

\$500,000 average balance in 5¼% savings accounts. The City competitively bid for a new cash management system that would insure that all City funds were invested every day. This was the first daily investment program for a city or town in the entire State of Vermont.

Another major undertaking of the Treasurer's Office in the past year was the examination of the finances and economic feasibility of the proposed Resource Recovery Facility (RRF). This facility was designed to replace the City's landfill and would cost over \$13 million to construct. In a report to the Board of Aldermen and the Mayor on March 21, 1983, we advised that there were major problems in the financing and economic projections of the costs for the construction and operation of this facility. A subsequent study in April, by the engineering firm of Dufresne-Henry, confirmed this report and recommended that the City not proceed with this project at this time. Reasonable estimates included probable deficits in the first five years of approximately \$800,000 per year. It was in fact possible that such a deficit could be as much as \$1.5 or \$2 million per year. In May, Mayor Sanders vetoed a resolution of the Board of Aldermen to proceed with the project. Subsequently, a blue ribbon committee appointed by the Mayor has confirmed these concerns. Finally, on December 13, 1983, the Board of Aldermen voted unanimously to sustain the Mayor's veto. The Treasurer's Office has invested the \$10 million bond issue proceeds for this project. These funds will be held available for other projects and capital needs of the City, including a possible subsequent RRF to remedy the City's waste disposal problems.

## **Retirement Board Selects New Investment Manager**

The Treasurer is the trustee for the City's Retirement Funds and also serves on the Retirement Board. This past year was a time of exciting changes and accomplishments

in the administration of the Retirement System. In August, 1983, after a long and careful competitive bid and evaluation process, the Retirement Board selected a new investment manager to invest the Retirement System funds. Under the guidance of this new manager, Ford Hill Associates, the value of the fund grew from \$11 million to almost \$16 million in one year. This growth was in part the result of the rally in the stock market. The increase in value of the fund exceeded that of the previous four years.

The Retirement Board also competitively bid for an audit of the Retirement System, which was conducted in December, 1983, and was the first audit of the System since its inception in 1954. This past summer, the Board also hired a Retirement System Administrator, Cindy Davis, to oversee the administration of the entire program. Finally, after a year of study and analysis, the Retirement Board completed a comprehensive review of the design of benefits under the System. The Board recommended significant changes in the benefits of the System which will improve the quality and comprehensiveness of the benefit program. The outstanding performance of the Fund, in part, enabled the Board to recommend to the City Council the implementation of these changes without a major increase in the cost to the city.

In conclusion, the past year has been a year of exciting changes, accomplishments and new beginnings. These changes would not have been possible without the support and cooperation of the many departments of the City, as well as the dedication and commitment of the entire staff of the Treasurer's Office. The reform of the budgeting and accounting system would not have been possible without this support, and especially without the expertise and efforts of Assistant Treasurer Barr Swennerfelt. Finally, we would also like to thank Mr. Michael Giroux who retired in June, 1983 after serving in the Treasurer's Office for 33 years. Mr. Giroux provided continuity and stability which made it possible to undertake the very difficult tasks of innovation and reform.

# **COMMUNITY AND ECONOMIC DEVELOPMENT OFFICE**

## **PETER CLAVELLE DIRECTOR**

**E**conomic Development, Housing, The Waterfront, Neighborhood Revitalization. These are priority issues within the City of Burlington - they represent both challenges and opportunities. In 1983, it became clear that the "business as usual" approach would not be sufficient to address these difficult issues and maintain the economic vitality of Burlington. Following



months of deliberation, in May of this year, the Board of Aldermen voted to support the recommendation of Mayor Bernard Sanders and created a Community and Economic Development Office (CEDO). CEDO became fully operational and staffed in September.

Since September, we have been working to stimulate investment, create jobs, upgrade and expand the housing stock, and thoughtfully develop the waterfront. Below is

an overview of CEDO's programs and activities to date and some of our goals for 1984.

## Economic Development

- The Urban Development Action Grant is a competitive grant program providing assistance to cities which aids economic recovery. Grants in the amount of \$1 million have been approved to support the restoration of the Maltex Building on Pine Street for industrial space and the rehabilitation of the currently vacant Wells-Richardson building on College Street. Together, these projects will create over 200 permanent, full-time jobs. The CEDO will continue to aggressively pursue UDAG projects in an effort to create jobs and expand the tax base. These loans, when paid back by the developers, will fund future job creation and neighborhood revitalization projects.
- The CEDO is working on a number of projects which will strengthen downtown Burlington and reduce our vulnerability to commercial development in the outlying areas of the county. Working with FM Burlington, the City is seeking Federal fiscal assistance to construct a major department store, expand Burlington Square Mall, expand the Radisson Hotel, and provide needed parking.
- The Burlington Revolving Loan Program has been created to aid and support the City's small business sector. This program, capitalized with \$250,000 in community development funds, offers attractive and affordable long-term financing to existing and new Burlington businesses. It is anticipated that the program will stimulate the creation of more than fifty new jobs.
- A comprehensive approach to encourage investment in the Old North End has been developed. Small business and housing programs are targeted to this area. Storefront facades are being restored, a community police program has been funded, and Battery Park is being upgraded - all with community development funds. The long-vacant Mäzel's store will soon be occupied.
- The CEDO is actively promoting the creation of employee-owned and operated businesses. This alternative business structure encourages productivity, skill-upgrading, leadership development, and local control of jobs.

## Waterfront Development

- The CEDO worked to develop a strategy to acquire the Green Mountain Power Corporation building. In October, the Board of Aldermen unexpectedly rejected this proposal.
- On a positive note, the Board of Aldermen have adopted a Joint Public/Private Planning Process for development of the waterfront. The process will provide for unprecedented public participation in the making of decisions and planning of the development.
- The Alden Waterfront Corporation has assembled approximately 23 acres on the waterfront. Benjamin Thompson Associates, a world renown planner of people-oriented waterfront developments, has been retained by Alden and is currently preparing a land use plan and master plan. The citizens of Burlington will be invited to review, discuss and critique the proposed

waterfront development plan.

- CEDO will continue discussions with Alden. An agreement is being negotiated which will protect the public interest in the redevelopment of the waterfront. Both the developer and the City administration have agreed that there will be no waterfront development unless



development plans are broadly supported by the people of Burlington.

- The City supports the creation of a continuous bicycle/pedestrian pathway, close to the lake shore, from the Winooski River south to Oakledge Park. CEDO has initiated negotiations with property owners, is investigating funding sources, and has assumed responsibility for the overall implementation of the project.

## Housing

- CEDO, in conjunction with the Public Health and Safety Department, has developed and is implementing a Housing Improvement Program. A total of \$716,000 is available; an estimated 686 housing units will be improved and upgraded this year.
- Programs to support new housing development are included in the Federal budget for the first time in four years. We will aggressively pursue these resources to assist in the expansion of Burlington's affordable housing stock.
- CEDO has developed the expertise and has provided organizational and technical assistance for a Community Land Trust. The Land Trust will provide a permanent stock of affordable housing within the City. The Mayor and Board of Aldermen have committed \$200,000 as seed money for the Land Trust.

## Other

- CEDO coordinates and facilitates citizen's participation, primarily through the grass-roots organizations known as Neighborhood Planning Assemblies. A total of 500 different people have participated to date.
- CEDO has provided assistance in the solicitation of funds to other departments and commissions for various projects, including: a library branch in the Old North End, Riverside Avenue repair, an emergency shelter, an emergency operating center, and parks projects.
- Finally, CEDO is responsible for the management of the City's \$1.1 million Community Development Block Grant program and previously received grants.

We look forward to your continued support in our efforts to enhance Burlington's quality of life.