



Richmond City Council
Finance and Economic Development
Standing Committee Minutes

Meeting Date: Thursday, July 16, 2015
Location: Council Chamber, 2nd Floor, City Hall

Council Members and Staff in Attendance

The Honorable Kathy Graziano, Chair
The Honorable Parker Agelasto, Vice Chair
The Honorable Ellen Robertson, Committee Member
Meghan Brown, Council Budget Analyst
Jean V. Capel, City Clerk
Bill Echelberger Jr., Council Budget Analyst
Vincent Jones, Deputy Council Chief of Staff
Pamela Nichols, Assistant City Clerk
Candice Reid, Deputy City Clerk
Tabrica Rentz, Senior Assistant City Attorney

Call to Order

Chair Kathy Graziano called the meeting to order at 3:09 p.m.

Chamber Evacuation Plan Announcement and Citizen Speaker Guidelines

Upon the Chair's request, 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 and conduct during the meeting.

Public Comment Period

There were no public comments.

Presentation(s)

There were no presentations.

Approval of Minutes

The minutes of June 18, 2015, were approved – **Motioned by Committee member Ellen Robertson, and seconded – 2/0/1 (Agelasto abstained).**

Paper(s) for Consideration

Committee member Ellen Robertson moved to continue the following paper to the August 20th Finance and Economic Development Standing Committee meeting, which was seconded and approved – Vote 3/0:

Ord. No. 2014-217 (Patron: Vice President Robertson) - To amend ch. 18 of the City Code by adding therein a new art. XII, consisting of new sections 18-626, 18-627, 18-636, 18-646 and 18-647, concerning tourism zones, for the purpose of establishing a Downtown Tourism Zone pursuant to Va. Code § 58.1-3851.

Committee member Ellen Robertson moved to forward the following paper to Council with the recommendation to approve, which was seconded and approved – Vote 3/0:

Ord. No. 2015-143 (Patron: President Mosby) - To authorize the Director of Procurement Services, for and on behalf of the City of Richmond, to execute a Goods and Services Contract between the City of Richmond and Grant Thornton LLP for auditing services.

Selena Cuffee-Glenn, Chief Administrative Officer, introduced Ord. No. 2015-143.

Committee member Ellen Robertson moved to forward the following paper to Council with the recommendation to approve, which was seconded and approved – Vote 3/0:

Ord. No. 2015-144 (Patron: Ms. Robertson) - To amend and reordain ch. 2, art. IV, div. 3 of the City Code by adding therein new §§ 2-305—2-308 for the purpose requiring that fiscal impact statements and economic impact statements be submitted to the Council upon the introduction of ordinances authorizing certain economic development projects to be funded or supported by the City.

Committee member Ellen Robertson introduced Ord. No. 2015-144 and advised the committee that, as a part of the request, city administration has created a return on investment (ROI) model to calculate fiscal and economic impacts for future economic development projects.

A copy of the material provided has been filed.

Selena Cuffee-Glenn, Chief Administrative Officer, Lee Downey, Interim Deputy Chief Administrative Officer – Economic and Community Development, and Betty-Anne Teter, Program Administrator, Business Attraction and Expansion, responded to questions regarding capabilities to manipulate the ROI model.

Ms. Cuffee-Glenn expressed city administration's dedication in working with the committee to address concerns regarding future economic development requests.

Vice Chair Parker Agelasto proposed that city administration use the Bon Secours Redskins Training Center project to test the ROI model.

Vice Chair Parker Agelasto moved to forward the following papers to Council with the recommendation to approve with the understanding that city administration will provide additional information regarding the calculation of taxes, which was seconded and approved – Vote 3/0:

Ord. No. 2015-145 (Patron: Mayor Jones) - To amend Ord. No. 2013-133-121, adopted Jun. 24, 2013, which authorizes the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute an Economic Development Cooperation Agreement between the City of Richmond and the Economic Development Authority of the City of Richmond for the purpose of developing and managing a 16-story, class A office building located on a site generally bounded by East Cary Street to the north, South 9th Street to the east, East Canal Street to the south and South 8th Street to the west, for the purpose of modifying the basis upon which the amount of the grant administered by the Authority is calculated.

Ord. No. 2015-146 (Patron: Mayor Jones) - To amend Ord. No. 2013-134-122, adopted Jun. 24, 2013, which authorizes the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Master Development Agreement between the City of Richmond and Clayco, Inc., doing business in Virginia as Clayco Construction Company, Inc., for the purpose of developing and managing a 16-story, class A office building located on a site generally bounded by East Cary Street to the north, South 9th Street to the east, East Canal Street to the south and South 8th Street to the west, for the purpose of modifying the basis upon which the amount of the grant administered by the Economic Development Authority is calculated.

Douglas Dunlap, Interim Director – Economic and Community Development, introduced Ord. Nos. 2015-145 and 146.

Lee Downey, Interim Deputy Chief Administrative Officer – Economic and Community Development, explained that the purpose of the proposed legislation is to include business, professional and occupational license (BPOL) taxes paid by all tenants of the project, rather than one principal tenant.

Vice Chair Parker Agelasto requested additional information regarding the calculation of taxes for businesses included in the project and the impact it will have on the anticipated tax revenues.

Vice Chair Parker Agelasto moved to forward the following paper to Council with the recommendation to approve with the understanding that city administration will provide additional information regarding the Stone Brewery project, which was seconded and approved – Vote 3/0:

Ord. No. 2015-149 (Patron: Mayor Jones) - To authorize the Chief Administrative Officer to accept funds in the amount of \$5,000,000 from the Governor's Development Opportunity Fund and to appropriate the increase to the Fiscal Year 2015-2016 General Fund Budget by increasing estimated revenues and the amount appropriated to a new line item in the Non-Departmental agency called the Stone Brewery – Governor's Development Opportunity Fund line item for the purpose of providing funds to the Economic Development Authority to provide a grant to KoochenVagner's Brewing Co., doing business as Stone Brewing Co., pursuant to a Governor's Development Opportunity Fund Performance Agreement between the City of Richmond, Virginia, KoochenVagner's Brewing Co., and the Economic Development Authority of Richmond, Virginia, dated Jan. 6, 2015.

Chair Kathy Graziano introduced Ord. No. 2015-149.

Douglas Dunlap, Interim Director – Economic and Community Development, responded to questions regarding the Stone Brewery project.

Vice Chair Parker Agelasto requested that a written update on the Stone Brewery project to be provided prior to the July 27th City Council meeting.

Discussion Item

Boards – Vacancies

Alexander Rawles, Boards and Commissions Administrator, reviewed board applications for consideration by the committee.

Chair Kathy Graziano moved to forward the recommendation of the following board applicant, which was seconded and approved.

Economic Development Authority

- Meda Lane – Reappointment

It was the consensus of the committee to continue consideration of Tryfene Scott's application for the Minority Business Enterprise and Emerging Small Business Advisory Board to the next Finance and Economic Development Standing Committee meeting to allow time for the applicant to complete the application.

Chair Kathy Graziano asked Mr. Rawles to provide the committee with additional information regarding the Comprehensive Economic Development Strategy Committee.

August Meeting

It was the consensus of the committee to suspend the August 20th Finance and Economic Development Standing Committee meeting.

Staff Report

Bill Echelberger and Meghan Brown, Council Budget Analysts, provided the committee with the July staff report.

A copy of the material provided has been filed.

Adjournment

There being no further business, the meeting adjourned at 3:58 p.m.

Next Meeting: September 17, 2015 – 3:00 p.m. Council Chamber, City Hall
Staff Contact: Pamela Nichols/646-7931 pamela.nichols@richmondgov.com