

**24-006**  
**ADMINISTRATION AND FINANCE COMMITTEE**  
**MEETING REPORT**  
**TUESDAY, JANUARY 30, 2024 @ 6:00 P.M.**

Attendees: Council President Isaac “Zac” Bears, Committee Chair; Council Vice President Kit Collins, Committee Vice-Chair; Councillor Emily Lazzaro; Councillor Matt Leming; Councillor Justin Tseng; Councillor Anna Callahan; City Clerk Adam Hurtubise; other participants as noted in the body of this report.

President Bears called the meeting to order at 6:00 p.m. on January 30, 2024 in the Medford City Council Chambers on the second floor of Medford City Hall, and via Zoom. The purpose of the meeting was to discuss the City Council’s governing agenda for this term, as well as papers referred to the Committee.

President Bears thanked participants for attending. He said it was an exciting time because it was the first standing committee meeting under the new committee structure. He outlined new guidelines as the new committee meeting schedule begins. He outlined the various papers in committee.

Councillor Lazzaro asked how any papers that are in committee, prior, can be discussed now. President Bears said that papers on this agenda can be brought up for discussion via motion. Councillor Lazzaro said that there is discussion about timing. She said she would like to see the background on all papers in committee, but she doesn’t want to see it all immediately. President Bears said that asking for background information and pulling records is one thing, and then getting into the substance of the papers is another thing.

President Bears said he is working to schedule the Administration to be at next month’s meeting. Councillor Leming asked why some of these papers have been left in committee for so long. President Bears explained the notations on the agenda. He said some of these papers were referred to committee and never had a committee meeting. He said the PILOT Commission resulted in early meetings and there is a draft ordinance. He outlined other papers that have been in committee for a length of time. He said that there were five meetings on the budget ordinance in 2023.

Councillor Tseng said he is looking into two papers in committee. He detailed some research he had done on the muni bonds program. He said the proposal on the PILOT ordinance is a good idea.

President Bears said we are looking at the budget ordinance for the February meeting. He said we are also going to look at the Classification and Compensation Study implementation and Revenue Generation and Proposition 2.5 planning.

Vice President Collins said that the original form of the ordinance spoke to both the annual budget process and also laid out a prescribed structure for looking at the annual operating budget. She said that the Administration has said that this is a difficult thing to operationalize, but we think there is value in coordinating those conversations in a structured document.

Councillor Lazzaro asked if we have to do anything with the budget ordinance on this meeting before it goes to the full Council. President Bears said that the budget ordinance will be a topic of discussion at the February meeting of this committee. He outlined topics for future committee meetings.

Vice President Bears said that the Classification and Compensation study is being undertaken by the Administration with help from the Collins Center, to discuss how City employees are compensated. President Bears said it might be helpful to move to ask the Administration for an update on that study.

Councillor Leming asked for additional details on the Classification and Compensation study. President Bears explained the CAF structure for the City.

Vice President Collins suggested requesting the update by February 20.

President Bears said he and former President Morell reached an agreement with the Administration on moving forward on the budget ordinance and also on establishing a financial task force which includes members of the Council and School Committee and which will be formally announced.

Councillor Leming moved to request an update on the Classification and Compensation Study (Councillor Lazzaro second with an amendment requesting that the update come to the Council by February 20)—approved as amended.

Councillor Lazzaro said that most of the rest of this seems like it would follow once some of the financial announcements are made. She said that the more information we can share with the public the sooner, the better. President Bears said he hopes the announcement will be made by mid-February.

Councillor Leming said that a lot of the large projects could be a little more difficult to pass. He said Vice President Collins proposed a good landlord tax credit last meeting and he has proposed a resolution on the commercial vacancy tax for the next Council meeting. He said, regarding the vacancy tax, he is talking to the Planning team to discuss best practices.

President Bears said that the vacancy tax, the good landlord credit, the owner occupied exemption and other matters are things that can be discussed this term. He said some of these are distributional, about how the burden can be shouldered.

Councillor Leming asked how long it might take from a first resolution until somebody actually pays that tax or receives a benefit from that tax. President Bears said that we would need to bring in the Assessor for that. He said anything about the rate-setting would require a discussion well in advance of the rate-setting meeting.

Councillor Leming said that the commercial vacancy tax would only specifically apply to vacant or effectively closed businesses. He said it would be much more targeted and would not be enough to impact the total tax levy. He said it's an incentive.

William Navarre, 108 Medford Street #1B, said he doesn't think Prop 2.5 would impact or affect that. He said the vacancy tax would not be an ad valorem tax.

Councillor Leming said that he is not sure how we can discuss something that has not yet been referred to committee. President Bears said it is on the governing agenda document.

Vice President Collins said that these initial meetings are helpful in setting up what we will need to do going forward. She said this will also help the order in which we do things. She said the Assessor's Office requires a fairly long runway for most things. She said she thinks we can pursue all of these projects in committee.

Councillor Tseng said he would like to ensure that the draft PILOT ordinance gets some time for discussion as well.

Councillor Tseng moved to add the PILOT ordinance to the governing agenda (Vice President Collins second)—approved.

Vice President Collins said that in general she is pretty happy with the timeline of the governing agenda. She said it's important to start implementing the Classification and Compensation study. She said it's important to discuss the commercial vacancy tax. She said she thinks this roughly follows the order of need.

Vice President Collins moved to adjourn at 6:56 p.m. (Councillor Leming second)—approved.

President Bears adjourned the meeting at 6:56 p.m.