



**Finance Committee Meeting
January 7, 2020 2:30 p.m.
Town Room, Town Hall
Minutes**

Complete video is available online: <https://amherstmedia.org/content/amherst-finance-committee-january-7-2020>

1. Call to order and declaration of a quorum

Steinberg called the meeting to order at 2:40 p.m. and announced audio and video recording by Amherst Media.

Members present: Lynn Griesemer, Dorothy Pam, Cathy Schoen, and Andy Steinberg. Non-voting members present: Robert Hegner, and Sharon Povinelli

Members absent: Shalini Bahl-Milne, Non-voting member Marylou Theilman

Councilors participating remotely: None

Others present: Comptroller Sonia Aldrich, Planning Director Christine Brestrup, and Clerk of the Council Athena O'Keefe

2. Agenda Item 4. Council orders anticipated in the near future

Comptroller Sonia Aldrich explained the three housekeeping Council orders: 1) Medicare D transfer to Other Post Employee Benefits (OPEB) from free cash; 2) Transfer from free cash to Stabilization Fund per current financial policies, any excess of 5% must be transferred to Stabilization; and 3) an order related to the Municipal Modernization Act to authorize bond premiums from past borrowings to be applied to reduce existing debt.

Steinberg explained that the order regarding Medicare transfers into the OPEB Trust was the logical place to put this reimbursement when it came back. Members discussed the order related to the transfer of funds to the OPEB.

3. Agenda item 1. Proposed Amherst Affordable Housing Priorities Policy

Steinberg noted the staff time that would be involved in the implementation of the housing policy and asked that Planning Director Christine Brestrup describe staff work on housing. Brestrup spoke about the work of the Planning Department, specifically related to the extensive staff time and town resources involved with affordable housing projects. She noted that the goal of providing 250 affordable housing

units over the next five years is ambitious. The Planning Department also manages the permitting and inspections processes. If affordable housing becomes the priority, that should be made clear to staff, or additional staff should be provided to focus on affordable housing.

Members discussed the constraints of staff time, the time and staff required to develop and maintain inclusionary zoning developments, the additional time required in Town initiated projects, and staff time related to the permitting process with C. Brestrup. Members also discussed the Town budget, and the rate of development of housing and affordable housing units in Amherst over the last five years.

Steinberg referred to the Draft Housing Policy Report, noting that the Town must be proactive and cannot wait for developers to come to Amherst with plans to build the specific type of housing that the Town would like built.

Members discussed the development of housing in general and more specifically the need for middle-income housing, the Draft Housing Policy Report, and minor edits to improve it. Members also discussed the process and timeline to bring the Affordable Housing Policy recommendation to the Council.

John Hornik, Chair of the Amherst Municipal Affordable Housing Trust, spoke to explain how affordable housing is a form of economic development for the Town including that properties are taxable. Hornik stated the current tenor of the Draft Housing Policy Report reads as though there are too many problems with affordable housing and the Town is not supportive of affordable housing. Hornik believes the report needs to state the goal is to build more affordable housing.

Steinberg described the document's attempt to clearly state that the committee members are supportive of affordable housing. The role of the committee is to consider the financial implications of the goal of the proposed 250-unit policy, and that might have led to a less supportive tone.

Members discussed the impact revising the inclusionary, zoning bylaw could have on supporting affordable housing, the perception of the term "Affordable Housing" and expenses associated with development that have not been discussed. The committee discussed the goal of revising the report and agreed on a strategy to do so. Steinberg said he would work with Schoen on a revised draft.

4. Agenda Item 4 (continued) Council orders anticipated in the near future

The committee resumed conversation regarding council orders the committee can anticipate. The committee reviewed Town policy of maintaining reserves between 5 and 15%, transferring monies to the Stabilization Fund, and how the Municipal Modernization Act allows the use of the bond premium to pay down the debt so the Town can borrowing less. S. Aldrich states a recommendation is not needed today but will be coming soon.

S. Aldrich alerted the committee to other Council orders that are coming up including: a borrowing authorizations for School Feasibility Study; borrowing authorization for the I-Net Loop; an order to repurpose left over funds from the Station Road Bridge project to be used to purchase equipment for North Amherst intersection improvements; a grant match for a grant received from the Department of Environmental Protection to purchase transfer station truck; and schematic designs for Fire and Department of Public Works.

The committee discussed if the Council needs to hold a public forum for any or all of the orders.

5. Agenda Item 6 Meeting schedule for 2020, revised

Steinberg noted errors on the previous draft of the meeting schedule that will be discussed in upcoming meetings.

6. Four Towns Meeting preliminary discussion

Will be discussed at a future meeting.

7. Agenda Item 3 Major Capital Investments process

Griesemer stated a report is expected on the listening sessions. Griesemer also stated they are working on clarifying the roles of various committees and the Council regarding capital projects.

8. Agenda Financial implications of proposed Percent for Arts Bylaw

Schoen, Chair of the Ad Hoc Percent for Arts Bylaw Committee, presented the revised Draft Bylaw, explained the rationale for changes, and the goals of the Bylaw. She asked for comments and feedback on the draft and the way to communicate. Schoen explained there are different ways of showing the impacts of going for an override or not would have individual households. Pam commented about the failed votes in other communities, and that the Percent for Art Bylaw is a better way of approving the cost because it includes costs in the overall cost of the project. The Committee suggested ways to present the impact on total project costs. Schoen agreed to include this in the revised cover memo for the Committee and Council. Schoen noted that the bylaw was also being reviewed by the CRC committee.

9. Public Comment - None

10. Matters not anticipated by the Chair 48 hours before the meeting

The committee raised issues related to the cost of recycling, the possible monopoly on trash pickup, the feasibility of pilot payments in other communities. Steinberg stated these issues will be added to committees list to work on.

MOTION: Pam moved, second by Griesemer to adjourn. **VOTED** unanimously to adjourn at 4:34 p.m.

Draft submitted by Lindsey McConnell

Record of Agenda Packet Materials and Documents Presented

Affordable Housing-Town Support [8047]

Brestrup Notes for meeting with Fin Com

DRAFT COUNCIL ORDERS FOR TRANSFERS TO OPEB AND STABILIZATION AND PREMIUMS ON PRIOR DEBT USE TO PAYDOWN BONDS

Finance Committee housing policy report draft2 [8046]

Finance Committee Percent for Art Report 1.5.20

Percent for Art Ad Hoc Committee report 12.3.1019

Percent for Art Bylaw Revised 11-19-19_Final