CITY OF BURLINGTON, VERMONT
CITY COUNCIL PARKS, ARTS & CULTURE COMMITTEE
c/o Community & Economic Development Office
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Councilor Karen Paul, Chair, Ward 6
Councilor Ed Adrian, Ward 1
Councilor Paul Decelles, Ward 7

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Minutes to the PACC meeting on 9/21/11

Committee members present: Karen Paul, Chair, (KP), Paul Decelles (PD), Ed Adrian (EA)
Staff present: Mari Steinbach (MS), Gregg Myer, Assistant City Attorney, Kirsten Merriman Shapiro (KMS), Larry Kupferman
Others: David G. White (DGW), White+Burke Real Estate Investment Advisors, Inc.; Phil Levine, Jane Knodell, Kurt Wright, Barbara Perry

1) Agenda KP: suggests moving item #4 after #7 and that discussion about Penny for Parks be included in agenda #5; PD moves same, EA seconds and the agenda is approved with that change.

2) Minutes from 8/17/11: PD moves to accept, EA seconds and so moved.

3) Public Forum:
Mr. Levine asked what the penny for parks was originally budgeted for and who is authorized to make changes.

5) Waterfront vendors per Councilor Decelles:
Assistant City Attorney Meyer provided a written memo regarding the question of authority in making decisions about vendors on the waterfront and concluded that City Council has that authority by approving policies and that the commission provides advice and recommendations about those policies.

KP: this memo answers the question posed by the committee and asks Councilor Decelles what he thinks the next step is.
PD: thinks the timeframe is now available to test a vendor selection process and for the department and commission to propose sites for the next year.

Parks and Recreation Director Steinbach offered to put together criteria and parameters for a pilot program; she proposes a small committee comprised of

DRAFT

staff to design such a program to present to the Commission and PACC and feels the Assistant City Attorney's memo provides the clarity she needs to proceed.

KP: asks MS about the commission's views;
MS: she can take this memo to the Commission, re-discuss the matter with them and bring back a revised plan for Commission and PACC/Council approval.

KP: asks that the efforts be finished by early March so that a pilot program can be used in time for the April Kid's Day festivities.

MS: thinks that time frame or before will work.

5) Penny for Parks

The committee wished to know why the proposed new skate park at the Moran development is supported with $150,000 penny for parks allocation.

MS: the Commission discussed uses of the estimated carry over balance of $700K (comprised of funds derived from $100K per year held in reserve and other non-expended funds) and specifically allocated $150K for the new skate park. The old one has reached the end of its useful life and requires replacement as does the rec rink attached to it. The FY 12 budget calls for $350K set aside for flood repair matches. She will put together a report of overall plans for capital uses for the penny for parks funds and sees the $150K allocation to the skate park as stimulus and leverage for the skatepark fund raising efforts.

Mr. Levine: questions the intent of penny for parks.

KP: the intent was to devote funds specifically to be used to improve city park assets as capital investments as opposed to ongoing maintenance.

MS: agrees and states that anticipated projects will replace existing assets as they wear out.

KP: asked if the intention was to raise funds privately for the skatepark.

5) Burlington Kids

MS requests that she be able to pass out a report indicating that recreation staff

DRAFT

is now reporting their hours of work as required by the new partnership with schools.

KP: asks about the revue expected from the recreation specialists.

6) Councilor Adrian's request regarding Burlington City Arts

EA: questions the distinction made in Assistant CAO's response to his requests; he does not consider his request for information to be a public records request as opposed to a request from a City Councilor and further requests a breakdown of the hours required and how the number of hours were determined in order to provide the information from his original request on 8/17/11.

KP: asks EA about what he is looking for specifically.

EA: the budget meeting discussion raised some concerns and now he wants a holistic view of the department; he is not looking for a smoking gun.

KP: Council President Keogh would like this committee to make a recommendation to the whole council whether to proceed with the line of questioning that EA has asked.

PD: would like to know more about the break down of time and effort before he can make a decision.

The committee will take up the question at its next meeting on October 19.

7) Review materials from the "Committee on City Council Committees"

KP: will draft a statement based on the materials provided to the committee.

4) Moran Center development update: financials and development agreements

David G. White (DGW) of White+Burke Real Estate Investment Advisors, Inc provided two documents: 1) a draft development agreement with Ice Factor, dated 9/20/11, –redacted of details, the premature disclosure of which could disadvantage the City in the negotiations with the prospective tenants, -- so that the bulk of the discussion could be held in public. Some further negotiations are expected, and the city is waiting for the Ice Factor principals to review and comment. 2) A memorandum, dated Sept. 21, 2011, regarding the

recommendations made by the Moran Blue Ribbon Committee and updating the status of addressing those recommendations. DGW offered to go through either or both documents in as much detail as the committee wanted.

KMS: provided a report on Expenditures and Pre-development Budget as of 9/16/11 which updates the budget and expenses to date.

DGW: at the Board work session, there was some interest in having a review of the development agreements made by other 3rd parties but he thinks the development agreements are in fact not that complex and can be readily understood by Council members.

KP: what sequence are we looking for after possible council approval in the next month?

DGW: current best case schedule has the closing on NMTC and other City financing in spring of 2012 with construction soon thereafter. Under this schedule fit up work by the tenants would occur in spring, 2013. DGW cautioned that there are many things that could occur to delay that schedule. The biggest current concern is to be in a position to make commitments with NMTC Allocatees which won't happen until after Development Agreements are approved, thus the need to move forward with the agreements as soon as possible. In light of the Federal budget crunch it is not certain that the NMTC program will be re-authorized by Congress. So we want to get into the upcoming round which is funded.

PD: asks what happens if we do not get a NMTC investor.

DGW: The Allocatees, not the city have primary responsibility to obtain the investor. Historically there has been sufficient demand from investors for NMTC such that obtaining investors has not been a problem. However, the development agreements include contingencies and a process to protect the tax payer from risk. In the event there is no investor, the City will not close on its financing and the City will have the right to withdraw from the project. This would occur before the major expenses are incurred for construction. In the meantime, the additional dollars to be spent to keep the project moving are comparatively modest. The current best case schedule targets April, 2012 for tenants and the City to have their financing ready. With the financing ready the City will issue a "notice of intent to proceed" whereupon tenants will be obligated to make escrow deposits that guarantee their performance.

DRAFT

The committee asks about the amount of city funds involved in the plans to date; staff estimate $670-720K.

KP: refers to page 9 on the development agreements and indicates that good faith deposits are required.

DGW: refers to the memo regarding recommendations of the Blue Ribbon Committee and states that much of what was recommended has been incorporated into the development agreements.

He hopes that the final drafts will be as complete as possible in advance of a possible work session on 10/11 with another on 10/17 for possible approval on 10/17.

PD moves to adjourn at 8:20; EA seconds and so moved.

Notes submitted by Larry Kupferman

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