CITY OF BURLINGTON, VERMONT
CITY COUNCIL COMMUNITY DEVELOPMENT & NEIGHBORHOOD REVITALIZATION and HUMAN RESOURCES COMMITTEES—Joint Meeting
c/o Community & Economic Development Office
City Hall, Room 32 • 149 Church Street • Burlington, VT 05401

CDNR
Councilor Selene Colburn, Chair, East District
Councilor Tom Ayres, Ward 7
Councilor Adam Roof, Ward 8

HR
Councilor Karen Paul, Chair, Ward 6
Councilor Chip Mason, Ward 5
Councilor Adam Roof, Ward 8

Tuesday, May 12, 2015
6:00 – 7:00 PM
3rd Floor—West End Meeting Space
The BCA Center
135 Church Street

Proposed Agenda

1. Review Agenda
2. Public Forum (5 minutes)
3. CEDO FY 16 Re-Org Discussion (55 minutes) – Peter Owens and Marcy Esberg

CEDO 2.0 – Narrative for FY16 CEDO ReOrg – 5/9/15 DRAFT

CEDO's proposed FY 16 organizational changes build on our FY15 work to:

- achieve a more stable and **predictable budget**
- better **align work and revenue** sources
- fund work **growing tax base and jobs**
- enhance production **affordable & workforce housing**
- spur creation of **jobs & economic development**
- improve **efficiency of grants management**
- deploy **more dollars to community** programs and needs
- create a less "siloed", more **collaborative culture**
- foster **leadership opportunities**

The FY16 changes include three major components:

1) Expand **Housing Capacity** to address multiple pressing needs
2) Consolidate **Grants Programs** to improve efficiencies and impact
3) Create an **Flex Team** focused on housing and the economy

Housing Capacity: CEDO recently experienced the departure of long time Assistant Director for Housing Brian Pine – an amazing jack of all trades who a) managed all the housing grant programs, b) oversaw housing policy, planning and regulations, and c) advanced housing and economic development projects. While Brian's deep experience helped him juggle many roles, he would be the first to say the breadth of his duties and narrowness of his funding created many challenges. He was spread thin and his funding sources did not fully align with the work he was actually doing.

The new org chart consolidates three old divisions *(Housing, Community,* and *Economic Development)* into two new teams that better align work and funding while expanding housing capacity. They are *Community, Housing & Opportunity Programs (CHOP)* and *Innovation, Housing & Sustainable Development (IHSD).* Four existing positions (highlighted with red border) are re-worked to create new capacity in the three primary areas of housing—grants, policy and projects.

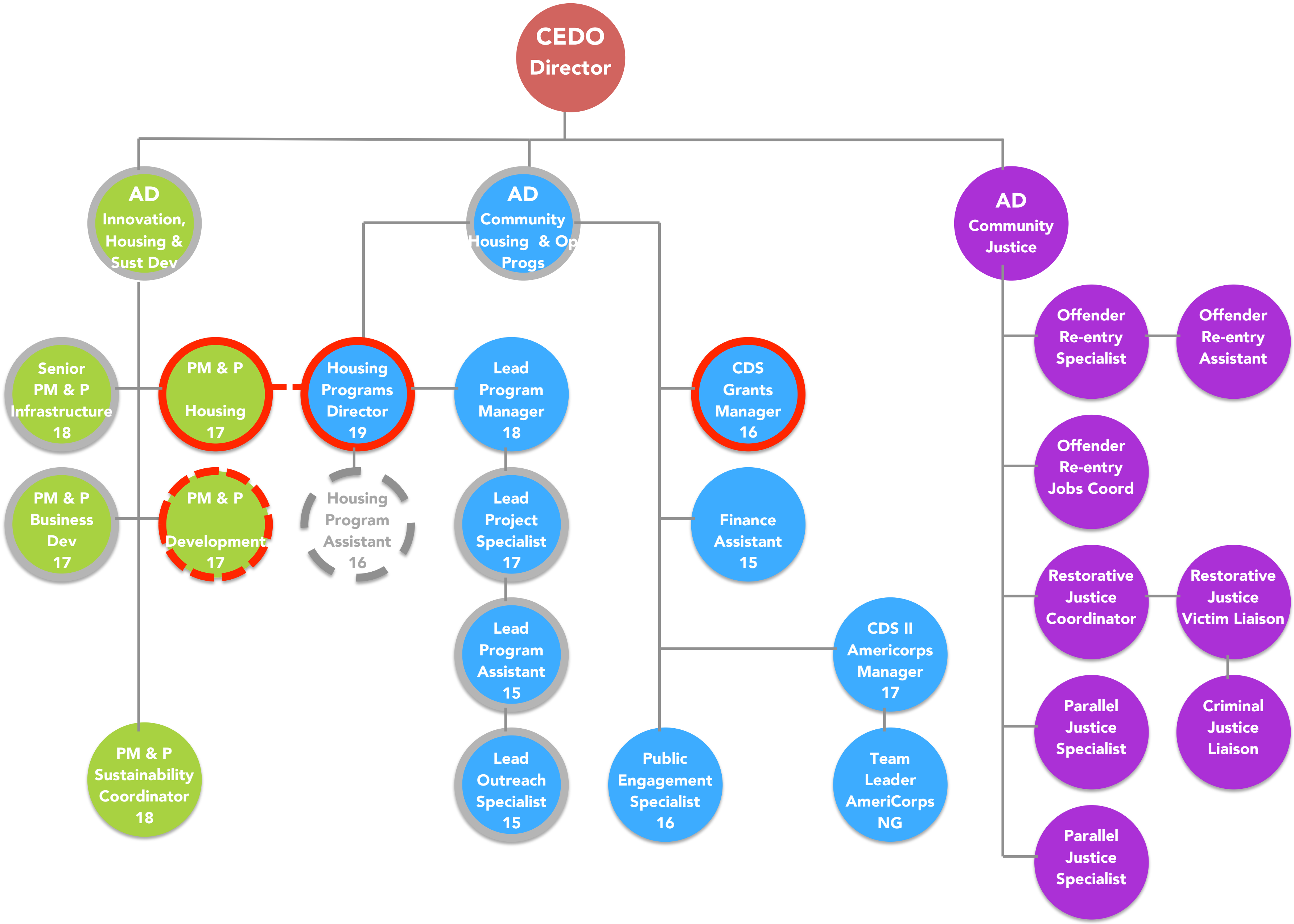
Community, Housing & Opportunity Programs (CHOP)— Grants Team: This reorganized division would provide wrap-around management, monitoring, delivery and compliance reporting for all the housing and community grant programs (HOME, HIP, CDBG, LEAD, Americorps, etc) under one roof. This allows for multiple positions to work across grant programs instead of being isolated within a single silo. This team would be almost 100% grant funded and continue to account for the lion's share of CEDO's budget.

A new **Housing Program Director** would oversee all housing programs. Current Housing Program manager, Todd Rawlings, who has exceled in his interim duties, would move up to this leadership position. The vacant Executive Secretary position is revamped as a new **Community Development Specialist** that would provide grant support for the housing programs as well as other grant programs in this division. This also unlocks potential to employ some of the Lead team's capacity to support projects in other housing programs. This effectively reduces the administration load for housing grants by about a ½ a position.

Innovation, Housing & Sustainable Development (IHSD)—Flex Team: The new division would be focused on fueling innovation, expanding housing across all sectors, growing the tax base and creating a more vibrant, livable city. While this has been an historic focus of CEDO's work, the necessary flexibility associated with this work, are ineligible under tighter, more program specific federal guidelines of federal. While grant sources will continue to fund work where appropriate (e.g. micro enterprise/business assistance and brownfields), a majority of this work will be funded through the City's two TIF districts, earned revenue and General Fund sources. By better alignment of funding with the work we actually do will free more that $100,000 more grant dollars to be invested directly into the community.

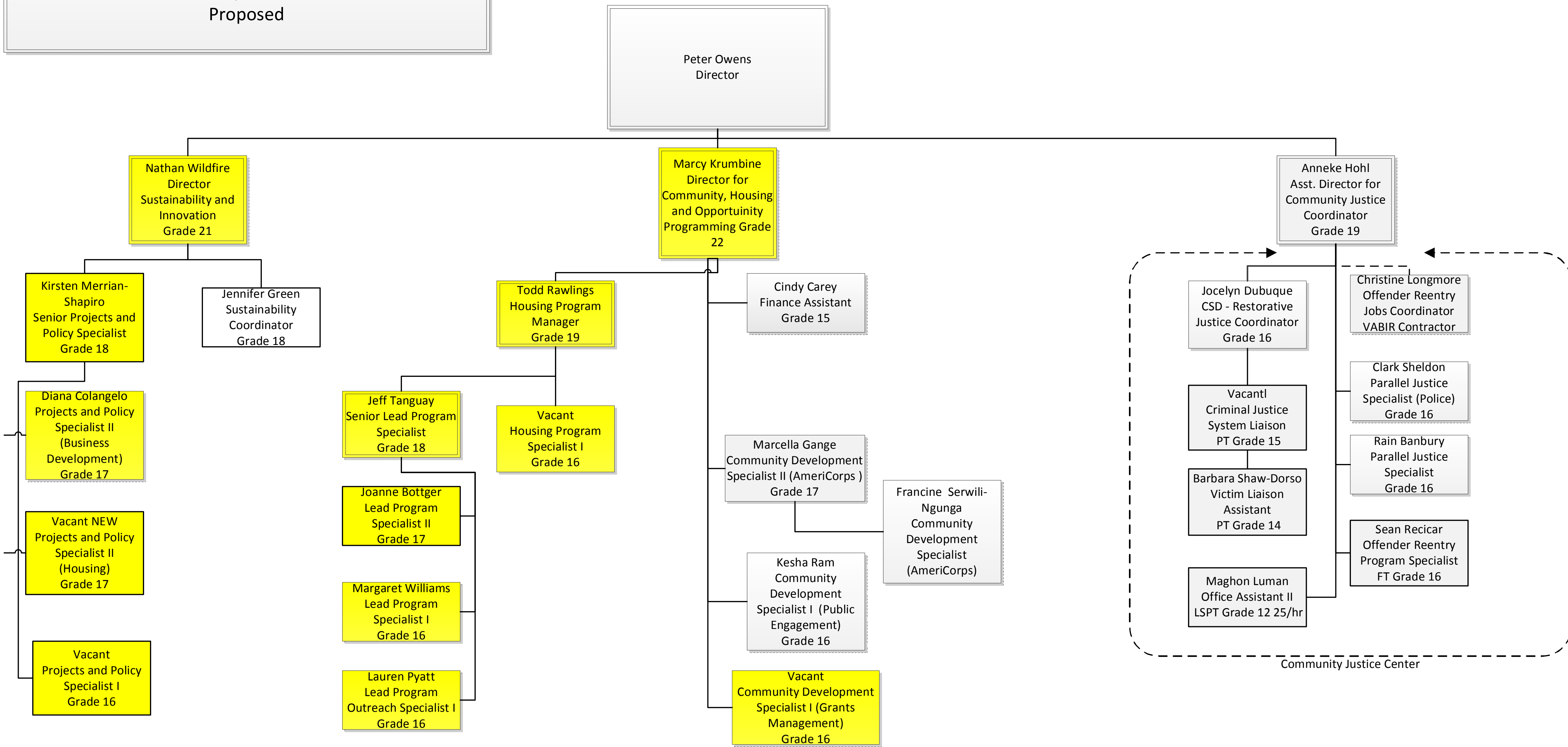
Two existing positions would be reworked to take on the policy and projects components of Brian's work. The **Policy and Project Manager for Housing** would lead multiple CEDO work in important policy, program and planning work including the *Housing Action Plan, Inclusionary Zoning Policy* (in partnership with the Housing Programs Director,) and *Neighborhood Stabilization Program*, as well as related efforts on form-based code, permit reform, parking policy, and rehabilitation code. The **Policy and Project Manager for Development** would advance specific development projects (many with large housing components). They might include projects such as BTV Mall, Eagle's Landing, Memorial, Gateway/220 Main, 351 North Ave, Grove Street, 453 Pine, 339 Pine, Railyard Enterprise Project, 179 S Winooski, 266 College, 195 College, 2 Cherry, 102 Lake, Morton Parcel, Miller Parcel, Intervale site and other mixed-use, infill developments. *NOTE: At this point, there does not appear to be sufficient general fund resources to fund this position in FY16.*

Investment in our Future. This reorganization continues to grow CEDO's legacy as an engine of innovation and new ideas. But this work doesn't happen without investment. These changes will require approximately $150,000 of additional General Fund allocation *(about $118,000 of this is DT TIF expenses that we expect to be reimbursed after the District is activated in FY17).* However, public investments in a more innovative, vibrant and walkable city will pay enormous economic and community dividends. CEDO's current work in partnership with other departments on Parking, Waterfront, Transportation, Open Space, Downtown and Economic development projects is poised to generate millions of dollars in new tax revenues, $100's of millions of dollars in new construction and economic activity, and create multiple opportunities for citizens across the economic spectrum to find good paying work and affordable housing in a vibrant and healthy city. And finally, using less grant dollars to pay City staff means a huge increase in resources deployed directly into the community in support of our most vulnerable citizens.

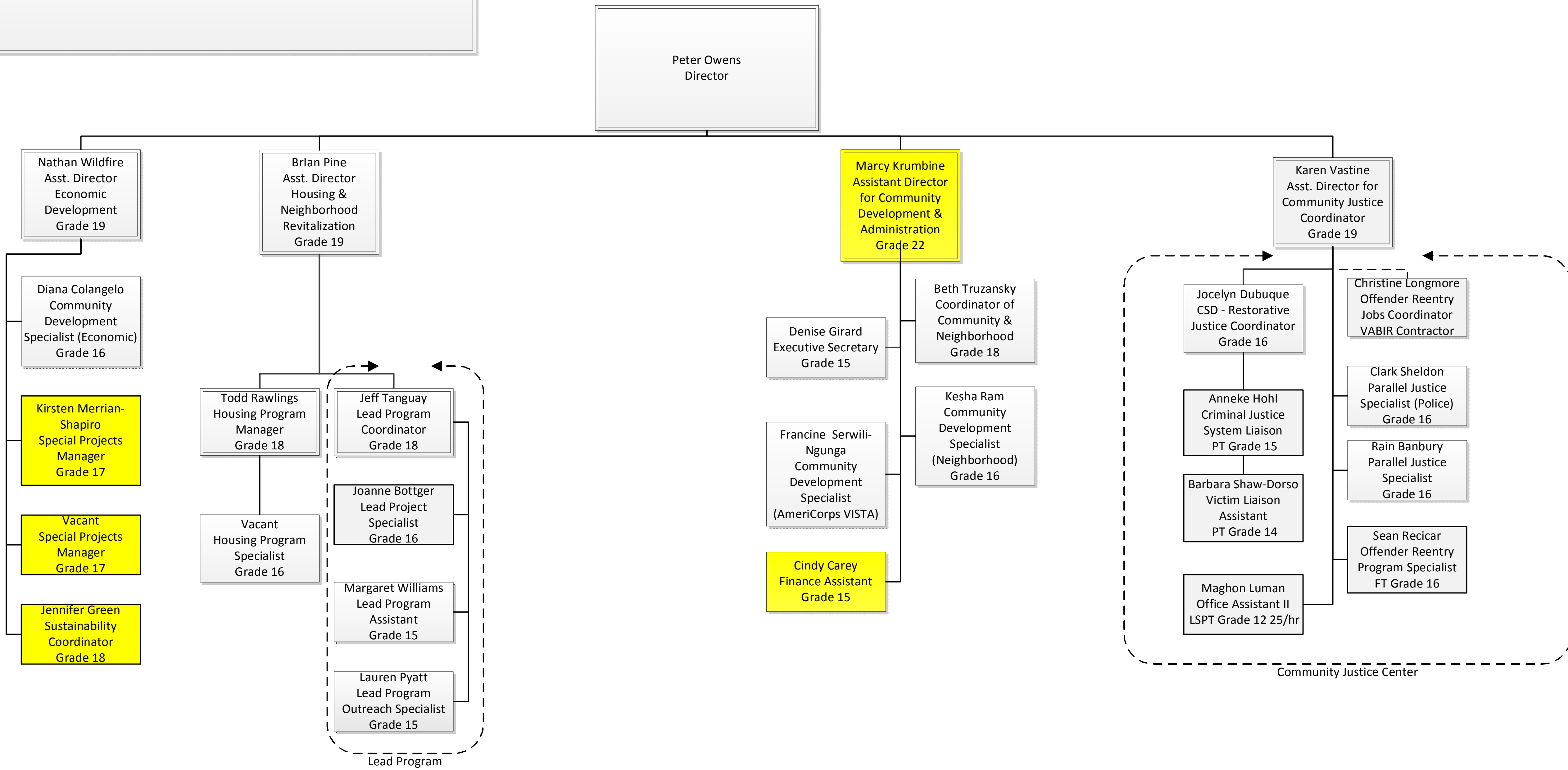


CEDO Director
AD Innovation, Housing & Sust Dev
AD Community Housing & Op Progs
AD Community Justice
Senior PM & P Infrastructure 18
PM & P Housing 17
Housing Programs Director 19
Lead Program Manager 18
CDS Grants Manager 16
Offender Re-entry Specialist
Offender Re-entry Assistant
PM & P Business Dev 17
PM & P Development 17
Housing Program Assistant 16
Lead Project Specialist 17
Finance Assistant 15
Offender Re-entry Jobs Coord
Lead Program Assistant 15
CDS II Americorps Manager 17
Restorative Justice Coordinator
Restorative Justice Victim Liaison
PM & P Sustainability Coordinator 18
Lead Outreach Specialist 15
Public Engagement Specialist 16
Team Leader AmeriCorps NG
Parallel Justice Specialist
Criminal Justice Liaison
Parallel Justice Specialist

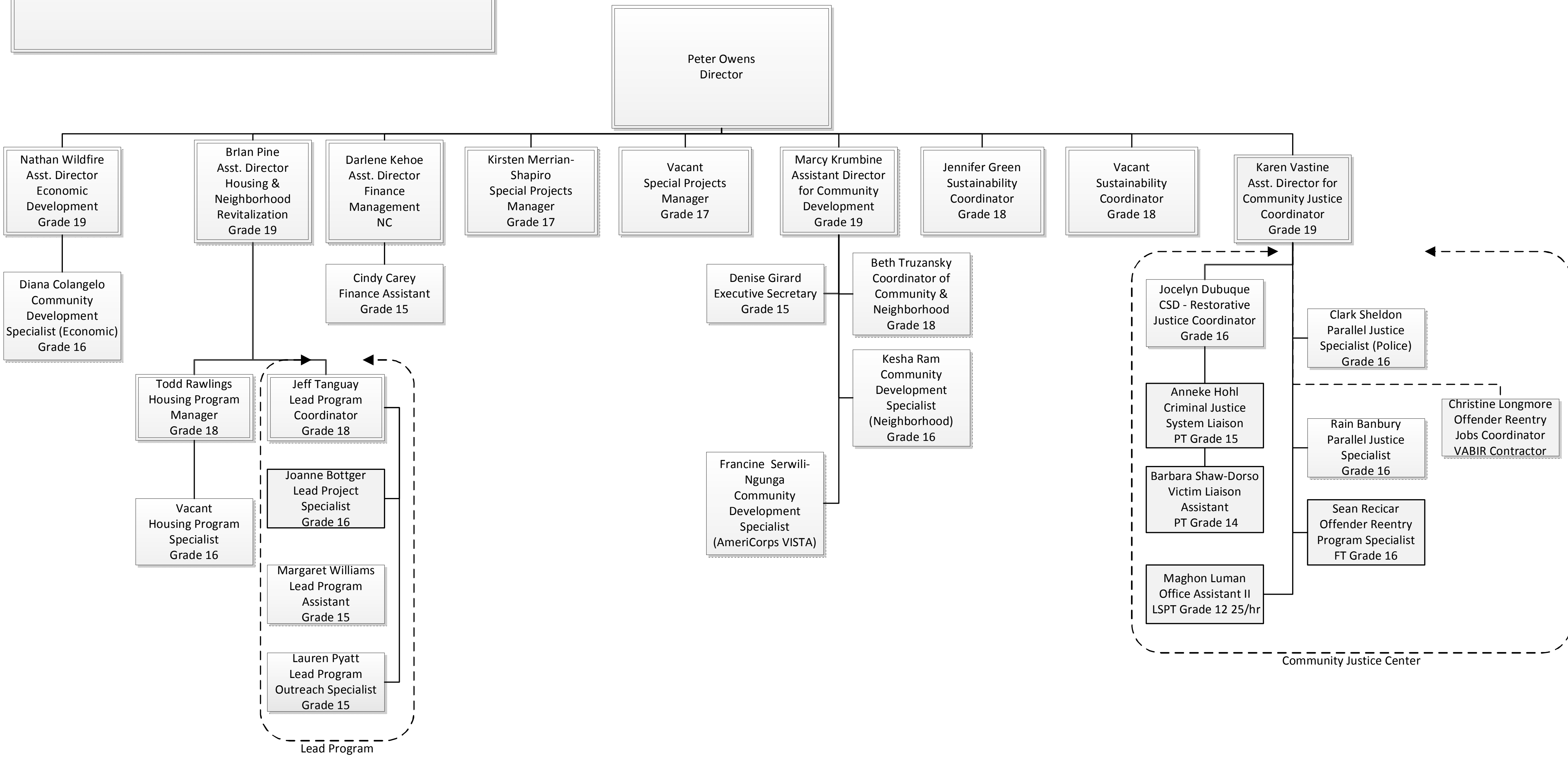
City of Burlington
Community and Economic Development Office
May 2015
Proposed



City of Burlington
Community and Economic Development Office
November 2014



City of Burlington
Community and Economic Development Office
November 2014



CITY OF BURLINGTON, VERMONT
CITY COUNCIL COMMUNITY DEVELOPMENT & NEIGHBORHOOD REVITALIZATION and HUMAN RESOURCES COMMITTEES—Joint Meeting
c/o Community & Economic Development Office
City Hall, Room 32 • 149 Church Street • Burlington, VT 05401

CDNR
Councilor Selene Colburn, Chair, East District
Councilor Tom Ayres, Ward 7
Councilor Adam Roof, Ward 8

HR
Councilor Karen Paul, Chair, Ward 6
Councilor Chip Mason, Ward 5
Councilor Adam Roof, Ward 8

Tuesday, May 12, 2015
6:00 – 7:00 PM
2rd Floor—LBG Room (relocated from 3rd Floor)
The BCA Center
135 Church Street

Draft Minutes

Also in attendance: Councilor Bushor, Councilor Giannoni, Joe Speidel and Jim Holway.
City Staff: CEDO Director Peter Owens, CEDO Asst Director for Community Marcy Esberg and HR Director Susan Leonard.

Meeting was called to order by Councilor Colburn at 6:08.

Motion to approve the agenda was made by Councilor Paul and seconded by Councilor Mason. Motion passed.

Public Forum:
Jim Holway, Ward 4: Welcomed new council members. Asked about including New North End in CDNR agenda for FY16—would like a planBTV New North End. On subject meeting: Reiterate that he always appreciates CEDO staff, please don't diminish it.

CEDO Re-Oreg FY16: Background presented by Director Owens:

Changes are a culmination of a 3 year process. Response to chronic underfunding of CEDO over recent years leaving staff stressed and support uncertain:

- Shrinking Federal dollars—just less money
- Increasing misalignment of work and funding restrictions of federal grant programs
- Result is chronic annual short fall and deficit spending

In FY15 made considerable progress in addressing the problem:

- More efficient grant management and cost cutting (one staff cut)
- Begin to look for other revenues (TIF, performing assets)
- Introduction of idea of CEDO as a core part of the City with baseline general fund support--started

In FY16 proposal solidifies direction of baseline City support. Worked with CAO's office to complete transition from Special Revenue dept to General Fund dept with 4 special revenue funds. Turnover of five long time staff = opportunity to rethink org. Re-org proposal is fundamentally about better alignment of work with funding

- more efficient grant = more $ to community
- flexible funding for economic development (grand list, projects policy reform)
- integrate housing as a major CEDO wide priority across the department.

Councilor Selene Colburn: Opened the floor for discussion and questions

Councilor Karen Paul: Special Revenue Funds can't be in the general fund. Question on how the four SR funds are organized.
Staff response: Will need clarification from CAO Rusten. The recommendation from CAO was to use existing grant account categories as framework for SR funds.

Councilor Sharon Bushor: Wanted to make sure the reorg was facilitating collaboration and not siloed efforts. Councilor Bushor was concerned that we are not overloading jobs; work needs to get done but need capacity to do it.

Councilor Karen Paul: Are positions being eliminated and are any current staff members being downgraded?
Staff response: No one is being downgraded. Technically there are two positions that are being re-imagined, *Executive Secretary* to *Community Development Specialist* and *Assistant Director of Housing* to *Policy and Project Specialist - Housing* plus *Housing Programs Director*. An additional *Policy and Project Specialist - Development* position is re-imagined from the former *Special Projects Manager* but is not funded in current FY16 budget proposal due to constrained resources.

Councilor Adam Roof: How will reorg help with outcome and deliverables—to be more outcome, goal driven?

Staff-Peter: With the Flex team, there will be clearer goals set as part of team work plan as opposed to one person trying to do it all. Funding aligned with work is critical—espeically in the area housing and development work. The team will be less ad hoc and more deliberate about establishing a work plan and goals and working systematically to fulfill them. The three areas this team will focus on will be policy refome initiatives, business assistance and development projects. The later will have an implementation schedule that will facilitate creating milestones and tracking progress.

Staff-Marcy: Grants are outcome driven with very specific goals that are reflected in the Action Plan that the Council will be reviewing next week. Two additional successes will be staff working across grants to assist and creating collaborations between grant programs like CDBG and Lead.

Councilor Chip Mason: Expressed concerned over capacity to advance projects on flex teams goals.

Councilor Selene Colburn: Asked what the final General Fund request will be for CEDO. While Peter reviewed those numbers, Councilor Colburn asked about the affordable housing grants worked and their amounts and if they would all work through the Assistant Director and Housing Program Manager.

Staff-Marcy: Explained the LEAD Hazards and Healthy Homes Grants at $3.5 million; HOME Investment Partnership at $340K, CDBG at $742K with about $200 or more for housing.

Staff-Peter: Reviewed the General Fund numbers with the Committee. Currently the DRAFT budget numbers show General Fund Expense of about $700,000 offset by General Fund revenue of about $320,000 (Waterfront TIF, Leases, Partners) leaving gap of about $380,000. Downtown TIF revenue of about $120,000 is reimbursable in future years after the District is activated and funded but cannot be counted as General Fund revenue in FY16. Also explained that the Flex Team would work on a wide variety of housing efforts including workforce housing, mixed used/mixed income housing, neighborhood stabilization and housing policies subject to staff capacity to do so.

Councilor Selene Colburn: Outlines what she considered the pros and cons of this reorganization. Big pro separating out grant stuff. She is not convinced that it will expand really expand capacity around housing. Concerned about the amount of work needed to be undertaken contrasted with loss of capacity. Especially if budget is not funding one the Flex team positions.

Councilor Karen Paul: Nate is point person on PIAP projects. Concerning that funding that position will be overloaded without additional staff. Concerned about burning out current staff and mentioned an interest in funding the second position.

Councilor Chip Mason: Housing in the single biggest issue in the City of Burlington. A host of issues that might not have been addressed within the other framework. This is a team based approach to housing.

Staff-Marcy: Housing is the single most important issue facing the City. If we are saying that many of the same issues and needs are present as we faced 20 years ago, maybe it's time to try a new approach. Our model is based on best practices – collaboration, team approach, mixed use/mixed income developments and projects.

Councilor Karen Paul: Request at work session presentation on budget list of CEDO priorities for FY16 with a list of deliverables . That would be very helpful. Will this be a model that you can live with for a couple of years and not change again?

Staff-Peter: Yes, we see this organization change as a final step to put in place a structure where our line work priorities are aligned with our funding. It will allow us to be more nimble, innovative, and efficient within the realities of diminished Federal Funding and increased reliance on creative local funding—especially in the area of economic development.

Staff-Susan Leonard: It is also important to note how the new org chart provides teams with opportunities for staff to grow into leadership positions by creating a range of grades within each team. The org chart from 2 years ago had 9 direct reports to Director with no place for any of those folks to go. The new structure creates teams with a range of positions that allow staff to move up over with time and experience.

Motion: Adam Roof made the motion to authorize Chairs to summarize the sense of meeting beyond the meeting notes. Tom Ayers seconded. Unanimous approval of the motion.

Motion to adjourn by Karen Paul at 7:15.