



CITY OF FREDERICKSBURG, VIRGINIA
CITY COUNCIL

MINUTES

Council Chambers, 715 Princess Anne Street
Fredericksburg, Virginia 22401

HON. MARY KATHERINE GREENLAW, MAYOR
HON. WILLIAM C. WITHERS, JR., VICE -MAYOR, WARD TWO
HON. KERRY P. DEVINE, AT-LARGE
HON. MATTHEW J. KELLY, AT-LARGE
HON. BRADFORD C. ELLIS, WARD ONE
HON. DR. TIMOTHY P. DUFFY, WARD THREE
HON. CHARLIE L. FRYE, JR., WARD FOUR

April 12, 2016

The Council of the City of Fredericksburg, Virginia, held a public hearing on Tuesday, April 12, 2016, beginning at 8:02 p.m. in the Council Chambers of City Hall.

City Council Present. Mayor Mary Katherine Greenlaw, Vice-Mayor William C. Withers, Jr. and Council members Kerry P. Devine, Dr. Timothy P. Duffy, Bradford C. Ellis, Charlie L. Frye, Jr. and Matthew J. Kelly.

Also Present. City Manager Beverly R. Cameron, Assistant City Manager Mark W. Whitley, City Attorney Kathleen Dooley, Assistant Economic Development Director Bill Freehling, Planning Services Director Charles Johnston, Zoning Administrator Michael Craig, Budget Manager Deidre Jett, and Clerk of Council Tonya B. Lacey.

Notice of Public Hearings (D16-139 thru D16-140). The Clerk read the notice of the public hearings as they appeared in the local newspaper, the purpose being to solicit citizen input.

Designating the Block Located Between William, Douglas, Amelia, and Winchester Streets (GPIN#7789-04-0822) As the “Liberty Place Development Project Area” and Adopting Tax Increment Financing in this Area (D16-139 thru D16-140). – 7 speakers. Councilor Kelly

made a motion to defer the public hearing because he thought it was premature to hold a public hearing before the change of design that would be heard at the Planning Commission level. The motion failed due to the lack of a second and Mayor Greenlaw explained that because the public hearing had be advertised it would be inappropriate not to hold the public hearing.

Staff gave a brief PowerPoint presentation and the presentation covered the project background, the proposal, the tax revenue, the proposal in numbers, why the incentives were needed and a summary. (See D16-140 for more information).

Charlie Payne, attorney representing the applicant, Hirschler Fleischer, 725 Jackson Street, stated that this project had been in the planning stages with the City about 3 years and it was consistent with the City's long term planning as well as the Comprehensive Plan regarding mixed use developments downtown. The project will be located in an area that was currently being revitalized. There are many developers who want to develop in the downtown and there are many businesses that would like to move to the downtown as well as restaurants and retail. Mr. Payne said the project included parking and it would help with the parking crunch. Liberty Place would be a \$46M investment in the City by the Wack's, who are long term investors in the City and they have experience in this type of construction projects and their success rate was very high. He said this model was ideal for this area and would revitalized surrounding properties.

Councilor Ellis asked what the applicant would be willing to do to improve upon their aesthetics because the look was completely different from the Generalized Development Plan (GDP) that was originally submitted. Mr. Payne explained that with a project of this size things change until you begin the detailed engineering and

architectural work. He said it was important to note that what was driving the redesign was the new public parking requirements. He noted that they had reduced the residential and restaurant space and increased the commercial retail/office space.

Councilor Frye asked that everyone keep in mind that this was historic Fredericksburg and he would like to see some of the historic character in the building. Attorney Payne noted that this project was not in the historic district and the area had a lot of new development but they would keep that in mind.

Mayor Greenlaw reminded Council and the public that the public hearing was on the TIF and not on the GDP.

Councilor Devine said she would like to hold the public hearing open until after the Planning Commission has met because she was having trouble incentivizing the project because the look was vastly different from what was initially presented. She said she did not disagree with the benefits of the project such as the commercial space, the parking and the residents' downtown. She said all the components were great but the look was a concern.

City Attorney Dooley explained that the public hearing was on the tax increment financing (TIF) for the development and the project was a part of the question. She explained that there was a public hearing requirement and the notice for the TIF had to be run three weeks in a row and the revision occurred after the public hearing process had started and that was the reason for the give in the schedule and why the public hearing was being heard before the Planning Commission heard the changes. She suggested Council hold the public hearing and decide whether to close it or keep it open until after the Planning Commission meeting.

Councilor Ellis said he was a fan of the TIF. He said using TIF's was a good way to finance a project because there was no risk of capital on the City's part. He also explained that this project was equivalent to a 1½ cent tax rate increase and raising taxes was not something the City wanted to do. He said the developing of property was a perfect way to generate revenue in order to prevent raising the taxes.

Councilor Kelly strongly urged that the public hearing be held open until after the Planning Commission has its meeting on the remainder of the project.

Attorney Payne reminded everyone that this was not a new project it had been around for a few years. He said they needed to work around the new design. He noted that timing was important and the longer the project takes the more it hinders the project.

Councilor Duffy asked if the 30,000 square feet of office space was all Class A and Mr. Tom Wack explained that the bottom floor was all open and could be programed as either retail or office.

Terri McNally, 514 Charlotte Street, spoke in support of the TIF for the Liberty Place Development.

Mo Deadman, 214 Princess Anne Street, expressed concern with the TIF program but understood that the project would generate a lot of money but said it would also generate additional things that the taxes would have to pay for.

Ryguy Mau Muhammed, 1112 Caroline Street, he said there were other ways to increase revenue other than raising taxes. He said there were several areas that were named after the royals and he noted that nothing was named for Princess Diana and he said he would like to see some portion of this building dedicated to her and he believed that would attract investments to the project.

Matt Muggeridge, 609 Pitt Street, asked what the projected amount of the incentives would be for the project and whether other projects had been incentivized this way.

Richard Dynes, 818 Weedon Street, spoke on process and stated that this should have gone to the Planning Commission first then to City Council. He said Council needed to be involved with the development details from the start and they should not try to resolve them in the end. He was in support of the project, but suggested engaging the developers before they start their process with the engineer and the architect. He said the project was needed in the City because the City would receive about \$700,000 in revenue from the project. Mr. Dynes added that the Council should have addressed the concerns with the look of the building earlier in the process. He said the project had changed enough that it should be reviewed by the Planning Commission before Council decided to make any decisions on the TIF.

Tom Onley, 601 Amelia Street, stated that he was in favor of the project even though it was right across the street from where he resides but he was not in favor of the TIF until he knew exactly what the project consisted of. He suggested Council slow down and make sure they knew what the project would be.

Council agreed and Mayor Greenlaw announced that he public hearing would be held open until the April 26 meeting.

Councilor Kelly noted that using the TIF in this manner was new and the City had been offered to use a TIF district to finance a performing arts facility and for building a riverfront park but the City decided against them. He said TIF's are usually used support for infrastructures that are primarily used for the public. He said this was the fourth

mixed used project that the Council had looked at and the others did not request anything. He said there were much better places for large projects like this, and downtown was not it. He feels the big developments were degrading the downtown. He express is concern that the office space was now an open floor plan and not Class A office. He said convincing people to come down to the City was going to be difficult when there was an overabundance of Class A office space up north that was sitting vacant. Councilor Kelly said incentives were good if they were bringing something unique to the City.

Councilor Ellis stated that this was an ideal location for a mixed use project, he said \$2 million in incentives would be going to the developer but \$6.6 million would be coming to the City. He said there was an overabundance of Class A office space in Northern Virginia sitting vacant because there was too much of it but in the City's case there was not enough of this kind of space. Finally, he said this project would bring parking and Council said any future projects needed to have parking.

Mayor Greenlaw noted that the City had already made all the approvals on this project and the approval were made because it was a true mixed use project. It was a good example of a developer and the City working together to help solve parking problems. She said Fredericksburg was the definition a mixed use project and this was a great project to incentive using a TIF.

Councilor Duffy noted that while the project was quite old the issue of the TIF and the look of the project was not.

Adjournment. There being no speakers to come before the Council at this time. Mayor Greenlaw Declared the hearing officially adjourned at 9:04 p.m.

Tonya B. Lacey
Tonya B. Lacey, Clerk of Council, CMC

Mary Katherine Greenlaw
Mary Katherine Greenlaw, Mayor

APPROVED

04-26-16

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April 12, 2016

The Council of the City of Fredericksburg, Virginia, held a regular session on Tuesday, April 12, 2016, beginning at 7:30 p.m. in the Council Chambers of City Hall.

City Council Present. Mayor Mary Katherine Greenlaw, Vice-Mayor William C. Withers, Jr. and Council members Kerry P. Devine, Dr. Timothy P. Duffy, Bradford C. Ellis, Charlie L. Frye, Jr. and Matthew J. Kelly.

Also Present. City Manager Beverly R. Cameron, Assistant City Manager Mark W. Whitley, City Attorney Kathleen Dooley, Assistant Economic Development Director Bill Freehling, Planning Services Director Charles Johnston, Zoning Administrator Michael Craig, Budget Manager Deidre Jett, and Clerk of Council Tonya B. Lacey.

Opening Prayer and Pledge of Allegiance. Council was led in prayer by Councilor Matthew J. Kelly followed by the Pledge of Allegiance led by Mayor Mary Katherine Greenlaw.

Officer Recognized. Mayor Greenlaw recognized the presence of Officer Stuart Butterfield at this evening's meeting.

Historic Garden Day Proclamation (D16-138). – Mayor Greenlaw presented the Historic Garden day proclamation to Ms. Ann Reamy proclaiming April 26,

2016 as Historic Garden Day in Fredericksburg and she asked the community to extend its highest praise and commendation to the Rappahannock Valley Garden Club and the Garden Club of Virginia for their service to our communities.

CSX Tanker Cars Update – Randy Marcus, CSX Regional Vice-President thanked the Council and the community for their patience. He said he's only been on the job for seven months. He said they had taken positive steps to mitigate the issue with the trains such a building a privacy fence and planting bushes but the issue was the side track that they agreed to build. They were looking for ways to completely remove the Transflo facility outside of the City to better serve the customers. They have also allocated \$414,000 of their own to put with the \$900,000 allocated by the State for the side track.

The project timeline was as follows: last week CSX submitted to the State planning, design, budget and schematics so they could draft a project agreement within the next 30-45 days. This will allow CSX to secure contractors to build the sidetrack. The construction should begin the first part of the third quarter (July) and be completed by January 2017. There will be instances when the tankers would be seen on the tracks after this work and that should only occur after they have been to Transflo and have been emptied and are waiting to go to Richmond.

Councilor Kelly thanked Mr. Marcus and Councilor Frye for working on this but he wanted to address another safety issue with the railroad bridges at the station. It is known that the drainage system has failed and they continue to leaks causing pieces of the bridge to fall and he said he would like to have discussions to alleviate the problem. Mr. Marcus said he would be happy to discuss and to get with the people who work on the bridges.

Councilor Frye said he appreciated the efforts although he was not happy with results thus far.

Councilor Frye showed several pictures of the tankers sitting on the track along Blue and Grey Parkway, Railroad Avenue, Railroad Avenue and CSX Office area and the Transflo facility showing where the tankers were gated up. He expressed his concern with the tankers and stated that if the tankers were to explode it would affect Fredericksburg as well as Spotsylvania and Stafford Counties. Mr. Marcus assured that the materials were transported in safety approved tanks and that everything was done within federal regulations. Councilor Frye clarified that the track would take the tankers away from the homes.

Councilor Duffy agreed this was not at Mayfield problem but a citywide problem and he would like to see it taken care of.

Councilor Kelly noted that with the VRE extending the trains it would require the platforms to be extended and he would like to see it extended across Princess Anne so riders can exit the platform on the other side of Princess Anne Street. Mr. Marcus said there was a team of people that work directly with VRE and he would pass the message on to them.

Council Agenda Presented. The following items were presented to Council.

7A. Appointment of City Manager – Mayor Greenlaw

7B. Captain John Smith Voyage of 1608 Memorial Marker – Mayor Greenlaw

7C. Proclamation for National Letter Carriers Day Food Drive – Councilor Ellis

7D. Hazel Hill Update – Council Frye

Appointment of City Manager – Mayor Greenlaw announced that the Council had selected Timothy J. Baroody as the next City Manager. He is currently serving as a Deputy County Administrator for Stafford County. In this position he has served as Director of Economic Development as well as Tourism, Parks Recreation, Community Facilities, Legislative Affairs, Information Technology and Base Relations.

Mayor Greenlaw said there was an excellent pool of candidates, 53 total and they interviewed 6 and narrowed it down to two candidates. She asked that Council vote to officially appoint Mr. Baroody and approve his contract.

Vice-Mayor Withers made a motion to hire Mr. Baroody and approve his contract effective June 27, 2016; motion was seconded by Councilor Devine.

Councilor Devine noted that all 53 of the applicants and especially the 6 they interviewed were highly complementary of the City and she thought that was a nice mirror on the City. She said they were all excited about Mr. Baroody coming on board but also sad to see Mr. Cameron go.

Vice-Mayor Withers added that he hoped the citizens understood the great financial position the City was in and it was all due to Mr. Cameron when he started as an Assistant City Manager. He said the City was lucky to have such a good person as Mr. Cameron.

Mayor Greenlaw added that all the applicants were appreciative that the City was in good financial position and she said they were all excited for Mr. Baroody to come because he had a great heart for the community.

The motion passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Withers, Devine, Duffy, Ellis, Frye and Kelly. Nays (0).

Captain John Smith Voyage of 1608 Memorial Marker (D16-141).

– Mayor Greenlaw explained that the Chesapeake Conservancy asked for approval to place a small monument marking the 1608 voyage of Captain John Smith up the Rappahannock River to the Fredericksburg Area. The monument would be a granite plinth 6 inches square and stands about one foot high. The monument is proposed to be located on the City’s property near the site of the former Embrey Dam. The monument will be one of two that the Conservancy plans for the area. There will be a companion monument placed at Belmont. The group hopes to erect markers at 24 places along the Chesapeake Bay and its tributaries.

Councilor Devine moved approval to allow the Chesapeake Conservancy to place a memorial made of granite plinth 6 inches square and stands about one foot high to be located near the former Embrey Dam site; motion was seconded by Councilor Duffy and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Withers, Devine, Duffy, Ellis, Frye and Kelly. Nays (0).

Proclamation for National Letter Carriers Day Food Drive –

Councilor Ellis requested a proclamation be prepared again for the Food Drive and he would like to have that presented at the May 10 kickoff event at the Food Lion that is donating the bags for the event at 10:00 a.m. Mayor Greenlaw said she would work it out with Councilor Ellis.

Hazel Hill Update – Council Frye noted that gas service had been restored to fifty percent of the units. There are still a few that do not have a gas line connection but they had alternate propane for their hot water and space heaters for heat. He said he would

continue to follow-up until all work was completed because it is unacceptable for anyone to live like this.

Public Hearings Conducted (D16-139 thru D16-140). The regular session was recessed in order to conduct the scheduled public hearings and immediately reconvened upon their conclusion.

Citizen Comment. The following speakers participated in the citizen comment portion of this evening's meeting.

Jesse Johnson, 1412 Parcel Street, spoke in regards to the CSX Tanker cars. He said this had been a contentious issue for years. There had been \$1 million allocated when Senator Houck was in office and that money was not spent and Senator Reeves carried forward those efforts and now Councilor Frye and nothing has changed. The CSX representative was now promising the project completion by January 2017. He asked the Council if they understood environmental racism. It is the placement of low income or minority communities in proximity of environmentally hazardous or degraded environments such as toxic waste, pollution or urban decay. He expressed his concerns that the toxic tanks were stored near the Mayfield community. He asked what the Council was going to do if CSX did nothing to fix this issue.

Bob Straight, Virginia Organizing, 5 South Pointe Lane, 22405, spoke in regards to the tankers. He said it was encouraging to hear CSX's plans to remove the tankers. He said these were toxic materials and if there was an accident it would cause significant impact on the residents in Mayfield and in the Fredericksburg area.

City Manager's Consent Agenda Accepted for Transmittal as Recommended (D16-142 thru D16-148). Following review and as recommended

Councilor Kelly moved approval of the City Manager's consent agenda items; motion was seconded by Councilor Ellis and passed by the following recorded votes. Ayes (7).

Councilors Greenlaw, Withers, Devine, Duffy, Ellis, Frye and Kelly. Nays (0).

- Ordinance 16-12, Second Read, Amending the Procurement Ordinance to Increase the City Manager's Small Purchase Authority from \$30,000 to \$100,000 and Require Three Quotes for Purchases of Goods over \$5,000 (D16-142).
- Ordinance 16-13, Second Read, Granting a Fifteen-Year Non-Exclusive License to Extenet Systems (Virginia) LLC to Install, Maintain, and Use Telecommunications Cable and Equipment in City Rights-of-Way (D16-143).
- Resolution 16-26, Second Read, Amending the Fiscal Year 2016 City Grants Fund Budget by Appropriating \$145,000 Based on a 2015 Homeland Security Grant for the Purchase of a Vehicle and Equipment for the City's Hazardous Materials Response Team (D16-144).
- Resolution 16-30, Approving FRED Transit's Revised Fiscal Year 2016-2018 Title VI Plan and Procedures and Endorsing FRED's Fiscal Year 2016 Disadvantaged Business Enterprise Utilization Goal (D16-145).
- Resolution 16-31, Authorizing the City Manager to Execute a License with InSite Towers Development ,LLC for Public Safety Radio Communications Equipment (D16-146).
- Transmittal of Boards and Commission Minutes
 - Board of Social Services – December 10, 2015 (D16-147).

- Recreation Commission – February 18, 2016 (D16-148).

Adoption of Minutes (D16-149 thru D16-150). Councilor Ellis moved approval of the March 8 & 22, 2016 Work Sessions and the March 22, 2016 Regular Session minutes; motion was seconded by Councilor Devine and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Withers, Devine, Duffy, Ellis, Frye, and Kelly. Nays (0).

Resolution 16-32, Renewing the Animal Shelter Agreement with Spotsylvania County (D16-151). After a brief staff presentation Councilor Kelly moved to approve Resolution 16-32, renewing the Animal Shelter Agreement with Spotsylvania County; motion was seconded by Vice-Mayor Withers and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Withers, Devine, Duffy, Ellis, Frye, and Kelly. Nays (0).

Resolution 16-33, Authorizing the Use of \$483,524 in Motor Fuels Taxes for the Virginia Railway Express and \$31,600 for the Potomac and Rappahannock Transportation Commission for Fiscal Year 2017 (D16-152). After staff presentation Councilor Kelly moved to approve Resolution 16-33, authorizing the use of \$483,524 in Motor Fuels Taxes for the Virginia Railway Express and \$31,600 for the Potomac and Rappahannock Transportation Commission for fiscal year 2017; motion was seconded by Vice-Mayor Withers and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Withers, Devine, Duffy, Ellis, Frye and Kelly. Nays (0).

Resolution 16-34, Amending the Fiscal Year 2016 City Grants Fund Budget by Appropriating \$51,600 for Renovations at Old Mill Park and a Fire and EMS Training (D16-153). After a brief staff summary Councilor Devine moved to approve Resolution 16-34, amending the fiscal year 2016 City Grants Fund budget by appropriating \$51,600 for renovations at Old Mill Park and a Fire and EMS Training; motion was seconded by Councilor Kelly and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Withers, Devine, Duffy, Ellis, Frye and Kelly. Nays (0).

Resolution 16-35, Setting the Personal Property Tax Relief Percentage for the 2016 Billing in Accordance with the Changes to the Personal Property Tax Relief Act of 1998 (D16-154). After a summary from staff Councilor Devine moved to approve Resolution 16-35, setting the personal property tax relief percentage for the 2016 billing in accordance with the changes to the Personal Property Tax Relief Act of 1998; motion was seconded by Vice-Mayor Withers and passed by the following recorded votes. Ayes (7). Councilors Greenlaw, Withers, Devine, Duffy, Ellis, Frye and Kelly.

City Manager's Report and Council Calendar (D16-155 thru D16-156). City Manager Cameron asked if there were any questions regarding the Manager's report or the Council Calendar. Activities highlighted on the report were as follows: Earth Day, Historic Garden Week Tour April 26, Arbor Day Celebration, Spring Cleanup Week April 11-15, Parking Promotion Continues in April Near 'Restaurant Row', Department of Social Services Recognizes Child Abuse Prevention Month for April, EDA Transfers

Properties to the City, Adding to the Downtown Parking Supply, Detective Reyes Recognized as 2015 Officer of the Year by Elks Lodge, Police Officers Enlist 3rd Graders from LUES in their Search for Leprechauns and Doggie Egg Hunt.

City Manager Cameron also noted that due to the efforts of Congressman Rob Wittman, Fire Chief Eddie Allen and Deputy Emergency Management Coordinator Victor T. Podbielski the City was going to receive FEMA assistance after it had been left off.

Adjournment. There being no further business to come before the Council at this time, Mayor Greenlaw Declared the meeting officially adjourned at 9:20 p.m.

Mary Katherine Greenlaw
Mary Katherine Greenlaw, Mayor

APPROVED

04-26-16

Tonya B. Lacey
Tonya B. Lacey, Clerk of Council, CMC