

March 27, 2012

MINUTES OF THE CITY COUNCIL MEETING HELD MARCH 27, 2012

A Special Meeting and Work Session of the City Council of the City of Hopewell, Virginia, was held Monday, March 27, 2012, at 6:30 PM in the City Council Chambers, Municipal Building, 300 North Main Street, Hopewell, Virginia.

PRESENT: Christina J. Luman-Bailey, Mayor
 K. Wayne Walton, Vice Mayor
 Michael Bujakowski, Councilor
 Gerald S. Stokes, Councilor
 Brenda Pelham, Councilor
 Jackie Shornak, Councilor

Edwin C. Daley, City Manager
Thomas E. Lacheney, City Attorney
Ann M. Romano, City Clerk

OPEN AND WELCOME TO VISITORS

Mayor Luman-Bailey opened the meeting at 6:30 PM. Roll call was taken:

Mayor Luman-Bailey	-	present
Vice Mayor Walton	-	present
Councilor Bujakowski	-	present
Councilor Stokes	-	present
Councilor Pelham	-	present
Councilor Shornak	-	present

CLOSED SESSION

The City Attorney, Tom Lacheney, reminded Council to add Appointments to Boards and Commissions (Ward #2 Council vacancy) to the Closed Session.

Motion was made by Councilor Pelham, seconded by Vice Mayor Walton, and unanimously agreed to convene into Closed Session to discuss a Personnel matter (with the City Attorney) and to discuss a personnel matter with the City Manager pursuant to §2.2-3711 (A)(1) of the Code of Virginia. To discuss legal matters concerning the steps taken by the Commonwealth's Attorney to amend all I-295 traffic cases to be processed under state law instead of the local code pursuant to §2.2-3711 (A)(7). To discuss potential litigation with Virginia American Water Company with respect to the requested rate increase pursuant to §2.2-3711(A)(7). To discuss Appointments to Boards and Commissions (City Council Ward #2 vacancy) in accordance with Virginia Code 2.2-3711 (A)(1).

OPEN SESSION

At 7:30 PM Council convened into Open Session. Councilors responded to the question: "Were the only matters discussed in the Closed Meeting public business matters lawfully exempted from open meeting requirements; and public business matters identified in the motion to convene into Closed Session?" Upon the roll call, the vote resulted:

Mayor Luman-Bailey	-	yes
Councilor Bujakowski	-	yes
Councilor Stokes	-	yes

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Vice Mayor Walton	-	yes
Councilor Pelham	-	yes
Councilor Shornak	-	yes

SPECIAL MEETING

REAL ESTATE TAX ASSESSMENT LITIGATION BETWEEN THE CITY AND JOHN RANDOLPH MEDICAL CENTER

Motion was made by Vice Mayor Walton, seconded by Councilor Shornak, and unanimously passed to authorize the City Attorney to engage expert witnesses in the maximum dollar amount of \$50,000.00 with respect to the real estate tax assessment litigation between the city and John Randolph Medical Center.

APPOINTMENT OF CITY COUNCIL WARD #2 POSITION

Vice Mayor Walton tried to make a motion but was told that Councilor Bujakowski was first.

Motion was made by Councilor Bujakowski and seconded by Councilor Stokes to postpone the appointment to the current vacancy in the Ward #2 City Council seat.

DISCUSSION:

Vice Mayor Walton stated that Council is well-known for not making decisions. There have been many 4/3 votes. The City deserves Council to make a decision of this kind. The person who is put in that position will be making decisions with Council for about nine months. He would have preferred Julia Allen.

Councilor Shornak submitted into the record a copy of a letter written by Rev. Curtis Harris dated March 12, 2012 to the Councilors of the City of Hopewell:

“March 12, 2012

*Hopewell City Council
Hopewell, Virginia 23860*

To the Councilors of the City of Hopewell:

On Thursday, March 1, 2012, I vacated my position as representative of Ward 2 of t his city. However, I have not vacated my Ward nor my concern for the well being of my Ward, and the entire city.

Therefore, I come now to recommend for consideration for appointment to the vacant Ward 2 position Mrs. Julia Allen – a long time resident of Ward 2, and a supporter of mine for over 26 years.

Mrs. Allen is known in her Ward, as well as all over the city, as a person who works to get things done. She is a family person who has lived in this city all of her life, and who is now prepared to serve the citizens of Ward 2, and the city of Hopewell as a representative on the city council in Hopewell.

*Sincerely,
/s/Curtis W. Harris, Sr.”*

Councilor Shornak also submitted a prepared statement:

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*"Personally, I'm very disappointed in the City Council's decision not to appoint a candidate to replace Rev. Harris in Ward 2. I'm even more disappointed and distraught that the decision was made **not** to honor his recommendation. Last Wednesday, City Council met and interviewed 6 applicants. In my opinion, there were several qualified applicants in which a decision could have been made but to dismiss t his process is an injustice to Rev. Harris and Ward 2.*

Rev. Harris was on this Council for over 25 years and to reject his request is a step back in time for him, Ward 2 and the City of Hopewell. It was my intention to honor his many years of service by respecting his wishes. He, of all people, knows his Ward better than any. He and Ward 2 deserves better. I apologize to Ward 2 and to Rev. Harris for not having been afforded the opportunity in naming his successor.

The outcome is now out of my hands, but rest assured, that come November, it will be in the hands of t he voters in Ward 2. That will be your time to choose the best candidate to follow in the footsteps of a man who deserves our utmost respect."

Councilor Pelham acknowledged that Ms. Allen is a top candidate for more than one reason. But this decision should be made by the Circuit Court Judge. Council did not have four strong votes for any one candidate.

Upon the roll call on the **motion** to postpone the appointment to the current vacancy in the Ward #2 City Council seat, the vote resulted:

Mayor Luman-Bailey	-	yes
Councilor Bujakowski	-	yes
Councilor Stokes	-	yes
Vice Mayor Walton	-	NO
Councilor Pelham	-	yes
Councilor Shornak	-	NO

The motion passed 4 yes/2 no.

AMEND AGENDA

Motion was made by Councilor Pelham, seconded by Councilor Stokes, and unanimously passed to amend the agenda to present a proclamation to LaDerek T. Green and his family.

Mayor Luman-Bailey presented a Proclamation to LaDerek Green, his wife Viktoria and daughter Destiny.

PROCLAMATION

WHEREAS, First Sergeant (1SG) LaDerek T. Green is a member of the Ancient Order of Saint Christopher, an organization that inducts only the top one percent of Soldiers in the transportation career field, a member of the Ordnance Order of Samuel Sharpe that inducts the top one percent of Soldiers that contributed significantly to the Ordnance Corps, a member of the prestigious Sergeant Audie Murphy Club, an elite organization of noncommissioned officers who have demonstrated performance and inherent leadership qualities and abilities and a demonstrated Master Logistician; and

WHEREAS, while serving as 1SG on Fort Lee, 1SG Green created a working environment that encouraged initiative and innovative thinking. This climate coupled with 1SG Green's guidance enabled his organization to reach new levels of support for organizational members and their families. He was personally responsible for establishing a Family Readiness Group that raised more than \$10,000, which

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was utilized to execute more than 20 events for families promoting esprit de corps throughout his organization and the surrounding community with resounding success with events being featured in the installation and local community media outlets. 1SG Green and his family's efforts resulted in his wife Viktoria receiving accolades from Fort Lee's Commanding General for her performance while serving as Family Readiness Group Leader for a Corps level organization consisting of over 900 Soldiers and Civilians, his receiving the Army's Military Outstanding Volunteer Award, and his daughter Destiny receiving the Presidential Volunteer Award; and

WHEREAS, he embedded himself into the Hopewell Community with his wife, Viktoria, and daughter Destiny, who continue to volunteer and has provided Ward #6 with manual labor helping senior citizens upkeep their homes, and his family donated infant furniture and age appropriate toys to seven young families in our City, as well as his faithful service on the Hopewell Transportation Safety Board; and

WHEREAS, he was directly responsible for the development of a strategic operational plan for Hopewell Action Committee that leveraged social networking and information technology resulting in not only the growth of his committee by 75% but ultimately the Hopewell Action Committee receiving the coveted Committee of the Year Award in the 31 thousand voter category for the state of Virginia.

NOW, THEREFORE, LET IT BE PROCLAIMED, that I, Christina J. Luman-Bailey, Mayor of the City of Hopewell, Virginia, on behalf of the City Council and the citizens of our fair City, hereby proclaim heartfelt thanks and gratitude to

LaDerek T. Green

for his commitment and dedication to his adopted City while serving as First Sergeant of HHC with the Combined Arms Support Command (CASCOM), Fort Lee, Virginia.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the City of Hopewell in the Commonwealth of Virginia this 27th day of March 2012.

/s/ Christina J. Luman-Bailey, Mayor
City of Hopewell, Virginia

First Sergeant Green accepted the proclamation with applause and a standing ovation. Further, Councilor Pelham announced that he is being deployed to Afghanistan, and asked everyone to pray for him and his family.

WORK SESSION

Mayor Luman-Bailey opened the Work Session and roll call was taken:

Mayor Luman-Bailey	-	yes
Councilor Bujakowski	-	yes
Councilor Stokes	-	yes
Vice Mayor Walton	-	yes
Councilor Pelham	-	yes
Councilor Shornak	-	yes

1. **Review of Comprehensive Agreement for the Beacon Theatre**

There were no amendments to the agreement.

2. **Discuss Tax Credits for the Beacon Theatre**

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The City Manager introduced Mr. Enochs' attorney to discuss the process. Mr. Enochs briefly addressed Council and introduced his attorney, David S. Lionberger with the law firm Herschler Fleischer. Mr. Lionberger discussed the advantage of state tax credits. The theatre would be transferred to the LLC as owner, before any renovations are done. Then they must apply for and receive state credits. The entire building must be income producing. The theatre will be rented out to non-profit organizations.

DISCUSSION:

- There are several options regarding the flow of money, and the Appomattox Regional Library.
 - The city can transfer the property to the LLC. The City will loan funds to the LLC, and they would pay back the loan.
 - A suggestion was to have a management corporation to manage it.
 - It is possible to get tax credits before there are any investors. There will be approximately 60-90 days on the part 2 application to DHR. The money would have to be there for rehabilitation of the building. The funds would be drawn down.
 - The estimate on the return is that the City would get 25% on state tax credits, and 20% of the QRES of federal tax credits. To qualify for the federal tax credits, the projection is for the building and its uses, on a net basis for whether it would break even. It must produce enough money to pay back that \$4.1Million. It must be income-producing, pay back, and there must be a valid partnership.
 - Regarding the expiration of federal tax credits, they can expire two years back, and 20 years forward.
 - Mr. Lacheney indicated that any additional steps could be added to the process. Council can take this agreement and assign it to the LLC. The City maintains 100% of the management. Then, enter into a loan agreement with the LLC.
 - The City will not be contracting; the City will own the corporation that runs the LLC. Then it must agree on how to set up the City's control. All of this must be done before the deadline of May 10, 2012.
 - Council must choose the president, vice president and secretary.
 - The City's Finance Director would be the fiscal agent.
 - The \$4.1Million would not be disbursed on day one, but rather it would be drawn down.
 - Regarding whether or not the library still pays for all operating expenses, the agreement with the library is for the conference center, not for the theatre. That would be one of the items that the committee would have to determine, how to operate the theatre side.

ECONOMIC DEVELOPMENT REPORT – ANDY HAGY

Andy Hagy, Economic Development Director, addressed Council and introduced himself to the audience. He referred to the City of Hopewell 90-Day Economic Development Plan of Action (filed in the City Clerk's office). The objective of the economic development action plan is to initiate and supervise economic development, commercial real estate, business development and marketing efforts on behalf of the City of Hopewell. He is introducing properties and what Hopewell has to offer; networking; following up; following leads. The first Economic Development Authority meeting will be on Wednesday, March 28, 2012. His goal is to get them up and running. There is some continued interest in some City property. He will meet with the State Economic Development office. Thus far, in his first month in the position, he has worked with property owners to put a team together to make properties more worthy. Business is looking for a building or a piece of land. Help property owners prepare properties to receive interested parties.

BUDGET UPDATE – CITY MANAGER

- The state does not have a budget yet; therefore, the City does not have a budget to present.
- The final outcome of VRS is unknown.
- Health insurance and alternates.
- Working with individual departments on individual budgets.

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**CODE ENFORCEMENT – MARCH ALTMAN, ASSISTANT CITY MANAGER FOR
COMMUNITY DEVELOPMENT/DIRECTOR OF DEVELOPMENT**

At the request of Councilor Bujakowski, March Altman presented a report on the Division of Code Enforcement (copy filed in the City Clerk's office). After the presentation, Mayor Luman-Bailey asked about the historic district, and whether communication has improved between the Board of Architectural Review and Code Enforcement.

YARD IMPROVEMENT INCENTIVE RECOMMENDATIONS

The City Manager reported that the committee has not met yet. They will meet on Thursday, March 29, with Tevya Griffin – City Planner. It was suggested that Mayor Luman-Bailey and March Altman should be included.

ADJOURN

Motion was made at 9:08 PM by Vice Mayor Walton, seconded by Councilor Stokes, and unanimously passed to adjourn the meeting.

Christina J. Luman-Bailey
Mayor

Ann M. Romano, City Clerk