



## City of Richmond

900 East Broad Street  
Richmond, VA 23219  
[www.rva.gov/office-city-clerk](http://www.rva.gov/office-city-clerk)

### Minutes

#### Finance and Economic Development Standing Committee

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Thursday, July 15, 2021

1:00 PM

Council Chamber, 2nd Floor – Virtual Meeting

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#### **Committee Members and Others in Attendance**

The Honorable Michael Jones – Chair  
The Honorable Kristen Larson – Vice Chair (early departure)  
The Honorable Ellen F. Robertson – Committee Member  
The Honorable Andreas Addison – Councilmember (early departure)

Samson Anderson, Council Budget Analyst  
Joyce Davis, Interim Council Chief of Staff  
Bill Echelberger, Council Budget Analyst  
Pamela Nichols, Senior Assistant City Clerk  
Candice Reid, City Clerk  
Tabrica Rentz, Acting Deputy City Attorney  
Dominique Thaxton, Assistant City Clerk  
RJ Warren, Deputy City Clerk

#### **Call to Order**

Chair Michael Jones called the meeting to order at 1:05 p.m., and presided.

#### **Electronic Meeting Announcement**

Assistant City Clerk Dominique J. Thaxton, pursuant to and in compliance with Ordinance No. 2020-093, adopted April 9, 2020, as most recently amended by Ordinance No. 2021-181, adopted June 28, 2021, announced the meeting would be held through electronic communication means. Assistant City Clerk Thaxton stated notice of the meeting was provided to the public through a public information advisory issued on July 8, 2021, and through Legistar on the city website in accordance with usual practice. She also stated members of the public were encouraged to provide comments in writing prior to the meeting and all comments received prior to 10:00 a.m., on Thursday, July 15, 2021, were provided to committee members. Ms. Thaxton indicated that members of the public who signed up to speak and provide comment would be called to speak at the appropriate time.

#### **Citizen Speaker Guidelines**

Upon the Chair's request, Assistant City Clerk Dominique J. Thaxton provided citizen speaker guidelines.

#### **Public Comment Period**

There were no public comment speakers.

## Approval of Minutes

There were no corrections or amendments to the meeting minutes of the Thursday, June 17, 2021 committee meeting, and the committee approved the minutes as presented.

## Agenda Amendments

**Member Ellen Robertson moved to amend the agenda as follows:**

### ORD. 2021-189

To provide for the crediting of receipts of business, professional, and occupational taxes in excess of \$32,713,958.00 during Fiscal Year 2021-2022 to a special reserve assigned to support the reduction of business, professional, and occupational taxes applicable to certain businesses.

**Patron:** Mr. Addison

**To be continued to the September 16, 2021 Finance and Economic Development Standing Committee meeting.**

**The motion was seconded and unanimously approved.**

## Papers for Consideration

**The following ordinance was considered:**

### ORD. 2019-275

To amend ch. 6 of the City Code by adding therein a new art. XII (§§ 6-596-6-602) to establish a technology zone program in accordance with Va. Code § 58.1-3850, for the purpose of facilitating the development and location of technology businesses in the city of Richmond, capital investment, and job creation.

**Patrons:** Mr. Addison and Ms. Lambert

*Councilor Andreas Addison provided an overview of ORD. 2019-275.*

*Member Ellen Robertson asked for clarification on the advantages of establishing a technology zone program as proposed in ORD. 2019-275. Member Robertson inquired if ORD. 2019-275 would be establishing a technology overlay zone across the entire city.*

*Councilor Andreas Addison shared the various potential benefits to establishing a technology zone program in the city and confirmed that ORD.2019-275 would be creating a technology overlay zone across the city.*

*Vice Chair Kristen Larson inquired for instances of localities in Virginia that have established technology zones comparable to ORD. 2019-275. Vice Chair Larson requested that the administration provide follow-up on the progress of implementing ORD. 2019-275 if the committee decides to recommend for approval.*

*Councilor Addison provided examples of localities across the Commonwealth of Virginia that have established technology zones similar to the intent of ORD. 2019-275.*

*Member Robertson inquired about the incentives that will be used to promote and encourage new technology businesses to enter the city.*

*Chair Michael Jones asked for clarification on the fiscal impact of implementing ORD. 2019-275.*

Jeff Gray, Senior Policy Advisor to the Chief Administrative Officer, advised that the full fiscal impact of ORD. 2019-275 is not currently known.

Leonard Sledge, Department of Economic Development Director, shared that the administration has not yet identified a method to quantify the existing or potential new technology businesses in the city. Mr. Sledge advised that without understanding how many existing or new technology businesses can qualify for the tax abatement outlined in ORD. 2019-276, it is difficult to have a true understanding of the fiscal impact.

*Chair Jones inquired about the process by which the administration plans on identifying the businesses currently operating in the city that would potentially transition to a technology business categorization.*

Sheila White, Department of Finance Director, stated that the technology business license designation does not currently exist. Ms. White also stated that in order to track and identify technology businesses successfully, the Department of Finance will need additional staffing resources.

*Member Ellen Robertson asked if a new category of business license for technology businesses would need to be established. Member Robertson also asked if there are any proposed incentives for new or existing technology businesses that would impact the business, professional and occupation license (BPOL) tax revenue for the city.*

Mr. Gray stated that there will be a new category of business license created for technology businesses. Mr. Gray expanded that further information on the incentives for the technology businesses will become available when the city's economic development plan is finalized.

Ms. White confirmed that a new category of business licenses for technology businesses will be established. Ms. White also stated that ORD. 2019-275 requires a certification process by which the city will certify that a business is truly a technology business.

Mr. Sledge provided an overview of the city's existing BPOL tax incentives for new businesses and shared the potential incentives for technology businesses as outlined in ORD. 2019-276.

*Vice Chair Kristen Larson expressed concern for the administration not yet having a firm understanding of the fiscal impact of ORD. 2019-275, introduced on October 14, 2019.*

*Member Robertson requested that the administration share details on the fiscal impact of implementing ORD. 2019-275.*

Mr. Gray shared that the fiscal impact of ORD. 2019-275 will be clearer when the economic development plan is finalized. Mr. Gray also stated that the administrative impact statement for ORD. 2019-275 delineates a path for the identification and licensing process for technology businesses.

*Chair Jones expressed the importance of understanding the fiscal impact of ORD. 2019-275, and the implications that potential reductions in BPOL tax revenue could present to the city's future budget cycles.*

*Member Robertson requested clarification on the administration's request for continuance of ORD. 2019-275 until after the economic development plan is finalized.*

Mr. Gray stated that the administration will continue to communicate with the patrons of ORD. 2019-275 to analyze the fiscal impact and that the economic development plan will inform the incentive package for technology businesses.

Chair Jones requested that the administration communicate the incentive packages and fiscal impact of ORD. 2019-275 to the Finance and Economic Development Standing Committee when the information becomes available.

Councilor Andreas Addison requested that ORD. 2019-275 be amended to change the implementation date to January 1, 2022.

There were no further comments or discussions and **Vice Chair Kristen Larson moved to forward ORD. 2019-275 to Council with the recommendation to approve with amendment, which was seconded and unanimously approved.**

**The following ordinance was considered:**

ORD. 2019-276

To amend City Code §§ 26-872, concerning definitions related to license taxes, and 26-989, concerning licenses taxes for personal services businesses, and to amend ch. 26, art. XV, div. 2 of the City Code by adding therein a new section numbered 26-1003.1, concerning the license tax for technology businesses, for the purpose of creating a new business, profession, and occupation license category called “technology business” and imposing a new license tax on such businesses.

**Patrons:** Mr. Addison and Ms. Lambert

*Councilor Andreas Addison provided an overview of ORD. 2019-276.*

*Member Ellen Robertson inquired if ORD. 2019-276 will need to be amended to reflect an implementation date of January 1, 2022. Member Robertson also expressed the importance of understanding the impact that ORD. 2019-276 would have on the city’s business, professional and occupation license (BPOL) tax.*

*Councilor Addison confirmed that the start date of ORD. 2019-276 will need to be amended to reflect January 1, 2022. Councilor Addison also shared the importance of understanding both the positive and negative fiscal impacts of ORD. 2019-276.*

Jason May, Department of Budget and Strategic Planning Interim Director, expressed concern for the initial negative fiscal impacts that ORD. 2019-276 may have on BPOL tax revenue.

*Chair Michael Jones requested that ORD. 2019-276 be considered on City Council’s regular agenda, and he requested continued conversation on the fiscal impact between the administration and the Finance and Economic Development Standing Committee.*

**Vice Chair Kristen Larson moved to forward ORD. 2019-276 to Council with the recommendation to approve with amendment.**

*Member Ellen Robertson expressed concern for forwarding ORD. 2019-276 with the recommendation to approve with amendment, before the full scope of the fiscal impact is received from the administration. **Member Robertson seconded the motion and offered a friendly amendment requesting that the committee receive a fiscal impact statement by November 1, 2022.***

*Vice Chair Kristen Larson requested clarification on the friendly amendment proposed by Member Ellen Robertson.*

*Member Robertson provided clarification on the proposed friendly amendment.*

**Vice Chair Kristen Larson withdrew the motion to forward ORD. 2019-276 to Council with the recommendation to approve with amendment.**

*Councilor Andreas Addison provided additional methods by which surrounding localities have implemented technology business categorizations as outlined in ORD. 2019-276.*

There were no further comments or discussions and **Member Ellen Robertson moved to forward ORD. 2019-276 to Council with the recommendation to approve with amendment, which was seconded.**

***Member Robertson reiterated her request that the committee receive a comprehensive fiscal impact statement by November 1, 2022.***

*There were no further comments or discussion and the motion was unanimously approved.*

*Councilor Andreas Addison left the meeting at 2:15 p.m.*

**The following ordinance was considered:**

ORD. 2021-188

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Grant Contract between the City of Richmond and Virginia Union University for the purpose of funding the implementation of a mentoring program for youths aged 18 and under and their families in the Gilpin Court and Jackson Ward neighborhoods.

**Patron:** Mayor Stoney

Sherrill Hampton, Department of Housing and Community Development Director, and Felicia Cosby, Virginia Union University Director of Government Relations, provided an overview of ORD. 2021-188.

*Vice Chair Kristen Larson requested that the metrics of reporting and compliance for the mentoring program outlined in ORD. 2021-188 be provided to the committee.*

Ms. Hampton shared that the administration will provide reports to the committee as they become available.

*Member Ellen Robertson inquired about the budget of the program outlined in ORD. 2021-188, and if the program would require funding from future budget cycles.*

Ms. Hampton shared that the budget and timeline for the program outlined in ORD. 2021-188 is still being finalized, and that the Department of Housing and Community Development (HCD) provided the program with its first year of funding.

*Chair Michael Jones requested that the administration reach out to Councilor Ann-Frances Lambert, being that the program outlined in ORD. 2021-188 is located in the 3<sup>rd</sup> Richmond Voter District.*

There were no further comments or discussions and **Member Ellen Robertson moved to forward ORD. 2021-188 to Council with the recommendation to approve, which was seconded and unanimously approved.**

**The following resolution was considered:**

RES. 2021-R040

To express the Council's intent to appropriate 60 percent of the funds the City receives from the American Rescue Plan Act to community improvement and infrastructure projects in South

Richmond and underserved communities.

**Patron:** Mr. Jones

*Chair Michael Jones provided an overview of RES. 2021-R040.*

### **Public Hearing**

**Allan-Charles Chipman**, spoke in support of RES. 2021-R040, and expressed the need for improvement in the infrastructure of the South Richmond area.

*Vice Chair Kristen Larson expressed concern about allocating American Rescue Plan Act of 2021 (ARPA) funds outside of the Council outlined priorities. Vice Chair Larson stated her preference for the ARPA funds to be allocated equitably.*

*Member Ellen Robertson expressed support for RES. 2021-R040 and the need for a commitment to investing in underserved communities in the city. Member Robertson shared the need for refined language regarding the intended target area and the percentage of ARPA funds allocated in RES. 2021-R040.*

*Chair Michael Jones stated his willingness to amend RES. 2021-R040, to provide specificity in the language of the requests. Chair Jones underscored the need for committed investment in the historically marginalized sectors of the city.*

*Member Robertson emphasized that the intent of the ARPA funds are to assist the communities most impacted by the COVID-19 pandemic, and that the South Richmond area has been deeply affected by the pandemic. Member Robertson shared that any priorities for expending the ARPA funds should have the historically underserved communities in mind. Member Robertson recommended that the Finance and Economic Development Standing Committee hold a special meeting to discuss the best proposed uses of the ARPA funds, to be presented to the full body of Council.*

*Chair Jones requested that RES. 2021-R040 be referred out of the committee to be discussed by the full body of Council.*

*Vice Chair Larson cautioned against having a standing committee discuss the use of the ARPA funds and stated that RES. 2021-R040 should be addressed at a full body level. Vice Chair Larson also stated that the Council should apply the ARPA funds in an equitable manner.*

*Chair Jones expressed concern for not explicitly outlining firm goals for the ARPA funds and stated that RES. 2021-R040 is an example of a firm goal for use.*

*Member Ellen Robertson stated that she will work with Chair Jones on the amendments to RES. 2021-R040 that would aim to specify the targeted areas in the city for the receipt of funds.*

There were no further comments or discussions and **Member Ellen Robertson moved to forward RES. 2021-R040 to Council with no recommendation, which was seconded and unanimously approved.**

### **The following resolution was considered:**

#### RES. 2021-R041

To express the Council's intent to appropriate 60 percent of the \$25,000,000.00 that the City anticipates that it will receive if the ONE Casino + Resort casino gaming operation is approved to community improvement projects in South Richmond and underserved communities.

**Patron:** Mr. Jones

Chair Michael Jones provided an overview of RES. 2021-041, and noted his willingness to continue consideration of the proposed resolution.

There were no comments or discussions and **Chair Michael Jones moved to continue RES. 2021-R041 to the October 21, 2021 Finance and Economic Development Standing Committee meeting, which was seconded and unanimously approved.**

## Board Vacancies

Pamela Nichols, Senior Assistant City Clerk, reviewed board applications for consideration by the committee.

**Member Ellen Robertson moved to forward the following board appointment application to Council with the recommendation to approve, which was seconded and unanimously approved:**

<b>Board Name</b>	<b>Criteria for Appointment</b>	<b>Applicant Name</b>
Board of Directors of the <b>Economic Development Authority</b> (7 directors)	Resident of the city  (1 vacancy)	Jer Mykeal McCoy 5 <sup>th</sup> District Resident

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

## Presentations

There were no presentations.

## Discussion Item

### **August Finance and Economic Development Standing Committee Meeting**

*Chair Michael Jones led the committee in a discussion to determine if the committee wishes to hold the August 19, 2021 committee meeting.*

Bill Echelberger, Council Budget Analyst, shared that there is forthcoming legislation that may need to be discussed at the August Finance and Economic Development Standing Committee meeting.

Leonard Sledge, Department of Economic Development Director, shared that due to the time sensitive nature of the forthcoming legislation, the administration requests that the committee not cancel the scheduled August meeting.

*Vice Chair Kristen Larson left the meeting at 3:36 p.m.*

*Member Ellen Robertson asked for clarification on the time sensitive nature of the forthcoming legislation. Member Robertson shared that the forthcoming legislation can potentially be directed to the Organizational Development Standing Committee meeting if the President of Council is amenable.*

## Staff Report

Bill Echelberger, Council Budget Analyst, 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 3:41 p.m.