Correnti on behalf of Salem Wind Terminal to rezone a parcel located at 67 Derby Street from Residential Two Family (R2) to Industrial (I). The Zoning Ordinance Amendment (map change), the Map Number and Parcel ID Number has been submitted

Action Contemplated

Councillor Riccardi

Refer to the Planning Board To hold a Joint Public Hearing

Voted

Petition from National Grid to install 1 JO Pole on Pope St. (change of location from last meeting)

**HEARING ORDERED JANUARY 12, 2023** 

The Following Contract Operator/Drainlayer Licenses:

N. Granese & Sons, Inc 59 Jefferson Ave., Salem

**Action Contemplated** 

Councillor Riccardi Moved Granted Voted

The Following Claims:

Maria Carney 108 Margin St., Salem Michael Cocozella 2 Brentwood Ave., Salem Scott Luongo 36 Wheeler St., Gloucester Roderick Parker 60 Memorial Dr., Salem Manuel Vasquez 30 Ward St., Salem Julia Warren 106 Margin St., Salem

**Action Contemplated** 

Councillor Riccardi Moved referred to the Comm. on Vo

Ord., Lic. & Legal Affairs

Voted

### **PETITIONS**

The Following Bonds:

DRAINLAYER: N. Granese & Sons, Inc 59 Jefferson Ave., Salem

**Action Contemplated** 

Councillor Riccardi Refer to Comm. on Ord., Lic. &

Legal Affairs and returned approved Voted

#### **UNFINISHED BUSINESS**

SECOND PASSAGE ORDINANCE: Amending Traffic, Chapter 42 Section 50B, "Handicap Zones, Limited Time"

#### In the year two thousand and twenty-two

An Ordinance to amend an Ordinance relative to Traffic

Be it Ordained by the City Council of the City of Salem, as follows:

**Section 1.** Chapter 42, Section 50B – "Handicap Zone Limited Time" is hereby amended by repealing the following:

Repeal - in Front of #27 Barstow Street for a distance of 20 feet, "Handicap Parking, Limited Time, Tow Zone"

**Section 2.** This Ordinance shall take effect as provided by City Charter.

**Action Contemplated** 

Councillor Riccardi Moved Adoption for second and final passage Voted

SECOND PASSAGE ORDINANCE: Amending Traffic, Chapter 42 Section 50B, "Handicap Zones, Limited Time"

#### In the year two thousand and twenty-two

An Ordinance to amend an Ordinance relative to Traffic

Be it Ordained by the City Council of the City of Salem, as follows:

**Section 1.** Chapter 42, Section 50B – "Handicap Zone Limited Time" is hereby amended by adding the following:

#### **UNFINISHED BUSINESS**

In Front of #15 Conant Street for a distance of 20 feet, "Handicap Parking, Limited Time, Tow Zone"

**Section 2.** This Ordinance shall take effect as provided by City Charter.

**Action Contemplated** 

Councillor Watson-Felt Moved Adoption for second and final passage Voted

SECOND PASSAGE ORDINANCE: Amending Traffic, Chapter 42 Section 50B, "Handicap Zones, Limited Time"

#### In the year two thousand and twenty-two

An Ordinance to amend an Ordinance relative to Traffic

Be it Ordained by the City Council of the City of Salem, as follows:

**Section 1.** Chapter 42, Section 50B – "Handicap Zone Limited Time" is hereby amended by adding the following:

In Front of #3 Ocean Avenue for a distance of 20 feet, "Handicap Parking, Limited Time, Tow Zone"

**Section 2.** This Ordinance shall take effect as provided by City Charter.

**Action Contemplated** 

Councillor Cohen Moved Adoption for second and final passage Voted

#### **UNFINISHED BUSINESS**

SECOND PASSAGE ORDINANCE: Amending Traffic, Chapter 42 Section 50B, "Handicap Zones, Limited Time"

#### In the year two thousand and twenty-two

An Ordinance to amend an Ordinance relative to Traffic

Be it Ordained by the City Council of the City of Salem, as follows:

**Section 1.** Chapter 42, Section 50B – "Handicap Zone Limited Time" is hereby amended by adding the following:

In Front of #42 Essex Street for a distance of 20 feet, "Handicap Parking, Limited Time, Tow Zone"

**Section 2.** This Ordinance shall take effect as provided by City Charter.

Action Contemplated

Councillor McCarthy

Moved Adoption for second and final passage

On the motion of Councillor McCarthy

the meeting adjourned at

P.M.

Voted