



## City of Richmond

### Meeting Minutes

900 East Broad Street  
Richmond, VA 23219  
www.richmondgov.com/city clerk

#### Finance and Economic Development Standing Committee

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**Thursday, November 30, 2017**

**5:00 PM**

**Council Chamber, 2nd Floor – City Hall**

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The Honorable Cynthia Newbille – Chair (*early departure*)  
The Honorable Michael Jones – Vice Chair  
The Honorable Parker Agelasto – Member  
The Honorable Kim Gray – Member  
The Honorable Kristen Larson – Member  
Meghan Brown, Deputy Council Chief of Staff  
Bill Echelberger Jr., Council Budget Analyst  
Charles Jackson, Council Budget Analyst  
Tara Bethea, Assistant City Clerk  
Alexander Rawles, Boards and Commissions Administrator  
Lisa Braxton, Interim Deputy City Clerk  
Tabrica Rentz, Senior Assistant City Attorney

#### **Call to Order**

Chair Cynthia Newbille called the meeting to order at 5:25 p.m.

#### **Evacuation Announcement and Citizen Speaker Guidelines**

Tara Bethea, assistant city clerk, provided information on the appropriate manner in which the Council Chamber is to be evacuated in the event of an emergency along with citizen speaker guidelines.

#### **Public Comment Period**

There were no public comments.

#### **Approval of Minutes**

Member Kim Gray moved to approve the minutes of the Thursday, October 19, 2017, meeting at 5:00 p.m., which was seconded and unanimously approved.

#### **Papers for Consideration**

**The following ordinance was considered:**

##### ORD. 2017-214

To authorize the issuance of general obligation public improvement bonds of the City of Richmond in the maximum principal amount of \$4,900,000 to finance the cost of school projects and general capital improvement projects of the City for the following purposes and uses: construction, reconstruction, improvements and equipment for public schools; construction, reconstruction, improvement and equipment for various infrastructure needs, including traffic control facilities, streets, sidewalks and other public ways, bridges, storm sewers, drains and culverts, and refuse disposal facilities; participation in redevelopment, conservation and community development programs, including the construction, reconstruction, improvement and equipment for targeted public facilities included in these programs; construction, reconstruction, improvements and equipment for public institutional, operational, cultural, educational and entertainment buildings and facilities, including but not limited to the theaters, parks, playgrounds, cemeteries, libraries and museums; acquisition of real property therefor as appropriate;

borrowing Section 108 Loan Program funds from the U. S. Department of Housing and Urban Development for the business of capitalizing a business loan as part of the City's Department of Economic and Community Development's Section 108 Loan Program; and the making of appropriations to the City's Economic Development Authority ("EDA") to be used by the EDA to finance capital expenditures or to make loans or grants to finance capital expenditures for the purposes of promoting economic development; to authorize the Director of Finance, with the approval of the Chief Administrative Officer, for and on behalf of the City, to sell such bonds for such capital improvement projects, to provide for the form, details and payment of such bonds; to authorize the issuance of notes of the City in anticipation of the issuance of such bonds; and to authorize the issuance of taxable bonds, for the same purposes and uses, in the same maximum principal amount and payable over the same period as such general obligation public improvement bonds.

**Patron:** Mayor Stoney

*Lee Downey, deputy chief administrative officer – Economic and Community Development (ECD), introduced ORD. 2017-214.*

*T. K. Somanath, chief executive officer - Richmond Redevelopment and Housing Authority, was present to answer questions regarding ORD. 2017-214.*

*Mr. Downey reported that ECD received 75 percent of the tax revenues collected from the properties that were sold in the city in 2014 through 2016.*

*Mr. John Wack, director - Finance Department, stated the City Attorney's Office and ECD will be establishing a new economic development program for delinquent tax sales, which will be outsourced.*

*Member Parker Agelasto expressed some concerns regarding the absence of a refunding plan in the proposed ordinance for the \$4.9 million dollars.*

*Jim Duval, city debt manager - Finance Department, noted that the city does issue general obligation bonds, which do have the full faith and credit of the city, for other purposes, and the department's Community Development Block Grant allocations could be used as a second line of defense.*

*In response to Member Kristen Larson question regarding the debt capacity on the city for the project, Mr. Wack noted that there will not be a direct correlation with the general fund.*

*Chair Cynthia Newbille noted that the project is about housing transformation, and a commitment has been made to transform the Creighton Court Public Housing community into a mixed-income area. Chair Newbille requested that ECD provide historic data and an economic impact statement for ORD. 2017-214.*

There were no further comments or discussions and **Member Kim Gray moved to forward ORD. 2017-214 to Council with recommendation to approve, pending the receipt of additional information, which was seconded and approved:** Ayes 4, Gray, Larson, Jones and Newbille. Noes, None. Abstentions 1, Agelasto.

*Chair Newbille exited the meeting, and Vice Chair Michael Jones presided.*

## **Board Vacancies**

Alexander Rawles, boards and commissions administrator, reviewed the following board reappointment application for consideration by the committee:

<u>Board Name</u>	<u>Criteria for Appointment</u>	<u>Applicant Name</u>
<b>Economic Development Authority</b> (7 Directors)	Resident of the city who is a member of the residential, commercial or mixed-use development community (1 vacancy)	Richard Johnson (reappointment)

*A copy of the material provided has been filed.*

*Mr. Rawles reported that the reappointment applicant for the Economic Development Authority is ineligible to serve due to Council's recent adoption of a resolution limiting members to a certain number of years of service. Mr. Rawles noted that he has received several other applications; however, the applicants did not meet the commercial or mixed-use development appointment criteria.*

**Member Kristen Larson moved to continue consideration of the board application for the Economic Development Authority to the December 21, 2017 Finance and Economic Development Standing Committee meeting, which was seconded and unanimously approved.**

### **Presentations**

*There were no presentations*

**The following ordinance and resolution were considered:**

#### ORD. 2017-197

To amend and reordain ch. 2, art. V of the City Code by adding therein a new div. 10 (§§ 2-1002—2-1008) and a new div. 11 (§§ 2-1035—2-1041) and to amend ch. 12 of the City Code by adding therein a new art. V (§§ 12-201—12-218) for the purpose of establishing an Education, Health, and Human Services Grant Commission, a Visual and Performing Arts Grant Commission, and related grant programs for nonprofit organizations to be administered by each commission.

**Patron:** Ms. Larson

#### RES. 2017-R076

To establish, pursuant to City Code § 12-206, the per capita amounts to be used to determine budget appropriations for nonprofit organization grant programs beginning with the Fiscal Year 2018-2019.

**Patron:** Ms. Larson

*Member Larson asked that Ord. 2017-197 and Res. 2107-R076 be continued awaiting changes to the non-departmental application process.*

**Member Kristen Larson moved to continue ORD. 2017-197 and RES. 2017-R076 to the May 17, 2018 Finance and Economic Development Standing Committee meeting, which was seconded and approved. Ayes 3, Gray, Larson and Jones. Noes, None. Agelasto excused.**

**The following ordinance was considered:**

#### ORD. 2017-215

To amend ch. 12 of the City Code by adding therein a new art. V (§§ 12-251—12-265) for the purpose of establishing policies concerning fund balances.

**Patrons:** Mr. Agelasto, Ms. Robertson, Ms. Gray and Vice President Newbille

*Member Parker Agelasto, introduced ORD. 2017-215.*

*John Wack, director - Finance Department, noted that city administration is in support of the*

proposed ordinance, except for the September 15<sup>th</sup> reporting date for calculated general fund surplus.

*Lenora Reid, deputy chief administrative officer - Finance and Administration, reported that city administration strive to have city finances reconciled by September 30<sup>th</sup> and provide the city's auditors with a rough draft of the annual finance report by October 1<sup>st</sup>.*

*Tabrica Rentz, senior assistant city attorney, stated that a fixed date is more efficient for purposes of establishing a due date for Ord. 2017-215.*

*Member Kristen Larson requested to be added as a patron of Ord. 2017-215 and thanked Member Agelasto and city administration for their collaborative efforts.*

*Vice Chair Michael Jones also requested to be added as a patron of Ord. 2017-215.*

*Member Kim Gray thanked Bill Echelberger and Meghan Brown, council staff, for all the hours that they put into drafting Ord. 2017-215.*

There were no further comments or discussions and **Member Parker Agelasto moved to forward ORD. 2017-215 to Council with the recommendation to approve, which was seconded and unanimously approved.**

**The following resolution was considered:**

RES. 2017-R088

To adopt a new debt policy for the City.

**Patron:** Mayor Stoney

*John Wack, director - Finance Department, introduced and answered questions regarding RES. 2017-R088. Mr. Wack stated that the proposed legislation would improve the debt policy guidelines by lowering the threshold from 4.5 to 3.75 percent and realigning the general fund debt service percent of the total expenditures, to be consistent with changes in the 2018 budget that was adopted by City Council.*

There were no further comments or discussions and **Member Kim Gray moved to forward RES. 2017-R088 to Council with the recommendation to approve, which was seconded and unanimously approved.**

**The following resolution was considered:**

RES. 2017-R089

To request that the Mayor petition the Virginia Department of Transportation to provide businesses in certain areas affected by the construction of the Broad Street Bus Rapid Transit project with financial assistance to compensate for declining customer traffic and sales due to extended construction activities and impediments resulting from the construction of the Broad Street Bus Rapid Transit project.

**Patron:** Ms. Gray

*Member Kim Gray requested a continuance of RES. 2017-R089 to allow an opportunity to meet with city administration and businesses impacted by the Broad Street bus rapid transit project.*

*Member Parker Agelasto reported that he attended a Richmond Region Transportation forum and Aubrey Layne, secretary of transportation for the Commonwealth of Virginia, stated that it was his impression that the state cannot make payments directly to businesses unless it involved eminent domain.*

*Amy Inman, senior administrator of multimodal transportation - Economic and Community Development was available to answer questions regarding RES. 2017- R089 and stated that funding has been allocated to the business support initiative.*

There were no further comments or discussions and **Member Kim Gray moved to continue RES. 2017- R089 to the January 18, 2018 Finance and Economic Development Standing Committee**

meeting, which was seconded and unanimously approved.

## **Discussion Items**

### **Budget Review Process**

*Meghan Brown, deputy council chief of staff, reviewed proposed new procedures for the budget work sessions with the committee.*

*A copy of the material provided has been filed.*

*Member Kristen Larson recommended that initiatives mandated by state code be notated within departments' budget presentation.*

*It was the consensus of the committee that Council hold an amendment session a week after each departmental budget work session, and that amendments be submitted in writing prior to the amendment session.*

*Member Larson requested that Council schedule additional budget work sessions for the month of April, 2018.*

### **Staff Report**

*Meghan Brown provided the committee with an update on the procurement process for a financial advisor, Commercial Area Revitalization Effort program, economic development reporting template, Redskins Training Center financial report and a status on adopted fiscal year 2017 Council amendments.*

*A copy of the material provided has been filed.*

### **Adjournment**

There being no further business, the meeting adjourned at 7:31 p.m.