



# City of Richmond

## Meeting Minutes

### Finance and Economic Development Standing Committee

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Thursday, February 18, 2016

3:00 PM

Council Chamber, 2nd Floor – City Hall

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The Honorable Kathy Graziano – Chair (*late arrival*)  
The Honorable Ellen Robertson – Committee Member  
The Honorable Charles Samuels – Alternate Member  
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  
Candice Reid, Deputy City Clerk  
Tabrica Rentz, Senior Assistant City Attorney

#### **Absent**

The Honorable Parker Agelasto, Vice Chair

#### **Call to Order**

Committee member Ellen Robertson called the meeting to order at 3:18 p.m.

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

Upon the committee'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.

#### **Board Vacancies**

There were no board vacancies.

**Committee member Ellen Robertson moved to continue the following papers to the March 17<sup>th</sup> 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

**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. 2016-029 - To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Joint Exercise of Powers Agreement for Employee and Retiree Health Benefits between the City of Richmond, Virginia, and the School Board of the City of Richmond, Virginia, for the purpose of exercising jointly the power granted separately to the City and the School Board to provide for health benefits for officers, employees, retirees, and their eligible dependents of the City and the School Board by means of a self-insured plan and the cooperative procurement of a third-party administrator for the self-insured plan and any consultants necessary to advise the City and the School Board with respect thereto.  
**Patron:** Mayor Jones

*Chair Kathy Graziano arrived and was seated.*

*Johnny McLean, Director of Human Resources, introduced ORD. 2016-029.*

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

RES. 2016-R006 - To request that the School Board, in proposing the Fiscal Year 2016-2017 school budget, incorporate a recommendation, with supporting calculations, for the percentage of the City real estate tax rate of \$1.20 that is necessary to generate the funding required to cover the costs of operations for the school division administered by the School Board for such fiscal year.  
**Patron:** Mr. Samuels

*Committee member Charles Samuels introduced RES. 2016-R006 and explained that the proposed legislation would request that school administration provide its recommendation as to the amount of the real estate tax rate required to fund schools.*

*Committee member Ellen Robertson stated that the proposed legislation will help inform citizens of the amount of revenue that is generated on an annual basis from the real estate tax and appropriated to fund the city's schools.*

**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. 2016-028 - To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute the First Amendment to Performance Agreement between the City of Richmond, the Economic Development Authority of the City of Richmond and Dixon/Lee Development Group, LLC, for the purpose of modifying certain payment requirements and milestone dates.  
**Patron:** Mayor Jones

*Lee Downey, Deputy Chief Administrative Officer – Economic and Community Development, introduced ORD. 2016-028.*

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

#### **Comprehensive Annual Financial Report (CAFR) Update**

Selena Cuffee-Glenn, Chief Administrative Officer, reported that the draft CAFR has been submitted to a certified public accounting firm and, in addition to the CAFR, the firm has requested information regarding capital improvement projects that extends over a period of ten years, a new appraisal of the Diamond and the receipt of the single audit report for the city and Richmond Public Schools.

#### **Quarterly Preliminary Revenue & Expenditure Reports**

Selena Cuffee-Glenn, Chief Administrative Officer, advised the committee that the city, as a practice, utilized vacancy funding to supplement gaps in the budget; however, in moving forward, city administration is determined not to continue the city's operation under those circumstances.

Jay Brown, Director – Budget and Strategic Planning, provided an overview of the quarterly reports and noted that the Fiscal Year 2016 First Quarter Revenue & Expenditure Projection report, based on data collected over a three month period, projects a preliminary deficit in the Fiscal Year 2016 budget. Mr. Brown stated that city administration has worked to minimize the projected deficit and anticipates that those efforts will be reflected in the second quarter projections.

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

Ms. Cuffee-Glenn stated that the city has not operated a balanced budget, in terms of the deployment of services that the city provides for its citizens. She also stated that Council and administration should work collectively to fix deficiencies that were created through the past practice of using vacancy funding to supplement budget gaps.

Committee member Ellen Robertson stated that she would like for the Finance and Economic Development Standing Committee's members and city administration to work together to develop policies regulating the preparation of the city's budget. Committee member Robertson stated that citizens should be informed of all the city's expenditures.

### **Unsolicited Proposal Process Update**

Chair Kathy Graziano reported that a discussion took place, earlier that day, regarding the unsolicited proposal process and that she anticipates a new policy will be presented to the Finance and Economic Development Standing Committee in the near future.

### **Staff Report**

Bill Echelberger and Meghan Brown, Council Budget Analysts, provided the committee with the February staff report.

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

### **Approval of Minutes**

The minutes of January 21, 2016 were approved – Motioned by Committee member Ellen Robertson, and seconded – 2/0/1 (Abstention, Samuels).

### **Adjournment**

There being no further business, the meeting adjourned at 4:06 p.m.

**Next Meeting:** Thursday, March 17, 2016 - 3:00 p.m., Council Chamber, City Hall

**Staff Contact:** Pamela Nichols, 804-646-7931, [pamela.nichols@richmondgov.com](mailto:pamela.nichols@richmondgov.com)