Board of Finance - Monday, December 3, 2018 at 5:30 p.m.
Conference Room 12, City Hall
12/3/2018

BURLINGTON BOARD OF FINANCE

CITY HALL

BURLINGTON, VERMONT

MINUTES OF MEETING

December 3, 2018

APPROVED – 2/19/19

MEMBERS PRESENT: Mayor Weinberger

Council President Kurt Wright

Councilor Jane Knodell [via telephone]

Councilor Karen Paul [via telephone]

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

Gene Richards, BTV

Nic Longo, BTV

Marie Friedman, BTV

Shelby Losier, BTV

Larry Lackey, BTV

Kirsten Merriman Shapiro, CEDO

Adam Roof, City Council

1.0 CALL TO ORDER and AGENDA

Mayor Weinberger called the meeting to order at 5:55 PM on December 3, 2018.

1.01 Agenda

MOTION by Council President Wright, SECOND by Councilor Bushor, to approve the agenda as presented. VOTING: unanimous [Councilor Paul not present for vote]; motion carried.

2.0 PUBLIC FORUM

There were no comments from the public.

3.0 MINUTES

3.01 September 17, 2018

3.02 September 24, 2018

MOTION by Councilor Bushor, SECOND by Council President Wright, to approve the minutes of 9/17/18 and 9/24/17 as written. VOTING: unanimous [Councilor Paul not present for vote]; motion carried.

4.0 APPROVE AND RECOMMEND TO CITY COUNCIL

4.01 Contracts for Air Carrier Apron Reconstruction - Airport

MOTION by Councilor Bushor, SECOND by Council President Wright, to recommend that City Council authorize the Aviation Director to execute the following contracts subject to final review and approval by the City Attorney:

- **S.D. Ireland for $6,141,821.50 with authorization to use an additional $893,212,50 if grant funds become available for construction services as part of the BTV Air Carrier Apron Reconstruction Project, Phases 5 & 6;**
- **Hoyle Tanner for $782,460 for construction inspection services as part of the BTV Air Carrier Apron Reconstruction Project, Phases 5 & 6**

And to approve the budget neutral budget amendment for the amount as noted in the memo from the Airport Administration.

DISCUSSION:

- **Deputy Aviation Director Longo explained the phasing of the apron reconstruction project. Additional grant money from the FAA will be sought. Projects are 'shelf ready'.**

VOTING: unanimous; motion carried.

4.02 Contract with Stantec Consulting Services for Taxiway G Reconstruction Project Phase 2 - Airport

MOTION by Council President Wright, SECOND by Councilor Paul, to recommend that City Council authorize the Aviation Director to execute a contract amendment with Stantec Consulting Services, LLC for $327,774 with up to a maximum 15% grant overage allowance for engineering design and environmental permitting services as part of the BTV Taxiway G Reconstruction Project Phase 2 subject to final review and approval by the City Attorney. VOTING: unanimous; motion carried.

4.03 Downtown Improvement District (DID) – City Attorney

General Authorization

There was discussion of the general authorization for the DID. Councilor Bushor asked about an enabling authority to create other DIDs. City Attorney Blackwood said the DID will be set up by ordinance, not a charter change. Mayor Weinberger said a specific DID is one question for the voters. A generalized DID is a separate question for the voters.

City Attorney Blackwood explained city government is not giving away governmental authority, but is looking for recommendations from the DID group. The DID board will put together a budget approved by City Council so there will always be public process.

Councilor Bushor requested examples of language to consider. The Board of Finance will further discuss the question of specific and generalized DIDs.

Boundaries

City Attorney Blackwood said the fee assessed and paid to the DID is for enhanced services within the district. City Council approves the budget which is built on the fees. Councilor Knodell noted the consultant said City Council does not approve the DID budget.

Councilor Bushor spoke in support of assessing a fee, but said it is not clear where the money comes from for the improvements. The property owners and business owners want to enhance the district for themselves and the city. Councilor Roof outlined what to expect from the enhanced services in the DID. The survey results showed the services to address include public safety, mobility, transit, dealing with homelessness.

Special Assessment District

There was discussion of assessing residential properties in the DID. Councilor Roof suggested there could be a threshold of a $300,000 assessment and above for residential to contribute to the DID, and there is opportunity to appeal the assessment. Councilor Paul said the advantage to opt out for residential is more clear than the advantage to opt into the district. Councilor Bushor expressed concern about rents increasing on residential properties and residents not gaining from being in the district. CSM Director Redmond and CSM Chair Nick said hopefully the value of all properties in the downtown will increase so all will see benefit. Following further discussion the Board of Finance concurred residential properties should not be included in the assessment.

There was discuss of nonprofit and social service agencies being assessed, and the Board of Finance agreed these should be exempt. How to handle tax exempt organizations needs more research.

It was noted the map shows the study area, tax exempt or those properties not paying into the DID, commercial properties paying into the DID, the waterfront, and rail property. Councilor Paul said the advantage of including properties on Nichols Street and Pine Street is not clear. Councilor Bushor said expanding from Church Street like the form based code map seems to be far too big a district to understand. Councilor Roof noted the existing DID is not just Church Street though Church Street remains the center and receives the highest level of service and pays the highest rate. The waterfront is seasonal and pays the lowest rate. The other properties pay the middle rate. Councilor Bushor said services are already provided in the expansion area. Enhanced services will use up the fees leaving little for improvements in the city. Councilor Roof briefly reviewed the increase in fees and enhanced services (ambassador service, parking, marketing/promotion). Property owners support the district in context, but are waiting for more specific details. City Attorney Blackwood said the charter could be set with the existing boundaries and have a process that allows expansion. The consensus of the Board of Finance is the map as shown is acceptable.

Governance

There was discussion of the make-up of the governing board with three residents, one social services professional, one nonprofit representative, three business owners and four property owners with the mix from on and off Church Street. Councilor Knodell spoke in support of having the DID as a city department rather than a separate nonprofit so the city makes the decisions. Mayor Weinberger said City Council will ultimately approve the DID budget. City Attorney Blackwood said public authority is needed to approve the budget that the nonprofit proposes. Mayor Weinberger added the nonprofit board for the DID could be checked by City Council, but City Council will not be micromanaging the budget. Councilor Bushor stressed it must be clear who makes what decisions so there is no argument. Having the marketplace under city government is good. The DID board membership should be 20% city officials. The model for Church Street Marketplace should be followed. Mayor Weinberger agreed the nonprofit model will include a majority of members who are stakeholders and are appointed by the city.

Councilor Knodell said what the nonprofit can and cannot do must be specified. The Board of Finance has not seen that information as yet. Councilor Bushor agreed more information is needed on the DID board membership and the bylaws. City Council must approve the bylaws. Councilor Roof summarized the Board of Finance supports a nonprofit with the city controlling the annual budget, assessment rates on an annual basis, and having majority control of approval of the governing board. Staff will boil down the proposal for further discussion at the next Board of Finance meeting.

5.0 COMMUNICATION

5.01 September Financials Report – C/T

Postponed.

5.02 Investment Policy Statement – C/T

CAO Anderson said the Investment Policy is being updated. Councilor Bushor will meet with CAO Anderson to discuss potential edits.

6.0 ADJOURNMENT

With no further business and without objection the meeting was adjourned at 7:37 PM.

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