



City of Richmond

900 East Broad Street
Richmond, VA 23219
www.rva.gov/office-city-clerk

Draft Meeting Minutes Finance and Economic Development Standing Committee

Thursday, May 16, 2024

1:00 PM

Council Chamber, 2nd Floor – City Hall

Committee Members and Other Council Members in Attendance

The Honorable Cynthia Newbille – Chair
The Honorable Ellen Robertson – Vice Chair
The Honorable Katherine Jordan – Member

Staff and Others in Attendance

Tori Cotman, Assistant City Attorney
LaTanja Davenport, Council Budget Analyst
Candice Reid, City Clerk
RJ Warren, Deputy City Clerk

Call to Order

Chair Cynthia Newbille called the meeting to order at 1:00 p.m., and presided.

Chamber Emergency Evacuation Plan Announcement and Public Speaker Guidelines

Upon the Chair's request, Deputy City Clerk RJ Warren provided information on the appropriate manner in which the Council Chamber is to be evacuated in the event of an emergency along with public speaker guidelines.

Public Comment Period

There were no public comment speakers.

Approval of Minutes

There were no minutes for approval.

Papers for Consideration

The following ordinance was considered:

1. [ORD. 2024-129](#) To amend City Code § 2-1224, concerning compensation and expenses of the members of Council and President of the Council, to provide for salary increases authorized by Va. Code §§ 15.2-1414.5 and 15.2-1414.6.

Patrons: President Nye and Mr. Addison

Member Katherine Jordan provided an introduction and additional background information regarding the proposed ordinance.

Public Hearing

There were no public hearing speakers.

There were no further comments or discussions and Member Katherine Jordan moved to forward ORD. 2024-129 to Council with the recommendation to approve, which was seconded and unanimously approved.

The following ordinance was considered:

2. [ORD. 2024-130](#) To amend and reordain City Code §§ 2-1128, concerning applications for equalization of real estate assessments, 26-101, concerning the creation and purpose of the Office of Assessor of Real Estate, 26-104, concerning the duties, 26-122, concerning the time of making and entering assessment and notice of increases, and 26-147, concerning land books generally, to be effective for real estate tax assessments that are used to calculate real estate taxes for the tax years beginning on Jan. 1, 2026, and Jan. 1, 2027; to amend and reordain City Code §§ 26-104, concerning the duties, 26-105, concerning the assessment of new buildings substantially completed or fit for use and occupancy, and abatement of levies, 26-122, concerning time of making and entering an assessment and notice of increase, 26-147, concerning land books generally, 26-203, concerning the effective date of assessments, 26-230, concerning application to the Assessor for administrative reviews, 26-231, concerning notice of administrative reviews, 26-232, concerning action after hearing and rule of evidence, 26-233, concerning the delegation of hearings to assistant and the summary of evidence, and 26-262, concerning notice to the Assessor of new or remodeled buildings and assessment, to be effective for real estate tax

assessments that are used to calculate real estate taxes for the tax years beginning on January 1, 2028, and later; and to amend ch. 26, art. III, div. 1 by adding therein a new section numbered 26-49, concerning the effective date of assessments, all for the purpose of transitioning the City Assessor's annual real estate assessment cycle from a calendar year to a fiscal year.

Patrons: Mayor Stoney

Deputy Chief Administrative Officer (DCAO) Sabrina Joy-Hogg provided a presentation regarding ORD. 2024-130, and the process for aligning the city's real estate assessment cycle with the fiscal year calendar.

A copy of the material provided has been filed.

City Assessor Richie McKeithen was available to respond to questions and provided the committee with additional information regarding the assessment of real estate in the city, and the process for aligning the assessment cycle with the city's fiscal year calendar.

Public Hearing

There were no public hearing speakers.

Vice Chair Ellen Robertson discussed how the city would need to switch to a one-time biennial real estate assessment cycle to facilitate the alignment with the city's fiscal year calendar, and she inquired about the fiscal impact of that decision.

DCAO Joy-Hogg stated that the switch to one-time biennial real estate assessment schedule would mean the city's revenue real estate tax revenue would not increase in 2027, but remain at the same level of 2026. DCAO Joy-Hogg recommended that the city begin saving city revenue prior to 2027 to reduce the fiscal impact on the city's budget in 2027.

City Assessor McKeithen stated it was the right time to move forward with the alignment process, because he believed the real estate purchasing market was beginning to subside and level out.

Chair Cynthia Newbille requested that Council be provided with a projection of the steps necessary to ensure enough revenue is saved prior to the city switching to a one-time biennial real estate assessment cycle.

DCAO Joy-Hogg stated that city administration would prepare such information to include the amount of funds necessary to ensure employee raises and other rising costs in 2027.

Member Katherine Jordan moved to forward ORD. 2024-130 to Council with the recommendation to approve, which was seconded.

Vice Chair Robertson noted that it was an election year, and that the city would have a new mayor and Council in 2025. Vice Chair Robertson recommended that the city takes steps to ensure that the policy and action necessary for the real estate assessment cycle realignment are adhered to by future city government leadership.

There were no further comments or discussions and the motion to forward ORD. 2024-130 to Council with the recommendation to approve was unanimously approved.

The following ordinance was considered:

3. [ORD. 2024-131](#) To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept grant funds in the amount of \$50,000,000.00 from the Virginia Department of Environmental Quality and to appropriate the increase to the Fiscal Year 2023-2024 Capital Budget by increasing estimated revenues and the amount appropriated to the Department of Public Utilities' Combined Sewer Overflow project in the Utilities category by \$50,000,000.00 for the purpose of funding the Combined Sewer Overflow project.

Patrons: Mayor Stoney

Billy Vaughn, Department of Public Utilities Deputy Director, provided an introduction and additional background information regarding the proposed ordinance.

Public Hearing

There were no public hearing speakers.

Vice Chair Ellen Robertson moved to forward ORD. 2024-131 to Council with the recommendation to approve, which was seconded.

Chair Cynthia Newbille inquired about the timeline for the completion of the Combined Sewer Overflow project.

Deputy Director Vaughn stated that the phase referenced in ORD. 2024-131, was approved by the Virginia Department of Environmental Quality with work scheduled to begin in July 2024. Deputy Director Vaughn also stated that negotiations were ongoing between the city and state to finalize the plans and funding for the completion of the Combined Sewer Overflow project by the state mandated 2035 completion date.

There were no further comments or discussions and the motion to forward ORD. 2024-131 to Council with the recommendation to approve was unanimously approved.

Presentations

There were no presentations.

Board Vacancies

There were no board vacancies.

Discussion Items

There were no discussion items.

Staff Report

Council staff provided the committee with the May Finance and Economic Development staff report.

[CD.2024.165](#) May 16, 2024 Finance and Economic Development Staff Report

Chair Cynthia Newbille and Council staff provided an update regarding the drafting of legislation addressing the city's budget surplus policy.

Adjournment

There being no further business, the meeting adjourned at 1:49 p.m.