



City of Richmond

Minutes

Finance and Economic Development Standing Committee

Thursday, September 17, 2020

1:00 PM

Council Chamber, 2nd Floor – Virtual Meeting

Committee Members and Others in Attendance

The Honorable Kristen Larson – Vice Chair
The Honorable Ellen F. Robertson – Committee Member
The Honorable Stephanie Lynch – Alternate Member (late arrival)
Lawrence Anderson, Council Chief of Staff
Samson Anderson, Council Budget Analyst
Meghan Brown, Deputy Council Chief of Staff
Bill Echelberger, Council Budget Analyst
Candice Reid, City Clerk
Tabrica Rentz, Acting Deputy City Attorney
Dominique Thaxton, Assistant City Clerk
RJ Warren, Deputy City Clerk

Absent

The Honorable Michael Jones – Chair

Electronic Meeting Announcement

Assistant City Clerk Dominique J. Thaxton, in accordance with Ordinance No. 2020-093, adopted April 9, 2020, as amended by Ordinance No. 2020-183, adopted August 20, 2020, announced the meeting would be held through electronic communication means. Assistant City Clerk Thaxton stated notice of the meeting was provided to the public through a public information advisory issued on September 10, 2020, and through Legistar on the city website in accordance with usual practice. She also stated members of the public were encouraged to provide comments in writing prior to the meeting and all comments received prior to 10:00 a.m., on Thursday, September 17, 2020, were provided to committee members. Ms. Thaxton indicated that members of the public who signed up to speak and provide comment would be called to speak at the appropriate time.

Call to Order

Vice Chair Kristen Larson called the meeting to order at 1:04 p.m., and presided.

Citizen Speaker Guidelines

Upon the Vice Chair's request, Assistant City Clerk Dominique J. Thaxton provided citizen speaker guidelines.

Public Comment Period

There were no public comment speakers.

Approval of Minutes

There were no corrections or amendments to the meeting minutes of the Thursday, August 20, 2020 committee meeting, and the committee approved the minutes as presented.

Agenda Amendments

Member Ellen Robertson moved to amend the agenda as follows:

ORD. 2019-275

To amend ch. 6 of the City Code by adding therein a new art. XII (§§ 6-596-6-602) to establish a technology zone program in accordance with Va. Code § 58.1-3850, for the purpose of facilitating the development and location of technology businesses in the city of Richmond, capital investment, and job creation.

Patron: Mr. Addison

To be continued to the November 19, 2020 Finance and Economic Development Standing Committee meeting

ORD. 2019-276

To amend City Code §§ 26-872, concerning definitions related to license taxes, and 26-989, concerning licenses taxes for personal services businesses, and to amend ch. 26, art. XV, div. 2 of the City Code by adding therein a new section numbered 26-1003.1, concerning the license tax for technology businesses, for the purpose of creating a new business, profession, and occupation license category called “technology business” and imposing a new license tax on such businesses.

Patron: Mr. Addison

To be continued to the November 19, 2020 Finance and Economic Development Standing Committee meeting

The motion was seconded and approved: Ayes 2, Larson, Robertson. Lynch had not yet arrived.

Alternate Member Stephanie Lynch joined the meeting at 1:07 p.m.

Presentation

Procurement Overview

Betty Burrell, Department of Procurement Services director, presented the committee with an overview of the city's procurement process as outlined by City Code. Ms. Burrell stated that the mission of DPS is to create a customer focused, strategic and transparent manner of procuring goods. Ms. Burrell expressed that the diversity of suppliers and solicitations is taken into consideration. Ms. Burrell provided an overview of the bidding and requests for proposal evaluation process.

Vice Chair Kristen Larson inquired about the involvement of DPS in the procurement process for the Richmond School Board.

Ms. Burrell stated that the School Board has its own procurement department and the only recent involvement has been with procurement for the city's three new schools.

A copy of the material provided has been filed.

Papers for Consideration

The following ordinance was considered:

ORD. 2020-192

To amend and reordain certain fees set forth in Appendix A of the City Code for section 8-545 (concerning fees for the temporary use of Main Street Station) for the purpose of revising the schedule of fees for the temporary use of Main Street Station.

Patrons: Mayor Stoney

Lynne Lancaster, Department of Public Works deputy director of parking and mobility, provided an overview of ORD. 2020-192.

Alternate Member Stephanie Lynch inquired if the changes requested in ORD. 2020-192 would impact any reduced fee agreements set in place for certain organizations.

Ms. Lancaster informed the committee that the fee schedule would be standard for all users.

Member Ellen Robertson inquired about the difference between the current fee schedule and the fee schedule proposed in ORD. 2020-192.

Ms. Lancaster expressed that the proposed fee changes would eliminate the current tier rental system and incorporate a new package deal price that allows renters to use all available rooms.

Crystal Lowery, Department of Public Works programs and operations manager, expressed that the key objective of the new fee schedule is to streamline pricing to stay competitive with other venues in the city.

Vice Chair Kristen Larson inquired how the Main Street Station's loss of revenue will impact the budget and revenue projections for Fiscal Year 2020-2021.

Ms. Lancaster stated that the Main Street Station funds are budgeted separately from the General Fund. Ms. Lancaster stated that despite a revenue loss due to pandemic restrictions, there has been a recent increase in event reservations for Main Street Station.

John Wack, Department of Finance director, stated that the Department of Finance does not provide fund projections for Main Street Station.

Alternate Member Lynch inquired about the current budget allocations for Main Street Station.

Ms. Lancaster provided the budget allocation amount and expanded that the projected allocations are set to decrease annually as Main Street Station increases venue marketing.

There were no further comments or discussions and Member Robertson moved to forward ORD. 2020-192 to Council with the recommendation to approve, which was seconded and unanimously approved.

The following resolution was considered:

RES. 2020-R053

To request that the Mayor propose, for the Fiscal Year 2021-2022 and for every fiscal year thereafter, a budget that includes funding in the amount of at least \$10,000,000.00 for the Affordable Housing Trust Fund.

Patron: Ms. Robertson

Member Ellen Robertson provided an overview of RES. 2020-R053.

Alternate Member Stephanie Lynch expressed support for RES. 2020-R053 and requested to be

added as a co-patron.

Vice Chair Kristen Larson inquired about the fund sourcing of RES. 2020-R053. She expressed concern with the amount of funds requested in RES. 2020-R053 during a time of economic uncertainty.

Member Robertson stated that RES. 2020-R053 does not identify a specific source of funds but instead requests the administration to identify potential funding source options for consideration. Member Robertson stated that the amount requested is the minimum amount needed to address the affordable housing crisis in the city.

Alternate Member Lynch addressed the cooperative benefits of providing affordable housing and stated that it would offer many city residents the ability to spend more money on entertainment and leisure in the city, thus generating more tax revenue. Alternate Member Lynch also stated that it would benefit both citizens and the city's economy.

Vice Chair Larson asked if there is a report available that provides an overview of the Affordable Housing Trust Fund and where the funds requested in RES. 2020-R053 would be allocated.

Member Robertson stated that there is such a financial report available and that she would request staff to provide the report to the full body of Council. Member Robertson further stated that the administration will be bringing forth a housing policy plan in October. She also stated that by not providing affordable housing options in the city, many city employees are opting to find residence in the surrounding counties, and that the reduction in the city's population is reflective in the steepened loss of revenue to surrounding localities.

Vice Chair Larson expressed concern for the state of affordable housing in the city but stated that she would like to receive additional information on RES. 2020-R053 before moving forward with a budget commitment.

There were no further comments or discussions and Member Robertson moved to forward RES. 2020-R053 to Council with the recommendation to approve, which was seconded and approved: Ayes 2, Robertson, Lynch. Noes None. Abstentions 1, Larson.

The following resolution was considered:

RES. 2020-R054

To request that the Mayor make such recommendations for budget amendments for Fiscal Year 2021 or otherwise propose an annual budget for Fiscal Year 2022 that would achieve pay parity between the employees of the City of Richmond's Office of the Public Defender and the City of Richmond's Commonwealth's Attorney's Office.

Patrons: Ms. Lynch

Alternate Member Stephanie Lynch provided an overview of RES. 2020-R054.

Member Ellen Robertson asked if RES. 2020-R054 is requesting the city to supplement the current employee salaries of the Office of the Public Defender. Member Robertson expressed support for RES. 2020-R054 and requested to be added as a co-patron. Ms. Robertson also asked if the Finance and Economic Development Standing Committee can begin having detailed conversations about the budget review process.

Alternate Member Lynch stated that the mayor supports RES. 2020-R054 and that the budget allocation does not have to go exclusively towards salaries of the Office of the Public Defender.

Vice Chair Kristen Larson stated the importance of RES. 2020-R054 but underscored that current economic uncertainty remains a concern. Vice Chair Larson also stated that she would not support the removal of funds from the Commonwealth's Attorney's Office in order to facilitate funding equity with the

There were no further comments or discussions and Member Robertson moved to forward RES. 2020-R054 to Council with the recommendation to approve, which was seconded and unanimously approved.

Discussion Item

Fund Balance Report

John Wack, Department of Finance director, provided the committee with an overview of the unaudited General Fund Balance Report.

Member Ellen Robertson inquired if the recommendations for the appropriation of the surplus funds noted in the Fund Balance Report would be coming before Council.

Mr. Wack confirmed that the recommendations for the appropriation of the funds noted in the Fund Balance Report must come before Council by way of legislation.

Meghan Brown, deputy council chief of staff, outlined the timeline for Council to submit recommendations for the funds listed in the Fund Balance Report. Ms. Brown informed the committee of previous initiatives that Council approved regarding funding requests.

Mr. Wack further explained that the report reflects such a large surplus because the revenue projections were based on information from June 30, 2020, and that the revenue ended up significantly higher than projected. Mr. Wack stated that the figures in the report are subject to change pending the full audit review.

A copy of the material provided has been filed.

Staff Report

Bill Echelberger, council budget analyst, provided the committee with the September staff report.

A copy of the material provided has been filed.

Adjournment

There being no further business, the meeting adjourned at 2:37 p.m.