



Eileen M. Donoghue
City Manager

Kara Keefe Mullin
Assistant City Manager

MEMORANDUM

TO: Mayor Chau and Members of the City Council
FROM: Eileen Donoghue, City Manager *EMD*
DATE: March 1, 2022
SUBJECT: Chapter 90 Funding

Motion Response

C. Gitschier - Req. City Mgr. Send A Letter To The State Delegation And The Governor Respectfully Requesting An Increase In The State Chapter 90 Funding From 200 Million To 300 Million State Wide

The Commonwealth's Chapter 90 program is a critical source of funding for municipalities in implementing roadway repaving and repair projects. The program has been funded at \$200 million since 2012, which translates to approximately \$1.8 million in funding for the City of Lowell annually. This funding level is not nearly adequate to support the necessary road repair projects in Lowell and in communities across Massachusetts.

My administration has consistently advocated for increased Chapter 90 funding. In October 2021, we joined an effort coordinated by MMA calling for increased Chapter 90 funding in supplemental appropriation bills. A letter transmitted to the House and Senate Chairs of Ways and Means during this effort is attached,

The Baker-Polito Administration has already filed its annual Chapter 90 bill (H. 4358), which proposes level funding the program at \$200 million. As such, I have transmitted a letter to members of the Lowell delegation requesting that they support increasing funding for Chapter 90 to \$600 million, the amount we believe to be necessary to maintain local roads and bridges in a state of good repair.

It is worth noting that Governor Baker filed a supplemental budget bill on February 18 which proposes a \$100 million increase to Chapter 90 and an additional \$100 million for grants to municipalities for winter road repairs. My letter to the delegation requests support for these priorities as they consider the supplemental budget bill.



Eileen M. Donoghue
City Manager

Kara Keefe Mullin
Assistant City Manager

February 22, 2022

Members of the Lowell State Delegation
Massachusetts State House
Boston, MA 02133

RE: Chapter 90 Funding in FY2023 Budget

Dear Senator Kennedy and Representatives Golden, Mom and Howard:

The Commonwealth's Chapter 90 program delivers critical funding to municipalities for the implementation of roadway improvement projects. This program has consistently been funded at \$200 million since 2012, despite soaring construction costs in recent years. While the investments made through this program are appreciated, this funding level has proven insufficient in enabling municipalities to fund necessary road repair projects. Last month, Governor Baker filed a Chapter 90 proposal (H.4358) which proposes level funding the program through FY2023. As the legislature considers this proposal, I write on behalf of the City of Lowell and the City Council to encourage members of the Lowell delegation to prioritize increasing funding for Chapter 90 to \$600 million.

The City of Lowell maintains 192 miles of accepted roadway. Unfortunately, as is the case in other urban communities across the Commonwealth, many thoroughfares throughout the City are in deteriorating condition. Recent engineering studies of our Pavement Condition Index (PCI) have shown that maintaining roadways using only the funding allocated from the Commonwealth through Chapter 90 is insufficient. As such, the City has appropriated additional capital funding to accompany Chapter 90 funds accelerate repaving projects, including \$3 million in FY2022. However, to fully address the extent of the City's roadway infrastructure needs, a significant and reoccurring increase to Chapter 90 funding is necessary.

The City is grateful that the supplemental budget bill filed by Governor Baker last week includes a \$100 million increase to Chapter 90 and an additional \$100 million for grants to municipalities for winter road repairs, and encourage the delegation to support these priorities as the bill is considered by the legislature. Moreover, we are requesting that you support funding Chapter 90 at \$600 million for FY2023, the estimate funding level needed to get our municipal road infrastructure system to a state of good repair.

The condition of roadways has a pronounced impact on the quality of life in any community, and their improvement represents a worthy investment of state resources. I appreciate your consideration of this request.

Sincerely,

Eileen M. Donoghue
City Manager



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Kara Keefe Mullin
Assistant City Manager

Chairman Aaron Michlewitz
State House, Room 243
Boston, MA 02133

Chairman Michael Rodrigues
State House, Room 212
Boston, MA 02133

RE: City of Lowell Funding Priorities – Charter School Assessment and Chapter 90 Funding

October 25, 2021

As the Massachusetts Municipal Association is well aware, the steady increases charter school assessments have imposed a major burden on cities and towns, especially in Gateway Cities like Lowell, where we are least able to absorb the disproportionate impact to the public school district's budget. I am writing to urge the MMA to continue its advocacy to the Legislature to both fully fund the charter school impact mitigation account, as well as continue to advocate for creation of a pseudo "circuit breaker" mechanism to protect those districts that are hardest hit by the unfair charter school funding system. Underfunding the charter school reimbursement formula has the unfortunate effect of harming the most vulnerable and challenged school districts. The current surplus in the state's 2021 budget affords the Legislature with an opportunity to make significant progress in addressing this and other issues which impact municipalities across the Commonwealth.

Here in Lowell, the school district and City Administration must find ways to cover the new tuition payment expense within an already overstretched municipal budget. Because students leave from different grades and schools, it is not easy—if at all possible—to reduce the number of classes in a district. Without closing classes, a district cannot eliminate teacher salaries, which are its biggest expense. Also noteworthy, assuming current patterns continue, the students who remain in the traditional district will disproportionately be higher-needs children.

While the expansion of charter schools did not pass the ballot referendum, funding to support the cohabitation of existing charter schools with the various facilities in the Lowell Public School System continues to be one of the most pressing fiscal challenges of our time. On the one hand, the need to maintain and repair our existing facilities grows greater each day, while on the other, our ability to devote much needed resources to the various ordinary and capital expenses necessary to address these needs is constrained by the net effect of the year-over year increase in the city's charter school assessment and decreases to reimbursement aid from the state.

It is the sincere hope of the City of Lowell that the Legislature consider the use of the current surplus in the state's 2021 budget to mitigate this important issue by appropriating funding to Gateway Cities like Lowell to mitigate the budgetary impact of the increased Charter School assessment.

Additionally, the City of Lowell supports the MMA's advocacy to the Legislature prioritize supplemental funding for the Chapter 90 local road program in your final fiscal 2021 budget bill. The City of Lowell, like our peer communities in Massachusetts, spends far less on road maintenance and repairs than the estimated annual expenditure of \$600 million that is needed to get our municipal road infrastructure system to a state good repair. This is due to a tightly capped property tax, and federal funds that cannot be adequately leveraged for roads and bridges and the fact that our residents cannot afford substantial year-over-year increases to their property taxes.

Each year, the City of Lowell appropriates capital funding through the issuance of bonds to accompany our annual Chapter 90 apportionment. This strategy has served us well, but will constantly leave the city in a state of "catch up" as the quality of the roads deteriorates with each passing winter season. Older mill cities face unique challenges in combating urban decay and Lowell has, time and again, shown its leadership by encouraging redevelopment of historic buildings throughout the city. Unfortunately, the main thoroughfares of the city have continued to deteriorate and recent engineering studies of our Pavement Condition Index (PCI) have shown that repaving and repairing using only the funding allocated from the Commonwealth through the Chapter 90 program is insufficient. To address this issue, the City Council has appropriated additional local funding in FY2022. It is our sincere hope that the Legislature will follow suit, thereby allowing cities like Lowell the ability to make some substantial progress in addressing our infrastructure needs.

Sincerely,



Eileen Donoghue
City Manager

CC: Conor Baldwin, Chief Financial Officer
Dave Koffman, Legislative Director, MMA