



City of Richmond

Meeting Minutes

Finance and Economic Development Standing Committee

Thursday, November 19, 2015

3:00 PM

Council Chamber, 2nd Floor – City Hall

The Honorable Kathy Graziano, Chair
The Honorable Parker Agelasto, Vice Chair
The Honorable Charles Samuels (*Late arrival, early departure*)
The Honorable Jonathan Baliles (*Early departure*)
Lou B. Ali, Council Chief of Staff
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

Absent

The Honorable Ellen Robertson, Committee Member

Call to Order

Chair Kathy Graziano called the meeting to order at 3:14 p.m.

Evacuation Announcement and Citizen Speaker Guidelines Public Comment Period

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.

Approval of Minutes

The minutes of October 15, 2015 were approved – Motioned by Vice Chair Parker Agelasto, and seconded – 2/0.

Board Vacancies

None

Paper(s) for Consideration

Vice Chair Parker Agelasto moved to continue the following papers to the December 17th Finance and Economic Development Standing Committee meeting, which was seconded and approved ~ Vote 2/0:

- ORD. 2014-217 - 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.
Patron: Vice President Robertson
- ORD. 2015-232 - To amend and reordain City Code § 2-302, concerning the functions of the Department of Economic and Community Development, and to amend ch. 2 of the City Code by adding therein a new art. VIII, concerning the City's development process, consisting of div. 1 (§§2-1401-2-1402), concerning general matters, div. 2 (§§ 2-1411-2-1415), concerning the planning process, div. 3 (§§ 2-1421-2-1426), concerning redevelopment and development projects, and div. 4 (§§ 2-1431-2-1435), concerning economic development projects, for the purpose of establishing a framework for planning, development, review, and approval of projects that involve contributions by the City.
Patron: Ms. Robertson
- ORD. 2015-233 - To amend and reordain City Code §§ 98-263, concerning the eligibility of residential real property in redevelopment and conservation areas and rehabilitation districts for partial tax exemption, 98-264, concerning the application requirements for such partial tax exemption, and 98-265, concerning the amount of such exemption and the basis for taxes during construction, for the purposes of adjusting applicable threshold requirements to qualify for such exemption, adding maximum rent limits for certain dwelling units, authorizing an additional exemption period for certain structures and requiring that property owners file annual renewal applications with the City Assessor.
Patron: Ms. Robertson

Presentation(s)

Kanawha Plaza Park Improvements Project (Update)

Norman Merrifield, Ed. D, Director – Parks, Recreation and Community Facilities provided an update on Kanawha Plaza renovations, reporting that the demolition and architectural design phases have been completed and that the city was currently accepting bids for constructions.

Donald Summers, Capital Projects Manager – Department of Public Works, responded to questions by the committee regarding public and private funding for the project. Mr. Summers stated that funding for the project does require the reallocation of funds from various approved Capital Improvement Programs (CIP) accounts.

Vice Chair Parker Agelasto expressed concern regarding the reallocation of approved CIP funds being used for the completion of the project; he stated that he hopes his concerns regarding the project will be addressed prior to the awarding of a contract for the project. Mr. Agelasto requested a presentation on the amount of private funds contributed to the project.

Committee member Charles Samuels arrived and was seated.

Results From the Rating Agencies (Update)

Jim Duval, Interim Director of Finance/Investment & Debt Portfolio Management, reported that the city recently received a reaffirmation of its general obligation credit ratings from all three National Credit Rating Agencies.

David Rose, Senior Vice President – Davenport and Company, reported that, during the month of November 2015, the city successfully sold tax exempt general obligation public improvement bonds and taxable general obligation public improvement bonds; he also provided an overview of the general fund debt capacity. Mr. Rose stated that three critical components outlined in the goals and objectives regarding the city's financial policy guidelines included total debt to total taxable valuation, debt service versus total budgeted revenues and a ten year payout ratio. Mr. Rose further stated that the city should maintain its current practices to ensure financial flexibility and provided an analysis of the projected CIP spending needs over the next four fiscal years. Mr. Rose outlined preliminary results based on the city's projected CIP spending assumptions and multi-year plan of finance approach, timing of additional capacity, debt service versus total budget, ten year payout ratio and debt versus total taxable valuation.

A copy of the material provided has been filed.

Mr. Rose responded to questions regarding pension-funded levels, cash funded CIP and Economic Development Authority (EDA) debt. The committee was provided a copy of the November 17, 2015 Competitive Sales Pricing Results, General Obligation Public Improvement Bonds Report.

A copy of the material provided has been filed.

Paper(s) for Consideration - Continued

Vice Chair Parker Agelasto moved to continue the following paper to the December 17th Finance and Economic Development Standing Committee meeting, which was seconded and approved – Vote 2/1:

RES. 2015-R065 - To support a strategy to achieve the “highest and best” use for the City-owned real estate in the area of the city bounded by Interstate 64 / 95 to the north, Hermitage Road to the east, West Leigh Street to the south, and North Boulevard to the west and a time frame for developing this strategy.

Patrons: Mayor Jones, President Mosby, Ms. Newbille, Ms. Graziano and Vice President Hilbert

Chair Kathy Graziano introduced RES. 2015-R065 stating that it was in the best interest of the city to develop a strategy to achieve the “highest and best” use for the city-owned real estate in the Boulevard area.

Committee member Charles Samuels expressed concern regarding the deadline for public engagement and stated that the coordination and notification for public input will be limited based on the anticipated public hearing date of December 14, 2015.

Selena Cuffee-Glenn, Chief Administrative Officer, responded to questions regarding the public input process, selection process for the highest and best use following public input, and the level of involvement the Richmond Economic Development Authority (EDA) would have in the development. Ms. Cuffee-Glenn stated that the period of public engagement, including public meetings will ensure that interested members of the public will have input into the city’s decision as to the ultimate development and use of the city-owned real estate in the Boulevard area. She further stated that the proposed request could create a positive platform by which city administration and City Council can work collaboratively on goals for the city.

Committee member Samuels asked if there was a willingness, on behalf of the city, to maintain the project as a city project and not an EDA project to ensure transparency.

Councilor Jonathan Baliles inquired about the aggressive timelines and stated that the EDA involvement in the project could create concerns both for City Council and citizens.

In response to a question by Councilor Baliles, Mark Kronenthal, Senior Policy Advisor, stated that city administration was working with Timmons Group, along with a consulting firm, to assemble the initial market analysis for the Boulevard area and administration anticipates completion of the analysis by December 2016. Mr. Kronenthal explained that the final study will be completed following the completion of the public input process.

Vice Chair Parker Agelasto stated that the master planning process was the appropriate method for handling all major development projects in the city and that he was concerned that the proposed request will not align with the provisions of the city’s master plan. Vice Chair Agelasto asked city administration to work to develop a proposal to relocate the historic train station located within the Boulevard area.

Chair Kathy Graziano commented that discussions pertaining to a Boulevard development have existed for approximately eight years, but to date, there are no proposals; however, the proposed resolution ensures the opportunity for residents to have input regarding the development. Chair Graziano asked the committee to consider forwarding the proposed legislation with its recommendation for approval.

Vice Chair Parker Agelasto made a motion to continue RES. 2015-R065 until the committee receives a presentation on the timeline for the city’s master plan process.

Councilor Charles Samuels asked Vice Chair Agelasto to consider amending the motion to continue RES 2015-R065 to the next committee meeting.

Committee member Charles Samuels exited the meeting.

Vice Chair Parker Agelasto moved to forward the following papers to Council with the recommendation to approve, which was seconded and approved ~ Vote 2/0:

ORD. 2015-238 - To amend Ord. No. 2015-57-83, adopted May 15, 2015, which adopted the Fiscal Year 2015-2016 Special Fund Budget and made appropriations pursuant thereto, by creating therein a new Office of Community Wealth Building agency and transferring (i) the Center for Workforce Innovation Program special fund, with an appropriated amount of \$229,000, from the Department of Economic and Community Development agency to the new Office of Community Wealth Building agency and (ii) \$300,000 appropriated by Ord. No. 2015-141-151, adopted Jul. 27, 2015, from the Office of the Deputy Chief Administrative Officer for Human Services agency to the new Office of Community Wealth Building agency, for the purpose of providing for the use of these grant funds by the Office of Community Wealth Building.

Patron: Mayor Jones

ORD. 2015-239 - To amend Ord. No. 2015-73-84, adopted May 15, 2015, which adopted the Fiscal Year 2015-2016 General Fund Budget and made appropriations pursuant thereto, by creating therein a new Office of Community Wealth Building agency, transferring funds in the total amount of \$1,317,436 from various agencies, and re-appropriating these transferred funds in the total amount of \$1,317,436 to the new Office of Community Wealth Building agency for the purpose of providing funds for the operation of the Office of Community Wealth Building.

Patron: Mayor Jones

ORD. 2015-240 - To amend ch. 2, art. IV of the City Code by adding therein a new div. 24, consisting of §§ 2-826-2-829, concerning the Office of Community Wealth Building; to amend City Code § 2-302, concerning the functions of the Department of Economic and Community Development; and to amend City Code § 2-921, concerning the composition of the Maggie L. Walker Initiative Citizens Advisory Board, all for the purpose of establishing an Office of Community Wealth Building to implement a comprehensive poverty reduction initiative for the City.

Patron: Mayor Jones

ORD. 2015-241 - To amend and reordain City Code § 78-341, concerning an additional retirement allowance for certain city officials, for the purpose of adding the Director of the Office of Community Wealth Building to the senior executive group for retirement system purposes.

Patron: Mayor Jones

ORD. 2015-242 - To amend the pay plan adopted by Ord. No. 93-117-159 on May 24, 1993, to include a new classification of Director, Office of Community Wealth Building in the unclassified executive service.

Patron: Mayor Jones

Selena Cuffee-Glenn, Chief Administrative Officer, introduced ORD. 2015-238, ORD. 2015-239, ORD. 2015-240, ORD. 2015-241 and ORD. 2015-242.

Thad Williamson, Director – Office of Community Wealth Building, reported that, currently, the city has a poverty rate of twenty-six percent for all residents and thirty-nine percent for children. Mr. Williamson explained that the level of economic need negatively impacts the well-being of residents and community quality-of-life, as well as the city's economic competitiveness and long-term financial standing. Mr. Williams stated that the establishment of the Office of Community Wealth Building will create a more efficient and effective approach for better substantive outcomes and greater accountabilities dedicated to anti-poverty initiatives.

Mr. Williamson responded to questions by the committee regarding efforts of existing city departments to combat poverty and the impact the transferred funds will have on existing services and various agencies.

Support

John Messer spoke in favor of the proposed legislation stating that Richmond's effort to reduce poverty will be followed closely by other localities; he stated that the establishment of the office will be instrumental in a fifty percent reduction in the number of children in poverty and develop a cradle-to-career system of support for low-income students and families.

T.K. Somanath, Chief Executive Officer – Richmond Redevelopment and Housing Authority (RRHA), spoke in favor of the proposed legislation stating that the holistic, coordinated approach to poverty reduction and community wealth building will prove successful in areas such as early childhood, college access, workforce, transportation and public housing redevelopment.

Kamala Benjamin spoke in favor of the proposed legislation stating that she supports the holistic approach of involving the city's residents, service providers and local government; she stated that the comprehensive plan to attack poverty will have a positive impact citywide.

Vice Chair Parker Agelasto stated that he was in favor of finding strategies to reduce poverty; however, maintaining the Office of Community Wealth Building, once the goals of the city to reduce poverty have been met, could be a challenge.

Vice Chair Parker Agelasto moved to forward the following paper to Council with the recommendation to approve, which was seconded and approved ~ Vote 2/0:

ORD. 2015-236 - To amend Ord. No. 2015-73-84, adopted May 15, 2015, which adopted the Fiscal Year 2015-2016 General Fund Budget, for the purpose of further specifying and clarifying the intent of certain line items within the Non-Departmental Agency.

Patron: Mayor Jones

Keith Rogers, Senior Assistant – Chief Administrative Office, introduced ORD 2015-236.

Councilor Jonathan Baliles exited the meeting.

In response to questions by Chair Kathy Graziano, Selena Cuffee-Glenn, Chief Administrative Officer, stated that the economic impact report for the 2015 Redskins Training Camp was not completed and city administration anticipates the completion of the Fiscal Year 2015 4th Quarter and Fiscal Year 2016 1st Quarter reports by the end of November. Ms. Cuffee-Glenn stated that city administration will remain committed to informing City Council about the progression of the 2014 Comprehensive Annual Financial Report (CAFR).

Ms. Cuffee-Glenn advised the committee of city administration's support for RES. 2015-R053.

Vice Chair Parker Agelasto moved to forward the following paper to Council with the recommendation to approve, which was seconded and approved ~ Vote 2/0:

ORD. 2015-237 - To amend Ord. No. 2015-73-84, adopted May 15, 2015, which adopted the Fiscal Year 2015-2016 General Fund Budget and made appropriations pursuant thereto, by transferring and re-appropriating funds in the amount of \$2,150,000 from the Non-Departmental agency to various agencies for the purpose of funding pay adjustments.
Patron: Mayor Jones

Jay Brown, Director – Budget and Strategic Planning, introduced ORD. 2015-237.

Vice Chair Parker Agelasto moved to forward the following paper to Council with the recommendation to approve, which was seconded and approved ~ Vote 2/0:

RES. 2015-R053 - To request that the Chief Administrative Officer cause to be prepared and delivered to the Council and the Mayor a report on the local tax revenues generated by businesses located in the area of the city of Richmond known as Carytown. (As Amended)
Patron: Mr. Agelasto

Vice Chair Parker Agelasto introduced RES. 2015-R053.

Vice Chair Parker Agelasto moved to forward the following papers to Council with the recommendation to approve, which was seconded and approved ~ Vote 2/0:

ORD. 2015-234 - To authorize the Chief Administrative Officer to accept grant funds in the amount of \$42,000.00 from the Duffield Family Foundation, doing business as Maddie's Fund, and to appropriate the increase to the Fiscal Year 2015-2016 Special Fund Budget by increasing estimated revenues and the amount appropriated to the Office of Animal Care and Control by \$42,000.00 for the purpose of providing medical care and treatment for homeless animals in the city of Richmond.
Patron: Mayor Jones

ORD. 2015-235 - To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Lease between the City of Richmond, as lessee, and A N T Corporation, as lessor, for the purpose of leasing a portion of the property known as 1630 Chamberlayne Avenue for use by the Office of Animal Care and Control to erect a fenced-in area to exercise shelter dogs.
Patron: Mayor Jones

Christie Peters, Director – Animal Care and Control, introduced ORD. 2015-234 and ORD. 2015-235.

In response to a question by Vice Chair Parker Agelasto, Ms. Peters stated that the Animal Care and Control Department has been entering licensing information into its system and anticipates mailing approximately ten thousand notices, for pet license renewal, to animal owners by the end of December.

Discussion Item(s)

Staff Report

Bill Echelberger, Council Budget Analyst, provided the committee with the November staff report.

A copy of the material provided has been filed.

Adjournment

There being no further business, the meeting adjourned at 5:31 p.m.

Next Meeting: Thursday, December 17, 2015 - 3:00 p.m., Council Chamber, City Hall Staff
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