

(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 Monday, March 4, 2024 in the Council Chambers, City Hall, Cranston, Rhode Island.

I. CALL MEETING TO ORDER:

The meeting was called to order at 7:15 P.M. by the Chair.

II. ROLL CALL:

Present: Councilman Robert J. Ferri
Councilman Daniel Wall
Councilman Richard D. Campopiano
Councilman Christopher G. Paplauskas
Councilwoman Aniece Germain
Councilman John P. Donegan, Chair
Council President Jessica M. Marino

Absent: Council Vice-President Lammis J. Vargas, Vice-Chair

Also Present: Anthony Moretti, Chief of Staff
Christopher Rawson, Assistant City Solicitor
Thomas Zidelis, Director of Finance
David DiMaio, City Council Budget Analyst
Rosalba Zanni, Assistant City Clerk/Clerk of Committees
Heather Finger, Stenographer

III. APPROVAL OF MINUTES

A. Minutes of the February 5, 2024 regular meeting

On motion by Councilwoman Germain, seconded by Councilman Wall, it was voted to approve the minutes of the February 5, 2024 regular meeting. Motion passed unanimously.

Chair asked for a motion to take the agenda out of order to hear “Resolution In Support of Fully Funding State Aid to Libraries to the Full Twenty-five percent (25%)”.

On motion by Councilman Donegan, seconded by Councilman Wall, it was voted to take agenda out of order to hear “Resolution In Support of Fully Funding State Aid to Libraries to the Full Twenty-five percent (25%)”. Motion passed unanimously.

RESOLUTION *In Support of Fully Funding State Aid to Libraries to the Full Twenty-five percent (25%)*

On motion by Councilwoman Germain, seconded by Councilman Wall, it was voted to recommend approval of this Resolution.

Under Discussion:

Ed Garcia, Director of Libraries, appeared to speak

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

Councilman Ferri indicated that Council Vice-President Vargas is ill and that is reason she is not present this evening.

I. COMMITTEE BUSINESS MATTERS CARRIED OVER

Councilman Donegan:

- *Exploration of Liability Policy for the City (Cont. from 8/7/2023, 10/2/2023, 11/6/2023, 12/6/2023, 1/8/2024 & 2/5/2024)*

Chair stated that he had a conversation with Director Zidelis and this item will be placed on next month's agenda.

12-23-01 ***ORDINANCE In Amendment of Title 3 of the Code of the City of Cranston, 2005, entitled "Revenue and Finance", Chapter 3.110 – Ten (10) Year Tax Stabilization for Property Located at Oaklawn Avenue (Plat 17-3, Lot 670) (Oaklawn Avenue Tax Stabilization). Sponsored by Council President Marino. (Cont. from 1/8/2024 & 2/5/2024)***

12-23-02 ***ORDINANCE In Amendment of Title 3 of the Code of the City of Cranston, 2005, entitled "Revenue and Finance", Chapter 3.111 – Ten (10) Year Tax Stabilization for Property Located at 320 Scituate Avenue (Scituate Avenue Tax Stabilization). Sponsored by Council President Marino. (Cont. from 1/8/2024 & 2/5/2024)***

Chair stated that it is his understanding that applicant is seeking a continuance of the above two Ordinances.

On motion by Councilman Ferri, seconded by Councilman Wall, it was voted to continue the above two Ordinances. Motion passed unanimously.

***RESOLUTION Related to a Federal Grant to the City of Cranston valued at 7.2 Million Dollars.
Sponsored by Councilwoman Renzulli and Councilman Donegan. (Cont. from 2/5/2024)***

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

Under Discussion:

Director Moretti stated that the purpose of this Resolution is to satisfy Grant opportunity we have to solidify or to send a message to the people advancing the funds or approving the funds that the Council was behind this initiative. As to the programming at this time, and expenses associated with it, it can change, but minimally where we stand is CCAP would like to step up to operate the programming. Though we will never get a guarantee just before program goes live because they have to obtain necessary approvals, but Ms. McGunagle is quite confident that they will be able to service the programming. As to the programming, it certainly could be open to other considerations, but the Administration believes that those requirements of the grant are without costs to the City relative to programming. As to the operating costs, they might be able to satisfy some of those. He thinks it would be a very minimal cost to the City.

Councilman Donegan stated that he thinks this is a place that will be able to provide pivotal services for residents in our City, services that are needed and extension of services that already exist. This does not necessarily bind us to anything, but it shows our support for moving forward with pursuing those funds. He questioned what would happen if we get the \$7.2 million and we go over and what can be done to make sure we do not go over the \$7.2 million. Director Moretti stated that similar to what we do with all our capital projects. Engineers and Architects would be building it to prevailing construction cost.

Council President Marino stated that she still has concerns relative to putting out a message that we are committing to the idea of building a community center without more details at this time. The reasons for her concerns is if we initiate this, and we do not meet certain deadlines in time, construction wise, for example, then the federal government has the right to claw back that money from us and we are left with that financial burden. The fact that we are sitting here now and she knows that there were two stages of application process that were due, that does not give her the confidence that she needs to commit us to building a community center to the tune of \$7.2 million and being assured that it is going to be done in a timely manner where we are not going to be left holding the bag for the expense of building it. The other concern is the operational expenses. She understands it would be uncertain, but there are projections that could be made. For her, she would rather err on the side of caution and be holding our money than risking that level of exposure financially to us in the future at this time.

Director Moretti stated that he does not think there is any more detail the Administration can provide. In terms of a commitment, there is no one who will be able to provide the commitment at this time other than if the City wants to fund it.

Councilman Paplauskas asked Director Moretti if this Resolution is needed to move forward. Director Moretti stated that that is part of the requirement for the application.

Councilman Ferri stated that he truly values the fact that we have the opportunity to get \$7.2 million grant. Just because we have the opportunity to get that \$7.2 million grant does not mean that we have to take the \$7.2 million grant if we do not know how much it is going to cost us once the building is built. Without having a commitment to cover the expenses that it is going to cost to run the facility once it is built, he just does not see how we can sign on to something when we do not know what the cost is. What is the backup plan if CCAP should lose the funding next year and they can't run it? Is the Library going to take care of it? Do we have another source to come in? he needs to see something more concrete before he can put his name on this. He needs to see a plan on paper with a timeline. He believes we have trouble taking care of the buildings we have now, we have trouble taking care of parks we have now, we have trouble taking care of the playgrounds we have now and we are going to take on another building when we are not taking care of the buildings we have now. We need a plan and it has to be more than a four line Resolution in his eyes.

Chair asked Director Moretti what the timeline is which this is needed for. Director Moretti stated that he does not have that answer at this time. He believes it would be a short period of time, probably talking about weeks at best.

Council President Marino stated that this decision weighs heavily on her. She understands the opportunity, however, being pushed with backs against the wall saying "it is a small window" and not sure what that deadline exactly is, the Council is expected to commit to this huge endeavor. This is the taxpayers money, this is the peoples' money that we are going to be playing around with. To come to the Council now and not be able to say "this is what we are considering, this is what we have submitted, these are the phases, this is how much it is going to cost us to get the spec to get the engineering done, this is what we expect the deadline to be, this is the deadline we are up against for construction". Those deadlines exist. She does not have confidence that the Administration is coming before the council this evening asking the Council to do this, do not have those details that are pertinent, that she feels it is irresponsible to just give this "I think this is something the City can do". Based on the lack of information, she does not have that confidence.

Director Moretti stated that as to the timing, this was discussed months ago and it was discussed that CCAP would be the organization. Nothing has changed. It has been consistent for months. The engineering costs would be covered in the \$7.2 million. To say "back against the wall" and it is short notice, he thinks the day to make a decision is now whether to approve this or not.

Council President Marino stated that the engineering costs are important because it is a fact that if we begin this endeavor and we expend the funds with the engineering costs and then we do not meet the deadline and we back out, we are on the hook for that money, we have to pay it back, so those costs matter. We do not have the concrete deadline that exists, yet we are supposed to remain confident that they are going to spend the \$7.2 million to build the building.

Councilman Ferri stated that four months ago the City Council asked for a plan and they did ask how much it was going to cost. There was no concrete plan from CCAP or anyone else. Where is the plan? A four line Resolution is not a plan.

Director Moretti referred to a letter of Intent from Joanne McGunagle of CCAP and provided copies to the Committee and read it into the record.

On motion by Councilman Paplauskas, seconded by Council President Marino, it was voted to accept the letter dated February 27th from Joanne McGunagle into the record. Motion passed unanimously.

Roll call was taken on motion to recommend approval of this Resolution and motion failed on a vote of 2-5. The following being recorded as voting “aye”: Councilmen Donegan and Paplauskas -2. The following being recorded as voting “nay”: Councilmen Ferri, Campopiano, Wall, Councilwoman Germain and Council President Marino -5.

V. CORRESPONDENCE/COMMUNICATIONS

None.

VI. PUBLIC COMMENT

None.

VII. NEW MATTERS BEFORE THE COMMITTEE

A. Ordinances

None.

B. Resolutions

RESOLUTION *In Support of Fully Funding State Aid to Libraries to the Full Twenty-five percent (25%). Sponsored by Council President Marino and Councilwoman Renzulli.*

Discussed and voted on earlier in the meeting.

C. Motor Vehicle Tax Abatements

On motion by Councilman Ferri, seconded by Councilwoman Germain, 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

On motion by Councilman Ferri, seconded by Councilwoman Germain, 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

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

F. *Tax Interest Waiver Denials*

None.

Councilman Donegan:

- *Status of Audit*

Chair stated that the Audit has been received and no discussion is needed at this time.

- *Budget Hearing Schedule*

Chair stated that he would like to firm up the discussion of Saturday meeting or no Saturday meeting. He stated that when former Councilman Favicchio served as Chair of Finance, they held a Saturday meeting and worked out pretty well. He thinks it would be wise to do that again and knock off the smaller departments in one hearing. He polled the members of the Committee on their opinion for moving ahead for a Saturday meeting, possibly April 6th at 9 am. Councilman Ferri stated that he will be out of State and will not be able to attend and he would really like to be present for the hearing and would hope the Chair not schedule this hearing for the 6th.

Chair stated that now that he knows everyone is amenable to a Saturday hearing, he will try to schedule a Saturday hearing and confirm by the end of this week. He will be in touch with the Clerk about scheduling going forward.

Council President Marino stated that on the issue of status of the Audit presentation, she is proposing to hold a special Council meeting on March 14th after the Committee meetings after confirming with Marcum that they will be able to attend.

VIII. ADJOURNMENT

The meeting adjourned at 8:15 p.m.

Rosalba Zanni
Assistant City Clerk/Clerk of Committees