



City of Richmond

Meeting Minutes

Finance and Economic Development Standing Committee

Thursday, March 24, 2016

3:00 PM

Council Chamber, 2nd Floor – City Hall

The Honorable Kathy Graziano – Chair
The Honorable Parker Agelasto, Vice Chair
The Honorable Ellen Robertson – Committee 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
Tabrica Rentz, Senior Assistant City Attorney
Faye Smith, Senior Assistant City Clerk

Call to Order

Committee member Ellen Robertson called the meeting to order at 3:10 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.

Presentation

City Stadium Update

Lee Downey, deputy chief administrative officer – Economic and Community Development, provided an overview for the city stadium site re-use proposals. Mr. Downey explained that, a team, consisting of consultants, citizen stakeholders, city of Richmond departments and local organizations collaborated to determine the highest and best use approach for the stadium. Mr. Downey reported that the stadium site is physically suitable for a multi-field soccer or baseball complex and based on assumptions of private funding, a soccer stadium or indoor multipurpose facility could generate more revenue over a twenty year period than a residential development.

Committee member Ellen Robertson asked for an analysis based on public funding for a soccer stadium or indoor multipurpose facility.

Board Vacancies

There were no board vacancies.

Approval of Minutes

The minutes of February 18, 2016 were approved – Motioned by Vice Chair Parker Agelasto, and seconded – 2/0/1 (Abstention, Agelasto).

Committee member Ellen Robertson moved to continue the following papers to the April 21st 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

ORD. 2016-091 - To amend and reordain City Code § 2-301, concerning certain definitions applicable to City Code §§ 2-301—2-304, for the purpose of modifying the definition of “economic development project” to include public investment.

Patron: Ms. Robertson

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

RES. 2016-R020 - To request the Chief Administrative Officer to develop a loan program for clean energy projects for the purpose of creating a financing tool for property owners to invest in clean energy projects.

Patron: Mr. Agelasto

Vice Chair Parker Agelasto introduced RES. 2016-R020.

Deputy Chief Administrative Officer of Operations, John Buturla, stated that a PACE Loan Program is a good program; however, timing and the ability to execute the program are major concerns. Mr. Buturla stated that city administration would like the opportunity to monitor results from the city of Arlington before committing to the program.

Alicia Zatcoff, sustainability manager – Office of Sustainability, stated that the preferred approach for the program is a statewide program; however, resources and funding are not available on a state or local level. Ms. Zatcoff stated that the city of Arlington anticipates launching its program by the end of this year and suggested for the city to delay a decision regarding the PACE program until more information is collected based on the city of Arlington.

Support

Bob Adams, executive director of Housing Virginia, spoke in support of the proposed legislation stating that the program will be a tremendous savings for affordable housing rental properties.

Preston Bryant spoke in support of the proposed legislation urging the city to progressively move forward with the PACE program. Mr. Bryant stated that the purpose of the program is to breathe new life for commercial properties.

Chelsea Harnish, executive director of Virginia Energy Efficiency Council, spoke in support of the proposed legislation stating that, currently, there are no plans to develop a statewide PACE program; however, she hopes the city will support the implementation of the program.

Jeff Nicholson, Sigora Solar, spoke in support of the proposed legislation urging the city to be aggressive in implementing the program and stated that a large number of commercial companies are interested in partnering with the city to implement the PACE program.

Chair Kathy Graziano asked Vice Chair Agelasto to consider continuing the proposed legislation to allow time for the city to evaluate the city of Arlington's implementation of the program.

Committee member Ellen Robertson stated that she supports legislation indicating the city's support for clean energy and would support a request for city administration to prepare a proposal, based on the city of Arlington's implementation of the program, to be presented to the committee at the end of the year.

Vice Chair Agelasto offered an amendment to the proposed legislation and suggested, that perhaps, the Green City Commission could provide its expertise on the program.

Vice Chair Parker Agelasto exited the meeting.

Committee member Ellen Robertson moved to forward the following papers to Council with recommendation to approve, which was seconded and approved ~ Vote 2/0.

ORD. 2016-085 - To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute the fourth Citywide Revolving Loan Fund Program Cooperation Agreement between the City of Richmond and the Economic Development Authority of the City of Richmond for the purpose of administering the Citywide Revolving Loan Program.

Patron: Mayor Jones

ORD. 2016-086 - To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute the fourth Economic Development Revolving Loan Fund – Tranche I Cooperation Agreement between the City of Richmond and the Economic Development Authority of the City of Richmond for the purpose of continuing the Economic Development Revolving Loan Fund Program.

Patron: Mayor Jones

ORD. 2016-087 - To authorize the Chief Administrative Officer, on behalf of the City of Richmond, to execute the third Economic Development & Housing Revolving Loan Fund – Tranche 2 Cooperation Agreement between the City of Richmond, Virginia and the Economic Development Authority of the City of Richmond, Virginia for the purpose of continuing the Economic Development and Housing Revolving Loan Fund Program.

Patron: Mayor Jones

ORD. 2016-088 - To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to enter into the Contractor Assistance Program Fourth Cooperation Agreement between the City of Richmond and the Economic Development Authority of the City of Richmond for the purpose of providing for the Authority to serve as the administrative agent of loans made through the Contractor Assistance Loan Program.

Patron: Mayor Jones

ORD. 2016-089 - To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to submit an amended application to the U. S. Department of Housing and Urban Development to expand the uses of the Economic Development Revolving Loan Fund capitalized with \$9,875,000 in Section 108 Loan Funds to include development and rehabilitation of affordable housing, business retention and expansion, economic development initiatives in enterprise zones, promoting job creation, and facilitating business creation and expansion.

Patron: Mayor Jones

Ron Johnson, chief credit and strategies officer – Economic and Community Development, introduced ORD. 2016-085, ORD. 2016-086, ORD. 2016-087, ORD. 2016-088 and ORD. 2016-89.

Committee member Ellen Robertson moved to forward the following paper to Council with recommendation to approve, which was seconded and approved ~ Vote 2/0.

ORD. 2016-036 - To amend Ord. No. 2015-73-84, adopted May 15, 2015, which adopted a General Fund Budget for Fiscal Year 2015-2016 and made appropriations pursuant thereto, to transfer funds in the amount of \$223,329.00 from the Debt Service agency and to appropriate the transferred funds to the Office of the City Auditor agency for the purpose of providing funds for the performance of auditing services by an external auditor and by internal auditors within the Office of the City Auditor.

Patron: Mayor Jones

Jim Duval, interim finance director, introduced ORD. 2016-036.

Committee member Ellen Robertson moved to forward the following paper to Council with recommendation to approve, which was seconded and approved ~ Vote 2/0.

ORD. 2016-037 - To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Parking Lease between the City of Richmond, as Lessor, and 312 East Broad Street LP, as Lessee, for the purpose of leasing to 312 East Broad Street LP seven parking spaces in a portion of the City-owned parking facility located at 401 East Broad Street.
Patron: Mayor Jones

Lynne Lancaster, interim deputy director – Department of Public Works, introduced ORD. 2016-037.

Support

Preston Lloyd, speaking on behalf of the business owner, spoke in support of the proposed legislation.

Committee member Ellen Robertson moved to forward the following paper to Council with recommendation to approve, which was seconded and approved ~ Vote 2/0.

ORD. 2016-038 - To require the Chief Administrative Officer to cause the preparation of a written economic development plan that identifies potential adverse impacts of the construction of the Broad Street Bus Rapid Transit project and programs that the Chief Administrative Officer proposes to mitigate these potential adverse impacts and to submit such plan to the Council no later than the commencement of construction of that project.
Patron: Mr. Samuels

Amy Inman, senior administrator of multi-modal transportation – Economic and Community Development, on behalf of the city's administration, expressed support of the proposed legislation.

Committee member Ellen Robertson and Chair Kathy Graziano asked to be added as co-patrons to the proposed legislation.

Committee member Ellen Robertson moved to forward the following paper to Council with recommendation to approve, which was seconded and approved ~ Vote 2/0.

ORD. 2016-084 - To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Project Agreement for Use of Commonwealth Transportation Funds – Fiscal Year 2016 between the City of Richmond and the Virginia Department of Rail and Public Transportation for the purpose of receiving a grant of \$2,000,000 to fund Phase 3 improvements to Main Street Station.
Patron: Mayor Jones

Amy Inman, senior administrator of multi-modal transportation – Economic and Community Development, introduced ORD. 2016-084.

Committee member Ellen Robertson moved to forward the following paper to Council with recommendation to approve, which was seconded and approved ~ Vote 2/0.

ORD. 2016-090 - To amend and reordain City Code § 2-298, 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 development planning, consisting of div. 1 (§§ 2-1371—2-1374), concerning general matters, and div. 2 (§§ 2-1391—2-1393), concerning the planning process, for the purpose of requiring a comprehensive economic development plan, an economic development implementation strategy, and a process for including economic growth areas in the City's master plan.

Patron: Mayor Jones

Committee member Ellen Robertson introduced ORD. 2016-090.

Chair Kathy Graziano asked to be added as co-patron to the proposed legislation.

Lee Downey, deputy chief administrative officer – Economic and Community Development, on behalf of city administration, expressed support of the proposed legislation.

Support

Andy Clark, Home Building Association of Richmond, spoke in support of the proposed legislation.

Committee member Ellen Robertson moved to forward the following paper to Council with recommendation to strike, which was seconded and approved ~ Vote 2/0.

ORD. 2016-092 - To amend City Code § 12-32, concerning the disposition of funds from the sale of real estate and certain insurance proceeds, for the purpose of providing that real estate tax revenues from former school properties that the City has sold be set aside for the operations of the School Board of the City of Richmond.

Patrons: Mr. Agelasto and Mr. Baliles

Lee Downey, deputy chief administrative officer – Economic and Community Development, expressed concern regarding the deviation of real estate tax base from the general fund and stated that city administration does not support the proposed legislation.

Chair Kathy Graziano and committee member Ellen Robertson expressed concern about the impact the proposed legislation will have on the city's general budget and the future assessment of former school properties.

Jim Duval, investment & debt portfolio management – Finance, stated that the proposed legislation could create an adverse impact to the city's general funds.

Committee member Ellen Robertson moved to forward the following paper to Council with recommendation to approve, which was seconded and approved ~ Vote 2/0.

RES. 2016-R021 - To abolish the Comprehensive Economic Development Strategy Committee; to repeal Res. No. 2002-R208-196, adopted Oct. 14, 2002 and Res. No. 2005-R44-88, adopted May 9, 2005; and to terminate the terms of the Committee's members.
Patron: Ms. Graziano

Chair Kathy Graziano introduced RES. 2016-R21.

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. **(withdrawn)**
Patron: Ms. Robertson

Committee member Ellen Robertson advised the committee of her decision to withdraw ORD. 2015-232

The committee acknowledged the withdrawal of ORD. 2015-232

Discussion Item(s)

There were no discussion items.

Staff Report

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

A copy of the material provided has been filed.

Adjournment

There being no further business, the meeting adjourned at 4:50 p.m.