



City of Somerville Job Creation & Retention Trust

Vickie Choitz, Managing Trustee
Anika Van Eaton, Co-Manager

Trustees

Thomas Bent
Jesse Clingan
Lisa Cook
Silvana Dinka
Thomas F. Galligani, Jr.
Rand Wilson
Colleen Moran

Meeting Minutes

Location: Online via GoToWebinar platform

Date: July 13, 2021

Time: 6:05pm

Attendance

- Trustees: Jesse Clingan, Vickie Choitz, Silvana Dinka, Thomas Galligani, Anika Van Eaton, Colleen Moran, Rand Wilson
- Guests: Bill Cavellini, Gabe Camacho

Meeting Minutes

1. Approval of June 8, 2021 Meeting Minutes

- Motion to approve the June 8, 2021 meeting minutes made by T Galligani and seconded by A Van Eaton.
- The motion was approved by roll call vote unanimously.

2. Announcements: New staff to support the JCRT

- Jennifer Mancia – Senior Economic Development Specialist
- William Blackmer – Workforce Development Coordinator will be starting the first week of August.
- T Galligani thanked V Choitz for all of the assistance in interview process.

3. Guest Speakers: Royal Hospitality

- V Choitz expressed that this is an opportunity to learn more about local economy and workforce.
- R Wilson introduced Bill Cavellini and Gabe Camacho. One of the JCRT's priority areas is to be able to respond to job loss in the community. Approximately 400 employees at Royal Hospitality will potentially be displaced and about 300 are part of Local 1445. Half of the workforce lives in Somerville and many commute from walking distance. The facility has been there quite a while and hoping we can be proactive as a community and use resources of the job trust to help them transition to comparable work and make the transition as smooth as possible. Gabe from Local 1445 was introduced to discuss the current situation.

- G Camacho explained that Local 1445 is the largest private sector union in Somerville, and that we are facing a three-fold crisis in Somerville. Redevelopment is causing displacement of Royal Hospitality workers. The vast majority of the workers are immigrants. Have to remember that this industrial laundry services a lot of the hotels and the casino in Everett.
 - A vast majority live in tenements and in multi-family housing in Somerville. It would be very difficult for these members to find housing elsewhere. Somerville will have a problem of unemployed income earners, which will perhaps cause displacement of housing units.
 - Second, that the City provide transportation to these workers if it's relocated outside of the City.
 - Third, retraining should be prioritized.
- R Wilson asked what Royal Hospitality and/or the owner has said about steps they are going to take to keep the business open. G Camacho responded that they have been very tight lipped and he thinks the City of Somerville needs to talk to them. The City needs to help and should think of diversity and equity. It would be a shame to dislocate these immigrant and workers of color in a city that is so progressive.
- C Moran wanted to know what the timeline is. G Camacho responded that is unknown, because the company has been very tight lipped.
- R. Wilson asked T Galligani what date the company would have to take action. T Galligani explained that it is about a year and a half out. There was a plan expansion about eleven years ago. The planning district gave them permission, but that permit was for ten years. Their land use permit will likely expire in 2023 and the different triggers will take place. T Galligani has tried to reach out to the plant manager, including a couple of weeks ago and is still waiting for a response.
- G Camacho explained that all the communication has been about enforcing union contract obligations. The union doesn't know anything about their plans, but Royal Hospitality approached the union about getting the members vaccinated. The union spent time and money to shuttle the members to the Reggie Lewis Center to get vaccinated. The interest was to keep their business running. But it was the union that found and implemented the solution. This union does care about its members and the community in general.
- R Wilson introduced Bill Cavellini from the Union Square Neighborhood Council. From the beginning of negotiations with US2 The Neighborhood Council has talked about Royal Hospitality and have wanted them to be part of the agreement between the Mayor and US2. Unfortunately, they were not included in the covenant. Only 6 business were required to find relocation sites. B Cavellini read the language that has to do with funds that are designated by the community

benefits private agreement between US2 and the Union Square Neighborhood Council that applied to the JCRT. It will be funded at \$75,000.00 per year for three years beginning on the date when both building permits have been issued. The building permits have been pulled and the JCRT should have the money very soon.

- R Wilson asked T Galligani if the JCRT has received the \$75,000.00. T Galligani responded that no they haven't pulled the permit for their commercial building yet. It's complicated, but community benefits funds have been received.
- R Wilson stated that it sounds like the work that needs to be done surpasses this board. The need is to get management to meet with City Staff. The JCRT can stimulate the conversation, but it's not in its purview to fund the solution. The JCRT can't be the group to have a solution. V Choitz explained the JCRT doesn't have any power, but does have the money to create programming that could entice the business to communicate. The question is, what do they want us to fund? Would it be an ESOL training program? G Camacho stated that it's a wonderful idea. The company cares about its image. They will bite at providing ESOL classes. V Choitz thinks an ESOL program would still be a win for the workers even if the company leaves.
- A Van Eaton was reflecting on doing outreach to this group for Somerville workers through the programs that are currently funded by the JCRT. It's not the same as the targeted communication with Royal Hospitality. Thinking about it as a next tier response. V Choitz stated that it could be a first response. Since this money is really the benefits agreement money, do we have to compete or can we just move forward? It's another thing that can help fast track this.
- A Van Eaton wanted to know if the \$75,000.00 is already included in the projected total. T Galligani explained that it's not on the balance sheet, because the agreement with US2 and Union Square Neighborhood is not with the City. It's a separate agreement about where they would like this money to be spent. B Cavellini reemphasized that the agreement is legally binding and doesn't involve the City. The existing six businesses that are going to get special treatment are receiving relocation assistance to the tune of \$25 per square foot. B Cavellini mentioned the idea of offering the same amount to Royal Hospitality.
- J Clingan explained to G Camacho that this has been on the Council's radar for some time. Councilors are always looking for their place of where they can help, but that there's only so much that Councilor's can do within that purview. The City Council is in support, particularly J Clingan as a union brother. J Clingan asked if US2 pulled the permit that would trigger the \$75,000. B Cavellini

stated that they have pulled those permits. J Clingan asked where the money goes. T Galligani clarified that the city has an agreement with US2 when they pull a building permit they fill the different buckets with the money. Their agreement with the Neighborhood agreement as T Galligani reads it, is a private agreement between two parties that is not part of the City. They are two separate agreements working in parallel. They can't work together for legal reasons. To which J Clingan responded that if they were supporting in good faith the City could honor the agreement. V Choitz expressed that it sounds like is up to the Neighborhood Council to get the \$75,000.00 in to the fund. J Clingan expressed that he will have to follow up with colleagues to see how to use leverage to get Royal Hospitality to the table and would like to see what funds the JCRT can put towards retraining these workers jobs.

- B Cavellini stated that it is very clear that US2 and the Union Square Neighborhood Council want the funds to go to the JCRT. V Choitz expressed that one point of confusion is the 1.5 million in addition to what US2 is paying the City. B Cavellini stated that it is in addition to the jobs linkage fee.
- R Wilson would like to initiate an invitation to Royal Hospitality to attend the next JCRT meeting to brief Trustees on any questions. The JCRT can come up with a menu of incentives. There might be other ideas out there. The casino needs to play a proactive role since it is their largest customer. V Choitz would be in favor of those actions steps. T Galligani will follow up with Royal Hospitality. R Wilson would like to keep this on the agenda for the next meeting and will also think through the menu as well.

4. 2020 Grantee Review

- 2020 Grantee Renewal Recommendations
- T Galligani summarized the recommendations referenced in the attached memo. T Galligani recommended that the JCRT renew contracts with Bunker Hill Community College and The Welcome Project, as a result of completing their work. The other four are not ready and the recommendation is to defer the decision to a later date. C Moran highlighted that this had been discussed in the previous meeting.
- V Choitz made a motion to approve the renewal with amendments made to the contract based on recent conversations. A Van Eaton asked if the recommendations in the memo reflect the conversations and it was confirmed that it is reflected.
- A Van Eaton suggested that the motion be per the recommendations in the recommendation memo. C Moran seconded the motion.
- The motion was approved by a unanimous motion.

5. 2021 Program Budget

- Vote: 2021 JCRT Budget Recommendations with the funding currently in the account
- T Galligani explained that the third sheet of the attached memo summarized the budget. It is estimated at \$1,133,765.00 expected to be received by the end of this year. A proposal to fund \$1,118,750.00 worth of investments. Some that have been committed and some that are new investments. Recommending to fulfill the authorization of \$81,000 for the Job Quality HR training for the Somerville Small Businesses and Entrepreneurs. No responses were received last year and anticipate sending out the RFP again. The coordination of data collection staff position for \$23,750.00 (the jobs trust commitment to the Workforce Development Coordinator position for the current year), and the \$22,000.00 COVID student Emergency fund identified last year. The \$4,000 Forsyth student scholars program. These are all investments that were already committed. The recommended new investments are some repeats for the industry specific training programs, \$381,000 would be funding three grantees for a second year. Also a new childcare career advancement initiative, proposed \$150,000.00. That would be something that would need to be worked on to develop and issue an RFP to get a partnership of orgs to implement. Another year of the Wage Theft and Workers Rights and Responsibilities Training program that would be the second year at \$88,000.00. Another \$369,000 for the Contextualized Education for Adult and English Language Learners at BHCC for a second year and the work of SCALE if they are ready and we decide to vote to renew.
- S Dinka asked if existing programs will be evaluated or if there would be new programs. T Galligani stated that a large majority is approved or would be funding for existing grantees. The new one is the For the childcare initiative. The proposal was submitted led by the childcare working group formed by the City and the idea was to recruit to address a crisis of childcare post pandemic. It was recognized that there needs to be additional services. S Dinka stated that this is very good news.
- V. Choitz the total of \$15,000.00 available....is pretty much what is in the bank now, but there may be coming more at the end of the year, is that correct? T Galligani stated that is correct there may be more funding coming. T Galiigani it leaves about \$15,000.00 in the balance expecting that there will be more money.
- V Choitz the COVID student emergency funding may not be spent, but would like to keep it in there in case a surge occurs in the fall. S Dinka the consequences of the emergency have not passed yet.

- C Moran made a motion to approve the 2021 JCRT Budget as presented. V Choitz seconded.
- The motion was approved via a unanimous vote.

6. Somerville Job Training Scholarship Fund

- V Choitz the idea was presented that are at least some residents can't afford to participate in job training programs, but don't have the funds to take care of living expenses. It would help them leverage access to training programs. V. Choitz asked staff to draft a plan of what a training scholarship fund could look like, the parameters, criteria application process and recommendation for an organization to administer this. Blake Roberts Krall gave a great presentation in the past and Somerville Community Corporation have provided similar services through their financial services area and the Board has experience through the COVID 19 Emergency Response fund. Have a lot to work with and would be great if staff could come up with a plan. Also, suggested to start with a small pilot.
- S Dinka stated that First source does a great job of helping people fill out applications and that should be an organization to be considered.
- T Galligani made a motion for the JCRT to develop a plan for a pilot for the jobs training scholarship. A Van Eaton seconded the motion.
- Motion approved via a unanimous vote, 6-0.

7. Next Meeting: Discussion of Fall Meeting Schedule

- V Choitz proposed no meeting in August to allow new staff to get up to speed and reconvene in September. Meetings will be; September 14, October 19, November 9, and December 14. T Galligani made updates to the invitations.

8. Meeting Adjournment

- A Van Eaton motion to adjourn. V Choitz seconded.
- Motion approved by unanimous vote at 7:31pm.

Meeting minutes approved on 9/14/2021.