



# City of Richmond

## Meeting Minutes

### Finance and Economic Development Standing Committee

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Thursday, May 17, 2018

5:00 PM

Council Chamber, 2nd Floor – City Hall

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#### Committee Members and Staff in Attendance

The Honorable Michael Jones – Vice Chair  
The Honorable Parker Agelasto – Member  
The Honorable Kim Gray – Member  
The Honorable Kristen Larson – Member  
Lisa Braxton, Interim Deputy City Clerk  
Meghan Brown, Deputy Council Chief of Staff  
Bill Echelberger Jr., Council Budget Analyst  
Pamela Nichols, Assistant City Clerk  
Tabrica Rentz, Senior Assistant City Attorney

#### Absent

The Honorable Cynthia Newbille – Chair

#### Call to Order

Vice Chair Michael Jones called the meeting to order at 5:03 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 Kim Gray moved to approve the minutes of the Thursday, April 19, 2018, meeting at 5:00 p.m., which was seconded and unanimously approved.

#### Board Vacancies

There were no board vacancies.

#### 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 introduced ORD. 2017-197 and RES. 2017-R076 and explained that each commission will be responsible for developing policies and procedures for its review and approval of grant applications. Member Larson further explained that the proposed ordinance will reduce the number of direct funding requests Council receives from nonprofit organizations.*

*Member Gray expressed support for the proposed requests and stated that the new process will create a more transparent and efficient process for evaluating the performance of nonprofit organizations.*

*Member Agelasto asked for clarification regarding the timelines for the mayor's and Council's consideration of the allocation of funds.*

*Vice Chair Jones expressed concern that the proposed legislation will not provide Council the flexibility to increase or decrease funding amounts, or to appropriate funds to nonprofit organizations of its choice.*

*Deputy Council Chief of Staff Meghan Brown and Bill Echelberger, council budget analyst, responded to questions by the committee regarding budget appropriations and per capita amounts.*

*Jay Brown, director – Budget and Strategic Planning, reported that city administration does not support the proposed process and noted that city administration has already created similar committees to administer the process for non-departmental funds. Mr. Brown stated that city administration welcomes the opportunity to work with Council on additional guideline changes.*

There were no further comments or discussions and **Member Larson moved to forward ORD. 2017-197 and RES. 2017-R076 to Council with the recommendation to approve, which was seconded and failed:** Ayes 2, Larson, Gray. Noes 2, Agelasto, Vice Chair Jones.

*Member Larson stated that she was willing to continue the proposed legislation to work with city administration on possible amendments.*

**Member Agelasto moved to continue ORD. 2017-197 and RES. 2017-R076 to the June 21, 2018 Finance and Economic Development Standing Committee meeting, which was seconded and approved:** Ayes 3, Larson, Gray, Agelasto. Noes 1, Vice Chair Jones.

**The following ordinance was considered:**

ORD. 2018-132

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to enter into the Twenty-Second Commercial Area Revitalization Effort Program Cooperation Agreement between the City of Richmond and the Economic Development Authority of the City of Richmond for the purpose of providing for the operation of the Commercial Area Revitalization Effort (“CARE”) Program.

**Patron:** Mayor Stoney

*Denise Lawus, deputy director II – Economic and Community Development, introduced ORD. 2018-132.*

There were no further comments or discussions and **Member Agelasto moved to forward ORD. 2018-132 to Council with the recommendation to approve, which was seconded and unanimously approved.**

**The following ordinances were considered:**

ORD. 2018-133

To amend and reordain City Code § 2-1128, concerning applications for equalization of real estate assessments, for the purpose of reflecting amendments to Va. Code § 58.1-3378.

**Patron:** President Hilbert

ORD. 2018-134

To amend and reordain City Code § 26-366, concerning the real estate tax exemption for qualified veterans, for the purpose of reflecting amendments to the Constitution of Virginia.

**Patron:** President Hilbert

*Richie McKeithen, city assessor, introduced ORD. 2018-133 and ORD. 2018-134 and reported that the Assessor’s office does not foresee any problems with the proposed ordinances.*

*Member Gray asked about the office’s verification process for electronic applications.*

*Vice Chair Jones inquired about the fiscal impact for ORD. 2018-134 and Bill Echelberger, council budget analyst, reported that the ordinance reflects a change in State law and the fiscal impact, if any, was not factored into the request.*

There were no further comments or discussions and **Member Gray moved to forward ORD. 2018-133 and ORD. 2018-134 to Council with the recommendation to approve, which was seconded and unanimously approved.**

**The following ordinance was considered:**

ORD. 2018-146

To approve the Work Plan and Budget for the fiscal year ending Jun. 30, 2019, for the provision of services in the Downtown Richmond Special Service and Assessment Districts.

**Patron:** President Hilbert

*Meghan Brown, deputy council chief of staff, introduced ORD. 2018-146.*

There were no further comments or discussions and **Member Gray moved to forward ORD. 2018-146 to Council with the recommendation to approve, which was seconded and unanimously approved.**

**The following ordinance was considered:**

ORD. 2018-147

To amend Ord. No. 2017-036, adopted May 15, 2017, which adopted the Fiscal Year 2017-2018 General Fund Budget and made appropriations pursuant thereto, by reducing total appropriations by \$3,715,802.00, transferring funds from various agencies and non-departmental programs in the City's accounting system, and appropriating the transferred funds to various agencies and non-departmental programs.

**Patron:** Mayor Stoney

*Jay Brown, director – Budget and Strategic Planning, introduced ORD. 2018-147 and explained that the proposed ordinance seeks to reduce the total general fund expenditure and the projected revenue budgets. He further explained that the revenue shortfall was due largely to deficits in the tax categories and additional court related revenues.*

*Bobby Vincent, director – Department of Public Works, advised the committee that the department's leaf collection and bulk and brush services will not be impacted by the proposed budget reductions.*

*Member Agelasto asked a series of questions relative to vacancies and overtime pay for the Department of Fire and Emergency Services, budget shortfall for the Department of Public Works' finance and administration category, rebate to the city for payment to the Greater Richmond Convention Center, and projected revenue from property taxes.*

*Mr. Brown, Mr. Vincent and John Wack, director – Finance, responded to those questions. In addition, Mr. Wack responded to questions about the projected revenue from payments in lieu of taxes (PILOT).*

*Member Agelasto asked Mr. Wack to provide additional information on the billing process and the projected future revenue for PILOT program.*

*Member Gray asked about the decrease in revenue collections in comparison to the prior fiscal year.*

*Member Larson asked for additional information on the revenue from the on-demand leaf collection services.*

There were no further comments or discussions and **Member Gray moved to forward ORD. 2018-147 to Council with the recommendation to approve, which was seconded and unanimously approved.**

**The following resolution was considered:**

RES. 2018-R042

To establish a policy of the Council that the Council will not vote to adopt any ordinance establishing or increasing any tax levied by the City until at least 30 days have elapsed since the introduction of such ordinance.

**Patron:** Ms. Gray

*Member Gray introduced RES. 2018-R042.*

*Meghan Brown, deputy council chief of staff, advised the committee that the Code of Virginia requires that any proposed increase in a local tax must be published at least seven days before the public hearing and vote on such subject matter.*

*Member Agelasto and Vice Chair Jones expressed concern that the proposed request could restrict Council's from making critical decisions during its budget process.*

*Member Agelasto and Member Larson voiced their support for an amendment to the proposed legislation to include fee increases.*

*Vice Chair Jones expressed his support for RES. 2018-R042 and stated that he hopes Council will adopt the practice to allow sufficient notification time on all legislation with financial implications.*

**There were no further comments or discussions and Member Larson moved to forward RES. 2018-R042 to Council with the recommendation to approve with amendment, which was seconded and unanimously approved.**

### **Discussion Item(s)**

*Meghan Brown, deputy council chief of staff, advised the committee that she was currently working with the Department of Economic and Community Development on the economic development quarterly report and she anticipated the completion and distribution of the reports within a week. Ms. Brown reported that city administration has indicated its plans to provide an update on the Bon Secours Washington Redskins Training Center at the committee's June meeting.*

*Member Gray reported that, in anticipation of next month's presentation on the Redskins Training Center, members should submit their legal questions to the Office of the City Auditor before the close of business on May 18, 2018. Member Gray also requested an update from city administration on all non-performing economic development agreements.*

### **Staff Report**

Meghan Brown, deputy council chief of staff, and Bill Echelberger council budget analyst, provided the May staff report.

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

### **Adjournment**

There being no further business, the meeting adjourned at 6:28 p.m.