



FINANCE COMMITTEE

COMMITTEE MEETING

~ MINUTES ~

Wednesday, December 11, 2024

3:00 PM

Sullivan Chamber
795 Massachusetts Avenue
Cambridge, MA 02139

The Finance Committee will hold a public hearing on Wednesday, December 11, 2024 for an update and discussion on Public Investment Planning.

Attendee Name	Present	Absent	Late	Arrived
Burhan Azeem	<input type="checkbox"/> Remote	<input type="checkbox"/>	<input type="checkbox"/>	
Marc C. McGovern	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Patricia Nolan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sumbul Siddiqui	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Jivan Sobrinho-Wheeler	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Paul F. Toner	<input type="checkbox"/> Remote	<input type="checkbox"/>	<input type="checkbox"/>	
Ayesha M. Wilson	<input type="checkbox"/> Remote	<input type="checkbox"/>	<input type="checkbox"/>	
Catherine Zusy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
E. Denise Simmons	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

A public meeting of the Cambridge City Council’s Finance Committee was held on Wednesday, November 20, 2024. The meeting was Called to Order at 3:00 p.m. by the Co-Chair, Councillor Nolan. Pursuant to Chapter 20 of the Acts of 2022 adopted by Massachusetts General Assembly and approved by the Governor, this public meeting was hybrid, allowing participation in person, in the Sullivan Chamber, 2nd Floor, City Hall, 795 Massachusetts Avenue, Cambridge, MA and by remote participation via Zoom.

At the request of the Chair, Deputy City Clerk Crane called the roll.

- Councillor Azeem – Present/Remote
- Vice Mayor McGovern – Absent
- Councillor Nolan – Present/In Sullivan Chamber
- Councillor Siddiqui – Present/In Sullivan Chamber
- Councillor Sobrinho-Wheeler – Absent
- Councillor Toner – Present/Remote
- Councillor Wilson – Present/Remote
- Councillor Zusy – Present/In Sullivan Chamber
- Mayor Simmons – Present/In Sullivan Chamber

Present – 7, Absent – 2. Quorum established.

Co-Chair Nolan offered opening remarks and shared that the Call of the meeting was for an update and discussion on Public Investment planning. Present at the meeting was City Manager, Yi-An Huang, Deputy City Manager, Owen O’Riordan, Assistant City Manager for Fiscal Affairs, Claire Spinner, and Budget Director, Taha Jennings.

Co-Chair Nolan recognized City Manager Huang who shared his thanks and appreciation to the Finance team for all of their hard work.

Co-Chair Nolan recognized Claire Spinner who gave a presentation titled “Public Investments”. The presentation was provided in advance of the meeting and included in the Agenda Packet. City staff were available to respond to clarifying questions from Committee members during the presentation.

Co-Chair Nolan opened Public Comment.

Edward Loveall, 17 Dudley Street, Cambridge, MA, offered comments on funding towards municipal broadband.

Patrick Magee, 877 Cambridge Street, Cambridge, MA, spoke on the importance of time and review when the Council is discussing the budget.

Co-Chair Nolan recognized Mayor Simmons who asked City staff if there have been any conversations around the possibility of federal funding cuts when the new administration takes Office. Claire Spinner responded by sharing that the Finance team has started to reach out to department heads to get a list of the current federal funding that is being used, noting that in terms of percentage of the City's overall budget, federal funding is not as large as some other communities, but still something that should be of concern. Claire Spinner also provided an overview of how federal funding is used within the school district.

Co-Chair Nolan recognized Councillor Siddiqui who had a clarifying question relative to the budget and municipal buildings and asked for more information on which municipal buildings will require maintenance. Owen O'Riordan responded by breaking down how much funding is anticipated to be used to complete projects to various municipal properties as well as an overview of how funding will be used to begin the decarbonization of city buildings. City Manager Huang provided examples of how creating long-term funding plans can be challenging due to different projects or difficulties arising, which then becomes the conversation of making trade offs within projects that have already been planned out. Councillor Siddiqui shared it would be helpful for the Council to have a prioritized list of what municipal buildings are being worked on or anticipating being possible projects in the future. Co-Chair Nolan asked if the City could provide any information on where the Central Square lots would fit in with the municipal property plans related to funding. Owen O'Riordan provided a brief update, sharing with the Committee that the City is in the middle of the process of trying to accrue funding for those lots.

Co-Chair Nolan recognized Councillor Zusy who offered comments and challenges related to debt. Councillor Zusy asked if the Finance team had information on when bond issuances are too much in ratio to income and when the City should be worried about too much debt. Claire Spinner responded by providing an overview of the City's debt and the process the Finance team uses to maintain working towards having discipline and focusing on staying below a certain percentage within the budget. Claire Spinner highlighted that through responsible management of funds it is easier to make decisions when discussing short-term and long-term projects. City Manager Huang offered additional comments that supported how debt services can help the Finance team to understand how much will be needed within the operating budget. Councillor Zusy noted the importance of exploring cheaper ways to achieve goals and investing in deferred maintenance, pointing out that there may be trade offs to consider.

Co-Chair Nolan recognized Co-Chair Toner who pointed out it may be beneficial for the Council to consider looking at policies and projects, the costs that are associated with them, and listening to staff when they offer feedback on project costs. Co-Chair Toner shared that it is important for residents to know that the City is trying to be as balanced as possible.

Co-Chair Nolan affirmed that the City is not in trouble financially and has been very conservative in financial planning throughout the years. Co-Chair Nolan asked how bonds that are in the process of being issued are being addressed in the financial projections. Claire Spinner shared that the Finance team has been talking with a financial advisor and using some projections for preparation related to upcoming bonds. Co-Chair Nolan asked if the City could provide more information on bond ratings and financial responsibility. Claire Spinner explained that there are several financial policies that are in place that were set to support the overall management of funding. Taha Jennings provided additional information on the financial policies, sharing that they have been developed from industry standards, benchmarks, and studies done on other AAA rated cities. Taha Jennings pointed out that the policies should be the minimum threshold and that the goal is to do better than your policies to be on the right track.

Co-Chair Nolan offered closing remarks and thanked the Finance team for providing an update on what the expectations are going forward.

**Co-Chair Nolan recognized Councillor Zusy who made a motion to adjourn the meeting.
Deputy City Clerk Crane called the roll.**

Councillor Azeem – Absent

Vice Mayor McGovern – Absent

Councillor Nolan – Yes

Councillor Siddiqui – Yes

Councillor Sobrinho-Wheeler – Absent

Councillor Toner – Yes

Councillor Wilson – Yes

Councillor Zusy – Yes

Mayor Simmons – Yes

Yes – 6, No – 0, Absent – 3. Motion passed.

The Finance Committee adjourned at approximately 4:33p.m.

Attachment A – Communications from the public

Clerk’s Note: The City of Cambridge/22 City View records every City Council meeting and every City Council Committee meeting. This is a permanent record. The video for this meeting can be viewed at: https://cambridgema.granicus.com/player/clip/918?view_id=1&redirect=true

A communication was received from Claire Spinner, Assistant City Manager for Fiscal Affairs, transmitting a presentation regarding public investment planning.

Erwin, Nicole

Attachment A

From: Roy Russell <mrroygbiv@gmail.com>
Sent: Monday, December 9, 2024 11:44 AM
To: City Council; City Manager
Cc: City Clerk
Subject: public comments for Finance Committee meeting December 11, 2024
Attachments: public comments 11 December 2024.pdf

Honorable City Councilors and City Manager Huang,

Attached are public comments for the Finance Committee meeting December 11, 2024.

Best regards,

Roy Russell
Upgrade Cambridge

To: Co-chairs Nolan and Toner, Members of the City Council Finance Committee
CC: Yi-An Huang, Cambridge City Manager
From: Upgrade Cambridge board members Edward Loveall, Roy Russell, Saul Tannenbaum
Date: December 9, 2024
Re: Finance Committee meeting public comments December 11, 2024

For decades, Cambridge has demonstrated interest in investing in its own infrastructure for broadband services. The City has convened a citizen task force, held public meetings, and commissioned three consultant reports. The City Council has held hearings, invited testimony from experts, and passed numerous Policy Orders urging work to move forward. Petitions have been signed, public comments made.

The outcome of all these efforts has been consistent: municipal broadband is a reasonable investment to pursue. There have been no Council Orders opposing it, no consultant has warned that it's a bad idea, no insurmountable obstacles uncovered, no residents rising up in opposition. Municipal broadband, a statistically valid poll of Cambridge residents showed, enjoys broad support even if it means higher taxes. Municipal broadband is thoroughly non-controversial.

While much time has passed, the underlying justification for municipal broadband remains unchanged. Cambridge is served by a monopoly provider with little incentive to provide the best service at the lowest prices. Years ago consultants cautioned that changes to the market and technology might obviate the need for municipal broadband. Competition might come to Cambridge. But it hasn't. Wireless technology might supplant fiber optic broadband. It, too, has not. Potential competitors, like Starry, have gone bankrupt. Verizon hasn't brought us FIOS. The events those cautions warned about haven't come to pass. Nobody will be coming to save Cambridge from Comcast and fiber optics remains the "gold standard" of networking.

And things are about to get worse. The Biden administration, through the FCC, imposed consumer and privacy protections on the broadband industry, and required net neutrality. The incoming Trump administration is poised to roll back these protections and will be friendly to consumer-hostile practices such as data caps. The digital equity initiatives begun in the wake of COVID will disappear.

Yet, here in Cambridge, despite this broad support and positive recommendations, no progress has been made. Municipal broadband sits there as something that the City "should" do, but seemingly will not.

As the City considers its capital investment plans, it should think of this as a broadband turning point. A broadband investment, something well within the bounds of what Cambridge routinely invests in infrastructure, something that will provide Cambridge with a long term strategic advantage, something that will benefit every resident, every business, as well as the civic and economic life of Cambridge, should be part of those plans.

As a multi-year infrastructure project, the City should outline the anticipated start date and duration of investment. Additionally, it should demonstrate how revenue generated from the service will offset costs. Public-private partnerships that align with the City's policy interests should be explored to mitigate potential expenses.

Without addressing these questions, it is questionable whether municipal broadband is truly too expensive. If the City opposes taking control of its future, that is a valid stance. However, it should refrain from relying on unsubstantiated concerns about cost.