



City of Richmond

Meeting Minutes

Finance and Economic Development Standing Committee

Thursday, July 19, 2018

5:00 PM

Council Chamber, 2nd Floor – City Hall

Committee Members and Staff in Attendance

The Honorable Cynthia Newbille – Chair
The Honorable Michael Jones – Vice Chair (*late arrival*)
The Honorable Parker Agelasto – Member (*late arrival*)
The Honorable Kim Gray – Member (*late arrival*)
The Honorable Kristen Larson – Member
The Honorable Ellen Robertson – Alternate Member
Lisa Braxton, Interim Deputy City Clerk
Bill Echelberger Jr., Council Budget Analyst
Charles Jackson, Council Budget Analyst
Pamela Nichols, Assistant City Clerk
Tabrica Rentz, Senior Assistant City Attorney

Call to Order

Chair Cynthia Newbille called the meeting to order at 5:01 p.m.

Evacuation Announcement and Citizen Speaker Guidelines

Pamela Nichols, 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 Kristen Larson moved to approve the minutes of the Thursday, June 21, 2018, meeting at 5:00 p.m., which was seconded and approved: Ayes 2, Larson, Newbille. Abstentions 1, Robertson. Agelasto, Gray, Jones had not yet arrived.

Member Kim Gray arrived and was seated.

Board Vacancies

There were no board applications for the committee to consider.

Presentations

There were no presentations.

Paper(s) for Consideration

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 the committee to continue ORD. 2017-197 and RES. 2017-R076 to the next committee meeting.

There were no further comments or discussions and **Member Larson moved to continue ORD. 2017-197 and RES. 2017-R076 to the September 20, 2018 Finance and Economic Development Standing Committee meeting, which was seconded and approved:** Ayes 4, Larson, Gray, Robertson, Newbille. Jones and Agelasto had not yet arrived.

Vice Chair Michael Jones arrived and was seated.

The following ordinance was considered:

ORD. 2018-195

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Grant Agreement between the City of Richmond, 400 Hull Street, LLC, and the Economic Development Authority of the City of Richmond to induce 400 Hull Street, LLC, to construct a mixed-use development and public improvements on the approximately 2.2-acre city block bounded by Hull Street, Decatur Street, East 4th Street, and East 5th Street in the Manchester neighborhood in the city of Richmond.

Patron: Mayor Stoney

Matt Welch, senior policy advisor – Department of Planning and Development Review, introduced ORD. 2018-195.

Member Parker Agelasto arrived and was seated.

Brian K. Jackson, partner with Hirschler Fleischer and representative for the developer, provided an overview of the mixed-use development and a copy of additional written commitments from the property owner. Mr. Jackson stated that the development promotes

economic development, creates employment opportunities and increases the real estate tax base.

A copy of the material provided has been filed.

Member Larson inquired about city administration's process in determining projects for economic incentives and expressed concern that approval of the proposed project could set a precedent for similar developments.

Member Gray asked about the terms and maintenance of the proposed parking deck, and benefits to the city for providing the tax break associated with ORD. 2018-195.

Vice Chair Jones and Member Agelasto expressed concern that the agreement did not require the developer to include any affordable housing units. Member Agelasto further noted that the proposed project lacked similar economic protections as other previously approved economic development agreements.

Mr. Jackson stated that the mixed-use development does not include affordable housing units; however, the developer has demonstrated his commitment to affordable housing with the construction of approximate two hundred affordable housing units in an adjacent development.

Alternate member Robertson stated that the project addresses the need for public parking and commented on the local developer's commitment to the Manchester area. She encouraged her colleagues to support ORD. 2018-195.

Chair Newbille stated that she fully supports the advancement of affordable housing throughout the city; however, the proposed development for ORD. 2018-195 will provide essential public parking and will be an economic benefit for the city and residents.

Chair Newbille moved to forward ORD. 2018-195 to Council with the recommendation to approve.

The motion failed for lack of a second.

There were no further comments or discussions and **Member Larson moved to continue ORD. 2018-195 to the next Finance and Economic Development Standing Committee meeting, which was seconded and approved:** Ayes 3, Larson, Gray, Agelasto. Abstentions 2, Jones, Newbille.

The following ordinance was considered:

ORD. 2018-196

To establish a trust, through participation in the Virginia Pooled OPEB Trust Fund, to fund post-employment benefits other than pensions in accordance with Va. Code § 15.2-1544.

Patron: Mayor Stoney

John Wack, director – Finance, introduced ORD. 2018-196 and explained that the proposed request would create a local finance board consisting of Deputy Chief Administrative Officer Lenora Reid, Investment and Debt Manager James Duval and himself. Mr. Wack stated that many localities have agreed to participate in the Virginia Pooled Other Post-Employment Benefits (OPEB) Trust Fund.

Member Agelasto asked for clarification regarding the authorization for the city to reinstate its participation in OPEB and the process in determining the recipients of the benefits.

Mr. Wack agreed to benchmark with other localities on their benefits for new hires.

There were no further comments or discussions and **Member Agelasto moved to forward ORD. 2018-196 to Council with the recommendation to approve, which was seconded and unanimously approved.**

The following ordinance was considered:

ORD. 2018-197

To amend ch. 12, art. I of the City Code by adding therein a new § 12-15.3, concerning reporting requirements for capital projects.

Patron: Ms. Robertson

Councilor Robertson introduced ORD. 2018-197 and explained that the reporting requirements will assist Council during its budget process.

Jay Brown, director – Budget and Strategic Planning, stated that city administration does not oppose the proposed request; however, a majority of the information requested is already provided in the quarterly financial reports. Mr. Brown noted that there would be some challenges with including the original cost estimate for certain capital projects.

M. Khara, deputy director and city engineer – Department of Public Works, was present to respond to questions associated with ongoing funded program costs.

Members Larson, Agelasto, Gray and Chair Newbille requested to be added as co-patrons of ORD. 2018-197.

There were no further comments or discussions and **Member Agelasto moved to forward ORD. 2018-197 to Council with the recommendation to approve, which was seconded and unanimously approved.**

Discussion Item(s)

Chair Newbille asked Council staff to contact city administration to discuss the committee's request for information on its process in negotiating economic development projects.

August Committee Meeting

Member Gray moved to cancel the August committee meeting, which was seconded and unanimously approved.

Staff Report

Bill Echelberger and Charles Jackson, council budget analysts, provided the July staff report.

A copy of the material provided has been filed.

Member Agelasto advised the committee that Paige Bishop, member of the Richmond Metropolitan Convention and Visitors Bureau, recently resigned and that he would like to recommend Lester Johnson as her successor.

Adjournment

There being no further business, the meeting adjourned at 6:45 p.m.