



**Board of Finance - Monday, December 10, 2018 at 5:30 p.m.
Conference Room 12, City Hall
12/10/2018**

BURLINGTON BOARD OF FINANCE

CITY HALL

BURLINGTON, VERMONT

MINUTES OF MEETING

December 10, 2018

APPROVED – 3/11/19

MEMBERS PRESENT: Mayor Weinberger
Council President Kurt Wright
Councilor Jane Knodell

Councilor Karen Paul

Councilor Sharon Bushor

OTHERS PRESENT: Beth Anderson, CAO
Rich Goodwin, DFO
Olivia LaVecchia, Mayor's Office
Jordan Redell, Mayor's Office
Eileen Blackwood, City Attorney
Chapin Spencer, DPW
Ron Redmond, CSM
Jeff Nick, CSM
Adam Roof, City Council
Kelly Devine, Burlington Business Association
Springer Harris, resident
Caroline Elliott, resident

1.0 CALL TO ORDER and AGENDA



Board of Finance - Monday, December 10, 2018 at 5:30 p.m. Conference Room 12, City Hall 12/10/2018

Mayor Weinberger called the meeting to order at 5:33 PM on December 10, 2018.

1.01 Agenda

MOTION by Councilor Knodell, SECOND by Councilor Bushor, to approve the agenda with the addition of an update on budget planning and possible tax rate as Item 6.5. VOTING: unanimous; motion carried.

2.0 PUBLIC FORUM

- Springer Harris, resident, DID fee payer and DID Advisory Committee member, said the memo from the Mayor is a culmination of the advisory committee's efforts. The recommendation is to bring both DID's together and give more control to fee payers. There are more businesses that want to be part of the DID and have more autonomy on how to improve the downtown. The fee is not an additional tax on businesses and the downtown is not being "sold" to private enterprises. Stakeholders are a cross-section of all who live, work, and play downtown. There were dozens of roundtable meetings. Surveys were done. Much input was gathered. The city is not giving up control. The city appoints more than half the board. The Board of Finance is urged to move the DID issue forward to City Council and the voters on Town Meeting Day in March 2019.
- Jeff Nick, CSM Chair, echoed support for the expanded DID, adding the CSM Commission supports the same and what was put forth by the Mayor. Businesses are looking for branding and marketing. The city will be in control of the streets and everything moving forward.
- Caroline Elliott Rosavin spoke in support of the DID that opens up the marketplace to the city and the opportunity that will be there for people to bring in ideas.

3.0 MINUTES

3.01 October 15, 2018

MOTION by Councilor Paul, SECOND by Councilor Knodell, to approve the minutes of 10/15/18 as written.

DISCUSSION:

- Councilor Bushor mentioned the minutes were unclear on attendees.

VOTING: 4 ayes, one abstention (Councilor Bushor); motion carried.

3.02 October 29, 2018

**MOTION by Councilor Paul, SECOND by Council President Wright, to approve the minutes of 10/29/18 as written.
VOTING: unanimous; motion carried.**

4.0 BOARD OF FINANCE APPROVAL

4.01 Authorization to Issue Grant Anticipation Notes – Airport, C/T



Board of Finance - Monday, December 10, 2018 at 5:30 p.m. Conference Room 12, City Hall 12/10/2018

There was discussion of the documents accompanying the grant anticipation notes received by the Board of Finance. DFO Goodwin said the documents are part of the standard loan agreements and include part of the signed agreement with Key Bank approved as part of the budget by City Council.

MOTION by Councilor Knodell, SECOND by Councilor Bushor, to approve the resolution authorizing issuance of grant anticipation notes for the airport with amendment to the 6th Whereas clause to read: "There will be documents presented to the Board of Finance." VOTING: unanimous; motion carried.

5.0 APPROVE AND RECOMMEND TO CITY COUNCIL

5.01 Restructure/Authorities: Downtown Improvement District (DID) – Mayor's Office

There was discussion of the following:

- DID governance:
- Governance structure so the city has a role.
- Having residents, businesses, property owners, and one city councilor as an ex officio member on the board so there is a direct reporting mechanism.
- Business owner is the equivalent of proprietor.
- Having flexibility with the resident members (i.e. one from the DID and one from any other part of the city).
- Fees based on retail square footage, not property assessment.
- Separate 501(c)(6) nonprofit organization as a business association without the legal right to lobby and whatever is collected must be used for the mission. Contributions are not tax deductible.
- Member selection process will be outlined in the bylaws (could be done by election similar to City Market or self-perpetuating like UVM).
- The charter will delineate who the board members would be and how appointments will be made.
- DID Authorities:
- City authorities are essentially what they are now.
- CSM continuing until DID activated.
- Peddler licenses and café licenses will continue to be issued by CSM (that governmental authority through the charter is not being delegated to the DID).
- How the DID and the city share revenue will be discussed when the new DID entity and board exists.
- Clear delineation of authority is written with the DID. State law covers these districts and within that there can be specifics.
- The DID board can propose different levels of service and fees, but all must be approved by City Council.
- The map should show the boundaries of the DID.
- Waterfront and downtown parking needs are not the same.
- DID Membership & Definition of Fee Payers:
- Residential properties are not included.
- Nonprofits can request hardship exemption.
- The language should state that City Council decides membership. The Peace & Justice Center can grant hardship exemptions.
- Need to delineate hardship/ability to pay.
- DID Fee Collection:



Board of Finance - Monday, December 10, 2018 at 5:30 p.m. Conference Room 12, City Hall 12/10/2018

- The maximum increase in assessment rate is 5% each year unless there is City Council and Board of Finance approval.
- A methodology will be established.
- Currently the DID pays a flat percentage, but that will go away. The money paid by CSM members goes into the Traffic Fund to partially subsidize two-hour free parking.
- What is changing and what is not changing needs to be explained.
- Other Considerations:
 - 10 year sunset, five year review to cover anything problematic. Can extend the timeline after that is desired.
 - There will be an initial process and negotiations once the DID is created. The first agreements will be shorter and contain triggers including dispute resolution.
 - DID bylaws will state the DID is subject to the Open Meeting and Public Records Law.

MOTION by Councilor Bushor, SECOND by Councilor Paul, to recommend that City Council refer to the Charter Change Committee consideration of charter changes to the Downtown Improvement District (DID) consistent with discussion at the Board of Finance meeting on 12/10/18 and to report to City Council at the 12/17/18 meeting.

DISCUSSION:

- Councilor Knodell expressed concern about the compressed process. The Burlington model of DID is different than what has been discussed up until now. There is still question as to why a separate nonprofit is needed. There has not been enough opportunity to hear from members of the public or the district.

VOTING: 4 ayes, one nay (Councilor Knodell); motion carried.

MOTION by Councilor Paul, SECOND by Council President Wright, to delay Items 6.01 (Investment Policy), 6.02 (October Sweep Report), and 6.05 (Budget Planning Update) until the next Board of Finance meeting. VOTING: unanimous; motion carried.

6.0 COMMUNICATION

6.01 Investment Policy Statement – C/T

Postponed.

6.02 October Sweep Report – C/T

Postponed.

6.05 Budget Planning Update – C/T

Postponed.



**Board of Finance - Monday, December 10, 2018 at 5:30 p.m.
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7.0 ADJOURNMENT

MOTION by Councilor Paul, SECOND by Council President Wright, to adjourn the meeting. VOTING: unanimous; motion carried.

The meeting was adjourned at 7:07 PM.

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