FY23 Budget Presentations, Wednesday, May 18, 2022, 5:00 pm **Bushor Conference Room, Room 102, 1st Floor, City Hall OR remotely via ZOOM 5/18/2022

BURLINGTON BOARD OF FINANCE

REMOTE MEETING WITH CALL-IN NUMBER

OR

CITY HALL, 1ST FLOOR: SHARON BUSHOR CONF. ROOM

SPECIAL MEETING: FY23 BUDGET PRESENTATIONS

BURLINGTON, VERMONT

MINUTES OF MEETING

May 18, 2022

MEMBERS PRESENT: Karen Paul

Zoraya Hightower

Ali Dieng

Joe Magee

Miro Weinberger

OTHERS PRESENT: Katherine Schad

Rich Goodwin

Jordan Redell

Scot Barker

Sarah E Carpenter

Mark Barlow

Gene Bergman

Scot Barker

Doreen Kraft

Sara Katz

Kara Alnasrawi

Bill Ward

Brian Pine

Meagan Tuttle

1.0 CALL TO ORDER and AGENDA

Chief Administration Officer Schad called the Board of Finance meeting to order at 5:00 PM.

2.0 PUBLIC FORUM (VERBAL)

2.01 Verbal Comments

None at this time.

3.0 INNOVATION AND TECHNOLOGY

3.01 Innovation & Technology – Scot Barker

Chief Innovation Officer Barker began by speaking about the structure of the Innovation and Technology Department, noting that there are 3 staff on the innovation team and 4 staff on the technology team. He noted two vacant positions. He said that FY23 will see a renewed commitment to technology and supporting departments Citywide, through the provision of technology, the provision of timely and effective service, the provision of data and cybersecurity, and leveraging data and knowledge to facilitate innovation.

He spoke about activities for FY23, which include modernizing the City's aging fleet of computer resources, focusing on continuous improvement in technology, service, security, and innovation, initiating a project related to relocating network equipment from the basement of Memorial Auditorium, replacing aging components of the City's technical infrastructure backbone, increasing cybersecurity through training and tools, and leveraging recently implemented systems in innovative ways across the City.

He then spoke about the proposed department structure for FY23. He said that the most significant proposed changes would be to move two technology support specialist positions out of the Police Department budget into the Information & Technology budget.

He outlined the overall General Fund budget request for FY23, which includes expenses of $1,996,215 and an operating budget of $927,579. He said that this represents an increase of 25% over the FY22 budget, due to moving two open IT support positions from the BPD to I&T (as noted above), and the centralizing of computer licensing and maintenance across the City into the I&T budget.

Councilor Carpenter asked about any gaps that they see in the innovation and technology space currently. Chief Innovation Officer Barker replied that cybersecurity remains a large and looming threat for the City.

Chief Administration Officer Schad noted that one potential idea to spend down Unassigned Fund Balance is money to move the City's IT equipment out of Memorial Auditorium. She asked Chief Innovation Officer Barker to speak in more detail about that proposal. He said that the equipment in Memorial Auditorium is aging and needs to be moved in order to perform repairs and replacements. He said that it may take 12-18 months to complete the project, and that they will need to find another City site to store the equipment while they perform repairs. He said that they anticipate starting the planning for this project in the next several months.

Councilor Barlow asked about the GIS specialist positions that have been moved from other departments into I&T. Chief Innovation Officer Barker replied that those positions had moved over the last several years and that they are also working with other Departments that have GIS positions, such as water and wastewater, to ensure that everyone can leverage training and a standardized set of data across systems. Director Tuttle noted that the Planning Department maintains the open data portal. Councilor Barlow asked about efforts to virtualize more information. Chief Innovation Officer Barker replied that they look to leverage cloud solutions or virtualization where it makes the most sense without sacrificing security. He said that this is a longer-term priority.

Councilor Magee asked about seasonal and temporary salaries and wages, noting that there was a budgeted amount in that line item last year but that there is nothing proposed for this year. Chief Innovation Officer Barker replied that there was $60,000 in FY22 and that none of it was spent, and that it is typically used for seasonal workers or interns. He said that this was one line item that was cut for FY23.

Councilor Dieng asked when the equipment migration from Memorial Auditorium will occur. Chief Innovation Officer Barker replied that it will take between 12-18 moths and that it should occur more in FY24 than FY23.

4.0 RACIAL EQUITY, INCLUSION, AND BELONGING (will move to Thursday)

No discussion at this time.

5.0 BURLINGTON CITY ARTS

5.01 Burlington City Arts – Doreen Kraft

Director Kraft began by noting that BCA has made both some significant budget cuts but also significantly increased its fundraising efforts for the year. She said that they had a very successful FY22, especially with corporate giving.

She spoke about the department's goals and mission for FY23. She said that BCA will implement increased support for performing artists through programming and grantmaking, will inventory the City's Public Art collection and conduct condition assessment, map the inventory, and develop maintenance priorities, will return to pre-pandemic levels of activity in education, and return to pre-pandemic levels of activities in exhibitions.

She briefly spoke about projected revenue sources for FY23, which include General Fund revenue (46%), Fundraised revenue (35%) and Earned revenue (19%). She noted a decrease in reliance on the General Fund between FY22 and FY23.

She then spoke about new expense drivers. These include an added cost to programming due to post pandemic inflation, labor, and supply chain issues (and the increase in programming itself), a full year of festival and events staff, and the addition of a new position for Public Art and Grants Program Manager.

She spoke about BCA's performing arts budget, noting that it has grown into a significant area of BCA activity. She noted that the number of performing artists for which BCA has paid for services grew from 192 in FY17 to 430 in FY22. She noted that BCA staff has invested a significant amount of time and specialized skillsets into improvements and addition of City infrastructure that supports the performing arts (such as upgrades to City Hall Park and Contois Auditorium).

She briefly noted challenges for delivering services in FY23. These include the scarcity of teaching artists and the difficulties around recruiting for them, increased costs of goods and services, reduced vendor availability, increased administrative overhead, and an examination of management structure for City-wide events.

Councilor Carpenter asked how BCA prioritizes expenses. Director Kraft replied that education, for example, is 50% underwritten and that there is an active scholarship program for it. She said that they have striven to keep costs manageable by seeking underwriting for events. Councilor Carpenter asked about how department-wide priorities are set. Director Kraft replied that they receive prioritization direction from the Mayor, City Council, and their own board of advisors.

Councilor Barlow asked about grant-writing and fundraising at BCA. Director Kraft replied that there are 2 FTEs that are responsible for fundraising and that different subject matter experts assist with grant-writing for their areas of expertise.

Councilor Dieng noted that from his perspective, City Council has minimal input into BCA. He asked if there is a need to form a commission for arts and culture for the City. Director Kraft replied that when BCA was formed, it was felt that a commission was not the right kind of governing structure for the department. She said that its board of advisors functions as a governing board for BCA. Councilor Dieng noted that he would be interested in seeing a strategy for how to better support a broader range of arts in the City. Director Kraft noted that BCA has significantly increased it support of artists over the last several years, which includes a very wide range of artists.

City Council President Paul asked whether there are members of the advisory board that have terms in perpetuity. Director Kraft replied that terms are 3 years and there are 3-term limits.

Councilor Bergman asked if there are metrics associated with the number of low-income students and participants at BCA and the number who are receiving scholarships. He also requested estimates for attendance numbers for free events (which may be more difficult to obtain). He suggested that those areas be added to the budget narrative. Director Kraft replied that they have estimated numbers for all festivals and events. She also said that they track how many scholarships are given over the years. Councilor Bergman noted that he would be interested in discussing universal programming (as opposed to means-tested programming) with BCA.

6.0 BUSINESS SUPPORT AND ECONOMIC RECOVERY

6.01 Business Support and Economic Recovery – Kara Alnasrawi

Executive Director Alnasrawi provided an overview of the Department of Business and Workforce Development, which includes the Church Street Marketplace, citywide business development, and workforce development. She noted that though the name of the department has changed, they are generally conducting the same activities and work as in the past.

She highlighted some FY22 achievements, which included 47 children enrolled in partner programs through the Early Learning Initiative (ELI) and a $103,000 grant to support the ONE Arts Children's Center, management of the City's $27 million ARPA funding, an extensive amount of community engagement on ARPA funding priorities through the fielding of a Citywide survey, administering CDBG grants to microbusinesses, assistance to 50 local businesses with technical support and assistance to 14 businesses with finding commercial spaces, and producing several markets throughout the year.

She walked through the department's organizational chart, noting new positions and vacancies, and noting that staff is funded from a number of sources, which includes ARPA, General Funds, Church Street Marketplace fees, CDBG funds, PILOT funds, and earned revenue.

She noted upcoming work for FY23. She said that Church Street Marketplace will host 30+ free community events, conduct business incubation through the cart vendor program, support BIPOC business owners looking to operating on the Marketplace, work with the Howard Center, CSLs, CSOs, and BPD to address safety concerns, as well as work with DPW to address parking issues. She said that in terms of business development, the department will be providing technical support such as classes, loan education, and marketing targeted toward BIPOC and women-owned businesses, hosting summer and winter markets, expanding the Love Burlington marketing campaign to amplify the local business community, and implementing a small revolving loan fund. She noted that in the workforce development area, they are working to expand childcare provider partnerships, increase scholarship enrollment, award grants to childcare providers in the City, and address gaps in the State's universal pre-K program (all through the ELI program). She said that they also plan to run more trainings for childcare workers.

Director Alnasrawi provided an overview of FY23 budgets. She began with the Church Street Marketplace, noting $1,029,989 in revenues and $970,428 in expenses. She noted that the majority of revenues are from common area fees. She noted that expenses allow for possible increases in labor cost as a result of union negotiations. She then summarized the Department of Business and Workforce Development budget, whose expenses include personnel, ELI scholarships, administration and operational expenses, expenses related to program outreach and technical support, and pre-K support. She noted a decrease in funding from the General Fund of $210,000 for FY23.

Councilor Bergman asked about the governmental structure related to the relationship between the Department of Business and Workforce Development and the Community and Economic Development Office, since they both have resources and activities related to workforce development. He also noted that in 2018 the City allocated funds for a Jobs and People study, which deals with economic development strategies, and asked for an update on that work (and which department is meant to be working on it). Mayor Weinberger replied that $25,000 was budgeted for the Jobs and People study, though it was delayed by both a transition in CEDO leadership and the pandemic. He said that he and Director Pine have discussed the study and related work, and that the City is proposing to give CEDO an additional $75,000 to conduct the study. He said that he does not believe that they need a charter change to have both CEDO and the Department of Business and Workforce Development, though there is not a City Attorney that can currently advise on that statement. He said that several departments in the past have been created through Mayoral recommendation and Council approval, so there is precedent for this. He acknowledged language in the charter related to economic development and CEDO's role, though he does not believe that CEDO is the sole authority for those activities. Director Alnasrawi added that the Board of Finance and City Council voted several years ago to reorganize the business and economic development work under her team, as well as the ELI program. Councilor Bergman said that he looks forward to further conversation around this.

Councilor Barlow asked about the business recruitment and retention efforts, asking if there are efforts being made to attract regional and national businesses to the Marketplace. Director Alnasrawi noted that she and Hula's owners are organizing a warm hand-off of businesses that are looking to expand out of Hula and into a brick-and-mortar location in Burlington. She also spoke about other efforts to recruit companies to relocate to Burlington. She noted that the tight labor market makes things difficult.

7.0 PERMITTING AND INSPECTIONS

7.01 Permitting and Inspections – Bill Ward

Director Ward began by speaking about the core functions of the department, including rental housing inspections, health inspections, zoning and development review, and trades permit review (including building permits, electrical permits, and plumbing and mechanical permits). He provided an overview of the organizational chart of the P&I Department, which include administrative functions, inspecting functions, zoning functions, and code enforcement. He spoke briefly about high level changes for FY23, which include the addition of a second electrical inspector (to deal with the long wait times for electrical inspections), the maintenance of current personnel and resources (though 3 graffiti removal staff will be returning in June 2022), and a return in FY23 to pre-pandemic permit activity levels. He then outlined FY23 initiatives for the department, which include weatherization activity in rental units, decarbonizing new construction, working on Chapter 11 electrical permit amendments, and updating the housing ordinance standards.

Councilor Bergman asked about the WCAX report regarding the weatherization ordinance and how only 50% of landlords have scheduled an energy audit. He asked whether there has been a further update on that point and additionally asked what resources the department can use to hep with the weatherization of rental units. Director Ward replied that a number of landlords have reached out to schedule an audit as a result of the WCAX report. He said that he anticipates a 100% compliance rate by the deadline.

8.0 CEDO

8.01 CEDO – Brian Pine

Director Pine began by noting CEDO's mission and vision (building a vibrant, healthy, equitable City), as well as CEDO's mandate in the City charter. He spoke about the four teams within CEDO, which include administration/finance, community justice, community works, and opportunity/engagement. He briefly summarized the department's organizational chart, noting vacant positions. He spoke in more detail about the Community Justice Center (CJC), noting that it has grown significantly over the last several years.

He spoke about CEDO's FY22 budget composition, noting that it is 88% grant funded, with smaller funding sources from the General Fund and the Resource Recovery Center (RRC). He noted that for FY23, General Fund costs and the RRC have been combined. He provided more detail on the types of inquiries that the RRC has fielded, noting that the vast majority of calls and emails have been around COVID testing.

He then spoke about FY22 activities and FY23 goals and initiatives. He listed FY22 activities, which included filling 16 positions, completing Phase 1 of the Moran Frame redevelopment, securing voter approval for $25 for the Downtown TIF District, securing $3 million in ARPA funding to end homelessness, took over the management of the HUD permanent supportive housing voucher program, operating the Community Resource Center and associated funding, developing plans for using $1.5 million in new HUD funding through ARPA, and launching trainings for low-income residents to take higher paying jobs in the construction and healthcare sectors. He then outlined FY23 goals and initiatives, which include the launch of the High Road to Good Jobs Program, developing a finance strategy to relocate the CJC in the new Champlain Housing Trust development at the VFW, deploying $1.5 million in HUD/ARPA funding for affordable housing, completing the Jobs & People Study, transitioning the opioid response manager position to CEDO from REIB, undertaking an equity audit of the CJC, upgrading the CEDO website, developing and implementing an action plan for Memorial Auditorium, initiate Phase 2 of the Moran Frame project, re-zoning the Trinity Campus and portions of the South End for new housing development, bringing CityPlace to fruition, and rolling out a new CRM platform to improve public engagement and delivery of City services.

Councilor Barlow asked about how CEDO prioritizes the sectors for its training opportunities and whether preference is given to Burlington residents or workers. Director Pine replied that it is largely determined by research done by the State's Department of Labor. He said that the trainees are Burlington residents, but that CEDO is not prescriptive about where they end up working.

9.0 PLANNING

9.01 Planning – Meagan Tuttle

Director Tuttle provided a brief overview of the Office of City Planning's teams and functions. These include comprehensive planning, ordinance development, urban analytics and design, and board/commission support. She spoke about FY23 goals and priorities, which include preparing long-range plans and supporting other departments' planning initiatives, facilitating the implementation of PlanBTV through policy and special projects, supporting data analysis, research, and best practices for key City priorities and projects, and continuing staff onboarding to the team. She spoke briefly about FY23 revenues, which consistent of General Fund and grant revenues. She spoke briefly about FY23 expenses, two-thirds of which are used for staffing. She spoke about changes in staffing from FY22 to FY23. She said that in FY22, the department had 2 FTEs dedicated to planning but that they largely focused on the City's COVID-19 response. She said that in FY23, 2 additional FTEs were relocated from the I&T department and 1 additional FTE was created. She said that the other one-third of the department's expenses allows funding for consultants to extend staff capacity and expertise on major projects. She noted that the department will be level-funded from FY22 to FY23, and that it will be reducing its impact on the General Fund from FY22 to FY23. She briefly noted that staff will be refocusing their efforts from the COVID-19 response to other requests for studies and data analytics (including the equity study) over the next year.

Councilor Bergman asked if the TDM study and the Impact Fee study are part of the work plan. Director Tuttle replied that they are, though there have been delays due to staff capacity. She said that the scope of the Impact Fee study has been shared with the Chittenden County Regional Planning Commission (CCRPC) and that the City is awaiting its analysis of potential impact fee implications. She said that the TDM study will occur, but that they are currently working on the zoning amendments associated with that work.

Councilor Dieng asked about the New North End revitalization goals. Director Tuttle replied that after the budget approval process is complete, they would begin discussing timeline and planning for the process (including scoping and determining stakeholders and participants).

10. ADJOURNMENT

10.01 Motion to Adjourn

With no further business and without objection the meeting was adjourned at 7:44 PM.

RScty: AACoonradt