

Planning & Development Committee
Wednesday, July 6, 2016 – 5:30 p.m.
1st Fl. Council Committee Room – City Hall
-Minutes-

Present: Chair, Councilor Paul Lundberg; Vice Chair, Councilor Cox; Councilor Valerie Gilman

Absent: None.

Also Present: Dan Smith; Chip Payson; Matt Coogan

The meeting was called to order at 5:30 p.m. Matters were taken out of order.

1. **CC2016-022 (Nolan) Request that the P&D Committee consider whether the Gloucester Zoning Map shall be amended to match Sec. 2.1.1, “Enumeration of Zoning Districts” and the definitions contained therein specifically that of the BP (Business Park)(Cont’d from 06/22/16)**

Councilor Lundberg said that this issue came before the Council during the voting on the Medical Marijuana Zoning Ordinance. The Medical Marijuana Zoning Ordinance stated that Medical Marijuana Treatment Facilities (MMTF) and Medical Marijuana Cultivation Facilities (MMCF) could only be located in business parks. During the deliberations an anomaly was discovered in the Zoning Ordinance, that the Zoning Map showed one Business Park, the Blackburn Industrial Park, but the text in the definition of what included Blackburn Industrial Park and Kondelin Road. On the Zoning Map, Kondelin Road shows as a General Industrial District. That issue came to the Council through a Council Order submitted by Councilor Nolan. He then read the Council Order to the Committee (on file). The proposal by Councilor Nolan at the time was to amend the Zoning Map and not the definition. That Council Order was referred to P&D and the Planning Board. The Planning Board has held several public hearings and issued a report. The Board recommended the opposite of the Council Order -- that the Council amends the GZO Sec. 2.1.1 Enumeration of Zoning Districts to delete Kondelin Road from the definition and leave the Zoning Map the same. He concluded his summation by saying that the Planning Board recommended that the Council clearly identify Blackburn Industrial Park as the only business park. **Chip Payson**, General Counsel noted that Chairman Lundberg had summarized all the actions to date on the matter succinctly.

Councilor Gilman clarified with **Councilor Lundberg** that it is the same definition and is eliminating from the definitions, “and Kondelin Road,” so that the definition is consistent with the Zoning Map and that the Blackburn Industrial Park is the city’s only Business Park. **Councilor Gilman** noted the definition of Business Park in the Zoning Ordinance which she read (on file) confirmed it is unchanged. Mr. Payson said it is except for striking the words, “and Kondelin Road.” He said that currently the definition of a business park says, “...**Business Park Districts are located off of Blackburn Circle and Kondelin Road.**” He said that is a problem because at the beginning of Sec. 2.1.1, it says, “...**The following definitions are intended for guidance only; where there is a conflict between these definitions and Sections 2.3 and 3.2, the latter sections shall control.**” The map has only one Business Park and that’s Blackburn Circle. The definition says BP is Blackburn Circle and Kondelin Road, and so the question came down to which do you change -- change the map and expand it to include Kondelin Road -- or strike the three words out of the definition for BP, “...and Kondelin Road.” That would mean that now BP is now just Blackburn Circle and matches the Zoning Map. **Councilor Lundberg** added that the issue of making Kondelin Road a business park it would institute a group of inconsistent uses that are already at Kondelin Road and wouldn’t work. He pointed out this was precipitated to try and determine where the city could locate a MMTC or MMCF.

Nadine Wilkes, 5 Brierwood Street, asked a question of process. **Councilor Lundberg** said that the Planning Board held public hearings and considered just what General Counsel described -- that what’s written in the Zoning Ordinance as well as what is on the Zoning Map. The Board made their report which is public record (on file), and is what is before the Committee for their consideration and vote at this time.

Commenting on the vote of the Committee, **Mr. Payson** advised that what the Committee will vote is to delete the entire definition and add in a new definition that is essentially unchanged but excludes the words, “and Kondelin Road,” which **Councilor Lundberg** pointed out now makes the definition consistent with the Zoning Map.

COMMITTEE RECOMMENDATION: On a motion by Councilor Gilman, seconded by Councilor Cox, the Planning & Development Committee voted 3 in favor, 0 opposed, to recommend that the City Council amend GZO Sec. 2.1.1 “Enumeration of Zoning Districts” by DELETING the definition of BP Business Park (minimum lot area: 40,000 sf) and ADD a new definition as follows:

“BP Business Park (minimum lot area: 40,000 sf)

The Business Park district is located off Blackburn Circle, and accommodates offices, warehousing, limited service uses and light industrial uses in a business-park setting. It has ready accessibility and utility capacity to accommodate the demands of business park development. Residential uses are generally not allowed.”

Note: The City Council opened and continued a public hearing on the above matter related to CC2016-022. The public hearing will be reopened by the Council on July 12.

2. Amendment to the Gloucester Zoning Ordinance referred by the City Council at its May 10, 2016 Meeting whether to amend Use Table 2.3.2 re: Kondelin Road (Cont'd from 06/22/16)

Mr. Payson said when the Medical Marijuana Zoning Ordinance was passed it contained a use table. In the Zoning Ordinance it added under Sec. 2.3.2 Community Uses, #15 for Medical Marijuana Treatment Centers and #16 Medical Marijuana Cultivation Facilities and essentially said where they can be located. That use table said it can only be located in the BP district with a Special Council Permit. Both the MMTC and MMCF need the Special Council Permit, he said. The amendment before the Committee goes back to whether Kondelin Road should be expanded into a General Industrial District to allow MMTF's and MMCF's. The amendment would allow a Special Council Permits to be given out for MMTC's and MMCF's in the General Industrial District which includes Kondelin Road. The second amendment would then limit that General Industrial District for MMTC's and MMCF's to just Kondelin Road. Again, he said, this is dealing with the idea that is now passed of whether a MMTC or MMCF would be able to be located on Kondelin Road.

Councilor Lundberg reviewed that the Planning Board also held a public hearing on this matter and wrote a memo to P&D. The Board did not recommend Kondelin Road be singled out, that it just be all General Industrial or not and that there should not be a footnote for Kondelin Road.

Councilor Cox then placed the motion on the table which was seconded by **Councilor Gilman** to amend GZO Sec. Use Table Sec. 2.3.2 Community Service Uses, Use #15 and #16 by ADDING the allowance of the GI (General Industrial) to CCS.

Councilor Lundberg clarified that the amendment would allow MMCF to be considered in General Industrial District as well, and **Mr. Payson** added it would be with a Special Council Permit. He said it would amend the use table to expand it. **Councilor Lundberg** further clarified that a vote in favor of the amendment would expand the places a Medical Marijuana Treatment and/or Cultivation Facility in the General Industrial District. He pointed out that a vote against this amendment would be responsive to the community who through he and Councilor Nolan's Ward 5 public meeting where a number of residents spoke vehemently against such an expansion. He noted that the GI District includes not only Kondelin Road but other areas such as off of Grove Street, Kettle Cove, the area on Pond Road, which area are more integrated into residential communities than a business park. He said that after what he heard, he would vote against this initiative. **Councilor Cox** expressed a similar sentiment.

COMMITTEE RECOMMENDATION: On a motion by Councilor Cox, seconded by Councilor Gilman, the Planning & Development Committee voted 0 in favor, 3 opposed, to recommend that the City Council amend GZO Sec. Use Table Sec. 2.3.2 Community Service Uses, Use #15 and #16 by ADDING the allowance of the GI (General Industrial) to CCS.

MOTION FAILS.

Mr. Payson said had the first amendment been recommended, it would have allowed MMTC and MMCF anywhere in the GI District. This second action would amend the definition; by saying such use allowance in the GI District shall be limited to Kondelin Road which narrows the parameters.

Councilor Lundberg said it would be an inconsistent amendment of the Zoning Ordinance and indicated he was not in favor.

COMMITTEE RECOMMENDATION: On a motion by Councilor Cox, seconded by Councilor Gilman, the Planning & Development Committee voted 0 in favor, 3 opposed, to recommend that the City Council amend GZO Sec. Use Table Sec. 2.3.2 Community Service Uses, footnote #4 by adding the following second sentence: “Such use allowance in the General Industrial District shall be limited to the Kondelin Road GI District.”

MOTION FAILS.

Note: The City Council opened and continued a public hearing on the above two matters. The public hearing will be reopened by the Council on July 12.

3. *Memo from Community Development Senior Planner re: Gloucester Aggregation Plan's submittal of final work to the Dept. of Energy Resources & Dept. of Public Utilities (Cont'd from 06/22/16)*

Matt Coogan, Senior Planner for the city, said that several months ago the Council voted for the city to enter into an agreement with Good Energy of Norwalk, Connecticut, to develop a draft City of Gloucester Municipal Aggregation Plan (the "Plan") for submittal to the state for approval. He noted the presence of former City Councilor Paul McGeary, now a member of the city's Clean Energy Commission (CEC). He recounted that there has been an open public comment period on the Plan which is available to the public through a link on the city's website and on the CEC's webpage also. The CEC met June 30 to discuss the Plan reviewing all the different aspects of it. The CEC unanimously approved to recommend to the Council that it approve the Plan. The Plan will be reviewed by Department of Energy Resources (DOER), and then forwarded to the Department of Public Utilities (DPU). Once the Plan is approved by the DPU, the city then can move forward seeking pricing from energy companies for the aggregation. He advised there will be a decision point to determine whether the pricing is good for the city to pursue or whether they need to wait to lock in pricing. There hasn't been much public feedback, he advised, with the exception of what the CEC has received, he said. He pointed out the Council has scheduled a public hearing on the Plan for July 12. He advised that Stefano Lorretto of Good Energy will be present to answer any questions about the Plan as well as members of the CEC.

Stefano Lorretto, the city's Plan consultant with Good Energy, said the DPU encourages appropriation of language from other successful municipal aggregation plans noting that Good Energy used a similar boilerplate language for 24 approved plans from last year with slight changes. An important difference in Gloucester's Plan is a five percent additional renewable energy on top of the state required RPS (Renewable Portfolio Standard). What is noteworthy about this particular aspect of the Plan is that it is hoped this will be sourced from the city's wind turbines in the Blackburn Industrial Park. He said there is no precedent for something of this nature in the Commonwealth or only in a few municipalities in the country that have every used renewable energy certificates from a resource on the municipality's property as part of an aggregation program.

He then conveyed the following information: Once the Plan is approved, residents will be given the chance to choose the option of the extra 5% renewable energy, but if they don't want to pay that 5% premium they can elect to only pay the RPS. Some communities, like the city of Melrose, chose a much higher percentage for renewable energy, 100%. It will be a choice residents make. The Plan is now in the public review period culminating with the Council's public hearing at their July 12 meeting.

There was a productive meeting with the CEC last week which was partly spent on how the public will be educated about the Plan through a public awareness campaign scheduled to ramp up in fall once there is DPU approval of the Plan. When they are ready to go out to bid to the energy companies, they will start executing on some of the campaign details such as utilizing print media, cable TV, and social media. Residents who are eligible for the Plan will receive an "opt-out" letter which will be easily recognized as coming from the city. They will also reach out to residents who made a selection to go with a different energy provider already to make them aware of the Plan, how to join the new program and what to consider before making the decision to join the new program.

The DOER process will culminate with a consultation towards the end of July which is considered a formality with the DOER to make the city aware of some details of the Plan. Assuming the city receives its Letter of Consultation, and then the city will submit its Plan to the DPU for approval which can take up to 90 days. During the 90-day waiting period the public awareness campaign to be developed and executed. The goal is to get ahead of the winter rate changes, which take place in November each year, in order to have a program that starts as soon as possible.

Councilor Cox asked if he and the CEC will be back to report to the Council once there is approval of the Plan from the DPU. **Mr. Lorretto** said it is planned that they would ask the Committee for their input on the proposed public outreach campaign although it is not required by the proscribed regulatory process. He noted that Good Energy has done this for almost 200 communities nationwide. **Councilor Cox** expressed concern that as soon as the opt-out period is in play so that it be communicated to the Council so that they are prepared to share information with their constituents immediately through a variety of already established social media. She said it would be preferable to give the constituency notice to be on the lookout for their letter, for instance. **Mr. Coogan** said based

on the timing they may start the opt-out period with a presentation to the Council and ensure coordination. While reiterating that it is not a regulatory requirement, it is their intent to come back to the Council to advise them of the approval and pending opt-out letter as they are a main conduit to getting the information out to the public. **Mr. Lorretto** added that the DPU process ends with their public hearing. That means they're two weeks from getting their approval for the city, and at that point in time there is a month they can come back and coordinate with a strategy for the outreach campaign to ensure it is cohesive. **Councilor Cox** asked if the opt-out letters will be available in different languages. **Mr. Lorretto** said there will be an area at the bottom of the letter that will let people know where they can get copies of the letter in different languages and directs them to a website where they can be viewed.

Councilor Gilman, noting she had reviewed the draft Plan on the city's website, pointed out there is the need to approve a request of the municipality for a waiver of the requirement of 220 CMR Sec. 11 to mail the quarterly disclosure label. At what point is that vote part of the City Council's action, she asked. **Mr. Lorretto** said that waiver is granted by the DPU. He explained it as follows:

The DPU requires every electricity supplier serving any customers needs to provide a disclosure label which breaks out how the electricity is generated from such as, 20% is from nuclear energy, 18% is from natural resources, etc. The reason for waiver is that it would be placing an undue burden on the electric supplier to mail every single account holder quarterly would be cost prohibitive. And in turn the electric supplier would then build that cost into the aggregation rate which would hurt everybody's rates. That information still needs to be made available but it isn't done in a quarterly mailing, rather it is posted on the web site. The waiver is never voted on by a legislative body. It is in the Plan, **Mr. Coogan** said, and by voting to accept the Plan, the city votes the waiver.

Councilor Gilman asked if Good Energy knows how many residents currently have a relationship with a competitive electric supplier (other than National Grid). **Mr. Lorretto** said, "No." They have general statistics from the DPU and National Grid gives but they don't know the specifics. They will know those statistics relatively soon and will get a data release form once the Plan is in the DPU which is sent to National Grid who will send a list of all eligible accounts and review that data to determine those accounts which are ineligible that have already switched suppliers. **Paul McGeary**, CEC member, said this was a big discussion at the CEC last week about outreach to those people because by default they are only getting those who are National Grid clients. There is a group of electric customers who have already signed up with other electric suppliers that may be to their advantage or not. The discussion centered on how to reach out to these folks and phase them into the new program because there can be penalties for them to change their supplier. He said it is an ongoing process as people reach their cut-off date for their electric supplier how they can then opt into the Plan.

Councilor Gilman asked what the 5% renewable energy requirement entails and what does the resident get in opting for that extra 5% renewable energy. **Mr. Lorretto** said part of the goal that MAPC and the city had was to have local renewable energy added into the Plan. He briefly explained the renewable energy aspect as follows: The market for renewable energy is through Renewable Energy Certificates (REC). The wind turbines when they generate 1,000 KW hours that equals one REC. The power the turbines generate has no way to be steered into a home but rather is absorbed into the electric grid. The city gets credit for having generated that much electricity. In the past many communities have used REC's from other parts of the country where they are extremely inexpensive, such as Texas where REC's cost \$1.00. In Massachusetts the goal of the program to have the REC's come from local sources means the REC's are much more expensive. One REC is about \$40 for what are termed MA Class 1. The RPS dictates there is 11 percent of the energy received in Massachusetts is generated by MA Class 1 "recs" and that amount goes up one percent each year. At 5% it puts the city significantly ahead and is well above the state mandated RPS. The reason they came up with 5% is because the incremental cost to an individual homeowner would be \$7 to \$10 a year and is a meaningful contribution to renewable energy in the Commonwealth. Some communities are choosing to make that considerably higher -- Brookline is using 25%, but different communities have different priorities and different socio-economic needs of their residents. The 5% is meaningful.

Councilor Gilman asked if they have 90 days to find the best (electric) rate for the aggregation for the community and up to Good Energy, once the Council votes, for the winter. **Mr. Lorretto** clarified that 90 days is how long it takes for the DPU to approve the Plan which places the city's program a holding pattern until it is approved before the city can move ahead to the bidding process. While the 90 days is ticking down they will develop their outreach campaign to the city. Upon DPU approval and when the city is ready to go to bid, five to six electric suppliers that would offer prices for a term of 12, 18 or 24 months. A matrix is created and the city decides what length of term to go with Good Energy's input. If the market isn't at a favorable point Good Energy would likely advise the city to wait it out until market conditions improve. The public outreach campaign would coincide with the 30-day opt-out period. At the end of that 30-day opt out period, anyone who hasn't opted out is then enrolled by the chosen utility and the name change will appear on the next energy bill.

Councilor Gilman said there will be one mass distribution letter to every eligible resident. She asked if they will reach out to landlords or whoever owns the house. It is whoever name the account is under, **Mr. Loretto** said. The account information comes from National Grid, he added. The letter will come to the ratepayer not necessarily the homeowner after the city has gone to bid and will show what the winter rate will be, showing what the savings will be, and contain much more information, including if they want to opt out. If somebody is not eligible they won't get that letter, he pointed out. An important aspect of the outreach campaign is to get to those ratepayers who are with an electric supplier other than National Grid because they won't get the opt-out letter.

Councilor Gilman suggested that there may be an opportunity when the city issues quarterly water and sewer bills to place information in the mailing for communicating this program and could be considered by the Administration. **Councilor Lundberg** said the people who get water and sewer bills may not be paying electric bills. **Mr. McGeary** said the letter is not the only thing way the public will be informed. There will be mailers, public meetings, TV spots, and other kinds of outreach. **Councilor Cox** advised that the city's vendor that handles the water and sewer bill mailings does charge the city for putting something in the quarterly bills and that the timing may not be right as it would have to coincide with that 30 day opt out period and may not.

Mr. Coogan added that one of the goals of the Plan is to lock in pricing which doesn't fluctuate with the seasons and added in is renewable energy. They are also trying to get a competitive rate over what National Grid is charging their customers now. He assured that Good Energy has done this with so many communities that their goal is to touch as many people as possible through different sources. If they do find someone they don't touch it is hoped they will find their bill for electricity lower, but at any point during the contract they can opt out for any reason. **Mr. McGeary** said even though paying a premium for additional renewables. Next year in Massachusetts every electric supplier has to provide 21% of renewable sourced electricity and with opting for the 5%, the city would then get 26% from renewable energy sources. By bringing a large number of customers, it is hoped the rate will be lower for the 5% premium. **Mr. Loretto** noted that the city of Melrose started in January 2016 and this winter Melrose residents saved 3.5 cents per KW hour and even though the National Grid KW hr. rate has dropped, the municipal aggregation rate is still 1.5 cents above the National Grid rate. From January through October Melrose will be 2 cents ahead per KW hr., he pointed out. It is unknown what Melrose will pay for November and December because those rates aren't announced until September. That is considered a great win across the board, he said. They are very conservative in discussing savings, he said as they only find out about the rates a month and a half before they change. He assured they will make it very transparent to know there are savings and that residents can opt out without charge or penalty as well as to opt in.

Councilor Gilman said after the first contract period has expired, and another opportunity to engage in another contract for municipal aggregation, and asked if it was possible to join with other municipalities who participate in municipal aggregation to take a regional approach to obtain an even better cost savings for Gloucester residents. **Mr. Lorretto** said it was. He noted there are 18 municipalities in the southeastern part of the state that went to bid collectively, he said, and gave several more in-state examples. There will be an opportunity to bid collectively but the term of the contract has to be agreed upon by all regional municipalities participating. That can be explored at that time to see if there is value added, he said.

COMMITTEE RECOMMENDATION: On a motion by Councilor Cox, seconded by Councilor Gilman, the Planning & Development Committee voted 3 in favor, 0 opposed, to recommend that the City Council accept the, "City of Gloucester Municipal Aggregation Plan" as presented by the City of Gloucester Senior Planner in a memo dated June 7, 2016.

4. *CC2016-029 (Gilman/Ciolino) Request that P&D & Planning Board review & recommend to City Council an amendment to the GZO Sec. VI "Definitions" "Open Space" to include: "natural resources of wetlands, forest and agricultural land as open space;" and amend GZO Sec. VI "Definitions" by adding a definition entitled, "Compost Facility /Composting Operations" that addresses permitting, siting, design and operations requirements (TBC 08/03/16)*

This matter is continued to August 3, 2016 pending a recommendation by the Planning Board.

A motion was made, seconded and voted unanimously to adjourn the meeting at 6:19 p.m.

Respectfully submitted,

Dana C. Jorgensson

Clerk of Committees

DOCUMENTS/ITEMS SUBMITTED AT MEETING: None.