

The Committee of the Whole met on Monday, February 10, 2020 at 6pm

Members present were Councilor Rosa DiFlorio, presiding, Councilors Gerly Adrien, Fred Capone, Anthony DiPierro, John Hanlon, Jimmy Le, Michael Marchese, Stephanie Martins, Michael Mclaughlin and Peter Napolitano.

Member absent was Councilor Wayne Matewsky.

The Committee considered a Resolution offered by Councilor Michael Mclaughlin; That his Honor the Mayor consider using 65% of Encore Casino revenue to reduce taxes in the City.

Mayor Carlo DeMaria and Chief Financial Officer Eric Demas were also present.

Councilor Mclaughlin explained to the Mayor that after he vetoed the City Council request to use 75% of the revenue from Encore to offset the taxes he thought that maybe 65% would be more acceptable. The Mayor responded that the City of Everett has the second lowest tax bills in all of metropolitan Boston. The Mayor explained further that 100% of the Encore revenue goes to offset expenses, which ultimately reduces the tax obligation. Councilor Capone asked if planned to level fund the budget. He responded that his plan is not to raise the annual appropriation budget and has asked his Department Heads to look at ways on reducing their operating budgets. The Mayor did acknowledge that he would be coming before the City Council with an aggressive Capital Improvement plan knowing that many of the School building debt and interest will be coming off the books. He remarked that even though many saw reductions in their tax bills he didn't see or hear of any Landlords lowering the rent for their tenants. He declared that better public transportation options could result in denser housing options resulting in more affordable housing. Mr. Demas indicated that hotel and meals revenues were coming in higher than expected and will produce more free cash for the City. Councilor Marchese asked how much taxes the power plant was currently paying and what would happen if the old units were decommissioned. The Mayor and Mr. Demas explained that the City currently receives approximately \$15 million in revenue and that the decommissioning was expected to take place between 2024 to 2026, but noted that the TIFF agreement had ended and that the City expected to assess the power plant at \$1.6 billion. Councilor Marchese also asked what happens with the host agreement with Encore ends in 15 years. Mr. Demas responded that the City would renegotiate at that time.

The Committee voted: To report back to the City Council with a recommendation to place on File.

Respectfully Submitted,

John W. Burley
Clerk of Committees