

PRESENT: PAULO DEOLIVEIRA, (CHAIR), JIM CARTER, STEVE JORDAN, ROBBIE COAD, LES BAYNES, JANE CHITTICK

OTHER: JAMES HAGERTY, MARGARET SERPA, KIMBERLY KANE, DAVID THOMPSON, GLEN SEARLE, JULIET MULINARE

MR. DEOLIVEIRA CALLED THE MEETING TO ORDER AT 4:00PM.

MR. HAGERTY DISTRIBUTED THE WARRANT ARTICLES AND THE UPDATED BUDGET.

THE FAC DECIDED TO REVIEW MR. THOMPSON'S REQUEST FOR TRANSFER BEFORE REVIEWING THE BUDGET. MR. THOMPSON EXPLAINED THAT HE HAD APPLIED THE REMAINDER OF HIS CONTINGENCY FUND TO THE COST OF THE DONALBIN CLOSE REMEDY BUT STILL CAME UP SHORT \$13,000; THIS REQUEST IS \$16,000 LESS THAN HE REQUESTED AT THE JANUARY 9TH MEETING.

MOTION PLACED ON THE FLOOR BY MR. CARTER TO GRANT THE WASTEWATER DEPARTMENT'S REQUEST FOR TRANSFER FROM THE RESERVE FUND IN THE AMOUNT OF \$13,000. MR. BAYNES SECONDS, NO DISCUSSION, VOTE TAKEN, APPROVED 6-0.

MS. MULINARE PRESENTED A REQUEST FOR TRANSFER FROM THE CHRISTMAS COMMITTEE FOR BILLS THAT RESULTED FROM THE VANDALISM THAT OCCURRED ON NORTH WATER STREET. THE TOWN WILL RECEIVE FUNDS FROM THE SETTLEMENT, BUT THAT COULD TAKE MONTHS IN COURT AND THE COMMITTEE WOULD LIKE TO MAKE SURE MR. BASSETT GETS PAID IN A TIMELY MANNER FOR HIS IMMEDIATE ATTENTION TO THE SITUATION.

MOTION PLACED ON THE FLOOR BY MR. CARTER TO GRANT THE CHRISTMAS COMMITTEE'S REQUEST FOR TRANSFER FROM THE RESERVE FUND IN THE AMOUNT OF \$2,239.05. MR. JORDAN SECONDS, NO DISCUSSION, VOTE TAKEN, APPROVED 6-0.

MS. LUCAS WAS NOT PRESENT TO DISCUSS SALARY ADJUSTMENTS.

MR. HAGERTY OPENED UP DISCUSSION ON THE PROPOSED FY20 BUDGET. HE POINTED OUT THE CHANGES MADE SINCE THE LAST MEETING, WHICH INCLUDED: AN INCREASE TO THE SHELLFISH SALARY BUDGET, CHANGES WITH THE SCHOOL BUDGET, HEALTH INSURANCE WENT DOWN DUE TO A SURPLUS IN THE ACCOUNT AND THE WATER DEPARTMENT REMOVED ITEMS FROM ITS OPERATING BUDGET THAT SHOULD BE SEPARATE WARRANT ARTICLES.

MS. KANE DESCRIBED THE INCREASES IN LOCAL RECEIPTS.

THE FAC THEN DISCUSSED CHANGES MADE TO THE WARRANT ARTICLES. THE YOUTH TASK FORCE HAS REQUESTED THAT THE WORDING "THIS MONEY WILL ONLY BE AVAILABLE IF ALL SIX TOWNS VOTE IN THE AFFIRMATIVE" BE REMOVED FROM THE ARTICLE. MS. CHITTICK ASKED WHETHER THIS ORGANIZATION WAS A NON-PROFIT AND CITED A LETTER SHE HAD PREVIOUSLY SENT TO THE COMMITTEE REGARDING THE APPROPRIATION OF TOWN FUNDS TO 501c3s. MS. CHITTICK ASKED WHETHER THE TOWN HAS COPIES OF ALL THE SERVICE CONTRACTS USED BY THE NON-PROFITS. MS. KANE STATED THAT THE SCHOOL HAS ALL THE CONTRACTS; THEY JUST NEED TO BE LOCATED. MR. JORDAN ASKED MR. HAGERTY IF HE RECOMMENDED THE REMOVAL OF THE LANGUAGE FROM THE ARTICLE. MR. HAGERTY STATED THAT HE HAD NO PREFERENCE ON THE MATTER. MS. KANE ADVISED THE FINCOM THAT IF THEY FEEL PASSIONATELY ABOUT THE PROGRAM, THEY SHOULD VOTE TO

REMOVE THE LANGUAGE, BUT IF THEY WANT TO STAY IN LINE WITH WHAT OTHERS ARE DOING, TO KEEP IT IN.

MS. CHITTICK ASKED FOR A COMMITTEE TO BE FORMED THAT REVIEWS AND TRACKS THE SERVICE CONTRACTS THAT HAVE BEEN PUT IN PLACE BY THE NON-PROFITS. SHE SAID THAT GIVING MONEY TO THESE ENTITIES SETS THE PRECEDENT THAT OTHER NON-PROFITS CAN ASK FOR TOWN MONEY. CHAIRMAN DEOLIVEIRA STATED THAT THE LEGAL PARAMETERS OF TOWNS GIVING MONEY TO NON-PROFITS SHOULD BE REVIEWED BY COUSEL AND THE SELECTMEN.

MS. SERPA STATED THAT SHE THINKS THE LANGUAGE SHOULD NOT BE REMOVED FROM THE ARTICLE. MR. BAYNES AGREED AND SAID THAT WHAT'S BEEN DONE IN THE PAST SHOULD BE DONE NOW FOR THE PURPOSES OF MOVING THE MEETING FORWARD. HE ALSO STATED THAT THE SERVICE CONTRACTS SHOULD BE LOCATED AND MADE AVAILABLE TO THE COMMITTEE FOR REVIEW.

THE FAC THEN DISCUSSED THE STABILIZATION FUND REQUEST FROM THE FIRE DEPARTMENT. MR. CARTER ASKED WHAT THE CONCLUSION OF THE PREVIOUS DISCUSSION ON THE DEPARTMENT'S BUDGET REQUEST. MR. HAGERTY SAID THAT THE FIRE CHIEF WAS SATISFIED WITH THE 6% INCREASE HE WAS OFFERED; IF HE NEEDS MORE, HE'LL HAVE TO GO TO SPECIAL TOWN MEETING IN 2020.

THE FAC WENT ON TO DISCUSS A REQUEST FOR A UTILITY TRUCK BY THE FIRE DEPARTMENT, A REQUEST FROM THE HIGHWAY DEPARTMENT FOR MORE MONEY TO FIX SIDEWALKS (MS. KANE INFORMED THE FAC THAT THE REQUEST WAS HIGH CONSIDERING THERE IS STILL SOME MONEY LEFTOVER FROM THE LAST APPROPRIATION AND CHAPTER 90 STATE FUNDING.), A REQUEST FROM THE WATER DEPARTMENT TO MOVE AN STM ARTICLE TO THE ATM AND A REQUEST FROM THE SHERIFF'S DEPARTMENT FOR FUNDING TO UPGRADE COMMUNICATION INFRASTRUCTURE.

CHAIRMAN DEOLIVEIRA CALLED FOR A MOTION TO APPROVE THE ARTICLES BEFORE THE COMMITTEE, INCLUDING THE AMENDMENTS THAT WERE CONCURRED UPON. MR. CARTER MAKES THE MOTION, MR. BAYNES SECONDS, NO DISCUSSION, VOTE TAKEN, APPROVED 6-0.

MR. CARTER ASKED MR. HAGERTY HOW MUCH MONEY WAS SAVED WITH THE UPDATED BUDGET. MR. HAGERTY RESPONDED ALMOST \$1 MILLION.

THE FAC THEN WENT ON TO DISCUSS THE ARTICLES ON THE SPECIAL TOWN MEETING WARRANT. MR. HAGERTY EXPLAINED EACH OF THE ARTICLES 1-8 BRIEFLY. ARTICLE 3 IS NON-MONETARY; ARTICLES 9 AND 10 ARE REGARDING THE PROPOSED HOUSING BANK; ARTICLE 11 IS UNPAID BILLS: THE AIRFIELD HAS A LARGE FUEL BILL, THE BOARD OF ASSESSORS HAS A SMALL LEGAL BILL AND THE HIGHWAY DEPARTMENT HAS TWO UNPAID BILLS.

MOTION PLACED ON THE FLOOR BY MR. BAYNES TO APPROVE ARTICLES 1, 2, 4, 5, 6, 7, 8 AND 11. MR. CARTER SECONDS, NO DISCUSSION, VOTE TAKEN, APPROVED 6-0.

MR. HAGERTY PRESENTED INFORMATION ON THE HOUSING BANK, ARTICLES 9 AND 10, TO THE COMMITTEE. HE STATED THAT THE TOWN CURRENTLY BRINGS IN ABOUT \$1 MILLION IN SHORT TERM RENTAL TAX REVENUE. THIS TAX BASE HAS NOW BEEN INCREASED (BY STATE LAW) TO INCLUDE "SHORT-TERM RENTALS" BY PRIVATE HOME OWNERS (ie. AIRBNB, VRBO). THIS EXPANDED DEFINITION WILL UNDOUBTEDLY INCREASE THE TAX REVENUE FOR THE TOWN, BUT THERE IS NO WAY TO KNOW BY HOW MUCH.

EDGARTOWN CURRENTLY HAS A 4% SHORT TERM RENTAL TAX IN PLACE. THE NEW LEGISLATION ALLOWS THE TOWN TO ADOPT A HIGHER RATE AND/OR TO ALLOCATE MONEY TO FUND COMMUNITY NEEDS. ONE OF THESE NEEDS, AS IDENTIFIED BY THE PROPOSED HOUSING BANK, IS MORE

AFFORDABLE HOUSING. THE PROPOSAL INCLUDES THE CREATION OF AN ISLAND-WIDE HOUSING BANK WHO'S CHARGE WOULD BE TO CREATE MORE AFFORDABLE HOUSING FOR LOCAL WORKERS. THEY PROPOSE TO BE FUNDED BY ALLOCATING 50% OF THE SHORT-TERM RENTAL TAX FROM EACH TOWN TO THEIR MISSION. MR. HAGERTY EXPLAINED THAT WHILE EDGARTOWN WOULD BE A LARGE PERCENTAGE OF THIS CONTRIBUTION, THEY WOULD STILL ONLY HAVE ONE VOTE ON A BOARD OF SEVEN, AS IT STANDS NOW. FURTHERMORE, THE BANK IS ASKING FOR A COMMITMENT FROM THE TOWN'S TO GIVE 50% OF THEIR SHORT TERM TAX REVENUE, A NUMBER THAT IS COMPLETELY UNKNOWN AT THIS POINT. MR. CARTER STATED THAT THE FAC IS NOT IN THE POSITION TO MAKE A DECISION OR RECOMMENDATION ON THIS PROPOSAL UNTIL IT BECOMES CLEAR HOW MUCH MORE MONEY WILL BE GENERATED WITH THIS NEW TAX. MR. BAYNES AGREED, SAYING THE TOWN SHOULD NOT TAKE ANY ACTION FOR AT LEAST A YEAR.

MS. SERPA STATED THAT THE STATE WILL TAKE IN THE TAX MONEY AND THEN GIVE IT BACK TO THE TOWN; IT SHOULD NOT BE GIVEN TO THE PROPOSED HOUSING BANK. SHE SAID EDGARTOWN HAS SUPPORTED AFFORDABLE HOUSING ALL OVER THE ISLAND AND HASN'T RECEIVED ANY MONEY BACK FROM OTHER TOWNS FOR THIS EFFORT.

CHAIRMAN DEOLIVEIRA CLARIFIED THAT ARTICLE 9 ESTABLISHES THE HOUSING BANK AND ARTICLE 10 IS THE FUNDING MECHANISM; THEY ARE TWO SEPARATE ARTICLES THAT BOTH NEED TO BE APPROVED.

MS. SERPA ADDED THAT THE LANGUAGE IN THE HOUSING BANK PROPOSAL SAYS IT WILL PROVIDE "YEAR-ROUND HOUSING", IT DOES NOT MENTION "AFFORDABLE HOUSING" ANYWHERE.

MS. CHITTICK SAID THERE SHOULD BE SOME PUBLIC OUTREACH REGARDING THIS PROPOSAL BEFORE IT GETS VOTED ON AT TOWN MEETINGS. MR. BAYNES ADDED THAT IT NEEDS TO BE CONVEYED TO THE COMMUNITY THAT ALLOCATING THIS MONEY TO THE HOUSING BANK COULD POTENTIALLY CREATE A DEFECIT IN THE BUDGET.

THE FAC DISCUSSED HOW TO GET THIS TOPIC INTO PUBLIC DISCUSSION. THEY ALSO DISCUSSED HOW RISKY IT WOULD BE TO GIVE AN UNKNOWN SUM OF MONEY TO AN UNKNOWN ENTITY.

MOTION PLACED ON THE FLOOR BY MR. BAYNES TO NOT RECOMMEND THE PROPOSED HOUSING BANK OR ITS FUNDING. MR. JORDAN SECONDS, NO DISCUSSION, VOTE TAKEN, APPROVED 6-0 TO NOT RECOMMEND.

THE FAC DISCUSSED NEW BUSINESS: THE CLERK HAS BEEN OUT OF COMMUNICATION FOR TWO DAYS AND HAS NOT SHOWN UP FOR THIS MEETING. MR. HAGERTY WILL DISCUSS WITH MS. LUCAS ON HOW TO PROCEED.

AT 5:30 A MOTION TO ADJOURN WAS MADE AND SECONDED. A DATE FOR NEXT MEETING WAS NOT SET AS IT IS UNCLER WHAT ACTION WILL NEED TO BE TAKEN REGARDING THE CLERK.

RESPECTFULLY SUBMITTED, JULIET MULINARE