The regular meeting of the Petersburg City Council was held on Tuesday, January 21, 2025 at the Petersburg Public Library. Mayor Parham called the meeting to order at 5:00 p.m. The meeting video link is https://petersburgva.new.swagit.com/videos/326274.

1. ROLL CALL:

Present:

Samuel Parham, Mayor – Ward 3
Darrin Hill, Vice Mayor – Ward 2
Marlow Jones, Councilor – Ward 1
Charles Cuthbert, Jr., Councilor – Ward 4
W. Howard Myers, Councilor– Ward 5
Annette Smith-Lee, Councilor - Ward 6
Arnold Westbrook, Jr., Councilor – Ward 7

Absent:

Present from City Council Administration:

City Manager John March Altman, Jr.
City Attorney Anthony C. Williams
City Clerk Tangi R. Hill

2. PRAYER:

Vice Mayor Hill led the Council meeting in prayer.

3. PLEDGE OF ALLEGIANCE:

Mayor Parham led the Council and the citizens in the pledge of allegiance.

4. DETERMINATION OF THE PRESENCE OF A QUORUM:

A quorum was present.

5. PRESENTATIONS:

Presentation of the 2024 ACFR By Robinson, Farmer & Co

David Foley, Robinson Farmer & Cox Associates, serving as the audit manager and partner for the City's FY24 audit, said that he would present the results of the audit. Before he began, he would like to briefly outline the three main components of the audit process for the City. First, they audited the financial statements to ensure they were prepared in accordance with generally accepted accounting principles. They conducted an internal controls review, examining the City's controls over financial reporting to gain a thorough understanding of their effectiveness. Third, they assessed the City's compliance with major federal grant programs, utilizing the Office of Management and Budget's compliance supplement to identify and address any noncompliance issues.

Mr. Foley said these three components were included in the annual comprehensive financial report, which consisted of three separate reports from their office. The first report was the independent auditor's report, which confirmed they had performed an audit on the financial statements and issued an unmodified opinion. He said that this unmodified opinion indicated that the City's financial statements had been prepared in accordance with generally accepted accounting principles. The other two reports, found in the compliance section, starting on page 152, addressed the City's internal controls over financial reporting and federal grant compliance.

Mr. Foley said that in the internal controls report, they would identify any material weaknesses and provided recommendations for improvement. He said that they had identified 10 material weaknesses in the City's internal controls over financial reporting, which were detailed in the back of the report, starting on page 162. These findings were consistent with previous years, primarily focusing on reconciliations that the City should perform on a monthly basis to ensure accurate and complete financial information. The prior year findings section showed the current status of these issues, including whether they were present in the current year. The final report was the compliance section, and it indicated no noncompliance issues related to the City's major federal grant programs.

Mr. Foley said that he would like to highlight two key items from the City's financial statements. The fund statements for the City were located on page 23, and Exhibit 3 was a balance sheet for the City's governmental funds. He said that the City's general fund was the primary operating fund, and the balance sheet provided information on the City's assets, liabilities, and fund balance at the end of the fiscal year. He said that specifically, the City's general fund ended the fiscal year with total assets of $77 million, compared to approximately $19-20 million in total liabilities and deferred inflows, resulting in a total fund balance of $56.8 million.

Mr. Foley said that this fund balance was further categorized into non-spendable, restricted, committed, and unassigned, with the City's unassigned fund balance at the end of the year being $58.8 million. He said that he also wanted to draw attention to Exhibit 4, a statement of revenues, expenditures, and changes in fund balance for the City's governmental funds. He said that this statement provided detailed information on the City's general fund, including total revenues of $94.5 million and total expenditures of $82.7 million, resulting in a net increase in fund balance of $9.3 million during the fiscal year.

Council Member Cuthbert asked how much the City was owed in past due real estate taxes as of June 30, 2024.

Mr. Foley said he did not have a breakdown of the $23 million total between personal property and real estate taxes.

Council Member Cuthbert said that he was particularly interested in past-due real estate taxes, as they had a 20-year window to collect them.

Mr. Foley said that he could follow up with the figures.

Council Member Cuthbert requested that the information be further broken down based on the year the balance became past-due.

Mr. Foley said that he could provide the follow up information within the week.

Council Member Cuthbert requested that figures also be provided for personal property tax past-due balances. He believed it would be a substantial source of potential revenue if they pursued collection.

Council Member Cuthbert asked how much vacancy savings contributed to the $9 million increase in the unassigned fund balance.

Mr. Foley said that he did not have exact figures. He said that if they referred to exhibit 11, page 94, the $9 million increase in fund balance was attributed to several factors. He said that one factor was that the budgeted revenues were $88.3 million, but the actual revenues collected were $94.5 million, resulting in a surplus of $6.2 million. The total budgeted expenditures were $86.1 million, but the actual expenditures were $82.7 million, resulting in a positive variance of $3.4 million. He said that the combination of these two factors contributed to the overall increase of $9.6 million in fund balance.

John Altman, City Manager, said the vacancy savings would not be reflected in the audit, but the Finance Department could provide those figures. He said that the Finance Department would also be able to provide information regarding taxes due. He noted that he had replied to Council Member Cuthbert's email on this topic, and they would be able to provide the information by next week.

Vice Mayor Hill asked for clarification regarding the past-due collections process.

Mr. Altman said that they were currently addressing a couple of key areas. He said that they were working on collecting past-due accounts by turning them over to their collections attorneys. He said that they were exploring ways to offer payment plans to individuals who were past due, but not excessively so, in order to help them catch up on their payments. He said that this would allow them to minimize the impact on their residents and work towards getting them back in good standing with them. He said that they were exploring several options to improve their collection rate and would be happy to discuss these further in a future work session.

Vice Mayor Hill said that he was interested in exploring ways to make people whole as quickly as possible. He said that this was particularly relevant to him, as he recalled their past audits, which had highlighted this issue as a sticking point.

Council Member Smith-Lee asked for more information about the financial systems.

Mr. Altman said that staff had discussed the possibility of transitioning to a new platform from their current system. He said that their current system was somewhat outdated, but it worked. He said that they were working on putting together an RFP because other systems offered more advanced capabilities and flexibility.

Mr. Altman said he had previously estimated the cost to be around $2 million, so potentially $2 or $3 million for the system upgrade. He said that they planned to implement the new system in a phased manner, running it concurrently with their current system and transitioning smoothly, rather than making a sudden switch. He said that while the finance module was a key component, the new system would also integrate with code enforcement and other areas, allowing for easier reporting and analysis. He said that this would enable them to work more efficiently.

Council Member Jones said he believed they were not lacking in code compliance documentation. He said that the problem lay in the system they had, which, in his opinion, was woefully outdated. He said that this should be the priority.

Mr. Altman said that from an implementation perspective, if they were to adopt an overall holistic system, code enforcement would not be one of the first components implemented. He said that typically, payroll, finance, and human resources would be prioritized upfront, as they were essential for getting employees paid. He said that without this core function, it would cause disruptions and upset.

Council Member Jones asked if they had reviewed the systems of neighboring jurisdictions.

Mr. Altman said that the majority of communities in the region, including Hopewell, Prince George, Colonial Heights, and Dinwiddie, utilized the MUNIS platform. He said that he believed Charles City was about to implement MUNIS.

Mr. VanVoorhees said that they were currently in the process of evaluating enterprise resource planning (ERP) systems, which encompassed payroll, human resources, financial utilities, and utility billing. He said that this system covered a wide range of their activities and financial operations. He said that they were currently evaluating several options, including MUNIS and other systems, to determine which one best suited their needs.

Council Member Jones said they should consider ways to integrate with the school systems.

Mr. Altman said it would be ideal if they operated the same system, as this would enable them to communicate with one another. He said that although they were a separate entity, he was aware that in a previous community, they had provided funding to the school system to upgrade to the municipal system, which would allow the systems to integrate. He said that the municipal system came with bank reconciliation pieces that facilitated communication between the systems. He said that from their perspective, this would be very helpful when reviewing audits and optimizing staffing to maximize efficiency.

Mr. VanVoorhees said that historically, he had worked in both scenarios where the school system and the municipality shared a system and where they did not. He said that being on the same system was beneficial. He said that he did not believe that they had the authority to force them into a new system.

<u>City of Petersburg Public Schools Audit</u>

Mike Potter, Alvarez & Marcel Public Sector Services, said that he led the team that conducted the assessment of the internal controls environment at Petersburg Public Schools, and he was here to present the findings of that report. To begin, he would like to provide a brief overview. He said that he had prepared a comprehensive report, which he had attached to this presentation, and he would be covering the key points in this executive summary level presentation.

Mr. Potter said that he would like to briefly review the timeline of events related to the completion of this assessment. He said that this presentation was based on the same report they had presented to the School Board last Wednesday, and all of the information had been part of the public record since then. He said that the idea to conduct a financial controls assessment had begun in June, when Ms. Brown was appointed as Interim Superintendent.

Mr. Potter said that Ms. Brown and her interim finance team had identified the need for the assessment, and in July, they had been contracted to conduct the assessment. He said that they had conducted their preliminary assessment in August and September, reporting to Board Chair Pritchett and Ms. Brown, and coordinating with the Petersburg City Schools finance team. He said that in October, they presented draft findings to the Petersburg team, the finance team, and leadership, as well as Ms. Brown and Board Chair Pritchett. He said that they had provided the opportunity for feedback on their findings and recommendations, and since then, they had made some minor changes and developed a status update based on the progress made to date.

Mr. Potter said that in November and December, they understood that Petersburg City Public Schools had appointed a new CFO and strengthened the finance team, acting on some priority recommendations and coordinating with them on improving the financial outlook and cash flow analysis. He said that they had also provided feedback on their additional report, resulting in the final version of the report they saw today. He said that before they discussed the findings, he would like to highlight the differences between their scope of work and what they might see as a typical audit. He said that their review was a performance assessment or financial controls assessment, focusing on understanding challenges and opportunities to improve, rather than reviewing past financial statements for accuracy or individual actions.

Mr. Potter said that in summary, their goal was to identify challenges and develop recommendations to help remediate those issues, with a forward-facing approach to get to the future state as soon as possible. He said that their assessment of the control environment, largely predated by the administration, did not review ongoing or future plans. Instead, they evaluated the controls environment as it existed at the time of their review.

Mr. Potter said that their review of policies found that they were rarely documented below the Board policy level. This meant that while there was a strong policy framework from the Board level, many of the instructions, details, roles, and responsibilities were not documented to the level of detail typical in an organization of this size. As a result, it was challenging to hold organizations and individuals accountable to those controls within the organization. Some procedures were not documented, leaving room for interpretation and error.

Mr. Potter said that their review of training found that no process was in place for formal training for owners of key financial processes, with the exception of training provided by the interim leadership team that had provided some essential, necessary quick fixes to the challenges they encountered. As a result, individuals did not have a clear understanding of their responsibilities or procedural expectations. This could lead to mistakes such as inconsistencies and a lack of coordination.

Mr. Potter said from an adherence perspective, the limited policies and procedures that existed were not always followed by key personnel and leaders, and finance was not empowered to require compliance. It was crucial for the school district's finance team to serve as a check on financial management throughout the organization and to be empowered to say no to things that did not meet the budget or follow specific controls. He said that this was not the case at Petersburg prior to the leadership transition, resulting in instances where key parts of the process were circumvented. He said that academic leaders may have submitted grant reimbursement requests without clearing them with the finance team, regardless of eligibility.

Mr. Potter said that this lack of policy adherence made it difficult to maintain compliance with requirements. From a planning perspective, they examined the budget process and financial forecast in detail. At the time of their assessment, the status of the budget process was that there was no clear and specific process for developing the budget, incorporating strategic priorities, and no long-term forecast existed. He said that this made it challenging to anchor strategic choices in understanding the future. Furthermore, fiscal monitoring was limited prior to the change of administration.

Mr. Potter said that this absence of planning infrastructure made planning compliance and accountability challenging, as there were no accurate targets to manage. For instance, trying to manage a budget without understanding the impact of vacancy rates over time was very challenging. He said that not considering this as part of the planning process, especially in an era where it was hard to retain teachers, changed the financial forecast and could not be part of long-term planning. The finance department had also experienced leadership turnover and lacked permanent, experienced leadership, contributing to the findings outlined above, including a lack of training in monitoring and adherence to policies and procedures.

Mr. Potter said the assessment focused on key areas, which they would cover in detail as they discussed recommendations. District-wide, these recommendations pertained to all aspects of the district's finances, not just a specific focus area. He said that they recommended that PCPS formalize and document its protocols, improve communications and training, and implement accountability practices to support compliance. Additionally, they suggested prioritizing staffing and key roles.

Mr. Potter said that a well-staffed team was essential for managing finances effectively, and the current team was still working with a skeleton crew. Since their arrival, the team had been strengthened. He said that from a procurement perspective, they recommended updating and approving a procurement manual, increasing staff awareness, and assigning clear roles and responsibilities. He said that from an accounts payable perspective, they suggested developing and implementing accounts payable procedures that documented roles, responsibilities, process requirements, and control thresholds.

Mr. Potter said that this was standard small business accounting practice, including dual controls that must be solidified and integrated into the process. He said that the expense policy was outdated and lacked clear thresholds and approval requirements, so they recommended updating it and strengthening the technical infrastructure related to expenses. He said that the current process for handling expenses was paper-based, making it challenging to document, track, and analyze data-related trends or abnormalities. He said that they recommended strengthening electronic tracking and replacing manual and paper-based processes.

Mr. Potter said that implementing an electronic time management system for payroll could track work hours and leave, and developing a payroll validation process would ensure the accuracy of those systems. He said that it was common for smaller entities to perform these processes manually, but it was becoming more standard to move towards automated processes, such as automating accruals. He said that they also recommended implementing an automated punch clock system.

Mr. Potter said that from a human resources perspective, they recommended formalizing PCPS human resources procedures. He said that they suggested establishing a position control policy and procedure that functioned and implementing electronic record keeping to replace paper-based processes. He said that PCPS had a legacy position control system that was paper-based and sometimes had lapsed, allowing positions to be hired without proper authorization. He said that they recommended strengthening the position control process, which the team was already working on.

Mr. Potter said that they suggested formalizing and implementing standards and processes for reimbursement and claiming, using evidence-based planning to ensure that federal funds were used for academic investments that were proven. He said that they also recommended empowering the federal funds compliance function to hold departments accountable to those standards, ensuring that the finance team and superintendent were aligned on finance matters, particularly with the federal funds office having the final word on what was eligible for reimbursement.

Mr. Potter said that regarding financial forecasting, they recommended that the district finalize and formalize the budget development process. He said they recommended instituting a staffing model based on a student-to-staff ratio. He said that they recommended developing a multi-year forecasting capability to support planning. He said that based on their initial assessment, they had presented these findings in draft form earlier in the fall to the School Board. Since then, they had closely followed the district's efforts to address the findings.

Mr. Potter said he would provide a quick update on the progress to date and the next steps for the initiatives. First, from a financial forecasting perspective, the district should develop a school year 24-25 cash flow forecast. This was crucial because the school district lacked significant cash reserves. He said that without a clear understanding of the district's expenditures and revenue for the remainder of the year, there was a high risk of financial instability. They had been working with the finance team to conduct past year trending, year-to-year cash burn analysis, and develop preliminary cash flow analysis templates. He said they were also integrating historical budget-to-actual data to gain insight into what the future may hold. This work would need to continue, incorporating the latest cash balances, mid-year cash burn, and updated staffing data to reflect current vacancy levels and account for turnover.

Mr. Potter said that they aimed to calculate the spend rate against the remaining fund balance and revenues for the rest of the year to ensure there was no financial risk of a shortfall. To strengthen the allowable use process, the district had implemented organizational structure adjustments, such as moving grants to the grants office within the finance function, which had helped address some of these challenges. He said that they had also developed an enhanced manual review for title reimbursements. They recommended that the district continue to formalize these improvements and modernize the approach to claiming Title I with a more automated process. Additionally, they recommended that the district expedite the hiring of a permanent CFO and engage finance search support.

Mr. Potter noted that the district had also filled accounting roles in an acting capacity with an experienced former CFO and had additional key roles in the process. Next steps included hiring a permanent accounting leader and updating the finance organization. He said that they had recommended developing and implementing a position control protocol, which the leadership team had put in place almost immediately. He said that this manual process required the director of HR and the CFO to sign off on all hiring.

Mr. Potter said that there was always a balance between process controls and expediency, and currently, they were taking a very cautious approach, which may cause some delays. He said that this careful process ensured that spending aligned with the budget. He said that the district should look for opportunities to automate position control through workflows and conduct a thorough review of all central office and non-teaching staffing added due to gaps in position control. He said that this would enable adjustments to be made, as necessary.

Mr. Potter said that a priority initiative was to formalize the budget development approval process, a goal made clear by the district's leadership team, including Ms. Brown and the finance team. He said that it was essential to finalize the process documentation and conduct FY26 planning using this process. He said that overall, they considered the progress made on these initiatives to be significant, but they encouraged the district to continue this progress by developing a plan of action and completing the remaining recommendations, which should be presented by the end of the school year.

Mayor Parham asked if there was anything specific in the report which PCPS required assistance from the City.

Yolonda Brown, Interim Superintendent, said that when she joined PCPS in July 2024, she had five priorities, and the fourth priority focused on assessing the financial operations of the school division. She said that with Council's support and the support of the School Board and VDOE, they were able to bring in Alvarez & Marcel, who provided them with the information they needed to understand their financial situation. She said that this assessment was crucial, as it allowed them to identify areas where they could improve and ensure that their finances were in order.

Ms. Brown said that the financial assessment had given them a clear picture of their current reality, which was both good and bad. She said that it had also provided them with the opportunity to set a new standard for their financial management and to put in place processes and procedures that would prevent similar issues from arising in the future. She said that one of the key takeaways from this assessment was the importance of transparency in their budgeting process. She said that they would now have a transparent budget that allowed everyone to understand how funds were allocated. This would also provide an opportunity for the public to provide feedback and input on their budget.

Ms. Brown said that she also wanted to highlight the importance of processes, procedures, and systems in their financial management. She said that without these in place, they risked mismanaging taxpayer dollars, federal dollars, and other resources entrusted to them. She said that she believed that the financial assessment had identified areas where they could improve and put in place a plan to mitigate these risks. She said that she had shared a one-pager with Clerk Hill that summarized some of the key findings from the assessment.

Ms. Brown said the summary outlined the steps they will take to implement the recommendations from the assessment and ensure that their financial management was transparent and accountable. She said that strengthening leadership and capacity was a key focus. She said that for quite some time, PCPS lacked a CFO. One of the major objectives was to secure a qualified CFO. She was excited to welcome Dr. Matthias Greywoode, who was joining them from St. Louis Public Schools. She said that Dr. Greywoode brought a strong background in finance.

Ms. Brown said that clear processes were essential to prevent mismanagement. They must ensure transparency and accountability, knowing exactly where every dollar was coming from and where it was being used. They were still refining their team, but she wanted to emphasize that accountability will be strictly enforced moving forward.

Dr. Matthias Greywoode, Chief Financial Officer, said that with over 20 years of experience in the corporate world, he brought a strong background in corporate finance and accounting to this role. He said that he held an MBA and a Bachelor's degree in economics and finance. He said that the goal with PCPS was to transform the control environment. He said that they aimed to strengthen existing controls, hire the right personnel, and hold them accountable.

Dr. Greywoode said that having started the process of implementing the report's recommendations, they had established a steering committee to monitor progress and keep the School Board informed. He said that they had hired sufficient personnel, with the exception of two individuals in finance. He said that with this in place, they were confident that they were on the right track and expected to complete the implementation within the next six to 18 months.

Ms. Brown said that continued support of the financial team from Council was important. She said that some form of financial support would be beneficial, possibly through partnerships where Alvarez & Marcel could periodically assess the progress and provide feedback. She said that they could consider potential partnerships that could streamline services not only for the children and families in Petersburg but also for the entire City. She said that she believed a partnership of this nature would be instrumental in moving forward.

Vice Mayor Hill asked what processes they were considering to support parents beyond the budget process.

Ms. Brown said that she would like to start by acknowledging the upcoming organizational restructuring in PCPS, and she would like to highlight the strong family engagement team they already had in place. She said that one of the key strategies they had already implemented was the parent university, which had been successful in providing parents with opportunities to learn about how to support their children at home. She said that their goal was to expand the parent engagement strategy to provide parents with all of the necessary information.

Ms. Brown said that one of the initiatives they were launching was a parent survey, which would help them understand the needs of parents and identify the resources they needed to put in place. She said that she would be happy to come back to Council and discuss the details of this strategy, as well as provide data on its effectiveness.

Ms. Brown said that she would like to highlight their focus on attendance, particularly in addressing chronic absenteeism, which was a top challenge in PCPS. She said that they were starting by engaging parents around getting their children to school regularly, and they would be launching a campaign to support this effort. She said that chronic absenteeism was a significant issue, affecting over 30% of students in Petersburg, and they were committed to addressing it.

Council Member Jones said that as they had mentioned, getting kids to school could be a challenge, and it was not always the fault of the parents. He said that he liked the fact that they were addressing this issue, and he was impressed by the strong team they had assembled in the finance department. He said that he would like to know if there was an opportunity for the City finance department and the PCPS finance department to meet quarterly to ensure they were aligned and working together effectively on a City-wide and school system-wide basis.

Ms. Brown said that there was an opportunity for the two departments to meet, and she believed it was a necessity. She said that they could no longer operate in silos.

Dr. Greywoode said that since taking the position, he had reached out to the City finance department, and they had already begun implementing some of the necessary steps, and they would be partnering with them. He said that he had emphasized the importance of their relationship with them, and they would be meeting regularly to review and discuss matters.

Council Member Smith-Lee noted that one of the three key initiatives she had implemented, along with Fred Wilson and Mr. Spradley, several years ago, was a feeder program for girls' softball. She said that although it eventually declined, she was hopeful it would be revived. She said that during that time, they saw a remarkable outcome: by the time those girls reached high school, they had developed into talented athletes, with a few even being inducted into the Petersburg Hall of Fame. She said that the three key components they emphasized were schoolwork, homework, and behavior. She said that they made it clear that to participate in softball, they needed to excel in all three areas. She said that their goal was to energize the kids and instill confidence in themselves, and she believed they were on the right path.

Ms. Brown said that she loved the fact that they had created a pipeline for kids to succeed, providing them with the support they needed to accomplish their goals. She said that she thought it was particularly relevant that they were planning to host community meetings with parents in February, focusing on expectations, discipline, and academics. She said that this would help parents understand the three-legged stool they were setting in Petersburg. She said that it was time to take this to the community and empower parents to understand their role and what they were expecting moving forward.

6. APPROVAL OF CONSENT AGENDA (TO INCLUDE MINUTES OF PREVIOUS MEETINGS):

a. Minutes of Previous Meetings:
January 7, 2025 City Council Organizational Meeting
January 7, 2025 City Council Closed Session

Vice Mayor Hill made a motion to adopt the Consent Agenda. Council Member Jones seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

7. OFFICIAL PUBLIC HEARING

Public Hearing and Consideration of an Ordinance to Amend and Readopt the Zoning Ordinance of the City of Petersburg Pertaining to Providing Additional Flexibility for Placement of Sandwich Board Signs in Downtown Petersburg

Naomi Siodmok, Director of Planning and Community Development, said that the purpose of this amendment was to provide more flexibility for signs in the downtown area at the request of City Council. She said that previously, they presented information to Council regarding sandwich board signs, and they provided specific feedback indicating interest in more flexibility for signs related to downtown. She said that they then worked with the Planning Commission to gather recommendations on how to implement this flexibility.

Ms. Siodmok said that after considering various options, they determined that defining the boundaries of downtown Petersburg using the downtown plan would be the most effective approach. She said that the downtown plan clearly outlined the boundaries, which they will use to guide the new sign language. She said that the proposed amendment built upon the current requirements, allowing for an additional sign in the downtown Petersburg district within the right-of-way. She said that this meant that businesses can have one sign on their property or in the right-of-way, and a second sign anywhere within the downtown district. She said that the requirements for clear path on the sidewalk and materials for signs remain the same.

Ms. Siodmok said that the Planning Commission recommended approval of the proposed language. She said that staff had alternative options, but they were presenting the Commission's recommended approach.

Mayor Parham opened the public hearing. Seeing no speakers, he closed the public hearing.

Council Member Cuthbert asked if the proposed ordinance would permit Mr. Anand's proposal to install a sandwich sign board in front of his business and at the corner of North Sycamore and West Old.

Ms. Siodmok said that was correct, as long as the sign did not impact ingress, egress, or ADA access.

Council Member Cuthbert made a motion to adopt the ordinance. Vice Mayor Hill seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

A Public Hearing and Consideration of an Ordinance Recommending Revocation of Special Use Permit Granted to Michael and Nina Stanley to Operate a Stand-Alone Used Vehicle Sales Lot at 1024 West Washington Street, Parcel ID 024270002 in the B-2, General Commercial District for Failure to Comply with Conditions of Approval

Ms. Siodmok said they were seeking to revoke a special use permit due to a violation. She said that the background on this property dated back to May 2, 2012, when Council approved a special use permit for 1024 West Washington Street, subject to eight conditions. However, the use was never established, and the property was currently in violation of at least four of those conditions. She said that since July, the zoning staff had sent multiple letters to the property owner, urging them to comply with the conditions, but no action has been taken.

Ms. Siodmok said one example of a violation was storing an inoperable bus on the site. She said the approved conditions included restrictions on vehicle protrusion, site plan and building permit requirements, no inoperable vehicles or parts storage, and specific hours of operation. She said that the property had never come into full operation, and the permit may be revoked by Council for failure to comply with the conditions. She said there were no plans or permits, two inoperable buses, and there was no established use. Both the Planning Commission and staff recommend removing the special use permit from the property.

Mayor Parham opened the public hearing. Seeing no speakers, he closed the public hearing.

Council Member Jones asked if they had reached out to the property owner.

Ms. Siodmok responded that staff had been working with Mr. Stanley since July to bring the site into compliance. The process began with initial violation meetings and conversations. Unfortunately, the site still did not come into compliance. She said that Mr. Stanley had been in attendance at the Planning Commission meeting, and they had notified him of the meeting, but she did not see him in the gallery.

Vice Mayor Hill made a motion to adopt the ordinance revoking the special use permit granted to 1024 West Washington Street. Council Member Jones seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

A Public Hearing and Consideration of an Amendment and Readoption of Chapter 50, Article II of the City Code Pertaining to Noise

Ms. Siodmok said that this was a follow-up to the Planning Commission's 2022 review of the noise ordinance. Council had asked the Planning Commission to take a closer look at the noise ordinance in 2021. She said that the Planning Commission reviewed it, and the Council wanted them to focus specifically on entertainment districts. She said that the Planning Commission did that, and since then, they had been tabled on how to address this issue. She said that the concerns that led to this effort included complaints about noise related to restaurant uses and late-night activities, as well as the need to distinguish entertainment districts from other areas in the City.

Ms. Siodmok said that in 2022, the recommendation was to allow nighttime noise to be 75 decibels during the day and 65 decibels at night. She said that there was also a request to explore how to integrate entertainment districts with this ordinance. Additionally, the proposal was to remove the differentiation between noise regulations for different zoning districts, so that police officers would enforce the same decibel levels across the board. She noted that there were still exceptions in the code for certain uses, such as rail, industrial, and emergency services.

Mayor Parham opened the public hearing.

Leonard Curry, 2014 Woodland Road, explained that when this issue began, he was the chairman of the board of the Farmer's Bank Museum. He said that they maintained the building through contributions and rental income from three apartments, and the restaurant next door was emitting decibels at a level exceeding 105 decibels inside the bank building. He said that this level, according to the National Institute for Occupational Safety and Health, was equivalent to the sound of a jackhammer. He said that a 65 decibel level was considered ideal, and it was comparable to sitting in a car moving at 60 miles per hour. He said that this amendment was needed.

Seeing no further speakers, Mayor Parham closed the public hearing.

Council Member Jones asked for clarification about how the ordinance would impact entertainment districts and the casino, the rationale for choosing 11 p.m., and if the City owned tools to measure the sound decibel level.

Ms. Siodmok explained that this provision would apply across the City, establishing a noise level standard across the board. She said that for all uses within the City, the maximum daytime noise level is 75 decibels and the maximum nighttime noise level is 65 decibels. She said that in the past, there were discussions about potentially creating entertainment districts as part of the downtown plan. She said that although that idea was not pursued, as they updated their zoning ordinance, they were considering integrating an entertainment district, which could be subject to different rules.

Council Member Jones asked how they would enforce the noise ordinance without the proper equipment. He asked if this ordinance would put an additional strain on the police department. He asked if they knew what the staffing needs would be to enforce the noise ordinance.

Mr. Altman said that he wanted to clarify that the police department was involved in this discussion, but he was not aware of a specific conversation regarding the number of officers needed to enforce the regulations. He said he believed they had decibel meters, but he had to verify the information with the Chief of Police.

Anthony Williams, City Attorney, explained that using a decibel reading was good because it was an objective standard, and all of the previous localities he worked for eventually adopted decibel standards. He recommended that Council exercise caution around Section 50-34, which provided exemptions. He said that in his experience, courts had consistently ruled that the source of the sound should not be a factor in determining whether a noise was excessive. He said that ultimately, it was either too loud or it was not. He said that typically, exemptions were based on level and duration to avoid potential issues.

Council Member Jones said that they had to consider staffing needs before adopting the ordinance.

Council Member Jones made a motion to deny readoption of Chapter 50, Article II of the City Code Pertaining to Noise. Councilmember Myers seconded the motion.

Council Member Cuthbert made a substitute motion to adopt the ordinance and amendment as proposed.

There was no second, so the motion failed.

Vice Mayor Hill said that staff should gather data on how often police receive noise complaints for specific areas of the City. He said that a blanket noise ordinance was unfair due to the various uses across the City. He said that after staff gathered data, they could approach individual businesses to address noise issues.

Council Member Jones noted that they still could enforce the current nuisance ordinance against noise issues. He said that he firmly believed that they needed to invest in building up their departments, including the police and fire departments, because the time would come when they would be at a disadvantage if they did not take this step. He said that in the meantime, he proposed that they consistently enforce the nuisance statute.

Council Member Cuthbert asked the City Attorney to address the nuisance approach.

Mr. Williams said that he was not familiar with the specifics that Council Member Jones was referencing. He said that ordinances and statutes related to nuisance typically required an ongoing legal violation to be enforced criminally. He said that they did have a noise ordinance in effect. He said that in practical terms, Council Member Jones was correct that they could enforce the existing noise ordinance.

Council Member Cuthbert clarified that Council had suspended the noise ordinance.

Ms. Siodmok explained that the ordinance was suspended until the Commission came up with a recommendation. She said that they had developed an alternative, so it was her understanding the noise ordinance was no longer suspended.

Mr. Williams explained that from a legal perspective, the only way the Council could temporarily suspend the enforcement of an ordinance was by formally rescinding the ordinance. He said that although leniency may have been instructed pending the adoption of this ordinance, from a legal perspective, the Council could not suspend an ordinance. He said that the officers had a legal duty to enforce the law, regardless of whether it was currently in effect. He said that he did not recall Council taking formal action.

Mr. Altman requested that the Planning Department be relieved of any responsibility for the ordinance. He said that if they were going to implement it, he believed they needed to discuss it with the Police Department, who were handling this, and have them work with the City Attorney to bring forward proposals. He said that he was aware that this was tied to zoning, which was a unique aspect of this situation, making it difficult to enforce without knowledge of those districts. He said that if the Council wished to proceed, they would start enforcing it as soon as possible. He noted that along with purchasing decibel meters, they used an app to measure the sound level.

Mr. Williams suggested amending the motion to direct the City Manager to proceed with normal enforcement of the existing noise ordinance.

Mayor Parham said that they would first consider the motion on the floor before directing the City Manager to proceed with normal enforcement of the existing noise ordinance. He called the question on the motion to deny adoption of the ordinance.

On a roll call vote, voting yes: Jones, Myers, Westbrook, Smith-Lee, and Hill; no: Cuthbert and Parham; abstain: N/A.

Council Member Cuthbert made a motion to direct the City Manager to proceed with normal enforcement of the existing noise ordinance, City Code § 50-31.

There was no second, so the motion failed.

Council Member Myers said that they had suspended the previous ordinance, and they should leave enforcement at the current level. He said that the business owners should be left to conduct business since they were tax payers and the City benefitted from their taxes.

Council Member Cuthbert said that while he supported small businesses, there needed to have a balance. He said that they had multiple interests at stake here, and there was only one business causing a problem. He said he had observed large fights at that business, and he did not think the City was doing its job. He said there was a table in the packet on page 156 that illustrated how much of the police resources were diverted by this type of behavior. He said that they had one business that had 140 calls for service. He said that they also had the one in Old Town with 77 calls. He said that he believed the best way to conserve police resources was to establish a noise limit, which in turn would limit the bad behavior that loud noise attracted. He asked how they would address police staffing issues.

Mr. Altman said that he had mentioned before that one way to address this issue was through the federal government's COPS grant program, which could enable them to add officers to the force. He said that one of the things they would be discussing with the Council was the possibility of utilizing this program to increase officer staffing, particularly during nighttime shifts, to handle their regular call load and have sufficient personnel available to address additional calls. He said that as part of this, they could explore adding additional officer slots through the budgetary process.

Mayor Parham said that they would continue the discussion at another time, and they had a retreat scheduled for this weekend where they could discuss staffing needs and the necessary steps for enforcement.

<u>A Public Hearing and Consideration of an Ordinance for Appropriation of the Virginia State University Public Health Institute (VSUPHI) Health Disparities Grant</u>

Garry Cozier, Budget Manager, said that the grant was worth $32,700 and would be split equally between the Parks, Recreation, and Leisure Services Division and Petersburg Communities Incorporated (PCI).

Mayor Parham opened the public hearing. Seeing no speakers, he closed the public hearing.

Vice Mayor Hill made the motion to adopt the ordinance. Council Member Smith-Lee seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

<u>A Public Hearing and Consideration of an Ordinance for Appropriation of the VDEM Emergency Management Performance Grant</u>

Mr. Cozier said this grant, valued at $10,675, was from the Virginia Department of Emergency Management and was intended for the Fire Department.

Mayor Parham opened the public hearing. There were no speakers, so he closed the public hearing.

Vice Mayor Hill made the motion to adopt the ordinance and appropriate the funds. Council Member Jones seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

<u>A Public Hearing and Consideration of an Ordinance for Appropriation of the 2024 Operation Ceasefire Grant Program for the Commonwealth Attorney's Office</u>

Mr. Cozier said that this grant, administered through the Department of Criminal Justice Services, was specifically for their Commonwealth Attorney's Office. He said that it would help fund the hiring of a new prosecutor and was distinct from the Operation Ceasefire Grant provided to the police department. He said that the grant amount was $301,749.

Mayor Parham opened the public hearing. There were no speakers, and the public hearing was closed.

Councilmember Jones made a motion to adopt the ordinance. Vice Mayor Hill seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

<u>A Public Hearing and Consideration of an Ordinance for Appropriation of the FY25 DMV Selective Enforcement Police Traffic Services Grant</u>

Mr. Cozier said that the grant was from the Department of Motor Vehicles for Selective Enforcement, specifically the traffic services grant. He said that the grant provided funds to participate in national programs, including the Click It or Ticket program. He said that the grant amount was $35,950, which would be used for overtime pay and equipment.

Mayor Parham opened the public hearing. There were no speakers, and the public hearing was closed.

Council Member Jones made a motion to adopt the ordinance. Council Member Smith-Lee seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

<u>A Public Hearing and Consideration of an Ordinance for Appropriation of the FY25 DMV Selective Enforcement Alcohol Grant</u>

Mr. Cozier said that this grant was specific to alcohol. He said that participating in the National Drive Sober or Get Pulled Over campaign enabled officers to work overtime and also provided them with equipment, such as breathalyzers.

Mayor Parham opened the public hearing. There were no speakers, so he closed the public hearing.

Vice Mayor Hill made a motion to adopt the ordinance and appropriate the funds. Council Member Smith-Lee seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

<u>A Public Hearing and Consideration of an Ordinance to Appropriate Funding for the Sports Training Facility (Fieldhouse) at Petersburg High School in the Amount of $1,900,000</u>

Mr. Cozier said that this item pertained to Ordinance 23-R46, which stated that the City would donate up to $2.7 million to this fund.

Council Member Cuthbert made a motion to adopt the ordinance. Council Member Jones seconded the motion.

Mayor Parham opened the public hearing.

Barbara Rudolph, 1675 Mount Vernon Street, said that it seemed that the City would not be obligated to cover the remaining amount agreed upon. She said that they had spent $500,000 so far, with an additional $1.9 million, totaling $2.4 million. She said that the City's total offer was $2.7 million, which could mean an additional $300,000. She recalled that at the last meeting, Council Member Cuthbert had raised questions about the amount of money raised. She said that the $2.7 million figure had been presented as a fallback position if they were unable to secure donors.

Ms. Rudolph said that she was aware that there had been a promise from Bruce Smith to donate $3.5 million. She said that People's Advantage Credit Union had contributed $500,000, and there had been a few other donations, but she was not aware of any official announcements from City Council. She said that personally, she thought it was concerning that this project was taking priority over the City's capital budget for schools, which desperately needed funding. She said that many schools were in poor condition, with some being over 50 years old. She said that it was an interesting priority for the Council and PCPS to focus on this project above other pressing needs.

Cheryl Brown, 1860 Westover Avenue, said that she wanted to know when actual funds would be spent for the field house. She said that she was aware that monies were supposed to be raised, but she wanted to know if this was a contingency.

Mayor Parham said that the project was currently under construction.

Seeing no further speakers, Mayor Parham closed the public hearing. He called the question on the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, and Smith-Lee, Hill; no: N/A; abstain: Parham.

Mayor Parham stated that he was abstaining due to his prior work with the Stadium Committee and the School Board.

<u>A Public Hearing and Consideration of an Ordinance to Authorize the Refund of Taxes Erroneously Paid for Tax Parcel No: 023150003</u>

Mr. Cozier said that tonight, on behalf of the Customer Care and Collections Department, he was here to address an item related to state code, which required the governing body to take action when real estate taxes had been incorrectly assessed or paid. He said that the property in question was parcel 023150003, also known as 110 South Perry Street, located at 400 West Wythe Street.

Mayor Parham opened the public hearing. There were no speakers, so he closed the public hearing.

Vice Mayor Hill made the motion to adopt the ordinance. Council Member Smith-Lee seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

8. <u>PUBLIC INFORMATION PERIOD</u>

Marlow Green, 301 Rolfe Street, said that Mayor Parham was the Mayor of Pocahontas Island, and she hoped they would receive more support from Council regarding investment in enhancements to the neighborhood. Recently, she observed some issues at the Roper site. On Sunday, she called the police at 12:30. There were five individuals smoking what she thought was marijuana; they had beers, and they were riding skateboards. She was not sure if they actually responded, but she hoped that they did.

Ms. Green said that she would also like to request an update on the letter of determination for DCR. If the Council truly supported the bypass road, it should consider a feasibility study to move it out of the floodplain. The cost of this road will be fully funded by the treatment plant, so it would not be a significant expense to the City. Additionally, they have received unrestricted funding through LGIP, which could be used to support the study. She said that she would like to focus on putting City dollars into Pocahontas Island, whether for the trail or other initiatives.

Ms. Green said one issue that had not been resolved was the dumping problem. She had been requesting that the City cut back trees on Magazine Road, City-owned property, for over a year. This would help prevent dumping and make it easier for citizens to report incidents. She has been asking for this for over a year, and she is still requesting it.

Kara Stevens, 226 Rolfe Street said that when she first moved to Pocahontas Island, she noticed that many long-term residents had complacent minds or discouraging fears about the area. She shared this concern with her neighbor, and she believed that investing in the community was crucial, and it was the responsibility of the City. As she observed, they received many visitors from all over the City, and it was clear that they were still a part of the City, despite their location.

Ms. Stevens said she was disheartened by the dumping and the presence of random cars at night. She thought that they needed to improve the island with more lights, cut back trees, and make significant upgrades to make it more comfortable for residents and visitors alike. She said that by doing so, they could also more effectively address issues like dumping, loitering, and other unwanted activities. If they kept the island improved and visible, people would be less likely to engage in such behavior. They were often drawn to the area because they wanted to remain hidden.

Barbara Rudolph, 1675 Mount Vernon Street, said that she was keeping this brief due to the report of snow. She said that she would like to commend the new school superintendent for her commitment to transparency and her efforts to address the uncomfortable truths about the school division, which she had inherited and was working to improve. She said that she hoped the Council would consider implementing a similar process with City government, to provide a regular check-in on performance and areas for improvement. She said that this was different from the financial reporting provided by the auditor. She said that she assumed that before the end of the meeting, there would be further discussion about the retreat mentioned by Mayor Parham. She said that she thought it would be beneficial to announce it to the public, given that it was scheduled for this weekend.

Bobby Beverly, 2305 Dundee Drive, said that he was filing a formal complaint against the Mayor. This pertained to the incident that occurred on November 19, 2024, at the Petersburg City Library's parking lot. It was essential to note that the complaint would be submitted to the Richmond Commonwealth Attorney to ensure there was no conflict of interest. The City Attorney of Petersburg would also receive the formal complaint. He said that the complaint alleged harassment and intimidation, as outlined in § 18.2-427, which prohibited the use of profane, threatening, and indecent language over public airways or by other means.

9. <u>BUSINESS OR REPORTS FROM THE MAYOR OR OTHER MEMBERS OF CITY COUNCIL</u>

Council Member Jones said a letter was sent to Council on October 21, 2024 regarding school funding. He asked about the status of the allocation.

Mr. Altman said that the allocation to the schools included two requests, one of which was approved in December. He said that the schools were now requesting a second appropriation to support their financial software updates. He said that he had not yet received the formal request. He said the previous allocation for the cafeteria had been approved by the Council and should have been received.

Council Member Jones asked for an update regarding the lights at Berkeley Manor.

Mr. Altman said that the City Engineer was involved in getting the light back up. He said that they were currently in the queue with Dominion to address this issue.

Council Member Jones asked for more information about covering the hole in the roof of Peabody.

Mr. Altman said that they were working on allocating the necessary funding, which involved covering the roof, as well as the entire exposed portion of the building. He said that to achieve this, he was trying to identify available funds and, if needed, revisit the project to secure the necessary resources. He said that his goal was to find a solution that could be implemented without requiring further input from Council.

Council Member Westbrook said that he would like to start by thanking those who attended the Ward 7 meeting last Thursday. He said that he appreciated their input as they discussed important issues affecting the City. Specifically, he would like to thank Mr. Moore and Ms. Siodmok and her planning staff, as well as Housing, Ms. Mary Howard and Tricia Brown, the Sheriff's Office and Police for speaking at the meeting on the topics that were impacting the City.

Council Member Westbrook said that he would like to thank Public Works for their excellent snow cleanup efforts. He said that he was impressed by how quickly they restored the streets to normal operation. He said that he hoped they would continue to perform similarly well tonight, clearing black ice and ensuring the schools could operate safely tomorrow. He said that he would like to highlight a message from Mr. Allen, Department of Recreation. As they approached Black History Month, which would be mostly over by the time they met again, he said that he would like to remind everyone of the upcoming events. On February 2, a Black History Gospel extravaganza would be held, featuring local gospel artists and church choirs.

Council Member Westbrook said that on February 21, a Black History concert would take place at the library, showcasing spoken word, comedy, and music. On February 22, a Black author signing event would be held at the library. He said that he encouraged everyone to support these events and celebrate the significance of Black History Month. He said that he would also like to welcome back the VSU students, who had officially started classes today.

Council Member Westbrook said that he would like to follow up on a charge he would bring again next month. He said that he had been participating in the Petersburg Half Marathon for the past 10 years, and the event had become a national qualifier for college teams. He suggested that PCPS hold a challenge to encourage students to participate in the youth race. He said the race would take place on April 5.

Council Member Westbrook said that he would like to extend his congratulations to President Trump on his recent inauguration as the 47th President of the United States. He said that he wished him well, regardless of one's views on his policies. He said that he would like to bring to the attention of the City Council an issue that he had been discussing with the City Manager. He said that he proposed that they explore the feasibility of a Citywide plastic bag ban.

Council Member Westbrook said that plastic pollution was a growing concern, and cities that had implemented similar policies had seen significant benefits, including reduced litter, reduced strain on waste management systems, and a shift towards more sustainable habits among residents. He said that he believed it was time for Petersburg to consider taking similar steps. He said that before moving forward with any formal proposals, he recommended that they conduct a thorough preliminary research to understand the cost and benefits of implementing a ban or a fee system on single-use plastic bags.

He said that this research should focus on how similar policies had been successfully implemented in other cities, and the potential economic impact on local businesses.

Council Member Westbrook said that in Virginia, cities had already banned plastic bags: Alexandria, Arlington, Fairfax, Falls Church, Fredericksburg, Roanoke, Charlottesville. He requested that the City Council authorize the City Manager, City Attorney, and relevant departments to initiate this research by gathering necessary data and consulting with stakeholders. He said that this would enable them to determine the most effective and equitable approach to addressing this issue for Petersburg.

Council Member Myers requested that the City Manager explore permanently closing two blocks of the Joseph Jenkins Roberts Parkway from 5th Street to 3rd Street. He said that this closure would establish a safer and more organized space for hosting large-scale events at the Petersburg Harbor Festival Park, increasing its appeal as a key destination. He said that by developing an inviting environment, this action would draw more visitors and encourage business growth in the Downtown/Old Town area of Petersburg. He requested this item be added to the February 4, 2025 Consent Agenda for a public hearing at the Council meeting on February 18, 2025.

Council Member Smith-Lee said that the Ward 6 meeting would take place at Cool Spring Elementary School on Wednesday, January 29 at 6 p.m. She said that she also would like to extend her gratitude to Sheriff Crawford for hosting an outstanding event on Monday. She said that the MLK Parade began at Pocahontas Island and concluded at Franklin and Adam Street. She said that she would also like to thank Mr. and Mrs. Jones for providing food for the parade participants. She said that they owned an asphalt business on Pocahontas Island.

Council Member Westbrook said that the William Lawson Basketball Invitational Classic, which had been originally scheduled for two weeks ago, had been rescheduled for this Saturday. He said that the event would take place at the high school, featuring approximately six games throughout the day.

Vice Mayor Hill extended his thanks to the Department of Recreation, along with Marquis Allen, Janelle Sinclair, and Wayne Crocker, for hosting a wonderful MLK program on Sunday evening. He brought up issues related to signs posted in the right-of-way of Exit 52 and the corridor of Crater Road. He requested staff address the issue and clean up the signs.

Ms. Siodmok said that she would coordinate with Public Works. She said that the Public Works right-of-way manager would be responsible for enforcing the signs in the right-of-way.

Vice Mayor Hill said that he received a text from Corey Harris, who informed him that he had three solo cameras he planned to arrange for placement on Pocahontas Island to monitor who was entering and exiting the area. He said that in March, he planned to hold a ward meeting once the weather improved.

Mayor Parham said that he would like to extend his gratitude to everyone who participated in the Martin Luther King Parade. He said that Council Member Smith-Lee described it as a wonderful event, and Council Member Cuthbert was also in attendance as they marched across the bridge from Pocahontas to Franklin Street. He said that the event was a great success.

Council Member Cuthbert said that he was very disappointed to hear that the Department of Conservation and Recreation had stated that they may not build the new road extension of Pocahontas Street in the floodplain. He said that the Council had previously discussed this in detail and, as he recalled, he had moved that the Council direct the City Manager to explore moving the extension to the north, out of the floodplain, to alleviate heavy truck traffic on Rolfe Street.

Council Member Cuthbert said that the City Manager had been asked to report back to Council with the results of his exploration. He said that unfortunately, their hands were tied, and the Department of Conservation and Recreation had informed them that they may not build the road where they had initially planned. He said that although the situation was uncertain, he remained hopeful that they could find a way to make this happen.

Council Member Cuthbert said that he had attended the Martin Luther King, Jr. celebrations, both the Sunday event and the parade. He said that he had enjoyed both events, which featured good speakers, including Vice Mayor Hill, who had done a fine job as moderator. He said that the parade was also a great opportunity to see many people in a festive mood, despite the cold temperatures. He said that both events were well-organized and enjoyable.

10. FINANCE AND BUDGET REPORT

Department of Finance Monthly Update

Mr. Cozier said that as they approached the midpoint of the fiscal year, they were tracking at 43.8% of their overall spend, which was within their threshold, so they were on track. He said that the same applied to their other funds, including the general fund. He said that he had also included an update on their interest earnings. He said that in the local government investment pool, they had earned $978,000 so far this year. He said that in the Atlantic Union interest-bearing bank account, they had earned $247,000, bringing their total interest earnings to just over $1.2 million.

11. UNFINISHED BUSINESS

An Ordinance to Amend and Readopt Article 3, Definitions, Article 14, B-1 Shopping Center District Regulations, and Article 23, Supplementary Use Regulations – Special Uses, as Set Forth in the Zoning Ordinance of the City of Petersburg Pertaining to Gathering and Event Uses, Including Nightclubs

Ms. Siodmok said that she would like to reiterate the purpose of this item, which was to clarify uses in their zoning districts and create ways to regulate nightclubs through zoning regulations. She said that as they had shared during their previous public hearing, they had retained some definitions for consistency but were also adding new definitions for banquet halls, restaurants, lounges, and bars to make it clear that any non-restaurant, non-nightclub establishment was subject to regulation.

Ms. Siodmok said that they had made some changes to their standards for nightclubs, including requiring them not to serve alcoholic beverages between 2 a.m. and 6 a.m., as mandated by ABC regulations. She said that they had also added requirements for a management program, security plan, and soundproofing measures to limit noise. Furthermore, an approved special use permit for nightclubs would be reviewed after two years to ensure compliance. She said that she understood that they had decided not to touch the noise ordinance at this time, but she believed these measures were separate and distinct.

Ms. Siodmok said that they kept the same definition of a nightclub. She said that if an establishment was already operating under a previous definition, such as being approved as a restaurant, and it met the criteria under that definition, it would not be impacted. She said that for example, if a restaurant had a dance floor and was approved under a previous definition that allowed for this, it could continue to operate as long as it complied with that definition, without affecting existing establishments that had already been approved.

Council Member Cuthbert made a motion to adopt the ordinance. Council Member Myers seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

<u>An Ordinance to Amend and Readopt Article 3, Definitions, Article 17, M-1 Light Industrial District Regulations, Article 18, M-2 Heavy Industrial District Regulations, Article 23, Supplementary Use Regulations – Special Uses, and Article 31, Permits, Plats, and Filing Fees, as Set Forth in the Zoning Ordinance of the City of Petersburg Pertaining to Data Center Uses</u>

Ms. Siodmok said that they had additional information presented at the January meeting from representatives of Loudoun and Prince William County, and they also had the Ward 7 meeting, which provided valuable feedback from the community and additional information on data centers. She said that data centers were becoming more interested in Petersburg, and they wanted to define and regulate them in a way that protected residences, park uses, and businesses.

Ms. Siodmok said that they saw the benefits, including attracting business, increasing property value, and creating jobs, but they also saw concerns about noise, energy demands, and heat generation. She said that to address these concerns, they were creating a definition to regulate data centers, identifying them as establishments engaging in storage management and processing transmission of digital data. She said that they were proposing to allow them in M1 and M2 zoning if they met specific conditions. She said that if they did not meet those conditions, they would need to receive a special use permit.

Ms. Siodmok said that they had a lot of M1 zoning districts in the City, and they were looking for ways to mitigate the impact of data centers. She said that to do this, they were proposing additional requirements, such as increased setbacks for buildings, berms, and landscaping, as well as sound mitigation measures. She said that they were also requiring water recycling and increased setbacks from public streets. Additionally, she said that they were proposing a $500 fee to cover the costs of reviewing proposals for new public facilities or utilities.

Ms. Siodmok said that, considering the comprehensive plan's support for industry, they must ensure that the proposed location was suitable and compatible with the surroundings. At the Ward 7 meeting, one concern was that the 100-foot setback for buildings may not be sufficient. Upon reviewing the matter, she found that some localities required 200-foot setbacks, which was worth considering.

Ms. Siodmok said that there were concerns raised about noise levels generated by testing and usage of generators. She said that Loudoun County had language in their code that regulated generator testing and usage. She said that specifically, generators were limited to backup and emergency use only. She said that the Planning Commission and staff had recommended approval.

Council Member Cuthbert made a motion to adopt the ordinance and direct the City Manager to have the Planning Department present on February 4 proposed revisions to address issues identified by Council. Council Member Jones seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

12. <u>NEW BUSINESS</u>

<u>A Resolution Supporting the Partnership Between the City of Petersburg and Virginia State University to Enhance the Tree Canopy and Provide Educational Opportunities in Poplar Lawn Park Via a Gift of $56,000 to the City of Petersburg Provided Through Virginia State University and From the Department of Forestry</u>

Ms. Siodmok said that VSU had applied for $56,000 to support Poplar Lawn Park, which would be used for tree pruning, removal of hazardous trees, education, and additional plantings. She said that they had identified six trees that were suitable for removal. She said that this funding was intended to support these efforts. She said that they planned to utilize the funds in the upcoming months, but they required approval to accept the services and trees for Poplar Lawn Park.

Council Member Myers made a motion to adopt the resolution. Vice Mayor Hill seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

<u>A Resolution for City Council to Accept a Donation for Investigation and Implementation of a Pilot Tree Planting Project on E Washington Street Through a Grant Received by the Crater Planning District Commission</u>

Ms. Siodmok said they were working with the Crater Planning District Commission to increase tree coverage on East Washington Street. She said they submitted a grant application worth approximately $335,000. She said that to proceed, they required Council approval to enable the commission to oversee the grant and implement it on City property, under staff direction and supervision. She said that the plan involved investigating existing utilities, conducting initial base mapping, and implementing a pilot project at that location within the current calendar year.

Council Member Jones made a motion to adopt the resolution. Vice Mayor Hill seconded the motion.

On a roll call vote, voting yes: Cuthbert, Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: N/A; abstain: N/A.

<u>Resolution of City Council to Provide a 20 Percent Match from Non-State or Federal Funds for a Department of Rail and Public Transportation Grant for the Demonstration Project Assistance Program to Create a Trolley Route to Healthy Food and Green Spaces to Include the Petersburg National Battlefield</u>

Ms. Siodmok said that they were planning to submit a grant application by the end of this month, which aimed to establish a bus route for one year, providing access to people from green spaces to healthy food options. She said that this initiative was motivated by the fact that Petersburg continued to rank lowest in the state in terms of health rankings. She said that specifically, Petersburg had the lowest life expectancy under 65 years compared to the state average of 78 years. She said that the reasons for this disparity were multifaceted, including environmental, social, economic, clinical care, and health behaviors.

Ms. Siodmok said that as they worked to reduce heat island effects, manage flooding through investments in trees, and collaborate with various agencies on multimodal improvements, they saw this as an opportunity to utilize transit to connect residents with healthy food and green spaces. She said that their efforts had been informed by a partnership with the University of Virginia, which had facilitated connections with the Green Infrastructure Center and a grant opportunity.

Ms. Siodmok said that they had conducted a survey to gauge interest in this trolley route, which was held in August and September 2024, both online and in-person at locations such as the Food Lion, YMCA, and Petersburg Public Library. She said that a total of 302 responses were collected, with 57% of participants stating that they sometimes or always struggled to access healthy food. She said that the majority of respondents expressed interest in using a free trolley service to healthy food destinations.

Ms. Siodmok said that feedback also included suggestions for park destinations, including the National Battlefield, Appomattox River Trail, Sports Complex, Legend Park, and others. She said that based on these data points, UVA students proposed seven distinct projects for a trolley route that would serve these locations, including healthy food options and green spaces. She said that the grant would support a one-year trolley route, but would require doubling the match, which was something to consider if they were interested in supporting this initiative. She said that this information would also help build a case to determine if the community was utilizing this service significantly and if it should be budgeted for in their regular budget cycle.

Ms. Siodmok said that the grant would cover approximately $700,000. She said that the City would need to match $140,000 for the one-year implementation of this trolley route. She said that she had included an example of what that route could look like, based on factors proposed by one of the groups, which she found to be the most compelling. She said that the proposed route focused on existing bus infrastructure that served areas with the most people without access to a vehicle. She said that the goal was to reach those individuals and connect them to a bus, as well as key locations such as the Battlefield, Legends Park, the sports complex, and Food Lion, to meet their daily needs for recreation and healthy food.

Council Member Jones suggested using the funds to hire more bus drivers and offer additional bus routes. He said this would be a better use than for the trolley.

Ms. Siodmok said that was great feedback. She said that when the students reviewed this, they suggested that increasing the frequency of regular routes could significantly help. She said that the key to their study was that increasing the frequency would lead to an increase in the numbers showing improved access and other benefits. She said that she did not believe their routes would remain free; instead, there were plans to implement fare boxes again in the future.

Mr. Mason explained that one of the benefits was the potential for tourism, which included the national park. He said that during the tourism season, they hosted various events, such as reenactments on the national battlefield. He said that this program would greatly benefit the public, and it was free. He said that he understood Council Member Jones' concerns. He said that they were currently exploring options to expand their routes, and they were implementing various initiatives in transit to promote growth in Petersburg. He said that the transit system had undergone significant changes, and they were looking forward to the future. He said that they believed that this program, with its 20% match, would bring substantial benefits in the long run.

Council Member Jones made a motion to adopt the resolution. Council Member Smith-Lee seconded the motion.

Council Member Cuthbert said he had reservations about the project. He said that Council Member Jones' suggestion to expand existing bus routes was a better suggestion. He said he did not believe the project would be popular, and it would lack significant ridership. He suggested using the funds to continue to subsidize fairs. He requested that Council receive a monthly ridership report if the resolution is approved.

Mayor Parham called for the question.

On a roll call vote, voting yes: Jones, Myers, Westbrook, Smith-Lee, Hill, and Parham; no: Cuthbert; abstain: N/A.

13. <u>CITY MANAGER'S REPORT AND SPECIAL REPORTS</u>

John March Altman, Jr., City Manager, said that they had eight trucks scheduled to be deployed on the streets shortly. He said that two crews were standing by, ready to respond as soon as snowfall began. He said that they would be focused on applying salt and sand to high-priority areas with slick conditions. He said that he had a conversation with Chesterfield County, and he wanted to bring to the Council's attention that they included a stormwater fee on their real estate tax bill, which was something they would need to discuss further.

Mr. Altman said that he would be working with their finance staff to reach out to their staff and explore the process they used to implement this. He said that he hoped they could gather the staff together here shortly and then provide an update for everyone as quickly as possible. He said that in the worst-case scenario, they expected to return to Council by the March timeframe and start the new process with July billing.

Council Member Cuthbert asked for more information about Chesterfield's approach to vacancy savings.

Mr. Altman said that Chesterfield's annual budget did include a vacancy savings number, which would be part of their conversation with their staff. He said that he had the opportunity to discuss this with Matt Harris, the Deputy County Administrator for Finance, at the Regional Jail Finance Committee meeting.

Council Member Cuthbert asked that staff provide an update at the March meeting.

Mr. Altman said that staff would bring both items back in March.

14. BUSINESS OR REPORTS FROM THE CLERK

Tangi Hill, City Clerk, said that there was no report.

15. BUSINESS OR REPORTS FROM THE CITY ATTORNEY

Anthony Williams, City Attorney, said that there was no report.

16. ADJOURNMENT

Mayor Parham made a motion to adjourn. All members of the Council present voted in the affirmative. Meeting adjourned.

The City Council adjourned at 7:35 p.m.

Adopted: February 18, 2025.

APPROVED:

Samuel Parham

Mayor

ATTEST:

Tangi R. Hill