



# City of Richmond

## Meeting Minutes

### Finance and Economic Development Standing Committee

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Thursday, June 23, 2016

3:30 PM

Council Chamber, 2nd Floor – City Hall

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The Honorable Kathy Graziano – Chair  
The Honorable Ellen Robertson – Committee Member  
The Honorable Charles Samuels – Alternate Member (*late arrival*)  
The Honorable Jonathan Baliles – Council member (*late arrival*)  
Lou B. Ali, Council Chief of Staff  
Meghan Brown, Interim Deputy Council Chief of Staff  
Jean V. Capel, City Clerk  
Bill Echelberger Jr., Council Budget Analyst  
Pamela Nichols, Assistant City Clerk  
Haskell Brown, Deputy City Attorney

#### **Absent**

The Honorable Parker Agelasto, Vice Chair

#### **Call to Order**

Chair Kathy Graziano called the meeting to order at 3:45 p.m.

#### **Evacuation Announcement and Citizen Speaker Guidelines**

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.

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

**Committee member Ellen Robertson moved to continue the following papers to the July 21<sup>st</sup> Finance and Economic Development Standing Committee meeting, which was seconded and approved ~ Vote 2/0.**

ORD. 2016-154 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 3102 1st Avenue and to authorize the conveyance of such property for \$1,750 to Adult Alternative Program Inc. for the purposes of eliminating blight and making such property available for redevelopment.  
**Patron:** Mayor Jones

ORD. 2016-155 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property

located at 3205 Midlothian Turnpike and to authorize the conveyance of such property for \$1,750 to Adult Alternative Program Inc. for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-137 - To amend ch. 12, art. II of the City Code by adding therein a new section 12-37, concerning the disposition of revenues from the City's meals tax, for the purpose of funding the operation of public schools in the city.

**Patron:** Mr. Baliles

ORD. 2016-138 - To amend ch. 12, art. II of the City Code by adding therein a new section 12-37, concerning the disposition of 100% of the City's year-end General Fund surplus, for the purpose of funding the operation of public schools in the city.

**Patron:** Mr. Baliles

ORD. 2016-139 - To amend ch. 12, art. II of the City Code by adding therein a new section 12-37, concerning the disposition of 75% of the City's year-end General Fund surplus, for the purpose of funding the operation of public schools in the city.

**Patron:** Mr. Baliles

ORD. 2016-140 - To amend ch. 12, art. II of the City Code by adding therein a new section 12-37, concerning the disposition of certain revenues from real estate taxes, for the purpose of funding the operation of public schools in the city.

**Patron:** Mr. Baliles

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

*The committee acknowledged the withdrawal of the following ordinance:*

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

### **Public Comment Period**

There were no public comments.

### **Presentations**

There were no presentations.

### **Board Vacancies**

There were no board vacancies.

## Paper(s) for Consideration - Continued

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

ORD. 2016-144 - To amend ch. 6 of the City Code by adding therein a new art. XI, consisting of a new div. 1 with §§ 6-581-6-582 and a new div. 2 with §§ 6-591-6-595, for the purpose of establishing five tourism zones pursuant to Va. Code § 58.1-3851.

**Patron:** Mayor Jones

*Lee Downey, deputy chief administrative officer – Economic and Community Development, introduced ORD. 2016-144.*

*Committee member Ellen Robertson asked to be added as co-patron of ORD. 2016-144.*

*Alternate Committee member Charles Samuels arrived and was seated.*

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

ORD. 2016-148 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 1118 North 30th Street and to authorize the conveyance of such property for \$1,750 to Elderhomes Corporation for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-149 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 1333 North 27th Street and to authorize the conveyance of such property for \$1,750 to Elderhomes Corporation for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-150 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 2015 Venable Street and to authorize the conveyance of such property for \$1,750 to Elderhomes Corporation for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-151 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property

located at 807 North 24th Street and to authorize the conveyance of such property for \$1,750 to Elderhomes Corporation for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-152 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 1100 North 23rd Street and to authorize the conveyance of such property for \$1,750 to Elderhomes Corporation for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-153 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 1217 North 29th Street and to authorize the conveyance of such property for \$1,750 to Elderhomes Corporation for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-156 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 824 North 24th Street and to authorize the conveyance of such property for \$1,750 to Richmond Metropolitan Habitat for Humanity, Inc. for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-157 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 902 North 25th Street and to authorize the conveyance of such property for \$1,750 to Richmond Metropolitan Habitat for Humanity, Inc. for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-158 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 1517 North 35th Street and to authorize the conveyance of such property for \$1,750 to Richmond Metropolitan Habitat for Humanity, Inc. for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-159 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 2610 Houston Avenue and to authorize the conveyance of such

property for \$1,750 to Richmond Metropolitan Habitat for Humanity, Inc. for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-160 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 805 Chimborazo Boulevard and to authorize the conveyance of such property for \$1,750 to Richmond Metropolitan Habitat for Humanity, Inc. for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-161 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 1913 3rd Avenue and to authorize the conveyance of such property for \$1,750 to Richmond Metropolitan Habitat for Humanity, Inc. for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-162 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 1309 North 27th Street and to authorize the conveyance of such property for \$1,750 to Better Housing Coalition for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

ORD. 2016-163 - To declare that a public necessity exists and to authorize the Chief Administrative Officer or the designee thereof, for and on behalf of the City of Richmond, to acquire, at a tax delinquent judicial sale, the property located at 1313 North 27th Street and to authorize the conveyance of such property for \$1,750 to Better Housing Coalition for the purposes of eliminating blight and making such property available for redevelopment.

**Patron:** Mayor Jones

*Nicholas Feucht, project management analyst – Economic and Community Development, introduced ORDS. 2016-148, 2016-149, 2016-150, 2016-151, 2016-152, 2016-153, 2016-156, 2016-157, 2016-158, 2016-159, 2016-160, 2016-161, 2016-162 and 2016-163.*

*Chair Kathy Graziano inquired about the process used to determine the purchase prices of the properties.*

*Committee member Ellen Robertson asked for a follow-up progress report regarding the development of the properties in approximately one year.*

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

ORD. 2016-165 - To amend City Code § 26-873, concerning exemptions from certain license taxes, for the purpose of reflecting amendments to Va. Code § 58.1-3703.  
**Patron:** Mayor Jones

*Jim Duval, interim finance director, introduced ORD. 2016-165.*

ORD. 2016-166 - To amend City Code § 28-57, concerning disconnection of gas, water and wastewater service for nonpayment of service charges, for the purpose of reflecting amendments to Va. Code § 15.2-2119.  
**Patron:** Mayor Jones

*Mark McClain, customer service administrator – Department of Public Utilities, introduced ORD. 2016-166.*

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

ORD. 2016-164 - To amend Ord. No. 2015-57-83, adopted May 15, 2015, which adopted the Fiscal Year 2015-2016 Special Fund Budget, and to appropriate funds in the amount of \$20,000 to the Fiscal Year 2015-2016 Special Fund Budget by increasing the estimated revenues and the amount appropriated to the Department of Animal Care and Control's Pet License Collections special fund by \$20,000 for the purpose of funding expenditures allowed under Va. Code § 3.2-6534.  
**Patron:** Mayor Jones

*John Buturla, deputy chief administrative officer of operations, introduced ORD. 2016-164.*

*Alternate Committee member Charles Samuels asked for a summary of the expenditures.*

ORD. 2016-177 - To authorize the Chief Administrative Officer to accept funds in the amount of \$54,780 from the Virginia Department of Criminal Justice Services and to appropriate the increase to the Fiscal Year 2015-2016 Special Fund Budget by increasing estimated revenues and the amount appropriated to the Commonwealth Attorney's Office by \$54,780 for the purpose of purchasing operating supplies for the Victim Witness program.  
**Patron:** Mayor Jones

ORD. 2016-178 - To authorize the Chief Administrative Officer to accept funds in the amount of \$100,000 from the Virginia Department of Rail and Public Transportation; to transfer \$52,000 from the Fiscal Year 2015-2016 Department of Public Works' Parking Enterprise Fund Budget; to transfer \$5,000 from the Office of Community Wealth Building and \$10,000 from the Department of Economic and Community Development in the Fiscal Year 2015-2016 General Fund Budget; to amend the Fiscal Year 2015-2016 Special Fund Budget by creating a new special fund for the Department of Economic and Community Development called the Bus

Rapid Transit “Pulse” Project Business Support Initiative Special Fund; and to appropriate the grant funds received and matching funds transferred to the Fiscal Year 2015-2016 Special Fund Budget by increasing estimated revenues and the amount appropriated to the Department of Economic and Community Development’s Bus Rapid Transit “Pulse” Project Business Support Initiative Special Fund by \$167,000 for the purpose of providing funding for the business support initiative related to the construction of the Broad Street Bus Rapid Transit project.

**Patron:** Mayor Jones

*Amy Inman, senior administrator for multimodal transportation and strategic planning – Economic and Community Development, introduced ORD. 2016-178.*

*Alternate Committee member Charles Samuels requested that an itemized list of the amount allocated for each initiative implemented to mitigate the impact of Bus Rapid Transit construction to business owners, be distributed to Council.*

ORD. 2016-179 - To authorize the Chief Administrative Officer to accept funds in the amount of \$11,484 from the Virginia Department of Criminal Justice Services; to transfer \$1,276 in matching funds from the Fiscal Year 2015-2016 General Fund Budget, Department of Justice Services account; and to appropriate the total amount of \$12,760 to the Fiscal Year 2015-2016 Special Fund Budget by increasing estimated revenues and the amount appropriated to the Department of Justice Services by \$12,760 for the purpose of providing additional services for pre-disposition and post-disposition programs at the Juvenile Detention Center.

**Patron:** Mayor Jones

ORD. 2016-180 - To authorize the Chief Administrative Officer to accept funds in the amount of \$20,000.00 from the National Recreation and Park Association and to appropriate the increase to the Fiscal Year 2015-2016 Special Fund Budget by increasing estimated revenues and the amount appropriated to the Department of Parks, Recreation and Community Facilities by \$20,000.00 for the purpose of funding healthy eating and physical activity education initiatives through Department of Parks, Recreation and Community Facilities community centers in the city of Richmond.

**Patron:** Mayor Jones

*Barry Russell, deputy director II – Parks, Recreation and Community Facilities, introduced ORD. 2016-180.*

*Committee member Ellen Robertson asked about the types of meals, distribution locations, eligibility requirements and the department’s notification process for families eligible for the Summer Food Service Program (SFSP).*

*Isaac Adedokun, deputy director – Parks, Recreation and Community Facilities/Finance, stated that the program’s eligibility requirements were based on information received from the Department of Social Services and that information regarding the program was disseminated through a variety of sources throughout the city.*

*Mr. Russell stated that those interested in the program can contact the Department of Parks, Recreation and Community Facilities at 804-646-5733.*

**Committee member Ellen Robertson moved to forward the following paper to Council with no recommendation, which was seconded and approved ~ Vote 2/0.**

ORD. 2016-182 - 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 \$125,000 from the Department of Economic and Community Development agency and to appropriate \$125,000 to a new line item in the Non-Departmental agency for the purpose of making a grant pursuant to Va. Code § 15.2-953(B) to Southside Community Development and Housing Corporation to implement a YouthBuild USA project targeted to up to 32 eligible East End participants between the ages of 16 and 24.

**Patron:** Mayor Jones

*Douglas Dunlap, interim director – Economic and Community Development, introduced ORD. 2016-182 and stated that the project will help to position the city to become eligible to apply for future YouthBuild funding through the federal government.*

*Chair Kathy Graziano inquired about employment opportunities for participants of the program and requested an update, following the completion of the project.*

*Committee member Ellen Robertson asked Mr. Dunlap to provide City Council with the total anticipated YouthBuild funds and asked clarifying questions regarding the program. Ms. Robertson expressed concern regarding the execution of the program.*

*Mr. Dunlap agreed to provide City Council with the additional information on the service providers participating in the program.*

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

ORD. 2016-183 - To amend ch. 12, art. IV of the City Code, concerning fees for City services, by adding therein a new § 12-121, concerning fees for the use of the City's bicycle share system, and to amend Appendix A of the City Code by adding therein new fees for City Code § 12-121, for the purpose of establishing the fees to be charged for the use of the City's bicycle share system.

**Patron:** Mayor Jones

*Jakob Helmboldt, pedestrian bicycle and trails coordinator – Department of Public Works, introduced ORD. 2016-183 and explained that the Congestion Mitigation and Air Quality (CMAQ) Program has provided federal funding to the city to implement a public bike sharing system. Mr. Helmboldt stated that revenue from the system will be used for operational costs.*

*The committee asked questions regarding the fee schedule, operational costs and performance measures.*



*Committee member Ellen Robertson asked for an update on the performance of the system in approximately six months.*

**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. 2016-181 - To amend Ord. No. 2015-73-84, adopted May 15, 2015, which adopted the Fiscal Year 2015-2016 General Fund Budget and made appropriations pursuant thereto, by increasing estimated revenues from various taxes and other sources, transferring funds from various agencies and non-departmental programs and from the Fiscal Year 2014-2015 fund balance excess reflected as the Revenue Stabilization Fund and as unassigned fund balance in the City's accounting system, and appropriating such increase in estimated revenues and such transferred funds to various agencies and non-departmental programs.

**Patron:** Mayor Jones

*Jay Brown, director of budget and strategic planning, introduced ORD. 2016-181 and reported that the third quarter projections noted an overall net deficit and the proposed ordinance will adjust departmental appropriations to reflect the projected expenditures. Mr. Brown responded to questions regarding the proposed decrease in appropriations for non-departmental organizations.*

*Lenora Reid, deputy chief administrative officer – Finance, responded to questions regarding the request for funding from the city's revenue stabilization fund and unassigned fund balance. Ms. Reid stated that city administration hopes that additional funds will not be needed to address the current predicted deficit; however, the request for the additional funds has to be approved by June 30, 2016.*

*Alternate Committee member Charles Samuels asked about the usage of the remaining funds that were included in City Council's amended FY, 16 general fund budget and expressed concern that the request for use of the city's revenue stabilization fund and unassigned fund balance did not meet the policy guidelines. Mr. Samuels stated that he was not prepared to vote on the proposed legislation and that he wanted the committee to consider continuing ORD. 2016-181 to allow additional time for the review the request.*

*Chair Kathy Graziano asked about plans to replenish the city's revenue stabilization and unassigned fund balance.*

*Haskell Brown, deputy city attorney, explained that the city's revenue stabilization and unassigned fund balance policies were adopted by resolution; therefore, they not legally binding and did not require a legal opinion.*

*Alternate Committee member Samuels asked the committee to consider forwarding the proposed legislation to City Council with no recommendation and stated that city administration needs to provide supporting documentation to support the proposed request.*

*In response to a question by Committee member Ellen Robertson, Ms. Reid stated that the request for funds from the revenue stabilization and unassigned fund will be used for expenditures associated with an event that does meet usage policy's requirements.*

*Alternate Committee member Charles Samuels motioned to forward ORD. 2016-181 to City Council with no recommendation. The motion failed for lack of a second.*

*The Committee asked city administration to provide City Council with a recommendation from the city's financial advisor concerning the use of the revenue stabilization and contingency fund.*

**Alternate Committee member Charles Samuels moved to continue the following paper to the September 15<sup>th</sup> Finance and Economic Development Standing Committee meeting, which was seconded and approved ~ Vote 2/0.**

**RES. 2016-R045** - To request that, commencing Jul. 1, 2016, (i) the Chief Administrative Officer cause to be prepared and submitted to the Council and the Mayor a quarterly report that compares actual expenditures to adopted appropriations for each City agency and presents projected expenditures by each City agency for the remainder of the fiscal year and (ii) the Mayor introduce any ordinance to amend the City's budget and modify the amounts appropriated for City agencies following the end of the first, second, and third quarters of each fiscal year for the purpose of reconciling adopted appropriations with projected actual expenditures for City agencies no later than the first day of the second month following the end of each such quarter.

**Patrons:** Mr. Baliles and Mr. Agelasto

*Chair Kathy Graziano inquired about the purpose of the proposed legislation.*

*Councilor Jonathan Baliles arrived and was seated.*

*Councilor Jonathan Baliles introduced RES. 2016-R045 and reported that, customarily, budget amendments are introduced too late in the fiscal year for City Council to have meaningful input on their final dispositions and that the proposed request will alleviate such practice.*

*Jay Brown, director of budget and strategic planning, stated that city administration currently produces monthly and quarterly financial reports similar to those mentioned in the proposed request and that submitting budget amendments prior to the third quarter of the fiscal year will result in redundancy. Mr. Brown also stated that city administration was concerned that the proposed request creates unrealistic deadlines.*

*Anne Seward, financial consultant for the City of Richmond, stated that the proposed request could create unintended consequences; she stated that the ability for any locality to transfer funds between departments without approval from the legislative body will create a more seamless process. Ms. Seward stated that budget amendments should be requested only when needed.*

*Lenora Reid, deputy chief administrative officer – Finance, stated that city administration understands the need for transparency in local government but does not support the proposed request.*

*Alternate Committee member Charles Samuels stated that opposing the proposed request means opposing City Council's mandate by the state legislature to provide the oversight necessary to ensure that the city remains a good steward of its taxpayers' money.*

*Councilor Baliles stated that the intent of the proposed legislation was to create a platform in which Council and administration can work collectively concerning the affairs of the city. Councilor Baliles also stated that it would be helpful for City Council to have information regarding the city's revenues and expenditures, prior to its consideration of the budget. Mr. Baliles further stated that he was willing to continue RES. 2016-R045 to the September 15<sup>th</sup> Finance and Economic Development Standing Committee meeting.*

*Selena Cuffee-Glenn, chief administrative officer, stated that city administration is willing to work with Council on the affairs of the city.*

*Councilor Baliles stated that, prior to the committee's meeting in September, he would like to discuss the ability of the chief administrative officer to transfer funds between departments without Council approval and the preparation of a report that allows Council to be better informed of the city's budget prior to its consideration of the budget.*

## **Approval of Minutes**

The minutes from the Thursday, May 19, 2016 meeting at 3:00 p.m., were approved – Motioned by Committee member Ellen Robertson, and seconded – 2/0/.

## **Discussion Item(s)**

### **Washington Redskins/Bon Secours Pro Forma**

It was the consensus of the committee to continue the above item to its July 21<sup>st</sup> committee meeting.

## **Staff Report**

Meghan Brown, interim deputy council chief of staff, and Bill Echelberger, council budget analyst, provided the committee with the June staff report.

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

## **Adjournment**

There being no further business, the meeting adjourned at 5:33 p.m.