

*(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, February 13, 2014, in the Council Chambers, City Hall, Cranston, Rhode Island.

### **CALL MEETING TO ORDER:**

The meeting was called to order at 7:07 P.M. by the Chair.

Present                    Councilman Steven A. Stycos, Chair  
                                Council Vice-President Michael J Farina, Vice-Chair  
                                Councilman Mario Aceto  
                                Councilwoman Sarah Kales Lee  
                                Council Majority Leader Paul H. Archetto (left meeting at 8:50 P.M.)  
                                Councilman Donald Botts, Jr.  
                                Council President John E. Lanni, Jr.

Also Present:            Councilman Richard D. Santamaria, Jr.  
                                Gerald Cordy, Director of Administration  
                                Jeffrey Barone, Director of Constituent and Government Affairs  
                                Carlos Lopez, Chief of Staff  
                                Evan Kirshenbaum, Assistant City Solicitor  
                                Robert Strom, Finance Director  
                                Patrick Quinlan, City Council Legal Counsel  
                                Salvatore Saccoccio, City Assessor  
                                Larry DiBoni, Director of Economic Development  
                                Maria Medeiros Wall, City Clerk  
                                Rosalba Zanni, Assistant City Clerk/Clerk of Committees  
                                Heather Finger, Stenographer

### **MINUTES OF THE LAST MEETING:**

On motion by Councilman Aceto, seconded by Council Vice-President Farina, it was voted to dispense with the reading of the minutes of the last meeting and they stand approved as recorded. Motion passed unanimously.

### **CORRESPONDENCE:**

**PUBLIC HEARINGS/OLD BUSINESS:**

- **Claim of erroneous tax assessment : Virginia Kowal, 45 Kimberly Lane North. (Continued from 1/16/2014)**

**Virginia Kowal**, 45 Kimberly Lane North, appeared to speak and asked the following questions:

- What update did Mr. Saccoccio mean by the 1995 Revaluation he stated at the last meeting?
- How many times has the erroneous tax assessment that happened to her occurred to other people in the City?
- What is construction method in changing crawl space to living area?
- Why were things changed in her home by the Tax Assessors Office?

**Ms. Kowal** stated that she never turned anyone away from her home if they asked to go in and she never built anything in her home.

**Chair** asked if Mr. Saccoccio would like to respond. Mr. Saccoccio stated that he did not wish to respond.

On motion by Councilman Aceto, seconded by Council Vice-President Farina, it was voted to abate or give credit to Ms. Kowal for \$5,477.

Under Discussion:

**Councilman Stycos** asked Solicitor if this could be done this way or is an Ordinance needed. Solicitor Kirshenbaum stated that this is troubling to him that this is happening in this manner. He is not saying that this is legal or illegal. He also indicated that the tax appeal has run out. He is not sure an Ordinance in an appropriate remedy. He indicated that we are allocating money from prior budgets on a claim that has not been properly filed.

**Councilwoman Lee** stated that she feels that this starts a bad precedent by giving money that has already been spent.

**Council President Lanni** stated that this is a bad motion because we would have taxpayers after taxpayers requesting the same thing. He also stated that there is a process in place the taxpayers can go through and it has worked for many many years. He feels bad for Ms. Kowal, but her place is in Superior Court.

**Council Minority Leader Favicchio** stated that he feels this starts a dangerous precedent. We cannot represent taxpayers and the City and then start representing a taxpayer as a tax appeal. We have a Tax Appeal Board and Superior Court that handles these matters.

**Councilman Botts** echoed what everyone else stated, which this would start a bad precedent.

**Council Vice-President Farina** withdrew his second to the motion based on what the members stated they felt.

**Councilman Aceto** stated that he will not withdraw his motion even though this will not pass. He stated that he is elected to represent his constituents and that is what he did in Ms. Kowal's case.

### **Report from Vision Appraisal on procedures and practices for interior inspections**

**Chair** stated that per the City Clerk, the Administration did not wish to ask Vision Appraisal to appear this evening.

**Chair** presented handouts. One of the documents was information from John Lewis, which was a spreadsheet.

**Mr. Saccoccio** stated the following:

- 29,270 total houses
- 1<sup>st</sup> col. – 14,419 – property measured
- 2<sup>nd</sup> col. – List – houses entered 4,024
- 3<sup>rd</sup> col. – 10,395 property weren't able to get in these houses and they would receive a letter
- 2500 letters mailed a few weeks ago.

**Chair** asked John Lewis to address the Committee.

**Councilman Botts** stated that Mr. Lewis has been before this Committee numerous times. He asked if Mr. Lewis is testifying as an expert and, if so, where are his credentials.

**Mr. Lewis** stated that he is retired and is testifying as a taxpayer and has an understanding.

**Mr. Lopez** stated that the issues stated by Mr. Lewis have been looked at and reviewed many times. Vision Appraisal is doing their job by their industry standards.

**Solicitor Kirshenbaum** stated that he does not approve of having these discussions in open forum with the innuendo that a department head did not do her or his job.

**Council Minority Leader Favicchio** stated that the information provided by Mr. Lewis are not appraisals since Mr. Lewis is not an appraiser.

**Mr. Strom** stated that Vision Appraisal has been doing this type of work for approximately twenty years and they do work throughout the State of Rhode Island. They have done a fair and equitable job in years past and continue to do so, not just in Cranston, but throughout the State. He also indicated that they did go through the bid process and they were the lowest bidder.

**PUBLIC HEARINGS/NEW BUSINESS:**

- **Tax Incentive Application 5 year Commercial: Café Itri, 1686 Cranston Street Raymond F. Coletta & Gregory P. Spremulli (Cont. 1/16/2014).** [\[click to view\]](#)

**Lawrence DiBoni**, Director of Economic Development, appeared to speak.

**John DiBona, Esq.**, appeared to represent Café Itri.

**Gregory Spremulli** also appeared to speak.

**Attorney DiBona** stated that his client has made a 1,600 sq. ft. addition, in addition to improvements to the current building and increasing staff by ten.

**Mr. Spremulli** stated that he has been in business for 24 years and he felt it was time for renovations.

**Council Vice-President Farina** stated that his fear is this is the first restaurant being given a tax incentive. He questioned if other restaurants are expected to come in and invest money and ask for tax incentive. Mr. DiBoni stated that there are criterias and they have to spend a certain amount for renovations.

**Councilman Botts** stated that we should be encouraging businesses to come into the City. As to the tax incentives, the City should embrace and encourage businesses to apply for.

On motion by Council Vice-President Farina, seconded by Council President Farina, it was voted to recommend approval of this Tax Incentive.

Under Discussion:

**Chair** questioned ownership versus leased as to who applies. He asked Solicitor to research this. He also questioned if there is a fiscal impact for this. Solicitor Kirshenbaum stated that the fiscal impact would be approximately \$8,000 to \$10,000 in taxes per year for the addition.

**Chair** asked what happens to the tax incentive if the business closes before the sixth year. Mr. DiBoni stated that the tax incentive would then be null and void.

Roll call was taken on motion to recommend approval of this Tax Incentive and motion passed on a vote of 6-1. The following being recorded as voting "aye": Councilwoman Lee, Councilman Botts, Council Majority Leader Archetto, Councilman Aceto, Council Vice-President Farina and Council President Lanni -6. The following being recorded as voting "nay": Councilman Stycos -1.

- **Real Estate and Tangible Tax Abatements** [\[click to view\]](#)

On motion by Councilman Aceto, seconded by Council Vice-President Farina, it was voted to recommend approval of this Resolution. Motion passed unanimously.

- **Motor Vehicle Tax Abatements** [\[click to view\]](#)

On motion by Council Vice-President Farina, seconded by Councilman Aceto, it was voted to recommend approval of this Resolution. Motion passed unanimously.

- **Tax Interest Waiver Approvals** [\[click to view\]](#)

On motion by Council Vice-President Farina, seconded by Councilman Aceto, it was voted to recommend approval of this list of Tax Interest Waiver Approvals. Motion passed unanimously.

The meeting adjourned at 8:55 P.M.

Respectfully submitted,



Rosalba Zanni  
Assistant City Clerk/Clerk of Committees