



# City of Richmond

900 East Broad Street  
Richmond, VA 23219  
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## Minutes - Draft

### Finance and Economic Development Standing Committee

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Thursday, September 17, 2015

3:00 PM

Council Chamber, 2nd Floor – City Hall

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#### **Council Members and Staff in Attendance**

The Honorable Kathy Graziano, Chair  
The Honorable Parker Agelasto, Vice Chair  
The Honorable Ellen Robertson, Committee Member  
The Honorable Jonathan Baliles (*Early departure*)  
The Honorable Charles Samuels (*Early departure*)  
Lou B. Ali, Council Chief of Staff  
Meghan Brown, Council Budget Analyst  
Jean V. Capel, City Clerk  
Bill Echelberger Jr., Council Budget Analyst  
Vincent Jones, Deputy Council Chief of Staff  
Pamela Nichols, Assistant City Clerk  
Alexander Rawles, Boards and Commissions Administrator  
Candice Reid, Deputy City Clerk  
Tabrica Rentz, Senior Assistant City Attorney

#### **Call to Order**

Chair Kathy Graziano called the meeting to order at 3:19 p.m.

#### **Evacuation Announcement and Citizen Speaker Guidelines Public Comment Period**

Upon the Chair's request, Pamela Nichols, Assistant City Clerk, provided information on citizen speaker guidelines and conduct during the meeting.

#### **Public Comment Period**

There were no public comments.

#### **Board Vacancies**

Alexander Rawles, Boards and Commissions Administrator, reviewed board applications for consideration by the committee.

**Chair Kathy Graziano moved to forward the recommendation of the following board applicant, which was seconded and approved – Vote 3/0:**

#### **Minority Business Enterprise and Emerging Small Business Advisory Board**

- Tryfene Scott – Appointment

In response to the committee's request regarding the Comprehensive Economic Development Strategy Committee, Mr. Rawles reported that Haskell Brown, Deputy City Attorney, was working on a response.

## **Presentation(s)**

### Payment Register Demonstration

It was the consensus of the committee to reschedule this item to its October 15<sup>th</sup> meeting.

## **Paper(s) for Consideration**

**Committee member Ellen Robertson moved to forward the following paper to Council with the recommendation to approve, which was seconded and approved ~ Vote 2/1:**

ORD. 2015-173 - To amend and reordain City Code § 98-121, concerning the levy of tax on real estate, to establish a tax rate of \$1.20 for the tax year beginning Jan. 1, 2016, pursuant to Va. Code § 58.1-3321(b), and increasing such rate from the Rolled Back Tax Rate of \$1.17 as computed in accordance with Va. Code § 58.1-3321(a).

**Patrons:** President Mosby, Ms. Graziano and Ms. Robertson

*The committee discussed this item along with Ords. 2015-170, 2015-171 and 2015-172. Chair Kathy Graziano and Committee member Ellen Robertson stated that they support the current tax rate of \$1.20.*

**Committee member Ellen Robertson moved to forward the following papers to Council with the recommendation to strike, which was seconded and approved ~ Vote 2/1:**

ORD. 2015-170 - To amend and reordain City Code § 98-121, concerning the levy of tax on real estate, to establish a tax rate of \$1.17 for the tax year beginning Jan. 1, 2016, which represents the Rolled Back Tax Rate pursuant to Va. Code § 58.1-3321(b).

**Patrons:** President Mosby and Ms. Graziano

ORD. 2015-171 - To amend and reordain City Code § 98-121, concerning the levy of tax on real estate, to establish a tax rate of \$1.18 for the tax year beginning Jan. 1, 2016, pursuant to Va. Code § 58.1-3321(b), and increasing such rate from the Rolled Back Tax Rate of \$1.17 as computed in accordance with Va. Code § 58.1-3321(a).

**Patrons:** President Mosby and Ms. Graziano

ORD. 2015-172 - To amend and reordain City Code § 98-121, concerning the levy of tax on real estate, to establish a tax rate of \$1.19 for the tax year beginning Jan. 1, 2016, pursuant to Va. Code § 58.1-3321(b), and increasing such rate from the Rolled Back Tax Rate of \$1.17 as computed in accordance with Va. Code § 58.1-3321(a).

**Patrons:** President Mosby and Ms. Graziano

*Chair Kathy Graziano introduced Ords. 2015-170, 2015-171, 2015-172 and 2015-173.*

*Tabrica Rentz, Senior Assistant City Attorney, responded to a question by Vice Chair Parker Agelasto regarding the deadline for Council's adoption of a new tax rate. Ms. Rentz reported that for billing purposes, the new tax rate needs to be established no later than November 9, 2015.*

*Vice Chair Agelasto asked the committee to consider continuing the proposed pieces of legislation until such time that the 2014 Comprehensive Annual Financial Report is presented to City Council.*

*Chair Kathy Graziano stated that, with the decrease to the city's operational budget, it is prudent to maintain the current tax rate; therefore, she supports Ord. 2015-173.*

**Vice Chair Parker Agelasto moved to forward the following paper to Council with the recommendation to approve, which was seconded and approved ~ Vote 3/0:**

ORD. 2015-167 - To consent to acceptance by the Director of Finance, on behalf of the City, of an offer in compromise from Hardywood Park Craft Brewery, LLC, to settle the entire disputed amount of meals taxes due and owing from Hardywood in the amount of \$61,118.32, which amount includes penalties and interest accrued through June 15, 2015, and any subsequently accrued interest associated with such meals taxes, in accordance with Va. Code § 58.1-3994.

**Patron:** Mayor Jones

*James Duval, Interim Director of Finance, introduced Ord. 2015-167.*

**Committee member Ellen Robertson moved to forward the following papers to Council with the recommendation to approve, which was seconded and approved ~ Vote 3/0:**

ORD. 2015-174 - To amend Ord. No. 2015-75-105, adopted May 15, 2015, which adopted the Fiscal Year 2015-2016 Department of Public Works' Parking Enterprise Fund Budget, by increasing estimated revenues from parking fees for the City-owned portion of the Gateway Garage located at 800 East Canal Street and the amount appropriated to the Fiscal Year 2015-2016 Department of Public Works' Parking Enterprise Fund Budget by \$207,000 for the purpose of providing for the operation of parking facilities owned by the City.

**Patron:** Mayor Jones

ORD. 2015-196 - To amend City Code § 42-141, concerning rates and discounts for parking facilities operated by the City, and to amend Appendix A of the City Code by adding therein new fees for City Code § 42-141(v), for the purpose of imposing fees for the use of the City-owned portion of the Gateway Garage located at 800 East Canal Street.

**Patron:** Mayor Jones

*Councilor Jonathan Baliles exited the meeting.*

*Lynn Lancaster, Department of Public Works, introduced Ords. 2015-174 and 2015-196.*

**Committee member Ellen Robertson moved to continue the following paper to the November 19<sup>th</sup> Finance and Economic Development Standing Committee meeting, which was seconded and approved – Vote 3/0:**

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

**Committee member Ellen Robertson moved to continue the following paper to the October 15<sup>th</sup> Finance and Economic Development Standing Committee meeting, which was seconded and approved – Vote 3/0:**

ORD. 2015-161 - To amend and reordain City Code § 42-11, concerning the form of the budget submitted to the Council, for the purpose of requiring that certain per capita calculations and information be included in the budget.

**Patron:** Mr. Samuels

*Councilor Charles Samuels introduced Ord. 2015-161.*

*Jay Brown, Director of Budget and Strategic Planning, asked for clarification concerning which fiscal years to include in the budget summary table.*

*Bill Echelberger, Council Budget Analyst, provided an explanation of the proposed legislation.*

*Councilor Samuels asked Mr. Brown to provide him with city administration's question regarding the proposed legislation.*

*At the recommendation of the committee, Councilor Samuels stated that he supported a continuance of Ord. 2015-161 to the October 15<sup>th</sup> Finance and Economic Development Standing Committee meeting.*

**Vice Chair Parker Agelasto moved to forward the following paper to Council with the recommendation to approve, which was seconded and approved ~ Vote 3/0:**

ORD. 2015-162 - To authorize the Chief Administrative Officer, on behalf of the City of Richmond, to execute a Grant Agreement between the City of Richmond and the Federal Transit Administration for the purpose of receiving federal funding of \$1,104,645 to fund Phase 3 improvements to Main Street Station.

**Patron:** Mayor Jones

*Jeannie Welliver, Project Development Manager – Economic and Community Development, introduced Ord. 2015-162. In response to a question by Vice Chair Parker Agelasto, Ms. Welliver stated that her office would provide a copy of the full grant report allocation for the Main Street Station development.*

**Committee member Ellen Robertson moved to forward the following paper to Council with the recommendation to approve, which was seconded and approved ~ Vote 3/0:**

ORD. 2015-186 - To amend ch. 22 of the City Code, concerning cemeteries, by adding therein a new art. IV, consisting of §§ 22-201—22-233, concerning options other than burial, and to amend Appendix A of the City Code by adding therein new fees for City Code §§ 22-212, 22-222, 22-232, and 22-233, for the purpose of providing for the provision of cremation-related options at City cemeteries and the fees to be charged therefor.

**Patron:** Mayor Jones

*Barry Russell, Deputy Director II, Parks, Recreation and Community Facilities, introduced Ord. 2015-186 and explained the term “scattering garden”.*

*Councilor Charles Samuels exited the meeting.*

**Committee member Ellen Robertson moved to forward the following paper to Council with no recommendation, which was seconded and approved ~ Vote 3/0:**

ORD. 2015-204 - 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

*Committee member Ellen Robertson introduced Ord. 2015-204.*

*Meghan Brown, Council Budget Analyst, provided an overview of the proposed amendments and explained that the proposed legislation would amend the partial tax exemption program for redevelopment or conservation areas or rehabilitation districts.*

*Committee member Robertson advised Lee Downey, Interim Deputy Chief Administrative Officer, that she will meet with city administration to address questions and/or concerns.*

**Committee member Ellen Robertson moved to continue the following paper to the October 15<sup>th</sup> Finance and Economic Development Standing Committee meeting to be amended with the understanding that city administration will provide a report outlining the total number of data collection requests, which was seconded and approved – Vote 3/0:**

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.

**Patron:** Ms. Robertson

*Vice Chair Parker Agelasto introduced Res. 2015-R053.*

*James Duval, Interim Director of Finance, reported that, currently, the finance department does not have the necessary staff or software to execute a request of this nature.*

*Chair Kathy Graziano stated that she would like additional information on the data gathering process that will be associated with the proposed legislation.*

*Sharon McDonald, Chief of Revenue Administration – Finance, stated that she was familiar with putting together a report of this nature and that the process would require an advanced system capable of communicating with the city's geographic information system (GIS). Ms. McDonald offered to provide a copy of a similar report she prepared for another municipality to show the level of detail needed to produce the report.*

*Vice Chair Agelasto stated that the information would benefit the city in terms of attracting new businesses in certain corridors.*

*Lenora Reid, Deputy Chief Administrative Officer – Finance, stated that the finance department is currently operating with limited resources; however, the city administration will attempt to produce the requested information.*

*Committee member Ellen Robertson stated that the requested information could serve valuable throughout the city, but she would like to give city administration the opportunity to determine the resources needed to produce the report before actually committing to the project.*

*Selena Cuffee-Glenn, Chief Administrative Officer, stated that city administration would like to be responsive to requests regarding data collection; however, there are resource limitations. Ms. Cuffee-Glenn agreed to provide the committee with an update of the total number of data-collection requests requiring staff's resources.*

*Chair Graziano asked Ms. Cuffee-Glenn to provide the report for the next Finance and Economic Development Standing Committee meeting and asked Vice Chair Agelasto to also consider continuing Res. 2015-R053 to the next meeting to allow time for administration to provide the recommended report.*

*Vice Chair Agelasto stated that he was willing to continue Res. 2015-R053 to the October 15<sup>th</sup> meeting, with the understanding that the committee will support the proposed legislation with an amendment to reflect a new deadline of July 31, 2015, and city administration will provide a report outlining the current number of data collection requests that have been submitted to its office.*

## **Discussion Item(s)**

Vice Chair Parker Agelasto stated that he had anticipated, as discussed at July's committee meeting, a presentation from city administration using the Bon Secours Redskins Training Center project to put through the new fiscal and economic impact report template.

Bill Echelberger advised the committee that city administration asked to reschedule the presentation to a later date, and to use a project other than the Bon Secours Redskins Training Center project to test the model.

Vice Chair Agelasto reiterated his request to review the pro forma that was presented for the Bon Secours Redskins Training Center to include the projected and actual revenues.

Lee Downey explained that city administration was awaiting data from the 2015 training camp in order to prepare an accurate report.

Chair Kathy Graziano stated that the Bon Secours Redskins Training Center project was a multifaceted deal and would require data from various sources in order to prepare an accurate report.

Selena Cuffee-Glenn advised Vice Chair Agelasto that her office responded to the request for information regarding the Bon Secours Redskins Training Center and she will resend the report.

### **Approval of Minutes**

The minutes of July 16, 2015 were approved – Motioned by Vice Chair Parker Agelasto, and seconded – 3/0.

### **Staff Report**

Bill Echelberger, Council Budget Analyst, provided the committee with the September staff report and a copy of the semi-annual debt issuance report.

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

### **Adjournment**

There being no further business, the meeting adjourned at 4:35 p.m.

Next Meeting: October 15, 2015 – 3:00 p.m. Council Chamber, City Hall

Staff Contact: Pamela Nichols/646-7931 [pamela.nichols@richmondgov.com](mailto:pamela.nichols@richmondgov.com)