

(The following is not a verbatim transcript of comments or discussion that occurred during the meeting, but rather a summarization intended for general informational purposes. All motions and votes are the official records).

FINANCE COMMITTEE

Regular meeting of the Finance Committee was held on Thursday, May 11, 2023 in the Council Chambers, City Hall, Cranston, Rhode Island.

I. CALL MEETING TO ORDER:

The meeting was called to order at 7:45 P.M. by the Chair.

II. ROLL CALL:

Present	Councilman Robert J. Ferri Councilman Richard D. Campopiano Councilman John P. Donegan, Chair Council President Jessica M. Marino
Absent:	Councilwoman Aniece Germain Councilman Christopher G. Paplauskas Council Vice-President Lammis J. Vargas, Vice-Chair
Also Present:	Councilwoman Nicole Renzulli Anthony Moretti, Chief of Staff John Verdecchia, Assistant City Solicitor Tom Zidelis, Finance Director David DiMaio, City Council Budget Analyst Kenneth Mallette, City Assessor Colonel Michael Winkvist, Police Department Major Todd Patalano, Police Department Rosalba Zanni, Assistant City Clerk/Clerk of Committees Ron Ronzio, Stenographer

Chair stated that Councilwoman Germain had a family emergency, Council Vice-President Vargas had a prior commitment and Councilman Paplauskas had a family matter to attend to and they will not be present this evening.

III. MINUTES OF THE LAST MEETING:

On motion by Councilman Ferri, seconded by Council President Marino, it was voted to dispense with the minutes of the April 3, 2023 regular meeting and the April 13, 2023 special meeting and they stand approved as recorded. Motion passed unanimously.

IV. COMMITTEE BUSINESS MATTERS CARRIED OVER:

Councilman Donegan: *(Cont. from 4/3/2023)*

- *Exploration of Liability policy for the City*

Director Zidelis stated that they still have information that has to be provided to the company that is going to provide us a quote.

Chair asked that this item be continued to the June meeting.

- *Legal vendor report*

Chair asked that this item be continued.

2-23-07 *Ordinance in amendment of Title 3 of the Code of the City of Cranston, 2005, entitled "Revenue and Finance, Chapter 3.97.030 – Fifteen (15) Years Economic Development Tax Incentive Program for Property located at 661 Park Avenue and 271 Doric Avenue (Tax Stabilization Agreement). Sponsored by Councilman Ferri. Co-sponsored by Councilwoman Renzulli. (Cont. from 3/6/2023 and 4/3/2023).*

On motion by Councilman Ferri, seconded by Council President Marino, it was voted to continue this Ordinance to the June meeting. Motion passed on a vote of 3-1. The following being recorded as voting "aye": Councilmen Ferri, Donegan and Council President Marino -3. The following being recorded as voting "nay": Councilman Campopiano -1.

3-23-01 *Ordinance transferring \$350,000 from the American Rescue Plan Act Grant Fund for engineering design development cost for construction of a Budlong pool and partial renovation of an improvement upon the property. Sponsored by Mayor Hopkins. (Cont. from 4/3/2023).*

Director Moretti stated that since this was referred, the Budget is basically passed and the Capital Budget has been approved. Maybe, the most expeditious way to proceed with the pool would be dropping this process and proceed forward with the funding already allocated.

Chair asked Legal if we can spend funds for FY2024 in FY2023. Solicitor stated that, after conferring with the Finance Director, those funds are available, they are ARPA Funds by their very nature in the form of a Grant, so based on that, his legal opinion would be that those funds are available for use now and he does not think it is necessary to wait for the formal adoption of the Budget.

Councilman Ferri stated that he will support this this evening and he is basing that on the fact that everyone is going to make sure that somehow this does not get added to the \$4 million we have already allocated.

On motion by Councilman Campopiano, seconded by Council President Marino, it was voted to recommend approval of this Ordinance. Motion passed unanimously.

V. CORRESPONDENCE/COMMUNICATIONS:

Council Vice-President Vargas:

- *Update on Comprehensive Plan Account*

Chair asked that this item be continued.

VI. PUBLIC COMMENT:

Mike Caramante, President of IBPO 301, appeared to speak in favor of proposed Ordinance 4-23-02.

VII. EXECUTIVE SESSION

A. Executive Session pursuant to R.I.G.L. sec. 42-46-5(a)(2) Pertaining to Collective Bargaining

- *IBPO (International Brotherhood Police Officers Contract, Local Union 301 (FY2024-2026).*

B. Executive Session pursuant to R.I.G.L sec 42-46-5(a)(5) Pertaining to discussions or considerations related to the disposition of publicly held property

- *Lot 300, Assessor's Plat 4/2, situated at 41 Heath Avenue, Cranston, RI*

On motion by Councilman Ferri, seconded by Councilman Campopiano, it was voted to go into Executive Session pursuant to RIGL 42-46-5(a)(2) Pertaining to Collective Bargaining and 42-46-5(a)(5) Pertaining to discussions or considerations related to the disposition of publicly held property. Motion passed unanimously.

The meeting went into Executive Session at 8:10 p.m.

Present in Executive Session: Councilmen Ferri, Campopiano, Donegan and Council President Marino; Councilwoman Renzulli; Anthony Moretti, Chief of Staff; John Verdecchia, Assistant City Solicitor; Tom Zidelis, Finance Director; David DiMaio, City Council Budget Analyst; Colonel Michael Winkvist, Police Department; Major Todd Patalano, Police Department; Rosalba Zanni, Assistant City Clerk/Clerk of Committees.

On motion by Councilman Ferri, seconded by Councilman Campopiano, it was voted to come out of Executive Session. Motion passed unanimously.

The meeting came out of Executive Session at 8:47 p.m.

Chair stated that no votes were taken in Executive Session other than to come out of Executive Session.

On motion by Councilman Ferri, seconded by Councilman Campopiano, it was voted to close the minutes of Executive Session. Motion passed unanimously.

On motion by Councilman Ferri, seconded by Council President Marino, it was voted to extend time of previously closed minutes pursuant to RIGL 42-46-7(c). Motion passed unanimously.

VIII. NEW MATTERS BEFORE THE COMMITTEE:

A. Ordinances

4-23-02 Ordinance Ratifying the IBPO (International Brotherhood Police Officers Contract, Local Union 301 (FY 2024 - 2026). Sponsored by Mayor Hopkins.

On motion by Council President Marino, seconded by Councilman Ferri, it was voted to recommend approval of this Ordinance.

Under Discussion:

Director Moretti stated that discussions and negotiations were in very good faith with the highest level of professionalism by the executive team of the IBPO.

Colonel Winkvist

agreed with Director Moretti that working relationship with the IBPO was great. This contract strikes the right balance and creates opportunity for not only the Officers that are there now, but future Officers.

Roll call was taken on motion to recommend approval of this Ordinance and motion passed unanimously.

4-23-03 Ordinance In Amendment of Title 3, Revenue and Finance, Chapters 3.84, 3.88, 3.92, 3.96, and 3.97 of the City of Cranston, 2005, Entitled "Tax Incentive Programs"; sponsored by Mayor Hopkins.

Director Moretti stated that a lot of thought and work was put into this Ordinance over the last few months with the Mayor, himself, Tax Assessor, Finance Director and Legal Department. End result was to modify what we currently have in terms of Tax Incentives. The Administration and team that drafted this Ordinance believe that it is not in the best interest of the City to put forward any Residential Incentives because they believe the City of Cranston speaks for itself and is extremely highly desirable place to develop.

Director Mallette stated that looking at this Ordinance, they felt the City did not need to commit to 20 years of Incentives. Most businesses are going to succeed or fail within seven or so years. Giving them 20 years was not amenable to the City. It also committed future Councils to continue these Incentives. They also tried to make the approval process much stringent where we would look at both financial need and the financial capabilities. The idea was to offer an Incentive, but also tighten that Incentive up and make sure it was both palatable to the developer, but also to the residents of the City.

Council President Marino stated that these revisions are still not providing for residential. She asked if that is correct. Director Mallette stated that that is correct. Tax Incentive Program for Residential and Retail were left out on purpose. Most residential developments are up and running within three to four years fully occupied.

Council President Marino asked how the \$2,500,000 threshold for minimum cost of Commercial or Industrial Buildings, was arrived at. Director Mallette stated that that \$2.5 million was a retrofit number more so than a total investment number.

Councilwoman Renzulli asked how many Incentives Programs are currently on the books that are committed to. Director Mallette stated five businesses. We have in the pipeline another four, so there are nine that we are giving these Incentives to at the present time and those four would be under these rules. Councilwoman Renzulli asked what happens to the Residential application, such as the one that is pending (Legion Bowl). Is that automatically disqualified if this is passed? Chair asked Legal if we can discuss another proposal at this time. Solicitor stated that that is something he thinks needs to be researched more thoroughly and needs to be discussed. Looking at the Code and the Tax Incentive Ordinance, he has not been able to find anything, any Ordinance which contains any type of Tax Incentive for Residential properties. The proposed Ordinance regarding Legion Bowl Project seems to be an ad hoc Tax Incentive which is targeted at that specific project. The first question that needs to be addressed is do we need a Tax Incentive Ordinance which applies strictly to residential projects? He really needs to research this in more detail.

Council President Marino stated that when this topic came up previously, the reasoning behind allowing potential Tax Incentive for a residential property was that the theory was that State Law allowed for it and that would take priority over our Ordinances.

Solicitor stated that Title 44 is enabling Legislation, which gives cities and towns the ability to design and implement a tax and set procedures and this is why he would like to do further study on this.

Chair asked what the four in the pipeline are. Director Mallette stated one is Miniature Casting on Slater Rd., the other is a self-storage place on Washington and he is not sure what the other two are.

On motion by Councilman Campopiano, seconded by Council President Marino, it was voted to recommend approval of this Ordinance.

Under Discussion:

Councilman Ferri asked, if this is approved this evening, would it make it impossible for something like the Legion Project to every being a reality? Solicitor stated that until he has the opportunity to do some research, it is difficult for him to answer at this time. Councilman Ferri stated that he does not know enough about this and there was no workshop, explanation and no foresight. He does not feel comfortable approving this at this time.

Director Moretti stated that the Administration urged Council to proceed. The Administration abided by the procedures, the Rules of the Council to introduce this matter. He is sure appropriate amount of time has gone by. He does not understand why we would act outside anything different. He cautioned that if Residential is opened up, the Mayor will endorse every other Residential application in the City and it could be devastating to the City of Cranston.

Roll call was taken on motion to recommend approval of this Ordinance and motion passed unanimously.

B. Real Estate Tax Abatements

Real Estate Tax Abatements

On motion by Councilman Ferri, seconded by Council President Marino, it was voted to recommend approval of this list of Tax Abatements as recommended by the City Assessor. Motion passed unanimously.

C. Motor Vehicle Tax Abatements

Motor Vehicle Tax Abatements

On motion by Councilman Ferri, seconded by Councilman Campopiano, it was voted to recommend approval of this list of Tax Abatements as recommended by the City Assessor. Motion passed unanimously.

D. Tangible Tax Abatements

Tangible Tax Abatements

On motion by Councilman Ferri, seconded by Councilman Campopiano, it was voted to recommend approval of this list of Tax Abatements as recommended by the City Assessor. Motion passed unanimously.

E. Tax Interest Waiver Approvals

Tax Interest Waiver Approvals

On motion by Councilman Ferri, seconded by Councilman Campopiano, it was voted to recommend approval of this list of Tax Interest Waiver Approvals. Motion passed unanimously.

F. Tax Interest Waiver Denials

Tax Interest Waiver Denials

On motion by Councilman Ferri, seconded by Council President Marino, it was voted to recommend approval of this list of Tax Interest Waiver Denials. Motion passed unanimously.

IX. ADJOURNMENT:

The meeting adjourned at 9:35 p.m.

Rosalba Zanni
Assistant City Clerk/Clerk of Committees