



Special City Council Meeting Re: CityPlace, Tuesday, February 23, 2021, 5:00 pm, ****VIRTUAL MEETING**** 2/23/2021

BURLINGTON CITY COUNCIL

SPECIAL MEETING

REMOTE MEETING WITH CALL-IN NUMBER

BURLINGTON, VERMONT

MINUTES OF MEETING

FEBRUARY 23, 2021

MEMBERS PRESENT: Karen Paul

Max Tracy

Chip Mason

Joan Shannon

Ali Dieng

Brian Pine

Jack Hanson

Franklin Paulino

Perri Freeman

Jane Stromberg

Sarah E Carpenter

Zoraya Hightower

OTHERS PRESENT: Miro Weinberger

Katherine Schad

Eileen Blackwood

Jordan Redell



Special City Council Meeting Re: CityPlace, Tuesday, February 23, 2021, 5:00 pm, ****VIRTUAL MEETING**** 2/23/2021

Jeff Glassberg

Tim Sampson

Jen McDonald

Dave Farrington

Scott Ireland

Don Sinex

1. CALL TO ORDER and AGENDA

The meeting was called to order by City Council President Tracy at 5:04 PM.

MOTION by Councilor Stromberg, SECOND by Councilor Pine, to amend/adopt agenda as follows:

- add a Consent Agenda;
- add to the consent agenda item 3.02 Communication: Solveig Overby, re: Five reasons to vote "No" on the new CityPlace development documents 2/23/2021 Special City Council Meeting Item 3.01 Resolution with the motion to "waive the reading, accept the communication and place it on file;
- add to the consent agenda item 3.03 Resolution: Extending Date For Finalization of Annual City Audit For FY20 (Councilor Paul) with the motion to "waive the reading and adopt the resolution" (per Mayor's office and CAO Schad);
- note additional written materials for agenda item 4.01 (was 3.01) (per Mayor's Office);
- add Memorandum Re: Requiring union labor in development agreement to this agenda item (per COS Redell)

Discussion of item 3.03:

Councilor Paul – School audit not completed on same timeline as City's audit. This has occurred p[reviously. So then the City's auditors take a look at this and review it, and this is what we're voting on.

CAO Schad added that the final audit will be presented on March 8th to the Board of Finance.

VOTING: unanimous; motion carries.



Special City Council Meeting Re: CityPlace, Tuesday, February 23, 2021, 5:00 pm, ****VIRTUAL MEETING**** 2/23/2021

2. PUBLIC FORUM

2.01 Verbal Comments

Forum opened at 5:08 PM.

COMMENTS:

- Solveig Overby said that Burlington is ready to see something happen with the pit, but urged the City Council to vote no on the new CityPlace agreement changes. She said that she has concerns with the City's accounting procedures for TIF-funded projects and that without changes to those, the City will repeat past failures on this work.
- Chiuho Sampson urged Council to vote yes on the project, saying that a no vote would come at a significant cost.
- Ali Jalili urged City Council to vote yes and move the process forward.
- Michael Long talked about scare tactics in the context of mayoral candidacy.
- Pete Kelly spoke on behalf of the AGC trade association, saying it supports the revised development agreement including the commitment to paying a living wage.
- Tim Labombard spoke in favor of the CityPlace project and the revised agreement
- Kelly Devine spoke in support of this agreement, saying that the Burlington community and local businesses needs it.
- David Van Deusen acknowledged the significant improvements in this iteration of the CityPlace agreement, which include provisions that establish the Vermont prevailing wage as the base rate for workers on this project. He said that this agreement must be a starting point toward economic justice. He urged City Councilors to vote yes.
- Charlie Messing spoke about a number of items and urged the Council to listen to its constituents when making a decision on the CityPlace project.
- Daniel Peyser voiced his support for the agreement and for organized labor in general.
- Danielle Bombardier thanked the Mayor and City for negotiating this agreement, which as revised provides for a viable construction workforce in Burlington. She added that the prevailing wage is more representative of the livable wage for Vermont construction workers, and will continue to drive wages up.
- Liz Medina urged the City Council to vote in favor of the revised CityPlace agreement.
- Amanda Calder said with any TIF project, the City owes it to ensure that the project is done right in terms of contributing to our community. She urged the City Council to approve the revised agreement.

Forum closed at 5:37 PM.

3. CONSENT AGENDA

3.01 Motion to adopt the consent agenda and take the actions indicated

3.02 Communication: Solveig Overby, re: Five reasons to vote "No" on the new CityPlace development documents 2/23/2021 Special City Council Meeting Item 3.01 Resolution – waive the reading, accept the communication and place it on file.

3.03 Resolution: Extending Date For Finalization Of Annual City Audit For FY20 (Councilor Paul) – waive the reading and adopt the resolution.



Special City Council Meeting Re: CityPlace, Tuesday, February 23, 2021, 5:00 pm, **VIRTUAL MEETING 2/23/2021**

MOTION by Councilor Stromberg, SECOND by Councilor Freeman, to adopt the consent agenda as amended, taking the actions as indicated for items 3.01-3.03.

VOTING: unanimous; motion carries.

4. DELIBERATIVE AGENDA

4.01 Resolution: Authorization To Resolve Litigation And Execute Amended And Restated Development Agreement With BTC Mall Associates (Councilor Paul)

MOTION by Councilor Paul, SECOND by Councilor Stromberg, to remove item 4.01 from the table.

VOTING: unanimous; motion carries.

MOTION by Councilor Paul, SECOND by Councilor Pine, to waive the reading and adopt the resolution.

DISCUSSION:

- Councilor Paul said that the motion to delay this vote last week gave the Council and other stakeholders a chance to engage and find common ground. She said that the revised settlement has the support of local union leadership, developers of the project, and the Mayor. She said that the Council was fully consulted on the ongoing mediation and that all priorities and protections discussed by the Council have been included in the agreement. She said that this settlement contains the benefits of the original agreement, secures millions of dollars of public benefits, is a strong voice for labor, and ensures that the City can turn the page on this project and show support for moving forward with the CityPlace project. She said that the revised project is much more in line with Burlington's priorities and needs. She said that the settlement is in keeping with the community's goals and priorities for Plan BTV, which is a planning blueprint for the City's downtown and waterfront. She said that the agreement now commits to a prevailing wage as well as a fair and transparent bidding and hiring practice to favor hiring local candidates and BIPOC candidates.
- Mayor Weinberger said that the Plan BTV goals included reconnecting the streets in the northwest part of downtown. He said that this has required a public-private partnership, since the property in question was privately owned. He said that public-private partnerships are often risky. He said that the settlement is a result of the City taking action to hold the developers accountable for delays and non-action. He said that this settlement will result in the City reclaiming the streets and sidewalks it gave up in the 1960s, and the commitment that those streets will be rebuilt. He urged the Council to vote to approve this revised agreement.
- Councilor Pine asked about the accounting issue concerns raised by members of the public. He asked about the costs yet to be determined as eligible for reimbursement, and why they are still unknown. Mayor Weinberger replied that the management letters produced through financial audits are extremely useful at



Special City Council Meeting Re: CityPlace, Tuesday, February 23, 2021, 5:00 pm, **VIRTUAL MEETING 2/23/2021**

putting Burlington on an upward trajectory for its financial management. He acknowledged that there have been concerns raised by those management letters about the City's accounting for TIF, but has not risen to the level of material weakness. Chief administrative officer Schad added that an outside firm, CLA, has been working with the City for a year to complete what the financial auditors have required. She said she anticipated that this will not be an issue moving forward. Mr. Glassberg added that the costs that have been incurred by BTC prior to September of 2020 associated with the project are indicated in the budget as TBD because the City has not received/reviewed documentation related to those costs.

- Councilor Pine provided an overview of the changes in the 8-block area downtown in which the CityPlace project will be located since the 1950s. He said the City owes a massive debt of gratitude to the displaced families whose homes were razed in the 1950s and 60s to make room for more urban development that ultimately led to the building of the mall. He also spoke about the decline of labor unions in Burlington since the 1970s. He said that the prevailing wage requirement should always be the goal for development labor. He additionally spoke about the history of the TIF program.
- Councilor Mason said that approval of this resolution would be a big win and a path forward in this project. He said that this project will provide immense support for downtown retail and housing stock. He said a no vote would put the City back into litigation and would put TIF financing at risk.
- Councilor Hightower asked about the 20% inclusionary zoning requirement and how it interacts with the inclusionary zoning ordinance and how it will be enforced. Mayor Weinberger replied that the development agreement does not relieve the developer of the responsibility for following all federal, state, and local construction laws. He said that this agreement sets out additional commitments for the developer, but does not trump other elements of the City's zoning ordinance. He said that the inclusionary zoning requirement is variable depending on the average rent charged by the development once it comes online. He said that this project has voluntarily agreed to a 20% threshold, regardless of where average rent falls.
- Councilor Hightower asked about the public improvements versus private development. She said that the City should have more authority and bear more responsibility for how public improvements are built, and asked how the City ensures that it retains authority over the public improvement process. Mr. Glassberg replied that the City will review and approve the design plans for public improvements, which are measured against the standards set forth in its Great Streets Standard. He said that there is also construction period oversight as the improvements are being completed.
- Councilor Hightower asked about how the responsible contractor ordinance intersects with the bidding process. Mr. Glassberg said that there are separate processes for public and private improvements. Mayor Weinberger added that there will be a budget established for the public improvements, which would require City approval. He said that the developer is required to obtain at least three bids and make those bids available for review. He said that the agreement also allows for the developer/contractor self-performing some of the public improvements, but that the City must regulate and sign off on that work and associated costs.
- Councilor Hanson said that the Council's role in these negotiations is limited, but that this agreement is much stronger than the previous agreement in many ways. He said that this is a good first step to ensure fair wages, benefits, and safe working conditions for all workers in Burlington.
- Councilor Stromberg said that union input should be sought earlier on in the development process in general, but that she is supportive of this revised agreement.
- Councilor Shannon asked if there were significant differences between the revised agreement presented a week prior and this revised agreement. Mayor Weinberger replied that one new component is that the developer has committed to pay the Vermont prevailing wage to workers.

VOTING (by roll call): Councilor Carpenter – aye, Councilor Dieng – aye, Councilor Freeman – aye, Councilor Hanson



Special City Council Meeting Re: CityPlace, Tuesday, February 23, 2021, 5:00 pm, ****VIRTUAL MEETING**** 2/23/2021

– aye, Councilor Hightower – aye, Councilor Mason – aye, Councilor Paul – aye, Councilor Paulino – aye, Councilor Pine – aye, Councilor Shannon – aye Councilor Stromberg – aye, City Council President Tracy – aye (12 ayes, 0 nays); motion carries.

5. ADJOURNMENT

5.01 Motion to adjourn

MOTION by Councilor Pine, SECOND by Councilor Dieng, to adjourn the meeting.

VOTING: unanimous; motion carries.

The City Council meeting adjourned at 7:08 PM.

RScty: AACoonrad