

(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, December 4, 2023 in the Council Chambers, City Hall, Cranston, Rhode Island.

I. CALL TO ORDER

The meeting was called to order at 7:05 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 (appeared at 7:07 pm and left at 8:25 pm)
 Councilman John P. Donegan, Chair
 Council Vice-President Lammis J. Vargas, Vice-Chair
 Council President Jessica M. Marino

Also Present: Councilwoman Nicole Renzulli
 Anthony Moretti, Chief of Staff
 John Verdecchia, Assistant City Solicitor
 Thomas Zidelis, Director of Finance
 David DiMaio, City Council Budget Analyst
 Rosalba Zanni, Assistant City Clerk/Clerk of Committees
 Meredith Potter, Stenographer

III. APPROVAL OF MINUTES

A. Minutes of the November 6, 2023 regular meeting

On motion by Councilman Ferri, seconded by Councilman Wall, it was voted to approve the above minutes. Motion passed unanimously.

IV. COMMITTEE BUSINESS MATTERS CARRIED OVER

9-23-04 ***Ordinance allocating \$600,000 from the American Rescue Plan Act Funds for the Purpose of Upgrading City of Cranston Playgrounds in All Six Wards.*** Sponsored by Mayor Kenneth J. Hopkins. (*Cont. from 10/2/2023 & 11/6/2023*)

On motion by Councilman Paplauskas, seconded by Councilman Wall, it was voted to recommend approval of this Ordinance.

Under Discussion:

Chair stated that there are two Ordinances on the docket this evening, one carried over and one under New Business and they are both effectively working towards the same end. He does not know if those two have been rectified. He asked if anyone from the Administration would like to speak to the Administration's Ordinance.

Director Moretti stated that in conversations primarily with Council Vice-President Vargas and there is a subsequent Resolution that better reflects, he thinks, a more refined version he thinks would be amendable consensus with the Council and the Mayor regarding the playgrounds and that will be forthcoming in this meeting he believes. At this point, if it is agreeable with the Council, the Administration will be withdrawing this Ordinance and it is going to be revised in a Resolution format with greater specificity in terms of expenditures per playground.

Ordinance was withdrawn.

Resolution relative to Playgrounds Upgrade & Maintenance. Sponsored by Council Vice-President Vargas. (*Cont. from 10/2/2023 & 11/6/2023*)

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

Under Discussion:

Council Vice-President Vargas stated that she is withdrawing this Resolution since there is another Resolution that was put forward and she will discuss it when that appropriate time comes before the Committee.

Resolution was withdrawn.

Councilman Donegan:

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

Director Zidelis asked for one more month continuance.

- ***Audit Process*** (*Cont. from 11/6/2023*)

Director Zidelis stated that the Auditors are still on site. His understanding is their field work should be completed this week, but that is just a hearsay conversation and we are still striving to get it done by December 30th.

Chair stated that he placed this item on the agenda because he wants to be sure that what happened last year, where we had to seek several extensions, does not happen again this year. He asked if there is anything that the Finance Committee needs to do not expedite that process, but to ensure that we remain on target. Director Zidelis stated that if the Council wanted another meeting in the interim, but there is nothing that the Committee can do.

- ***School Construction Update & Potential Additional Bonding (Cont. from 11/6/2023)***

Chair asked that this item be continued to later on the docket.

Council President Marino:

- ***The current remaining funds available on grants received by the City versus the total amount of grant funds awarded/received by the City. (Cont. from 10/2/2023 & 11/6/2023)***

Council President Marino stated that she spoke to Director Zidelis at last month's meeting and he did have some updated information. She received additional information this evening before the meeting. She will be removing this item from the agenda and review the information provided and have some additional discussions and, if needed, have it placed back on the agenda at a later time.

Councilwoman Renzulli:

- ***Status of open grant applications (Cont. from 11/6/2023)***

Councilwoman Renzulli stated that at the last full Council meeting, Director Moretti stated that there were two earmarked Grants, which will be through our Congressional Delegation. One, she believes was for K-9 vehicles and the other might have been for the Budlong Pool and those needed to go through the process with the Federal Government. We also have one Grant which we will discuss later in this meeting regarding the Community Center. She asked if that is the only open Grant application in which we have not received any information if we won them or not. Director Zidelis stated that there are three Congressional. The two that Councilwoman Renzulli spoke to and the third one is an infrastructure Grant, then the fourth Grant is the one the Committee will speak to later.

V. CORRESPONDENCE/COMMUNICATIONS

None.

VI. PUBLIC COMMENT

Aubrey Collins, 135 Sharon St., appeared to advocate for soonest opening of Edgewood Highlands Elementary School.

Bridget Graziano, 191 Wentworth Ave., appeared to speak regarding the Resolution regarding the playgrounds and thanked the Council Members who came forward with this Resolution. She stated that she is present specifically to advocate for Edgewood Highlands School playground.

Aiden Graziano, 191 Wentworth Ave., appeared to speak and encouraged the Council to vote funding for his School, Edgewood Highlands.

Amy Sloan, 1 Hayden Hill Rd., parent of student at Edgewood Highlands, appeared to speak and encouraged funding for a full fix and renovation of the playground to be open as soon as possible and thanked everyone for their work they have done so far to get us this far in the process.

Katie Kelly, 1122 Narraganset Blvd., appeared to speak on behalf of the Edgewood Highlands playground and all the playgrounds.

Superintendent Jeanine Nota-Masse appeared to speak regarding potential Bond for school construction repairs. She expressed necessity for this new Bond effort. She stated that she understands that \$40 million is a substantial amount of money, but fortunately, it is still a drop in the bucket of the needs of our buildings. At some point, we need to renovate and expand Western Hills and/or Bain Middle School, need to fully renovate the HVAC systems in several of the Schools, roofs are leaking, parking lots are full of pot holes. The additional \$40 million would be used for:

- Complete Phase 3 of Eden Park Elementary
- Address issues of antiquated flooring in many of the Elementary Schools
- Purchase and install a new boiler system for the main part of Cranston High School East
- Address the deteriorating condition of the parking lot at Cranston High School West
- Address needs at the Charter School – building needs improvements and renovation. If purchased in this Bond, we will receive 74% reimbursement on the sale as well as the building upgrades. It does not make fiscal sense to buy and/or do any renovations under a plan that does not provide 74% reimbursement back to the City

Lindsay Tavares, Executive Director of the Apprenticeship Exploration School, appeared to speak and echoed Superintendent's comments. She stated that the building is in need of repair and asked for support of the Bond.

VII. NEW MATTERS BEFORE THE COMMITTEE

A. Ordinances

None.

B. Resolutions

RESOLUTION Transferring \$242,000 from the American Rescue Plan Act Funds Allocated for the Purpose of Improving City of Cranston School Playgrounds; Sponsored by Council Vice-President Vargas and Councilwoman Renzulli.

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

Under Discussion:

Councilwoman Renzulli stated that she thinks this Resolution equitably gives the playgrounds that need it most the funding that they need soonest and then move onto other playgrounds in the city. She encouraged Council to pass this forward to the full Council meeting.

Chair stated that he appreciates all the work Council Vice-President Vargas and Councilwoman Renzulli have done on this in working with the Administration in getting this in front of the Committee. He is in full support and given the priority list, Edgewood Highlands needs to be opened immediately and that should be prioritized. We have the ARPA funds still available he proposed adding another \$60,000 to get all of these done. He proposed as a motion, amending line #41 to add \$7,500 for Peters, Waterman, Arlington, Chester Barrows, Dutemple and Rhodes and \$5,000 for Stadium, Eden Park and Orchard Farms bringing the total to \$302,000. Council Vice-President Vargas seconded the motion. Motion to approve above amendments passed unanimously.

Council Vice-President Vargas suggested amending total to \$307,000.

On motion by Councilman Wall, seconded by Councilman Campopiano, it was voted to make following amendments to above Resolution: line #4 - \$307,000; line #24 – 17; line #29 - \$307,000; line #33 - \$135,000. Motion passed unanimously.

On motion by Councilman Paplauskas, seconded by Council Vice-President Vargas, it was voted to recommend approval of above Resolution as amended.

Under Discussion:

Councilman Campopiano asked to be added as co-sponsor.

Councilman Ferri stated that he will vote in favor of this this evening, but questioned how we got here tonight?

Council President Marino stated that she agrees with the statement made by Councilman Ferri of how we got here. We need to be proactive and not reactive. She is glad to see this happen and we need to make this happen.

Council President Marino, Councilwoman Germain, Councilmen Paplauskas and Wall asked to be added as co-sponsors.

Motion to approve the above Resolution as amended passed unanimously.

RESOLUTION Supporting a legislative act of the Rhode Island General Assembly that enables the City of Cranston to seek approval of its voters to issue bonds and notes for the construction, purchase, and/or acquisition of land and buildings, renovation, landscaping, rehabilitation, repair, improvements, furnishing, and equipping of and/or additions to Cranston Public School buildings; Sponsored by Council President Marino, Councilwoman Renzulli, and Councilman Donegan.

On motion by Councilman Ferri, seconded by Councilman Wall, it was voted to recommend approval of above Resolution.

Under Discussion:

Council President Marino stated that this Resolution will allow the voters the opportunity to determine whether or not the City will take advantage of the 74% reimbursement rate and as it has been expressed through prior public meetings and through some discussion this evening, there is a large need in the City, the City Administration can speak to this, but they have communicated that \$40 million is a Bond that this City could afford going forward and hopes everyone will be in support of this this evening.

Councilman Ferri stated that he is in favor of doing this mainly because we will be getting 74% of the money back and it is a once in a lifetime responsibility.

Councilman Wall echoed Councilman Ferri's sentiment that it is a once in a lifetime opportunity. As a past member of the School Committee for eight years, he knows the conditions of all the schools and the dire need they are in. This \$40 million will be well spent.

Council Vice-President Vargas, Councilwoman Germain and Councilmen Ferri and Wall asked to be added as co-sponsors.

Council Vice-President Vargas stated that she totally supports this. It is an investment for our City.

Councilman Paplauskas stated that the Administration indicated that we can afford borrowing the \$40 million, he would like to hear from Director Zidelis of what the rates are right now that we are going to be borrowing these at. Director Zidelis stated that as he stated at the last Finance meeting, in terms of affordability, in the year 2027, the Schools and the City will both proceed with that. The high watermark will be FY27 where the proposed debt at the interest rates of 4-4.5% will require a 1% increase in taxes. In terms of affordability, he is comfortable to say if the interest rates hold in terms of our projections and we get the 74%, it is an affordable proposition for the City.

Councilman Paplauskas stated that he read in the paper that the City is going to buy a \$2 million property for \$12 million, if that is true, does it have to come before the Council for approval to purchase the building and does that continue at the 74% rate? Director Zidelis stated that it is proposed acquisition and rehabilitation for the \$12 million and as far as he knows, projections are predicated that that will have a 74% reimbursement. Councilman Paplauskas questioned Solicitor if Council approval would be needed in purchasing that property. Solicitor stated that purchases and sales have to be approved by the Council.

Chair stated that this is a wise investment in our city, our Schools and City students. This is decision that is fiscally wise to take advantage of that.

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

C. Real Estate Tax Abatements

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

E. Motor Vehicle Tax Abatements

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

F. Tax Assessment Board Of Review assessed December 31, 2022.

No action needed.

G. Tax Interest Waiver Approvals

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

H. Tax Interest Waiver Denials

None.

Councilman Donegan:

- ***Discussion of possible City-owned property to build a community center facility with State/Federal Grant Funding***

Chair asked Administration if it is correct to say that the application the city put forward was for City owned property. Director Moretti stated that the application for the facility was for a building of 8,000-9,000 sq. ft. to be constructed on City owned property. Currently, we are just shy of potential allocation of \$7.2 million. It is important to recognize Paul Dion, Director from the State Pandemic Recovery Office, who is present to answer any questions. He stated that the Governor and this Office has taken quite an interest in the Cranston program and they would love to see this through. They have been a tremendous resource to the City and he and his staff are present this evening to show a sign of support and encouragement and answer any questions.

Chair asked what City owned property is being looked at and how can we steer the conversation to both be productive given the time constraints of the application deadlines? Director Moretti stated that the deadline has been extended to December 15th for submitting a revised proposal. Mayor's proposal is the site that is currently a little league baseball field located adjacent to the YMCA and the Pastore Center. That field was used by CLCF and now that group is not utilizing it and he believes Cal Ripken group has been utilizing it. The Mayor has had discussions with the head of CLCF to check with that organization and they support this endeavor and should not be a conflict. The reason for that site, he, Director Corso, former Director Bernardo, who is filling in for Acting Director Mateus while he is on Paternity Leave, and the Mayor walked the site where Arlington School is currently located and also the site near Knightsville Manor and there is one other site, but it did not pan out well because of the topography of the land, would have been where the street hockey is located on Dyer Ave. The Arlington site would have been a good site, but there are two things going against it, 1) you are going to build a site within feet of children playing outside so it could be a high concern about child safety and 2) if you were to build, the disruption to education in terms of the sounds of the construction going on.

The Knightsville property might be a bit tight and there is neighborhood concerns. The site that we are speaking about is to build a second floor in the Pastore Center. Two major considerations there would be you do not know the cost from an engineering perspective and also activities in that building could be displaced. That is the reason for the Mayor's suggestion of the field being in close proximity to the YMCA and the Pastore Center. The land is in good shape and given all the sites, it can work.

Chair stated that he thinks it is a good location for it. Intent of his understanding and the population that we want most served through these funds and it would meet those populations. It is right across from Bain and right next to the YMCA and right next to the Pastore Center where we have recreation, so it is in an area where we have youth programs, social services and services at the YMCA. We have educational facilities right next door. He would be saddened to lose that field. That is where he grew up playing CLCF and has many fond memories and it is also a place where a lot of people in the neighborhood walk their dogs, but he thinks given the alternatives, he agrees with the concerns about timeframe and timeline at Arlington as well as the educational impact of bulldozers outside the windows while children are trying to learn.

Paul Dion, Director of the RI Pandemic Recovery Office, appeared to speak and stated that for the programming purposes, it is pretty broad. It is supposed to be defined by the community itself and you should have the community input into what programming should be offered there. At most, however, jointly and directly enable work education and health monitoring. Essentially, you need to be able to do all three of the programs simultaneously.

Councilman Ferri stated that if a building was built in that spot and cost \$7.2 million and we would say to CCAP, the Library Director and some type of workforce organization and have them go in and run these programs, would that be allowed to try to have the City avoiding an additional expense of running the building and all these programs and have to build it in our budget and 2-3 years from now could be \$1, \$2, \$3 million? We have no idea what it would be. Would that be allowed at that point in time? Mr. Dion stated that you have to carry the programming for five years post completion of the building, that is important to note. It would generally be allowed, you would have to see and make sure that what they are offering is compliant with the programming you said you were going to offer. If there was an issue with being able to execute the programming on the financing side, the City would be committing to step in to make sure that the programming is executed. There is a period of performance that runs through 12/31/2026 and by the October date that Director Moretti referenced to, you would want the building to be complete and the programs to become operational by 12/31/2026. That is considered to be a completed project. At that point, that is the period of performance. After the period of performance, he cannot state exactly what the US Treasury is going to do. These are requirements and not ours.

Councilman Ferri asked if a Library could be placed in that building. Mr. Dion stated, yes, a library is what they call an eligible use.

Council President Marino stated that what is important to mention is that the programming needs to be free to the community and not for profit. She asked Mr. Dion if that is correct. Mr. Dion stated that it does not necessarily have to be free, but obviously, a high cost, nobody would be able to do it, they would not be able to take advantage and then you would be defeating the purpose of the community center. He thinks that it would run afoul of what the Treasury intends. He reminded

everyone that the programming has to be done jointly. If there was some nominal changes, he thinks would be acceptable.

Councilwoman Renzulli asked if the City has to have a plan to pay for the operations since it cannot be done from program income or from facility income. She also asked how we are going to pay to operate the building. Director Moretti stated that it will probably depend on the programming. He would assume that worst case or most conservative scenario that the City would pick up the incremental overhead unless we can devise funding opportunities by having whether the libraries renting taking their portion of it. He would assume for this exercise to be conservative in considerations and Council's recommendation to assume that the City would pick up the operating expenses since there is no plan at this time.

Councilman Campopiano asked if there has been some type of study done of a need that is needed in the City to do this or are we going to have programs put in place that people do not want or need? He would love to have a building, but if it is not utilized properly, how are we going to determine what goes in there and what needs of the City are there? Director Moretti stated that a public survey has been done to get input from the public and the Administration has spoken to the Director of CCAP and she outlined a program for us that she could implement with those three tenants. If the Council wants to do the studies, we have had a few months to talk about it, we will not hit the December 15th deadline. If you want to continue the discussion and get public input, we could ask the representatives from the State, who are present this evening, if that submission could be modified.

Chair stated that recently a needs assessment had 300-400 responses. That would really be good in consultation as well as with the Director of CCAP. That would really give us a good idea of what exactly might serve the community.

Mr. Dion stated that the programming goes into place once the capital asset is completed. If you are doing new construction, that has to be done by October of 2026. There is time for you to properly solicit the residents of the City. One thing Treasury has told them is City Councils and Mayors should not be the ones dictating what is going to be the programming. It should be the people who are going to be accessing the services, which is the citizens of the City of Cranston. What they are looking for in this part of the application phase is a strategic plan on how you are going to do this.

Chair asked Director Moretti if there is anything needed from the Council. Director Moretti stated that the Mayor wants this to be a cooperative effort with the Administration and the City Council to make it a wonderful thing for the community. The Mayor wants to hear the Council's input on whether it is a good site, if they support this site, is this the way to go or look at something else?

Chair asked what is needed from the Council to approve. Director Moretti stated that he would have to defer to the attorneys, but he would think construction, if you are going to spend \$7 million, he would assume the Council should approve it regardless if the Council does not have to approve it. The Mayor would like what the Council would like. If the Council does not have an opinion, the Mayor is going to submit something.

Chair stated that as representative for the area, he would want to consult with the neighbors before a community center is built there.

Councilman Ferri stated that if the land is big enough and buildable, he would be in favor of that spot.

Council President Marino stated that she is in favor of this theoretically, being on City owned property in a community that is in need of those type of services. She thinks there is a good location. If we are going to be able to do this where the construction does not present us with some surprises where it is going to exceed the money that we are looking to have allocated to us and operational costs going forward are pretty much self-sustaining, then that is something she would like to see for the community. Community engagement beginning after February 1st, the Council would be very happy to conduct meetings such as town hall sessions relative to this subject and she could foresee it being in at least two locations in the City, one Western location and one Eastern location to promote the community involvement to what the needs would be.

VII. ADJOURNMENT

The meeting adjourned at 9:30 p.m.

Rosalba Zanni
Assistant City Clerk/Clerk of Committees