



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Council Chief of Staff

Finance & Economic Development Standing Committee

June 18, 2025

Prep Document for Committee Members

Previous Meeting: May 21, 2025

Next Meeting: July 16, 2025

Agenda Overview:

- Three papers for consideration:
 1. [Ord. 2025-133](#) (authorize CAO to execute finance agreement with Virginia Resources Authority to refinance wastewater collection system improvements at 0% interest)
 2. [Ord. 2025-142](#) (\$250,000 transfer from OOS and new NDA line item for neighborhood climate resilience projects)
 3. [Ord. 2025-143](#) (adjustments to FY25 revenues and appropriations)
- One presentation:
 - Office of Minority Business Development presentation on minority business disparity study results, recommendations, and implementation plan for recommendations (Patricia Foster, Director, Office of Minority Business Development, and Vernetta Mitchell, Consultant, MGT)
- Note: One written submission in lieu of a presentation will be received after meeting due to administration staff family emergency:
 - Department of Finance Office of Risk Management providing information about risk management policies, processes, and payouts:
 - Overview and review of local, state, and federal policies
 - FY25 to date settlements by agency (\$ total) and by type of issue (ex: property damage, sexual harassment, etc.)
 - Overview of efforts to mitigate damages

Ordinances & Resolutions for Consideration

1. Ordinance No. 2025-133

Patron Mayor Avula

Title: To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Financing Agreement between the City of Richmond and the Virginia Resources Authority for the purpose of funding the Almond Creek Interceptor Creek Crossing and Stream Stabilization project.

Council Staff Notes (i.e., not included in Administration memo):

- VRA is administrator of the Virginia Clean Water Revolving Loan Fund (VCWRLF), a state revolving fund (SRF) program.
 - SRFs receive substantial federal funding, which has already been reduced by the reintroduction of [earmarks](#) and would be further reduced by [up to 90%](#) based on the current Trump administration budget proposal.

Council Staff Questions:

- Has DPU already allocated the interest savings elsewhere? If so, where?
 - Committee members may wish to request the most up-to-date copy of DPU's "standard fiscal policy" referenced in the Administration memo.
- How are DPU and VRA preparing for the possibility of the massive federal cuts to SRF programs? Are any existing or future projects at risk of no longer having access to low- or no-interest financing if those cuts are enacted?

2. Ordinance No. 2025-142 **Patrons** Mayor Avula, CM Abubaker, CM Jordan

Title: To amend Ord. No. 2024-099, adopted May 13, 2024, which adopted the Fiscal Year 2025 General Fund Budget and made appropriations pursuant thereto, to (i) create certain new line items in the Non-Departmental agency, (ii) transfer \$250,000.00 from the Office of Sustainability, and (iii) appropriate such \$250,000.00 to such new line items in the Non-Departmental agency, all for the purpose of providing grants to certain entities to facilitate the implementation of neighborhood climate resilience projects.

Council Staff Notes (i.e., not included in Administration memo):

- Director Laura Thomas noted that total funding requested in project submissions (over \$6 million) far exceeded the \$250,000 in available funding.
- In response to questions from Chair Robertson about how success in this program is measured, Ms. Thomas offered to submit a memo on program impacts as well as share a copy of the OOS memo outlining their office's non-departmental agency (NDA) procedures and controls.

Council Staff Questions:

- When can we expect to receive the memo on program impacts and the copy of the OOS memo about NDA procedures and controls?
- Could you share a breakdown of total requests (both funded and not funded) by project type and Council district?
- Given Chair Robertson's concerns (expressed during prep meeting) about the administrative and timeline burden of using the NDA approach for this program, what are some specific changes to this program that should be considered in the FY27 budget process?

3. Ordinance No. 2025-143

Patron Mayor Avula

Title: To amend Ord. No. 2024-099, adopted May 13, 2024, which adopted the Fiscal Year 2024-2025 General Fund Budget and made appropriations pursuant thereto, by (i) increasing revenues from estimated personal property taxes, prepared food taxes, betting parlor fees, and cigarette taxes by \$4,032,431.00, (ii) reducing total appropriations by \$5,663,464.00, (iii) increasing total appropriations by \$9,695,895.00, and (iv) transferring funds from various agencies and appropriating the increased revenues and transferred funds to various agencies.

Council Staff Notes (i.e., not included in Administration memo):

- Comparative figures/actions in 2024 ordinance ([Ord. 2024-162](#)):
 - Increased revenues from estimated local sales and use, consumer utility, and admissions taxes and from permits and license fees by \$5,489,264.00 (the net increase in appropriations)
 - Sales & use tax increase: \$3,032,967
 - Consumer utility tax increase: \$753,450
 - Admissions taxes: \$517,422
 - Permits and license taxes: \$1,185,425
 - Reduced total appropriations by \$8,069,133.00 and increased total appropriations by \$13,558,397.00
 - Included a transfer of approximately \$2.9 million into the Capital Improvement Plan and a requirement that \$225,000 of funds previously appropriated to DHCD be expended “for the purpose of funding affordable housing efforts”

Council Staff Questions:

- Could you help us understand any important big-picture differences between this year’s version of this ordinance and last year’s? For example, the categories for revenue increases are slightly different between this year’s ordinance and the equivalent ordinance from last year, and more than half of the total revenue increase in this year’s ordinance is attributed to personal property tax collections (which were not listed at all last year).

Minority Business Disparity Study and Implementation Plan (Patricia Foster, Director, Office of Minority Business Development, and Vernetta Mitchell, Consultant, MGT)

Council Staff Questions:

- This study was conducted in 2023. Which of the recommendations listed on slide 16 have been implemented (to any degree) since then and how has progress been measured?
 - If no recommendations have been implemented since the study concluded, why not?
- Slide 8: What can you tell us about how the city's utilization of MBE firms (3.43%) compares to other localities in the market area?
- Slide 9: 17.93% availability of MBE firms in the market area – what are the most important takeaways for the difference between the city's MBE utilization rate and this MBE availability figure?
- Slide 10: African American MBEs are the only type of MBE firm found to experience substantial and statistically significant discrimination in every single procurement category (though that statement is also true for MBE firms overall, according to this table). Could you expound on the consequences of this degree of discrimination and adverse economic impact, both for those firms and for the local economy?
- Slide 14: Are you able to simulate the economic impact of higher MBE utilization?
- General question: what relationship have you observed, if any, between MBE utilization (particularly of firms owned by African Americans) and broader demographic changes associated with gentrification and the displacement of Black/African American residents? In the absence of firm action by the city to address this discrimination in procurement, can we expect the problem to become worse because of current demographic and gentrification trends?