

The regular meeting of the Petersburg City Council was held on February 17, 2026 at Petersburg Public Library. Samuel Parham called the meeting to order at 5:10 p.m. The meeting video link is <https://petersburgva.new.swagit.com/videos/375361>

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 Administration:

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

2. DETERMINATION OF THE PRESENCE OF A QUORUM:

A quorum was present.

3. PRAYER

Vice Mayor Hill led the Council meeting in prayer.

4. PLEDGE OF ALLEGIANCE

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

5. PROCLAMATIONS/RECOGNITIONS/PRESENTATION OF CEREMONIAL PROCLAMATIONS

- a. Recognition of Deputy City Manager Kenneth Miller, Economic Development Project Manager Shalonda Venable-Royster, and Police Captain Carol Adams, Tri-Cities Emergency Management Coalition (Comprised of the Emergency Management Reams of Petersburg, Colonial Heights, Hopewell, Dinwiddie, and Prince George), Barbara Coleman – Virginia Community Resource Center, Robin Tyler-Central Virginia Health Services, Marco Calendar – Petersburg YMCA, Good Shepherd Baptist Church, Metropolitan Baptist Church, and the Mark Matthews Chapter of the Buffalo Soldiers as Recipients of the Red Cross Community Partner Award

Mayor Parham recognized staff and community organizations for receiving the Red Cross Community Partner Award.

Christy Carneal, Red Cross thanked City Council for sharing this information and thanked those who had been recognized. She stated that Red Cross's mission was to alleviate human suffering. Their five core values were credibility, compassion, collaboration, commitment, and creativity They looked for groups and organizations across their five lines of service, which included support for the military, blood

donations, training services, disaster services, and international services, as well as their business lines, in their 22 Cities and Counties. She said that they partnered with representatives who demonstrated their core values to the community on a daily basis. She said that they were excited to recognize and thank them for their daily efforts, and she thanked the City for recognizing their hard work, as well.

b. Proclamation Honoring Lisa. M. Scott Upon the Occasion of Her Retirement

Mayor Parham presented a Proclamation Honoring Lisa M. Scott Upon the Occasion of Her Retirement after 45 years of employment.

Lisa Scott accepted the proclamation and gave remarks. She thanked City Council and City Administration for the recognition. She said that she gave God all the glory for everything he had done in her life. She said that she started working for the City after high school, then attended business college for a year.

Ms. Scott said that the position she interviewed for through a summer youth employment program, so young people continued to do this work and it would pay for itself in the long run. She was grateful and thankful for the opportunities granted here in the City of Petersburg, and hoped her career would serve as a model for this organization. She again expressed her appreciation for the recognition and looked forward to seeing the continued progress in the City of Petersburg.

Mayor Parham recognized Council Member Jones.

Council Member Jones presented a Proclamation to members of the Nation of Islam to Recognize February 17, 2026, as a Day to Reflect Upon and Honor Minister Louis Farrakhan. He reflected on how his life had been positively impacted by Minister Louis Farrakhan. He encouraged everyone to treat each other as brothers and sisters.

6. RESPONSES TO PREVIOUS PUBLIC INFORMATION POSTED

There were no items under this portion of the agenda.

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

a. Minutes of Previous Meetings:

- February 3, 2026 Closed Session Meeting
- February 3, 2026 City Council Joint Meeting
- February 3, 2026 City Council Work Session

Vice Mayor Hill made a motion to approve the consent agenda as presented. Council Member Smith-Lee seconded the motion.

There was no discussion on the motion. The motion was approved on a roll call vote.

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

8. UNFINISHED BUSINESS

a. Consideration of an Amendment to the FY26 Petersburg City Public Schools Budget

Garry Cozier, Budget Manager, introduced the item. He stated that this item had been on the agenda the previous month, and Council tabled it to ensure that Schools' representation could be present.

Matthias Greywoode, Chief Financial Officer for Petersburg City Public Schools, stated that he would be glad to take any questions Council had on this item.

Council Member Jones asked if this was regarding the \$3 million in the Schools Budget.

Dr. Greywoode confirmed that was correct; this was an encumbrance carryover, a routine request that they made every year. Essentially, it involved items that had been encumbered in the previous year and were now being carried over to the current year. He said that they must annually request City Council approval to carry these over to the new year.

Council Member Jones asked why the funds were not expended last year. He thought it was a lot of money to be carrying over.

Dr. Greywoode clarified that these were not leftover funds. The timing between when contracts were signed, when services were provided, and when they were paid, which resulted in carrying over into the new year. He said that they required authorization from the City Council to roll these contracts into the new year.

Council Member Jones asked how they could fix this so the schools did not have to routinely come back to Council and request the money to be carried over.

Dr. Greywoode said that there was no solution to this issue due to the way things were structured. He said that they would continue to experience issues like this, because there would always be projects which would span into the new year, so they had to consistently come back to request this authorization from City Council.

Council Member Jones said that he thought if it was a timing issue, there should be some way to prevent carry-over.

Yolonda Brown, Superintendent of Petersburg City Public Schools, said that she understood Council Member Jones' contention that they should spend all the money. She said that typically, that approach was not advisable, and it was not a good practice of financial management for a school division. She said that no school division could afford to spend its millions of dollars down to zero, as unexpected expenses could arise throughout the year, leaving no funds to address those issues that came up.

Council Member Jones said that he did not expect them to spend all the money at once, but they also should not need to retain funds when they could request more from City Council in case of emergency. He said that holding onto \$3 million "just in case" was also not advisable.

Ms. Brown said that as Dr. Greywoode explained, as they entered into contracts and requested goods and services from different companies, there may be a lapse when they got the bill for those services. Therefore, they needed to be able to pay for things throughout the year. She said that if the budget had closed, they must get authorization from City Council to pay the encumbrances. In this case, those specific bills were brought forward and were approximately \$3 million.

Dr. Greywoode added that they had 72 items, which were mostly capital-related projects that they had undertaken in the schools. He said that upon reviewing some of them, they were primarily maintenance, capital improvements, and facilities projects. He said that on average, each item required approximately

\$38,000 to be rolled over. He said that this was a routine request, one that they typically made every year.

Council Member Jones asked if they were handling vendors who sent their bills in late.

Dr. Greywoode explained that their fiscal year ended on June 30, which meant that any outstanding obligations they had started on before that date could not simply be paid on that date. Those remaining expenses needed to be carried over into the new year and required authorization to be rolled over and paid for.

Dr. Greywoode said that historically, the School Division had requested this approval on a routine basis. Staff provided the necessary details, and Council had consistently approved it in the past. However, in this instance, he believed a misunderstanding arose because he had missed the previous meeting. He said that it appeared that there was confusion about the nature of the request, which was not related to net income or leftover funds at the end of the fiscal year, which was a separate issue altogether.

Council Member Jones said that he understood now. He thanked Dr. Greywoode and Ms. Brown for explaining this item.

Vice Mayor Hill made a motion to approve the amendment to the FY26 Petersburg City Public Schools Budget in the amount of \$2,977,123.61. Council Member Jones seconded the motion.

There was no discussion on the motion. The motion was approved on a roll call vote.

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

Vice Mayor Hill congratulated and commended the school's staff on getting three of their schools fully accredited.

b. Development Agreement between TWG, Petersburg, LLC, and the City of Petersburg for the Development of Collier Yard

March Altman, City Manager, provided a brief summary of the item. He stated that this item was separate from the rezoning proposal, which would be addressed later, but the two were companion items. He explained that the City had entered into an option agreement with TWG, Petersburg, LLC in January of last year, granting them the right to purchase the Collier Yard property. The developer then conducted due diligence work on the property. In April of last year, they entered into a supplemental agreement with the City to purchase additional unimproved land, also conducting due diligence work.

City Manager Altman explained that tonight, they would be presenting the development agreement, which authorized the purchase of the property and set the terms for the development of the property. He said that the total 172 acres at Collier Yard, including 62 acres of unimproved land, would be utilized and developed by TWG, Petersburg, LLC for a data center project, along with supporting facilities.

Council Member Westbrook noted that while there would be no public discussion on this development agreement, there would be a public discussion on the rezoning.

Council Member Westbrook stated that this project was proposed to be located in his Ward, so he wanted to let the public know that he understood that they had concerns, and he hoped that they could still be addressed during the public hearing for the rezoning application. He provided background information on this proposal, including how the City had researched the potential benefits and drawbacks to having

data centers in a City like Petersburg. He emphasized that although the benefits of this project may include a lesser burden on residential taxes, it was not a factor in what the Council would be voting on. He said that additionally, with well-negotiated agreements, benefits could extend beyond taxes and have positive effects on their local infrastructure, jobs, and economic development.

Council Member Westbrook stated that he and Council were not ignoring the concerns of the citizens, and there were ongoing measures at the local and state level to better regulate the data center industry and mitigate negative environmental impacts. He noted several bills submitted in the current General Assembly session that addressed these concerns. He emphasized that this would not end here with this particular development; they would continue to have these conversations.

Council Member Westbrook further acknowledged the Warrenton Group (TWG)'s history of commitment and collaboration with the City of Petersburg. He stated that they should treat TWG as a neighbor and encourage them to be a good neighbor to the City. He said that for transparency's sake, he would pledge his support for this project, which he had done on several occasions, including the most recent Planning Commission meeting to approve this project and the rezoning. However, he had clear expectations for this project: ongoing community updates, standing public meetings hosted by the Warrenton Group, a workforce development strategy for local residents, period updates to City Council and City leadership, and enforceable standards for design, compatibility, and impacts.

Council Member Westbrook stated that to address the major concern that this project targeted communities of color or historically disenfranchised neighborhoods, the policy direction across Virginia had been to maintain equity and transparency, and localities had the data to protect quality of life. He asserted that he and this Council shared the commitment and would participate to ensure the outcomes reflected their values. He noted that this project would take three to five years to roll out, so discussion was not limited to tonight and the timeline provided multiple checkpoints to verify performance, and if commitments slipped, the project would not proceed to the next phase.

Council Member Westbrook made a motion to approve the development agreement between the City of Petersburg and the Warrenton Group, Petersburg, LLC for the Development of Collier Yard property. Council Member Jones seconded the motion.

Council Member Cuthbert said that his understanding was that the Warrenton Group would be paying the City approximately \$5,000 per acre for this 172-acre tract.

Alexander Graham, the Warrenton Group, said that he did not have the exact amount at hand, but it was included in the development agreement before Council. He said that he did believe it was approximately \$5,000.

Council Member Cuthbert asked if the option agreement had already expired. He asked City Manager Altman if they had a binding agreement at this point.

City Manager Altman said that in the pre-development option agreement, there were renewal clauses, which had been met so far.

Council Member Cuthbert asked if there was a renewal clause for six months, which expired on January 7, 2026.

City Manager Altman said that they actually renewed within the specified timeframe and met the renewal requirement by the stated date, but he did not have that exact date in front of him.

Council Member Cuthbert said that he thought the option extended through January 7, 2026, which meant it expired as of January 8, 2026.

Anthony Williams, City Attorney, stated that what Council Member Cuthbert described sounded correct, but he could not provide exact details because this item was put on the agenda at the last minute. He said that however, he did recall what Council Member Cuthbert had described.

Council Member Cuthbert said that as of today, there was no binding agreement requiring the City to sell the 172 acres to the Warrenton Group.

Mr. Graham said that that was not a fair statement according to his recollection. He said that they had exercised the option that was available, which had been signed off by the City Manager, who was authorized by Council to act on their behalf. He said that as a result, in his view, the option had been exercised, and they were aligned with the requirements of the Council.

Council Member Cuthbert said that he had not seen that agreement. He said that he was aware of the one dated January 7, 2025, and it was now February 17, 2026. He said that he would like to see the documentation the applicant had.

Council Member Cuthbert said that he had a question asked if the Warrenton Group had been seeking purchases for this 172-acre tract in the past 13 months.

Mr. Graham said that the Warrenton Group was in the process of getting the site through the entitlement phase, which was an absolute necessity before engaging with an end user for the site. He said that they had fielded conversations with multiple interested end users.

Council Member Cuthbert asked what range of prices per acre the Warrenton Group had been seeking.

Mr. Graham said that they were not discussing any per-acre price at this point in time. He said that their focus was on understanding the needs of the eventual end user. He said that these projects were complex and nuanced, and the specifications for the site could vary greatly depending on who the end user was. He said that for example, someone working on artificial intelligence (AI) may require different specifications than someone who was using the site for data storage. He said that given the current stage of their conversations, it was premature to discuss pricing.

Council Member Cuthbert asked if the Warrenton Group was basically seeking to flip this 172-acre site.

Mr. Graham replied no; they had committed to this City Council on multiple occasions that they would be there to develop the site through the end.

Council Member Cuthbert said that however, the Warrenton Group was not building itself a data center on the site.

Mr. Graham answered no; the Warrenton Group would act as the developer to ensure that the data center was built in accordance with the specifications and requirements of this City.

Council Member Cuthbert asked if the Warrenton Group planned to sell this development to a large company like Google or Amazon or Microsoft.

Mr. Graham said that he believed Council Member Cuthbert was conflating some issues here. He clarified that data center developers typically partnered with typical end users. In their case, they were still in the early stages of exploring a potential partnership with an end user. He said that at this point, they did not have an exact understanding of the disposition of the project. He said that it was possible TWG could be

a joint development partner, but they did not yet know what portion of that development they would own. He said that as mentioned by Council Member Westbrook, this was a three- to five-year long process. Because of the timeline of a typical project like this, they would be routinely providing updates to Council. However, he could not state at this stage how this would be in its final stage.

Warren Williams, the Warrenton Group, stated that his company's primary goal was to be a community partner. He stated that they planned to be here a long time and would be opening up an office here because they understood how important this project was and the hands-on expertise needed in town to make sure they performed these various development activities. He acknowledged the nuances of this very new industry, so he would like to make clear that their group would be performing the engineering and design of a 172-acre campus.

Council Member Cuthbert said that he specifically would like to discuss the parcel with the address 1926 Bogese Drive, which was adjacent to homes in the Ramblewood subdivision.

Mayor Parham stated that was part of the rezoning, which was listed under Item 9E.

Council Member Cuthbert said that in that case, they could talk about it later. He asked if this current item was regarding sale of the 172 acres of City property to the Warrenton Group.

City Manager Altman said that he believed the total acreage was 172 acres, plus an additional 63 acres that the company was acquiring in the industrial park area below the railroad tracks for stormwater and wetlands mitigation purposes.

Council Member Cuthbert asked if City Attorney Williams had received the document from the applicant.

City Manager Altman said that upon reviewing the development agreement, he noticed that there was a six-month period followed by a six-month extension, which brought the deadline to January 2026. He said that they had previously discussed the project in a closed session meeting in November, and had a conversation about moving forward. He said that as a result, the six-month extension had been granted, but the agreement itself had allowed for this extension.

Council Member Cuthbert asked if the extension expired on January 7, 2026.

City Manager Altman said that there was an additional six-month extension which had expired.

Council Member Cuthbert asked if that meant the City was no longer obligated to sell this property to the Warrenton Group.

City Manager Altman stated that under the terms of the agreement, the additional six months had expired; he believed that was the correct answer. However, the Council did have the authority to extend the agreement and move forward if it chose. He said that, in his opinion, as a result of the closed session meeting, they had, it appeared that everyone was under the assumption that they were moving forward with the project and also providing Mr. Westbrook with time to have meetings in his Ward.

Council Member Cuthbert said that that was before the extension agreement had expired.

City Attorney Williams suggested that it may be beneficial to amend the motion, Mr. Mayor, if the Council intended to vote in favor of the development agreement, allowing it to proceed with the extension and adopt the agreement. He said that this would address the gap that Councilman Cuthbert was referencing.

Council Member Westbrook made a motion to approve the development agreement between the City of Petersburg and the Warrenton Group, Petersburg, LLC for the Development of Collier Yard property,

with an amendment to extend the agreement to cover this period, starting from January 7, as outlined in the development agreement. Council Member Jones seconded the motion.

There was no discussion on the motion. The motion was approved on a roll call vote.

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

9. OFFICIAL PUBLIC HEARINGS

- a. Public Hearing for the Consideration of a Resolution Authorizing the Issuance of One or More Series of General Obligation and Refunding Bonds of the City of Petersburg in the Maximum Aggregate Principal Amount of \$5,600,000 to Refund the City's Outstanding Water and Sewer Revenue Bond, Series 2015 and Pay All Related Costs of Issuance

David Rose, Senior Vice President and Manager of Public Finance with Davenport & Co., introduced the item. He stated that he was joined by his colleague Ben Wilson from Davenport, as well as Steve Forbes from Sands Anderson, the bond counsel who authored the resolution and public hearing scheduled for tonight. He summarized that this item was ultimately considering a reduced interest rate for these bonds.

Ben Wilson, Associate Vice President with Davenport & Co., provided a brief overview of the item. He explained that they were considering refinancing the 2015A bonds issued for water and sewer purposes. He said that they were not planning to extend the maturity of these bonds, but rather exchange higher interest rates for lower interest rates. He stated that at their January meeting, Council had directed them to pursue a dual-track process, which included refinancing through the Virginia Resources Authority (VRA), where these bonds were originally issued, and offering banks the opportunity to provide refinancing.

Mr. Wilson said that they had received proposals from banks last week, and based on the current market rates for Virginia Resources Authority, their interest rates were lower than those offered by the banks. He said that therefore, they recommended moving forward with Virginia Resources Authority at this time. The interest rates for VRA would be finalized later in April, but the resolution before Council would allow them to withdraw if they did not meet a minimum threshold for savings, which was an industry standard. This meant that Council would not be obligated to move forward with refinancing if, when the time came, the interest rates were too high and it would not be beneficial. This would be the only action required with respect to this refinancing, and they would know for certain in late April, early May, what those interest rates would be and how much savings would be generated.

Mayor Parham opened the public hearing. Seeing no speakers, he closed the public hearing and the matter rested with Council.

Council Member Jones asked how this refund would help the City and citizens in terms of their water and sewer.

Mr. Rose explained that reducing the interest rates on the bond payments would allow the City to reduce the overall cost of borrowing the money. Therefore, it would free up additional dollars for the City to allocate to its other needs. They currently had the opportunity to seek out lower interest rates, which was a best practice in terms of financial management. He said that if they were successful, they would follow up in June with a review of the process. He reiterated that lowering the interest rates would reduce the overall burden on the enterprise fund.

Vice Mayor Hill made a motion to approve the Resolution Authorizing the Issuance of One or More Series of General Obligation and Refunding Bonds to the City of Petersburg in the Maximum Aggregate Principal Amount of \$5,600,000 to Refund the City's Outstanding Water and Sewer Revenue Bond, Series 2015 and Pay All Related Costs of Issuance. Council Member Jones seconded the motion.

There was no discussion on the motion. The motion was approved on a roll call vote.

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

- b. Public Hearing for Consideration of an Ordinance to Approve a Request by Raymond Akoury, on Behalf of RGC Investments C/O Hotrod Motorsports, for a Special use Permit for Multiple-Family Dwellings as Authorized and Controlled by the R-5 Multiple Dwelling District Standards at 1325 West Washington Street, Parcel ID 024330005, in the B-2, General Commercial Zoning District

Jared Crews, Interim Director of Planning and Community Development, provided a summary of the item. He stated that the request before Council was a special use permit request for the property at 1325 West Washington Street, a 0.4-acre property located in the B-2 General Commercial District. The applicant was seeking to construct seven townhome-style apartment units, and a special use permit is required for multifamily development within the B-2 District. If approved, the project would be subject to the standards of the City's R-5 District, which was a multifamily district. He provided information on the existing conditions of the parcel, the surrounding area, and the submitted designs for the proposal.

Council Member Cuthbert said that they looked more like tenement homes. He asked if they were going to be rental units.

Mr. Crews confirmed that was correct; they would be rented. He then reviewed staff's considerations for this application, including parking, landscaping, building materials, and resident amenities. He provided information on the adjoining zoning uses and Comprehensive Plan considerations. He enumerated staff's proposed conditions for this application, which were reviewed by the Planning Commission.

Mr. Crews summarized that the Planning Commission recommended denial of the special use permit request in a 5-0 vote. The Commission found that the request did not align with guidance of the Comprehensive Plan based on constrained size of site, lack of amenities for residents, and incompatibility with size, scale, and character of neighboring residential development.

Mayor Parham opened the public hearing.

Gary Talley, 2323 Fort Rice, stated that in his opinion, there was no alternative but to follow the Planning Commission's decision and turn this down. He said that the proposed location was an extremely small area, comparable in size to his yard at his house. He said that it was not sufficient to support the intended use, particularly when considering the sideways layout, which would likely appear odd in the surrounding neighborhood.

Paula Chester, 1013 Oakmont Drive, said that she agreed that denial was appropriate. She said that she agreed that the building design did not appear to be a townhouse in any way; it was more of an apartment building. She said that as for its location, she did not understand its layout in relation to West Washington Street and Hinton Street. She said that in the area of Washington Street, most homes were old brick designs and single-family homes. She said that considering this was a main strip going in and out of the City, and that rentals often did not maintain their properties as well as owner-occupied homes, she could see that there would be a constant need to clean up litter in this area.

Ajani Sekou, 27 South Sycamore Street, said that he agreed with the Planning Commission's assessment. He said that what had been presented to Council this evening did not align with the City's vision. He said that it was already apparent that they planned to use low-cost materials, which suggested a lack of investment in the City. He said that it appeared that the applicant was interested in exploiting this City rather than working in tandem with their vision. He said that he recommended that this application be denied.

Raymond Akoury, applicant, said that he wanted to assure the Council Members that he was available to answer any questions they may have regarding this project. He said that he had been in the construction business for over 45 years and he wanted to set the record straight regarding some of the comments he had heard about this project. He said that the type of development, construction materials, and other aspects of the project, he believed were entirely inaccurate.

Mr. Akoury said that he had extensive experience in construction, having worked on projects in Dinwiddie County, and he was confident in his abilities. He said that he would like to invite any Council Members, the Mayor, or the Vice Mayor to visit his previous projects and see the quality of work he delivered. He said that he was proud of his reputation and he wanted to stand by it, based on his experience and performance. He said that he was now open to answering any questions they may have, and he encouraged them to bring them forward.

Myron Haskins, 1329 Hinton Street, said that he agreed with many of the comments made previously about the area. He said that this building proposal did not fit the environment. He said that he had heard the builders express their intention, but it was clear that the building material did not change the fact that it would not work. He said that he did not care if it was made of gold; it was just not going to fit. He said that he did not know if it was possible, and he would like to see the view from Hinton Street.

Mr. Haskins said that the proposed building would be sideways, and from his front porch, he would see the side of a building with a fence. He said that parking was restricted, and it was very compact. He said that it was not a good fit for the area, as Hinton Street was lined with single-family homes and a few double-tenant homes. Washington Street was similar to what someone previously mentioned. In his opinion, it did not fit the area and would not complement it.

Mr. Haskins said that it would likely bring more problems due to traffic and reduced accessibility. If they were parking on Hinton Street, that was possible, but they could not guarantee it. Considering the potential impact of a structure like this in the area, he did not see it as progressive. He said that he was speaking out today to join the Planning Commission in opposing this proposal.

Mayor Parham closed the public hearing and the matter rested with Council.

Council Member Jones thanked the applicant for their interest in Petersburg. He said that he understood the applicant wanted to put housing there, and the developer wanted to make money off of the duplexes. He stated that he wanted the developer to be successful, but in exchange it must be meaningful and enhance the neighborhood. He asked the applicant to reconsider what he wanted to do with the parcel, because the proposal as presented was unacceptable for the City of Petersburg.

Council Member Smith-Lee stated that she had met with the applicant and the previous owner of the lot, and they had discussed the potential options for the property. She said that however, she had never received an update from him in terms of what the plan for the property would be. She said that considering the recommendations from the Planning Commission, she thought the applicant needed to reconsider what he wanted to do with the property, which was very small. She said that she certainly supported development in her Ward, but she wanted things to be done right and for the City's Planning and Zoning to support it.

Mr. Akoury stated that he was told by the previous owner that these plans had already been supported by the City's Planning and Zoning Department as well as Council Member Smith-Lee, so he felt he should continue with the development process. However, he now saw that the previous owner had sold him a bill of goods that were not accurate. He said that as to whether or not he would put a single-family house on the property or let it sit vacant, he would not make that decision at this time.

Council Member Smith-Lee stated that the previous owner had given the applicant incorrect information, which she did not appreciate. She said that she would like for the applicant to reconsider the proposal and perhaps build a single-family home.

Council Member Smith-Lee made a motion to deny the application. Council Member Cuthbert seconded the motion.

There was no discussion on the motion. The motion was approved on a roll call vote.

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

- c. Public Hearing for Consideration of an Ordinance to Approve a Request by Pedro Rosario for a Special Use Permit to Operate a Stand-Alone Vehicle Repair Shop at 3857 South Crater Road, Parcel ID 101090005, in the B-2, General Commercial Zoning District

Jared Crews, Interim Director of Planning and Community Development provided an overview of the item. He explained that this was a request for special use permit (SUP) to operate a standalone auto repair shop in the B-2 General Commercial District. A special use permit was required for this project, which involved a 0.46-acre parcel along South Crater Road. The applicant currently operated PJ Auto Repair on an adjoining property, but he was no longer the owner of that site. As a result, the existing shop would be closing, and he planned to relocate his operations to this new property.

Mr. Crews stated that the application included a site plan, which showed the layout of the property, as well as notes on how to comply with various rules and regulations. On December 4, 2025 they held a public hearing with the Planning Commission, during which some concerns were raised, including the current condition of the site, the lack of landscaping and screening, as well as the need for attractive uses at the City's gateways. There was also confusion over an existing billboard on the site, which was subject to a third-party lease.

Mr. Crews stated that the applicant subsequently updated the plans to address those concerns. He then reviewed the Comprehensive Plan considerations with regard to the proposal. He summarized that based on the updated plans, the Planning Commission recommended approval of the request in a 5-0 vote, subject to conditions. He noted that a single individual spoke out in opposition to the application at the first public hearing, and then the same individual spoke in support after reviewing the updated plans. He then enumerated the proposed conditions for the SUP.

Mayor Parham opened the public hearing.

William H. Talley IV, manager of Cockade Properties LLC, located at 3905 South Crater Road, said that he was the sole speaker for this item at this meeting, but he had attended all previous hearings on this matter. He said that he wished to express his support for the proposed development, based on the renderings presented and the conditions outlined. He said that in his opinion, this project would serve as a great entrance to the City from that location. He said that he endorsed this proposal, as presented by Mr. Rosario.

Mayor Parham closed the public hearing and the matter rested with Council.

Council Member Jones asked if Mr. Crews thought this proposal would make the property look better than what was currently there.

Mr. Crews replied yes; he thought the streetscape improvements were a step in the right direction, but the vehicle repair use was not ideal.

Council Member Jones said that he did not think the tree plantings should be included in the conditions for approval, so he would suggest that it be removed. He said that he also did not think they needed to require removal of the billboard that had been there for years, so he would ask that this condition be removed as well.

Vice Mayor Hill made a motion to approve the Ordinance to Approve a Request by Pedro Rosario for a Special Use Permit to Operate a Stand-Alone Vehicle Repair Shop at 3857 South Crater Road, Parcel ID 101090005, in the B-2, General Commercial Zoning District, with the amendment to not require removal of the billboard. Council Member Myers seconded the motion.

There was no discussion on the motion. The motion was approved on a roll call vote.

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

- d. Public Hearing for Consideration of an Ordinance to Approve a Request by Donte Threatt, on Behalf of Sweet Investments VA LLC, for a Special Use Permit to Operate a Nightclub at 2793 South Crater Road, Parcel ID 065110004, in the B-2, General Commercial Zoning District

Jared Crews, Interim Director of Planning and Community Development, provided a summary of the item. He stated that the subject property, located along the South Crater corridor, was a developed 5.4-acre site. The applicant sought to operate a nightclub within the existing 45,000 square foot building, and there was existing parking. He explained that the City's regulations for nightclubs were updated about one year ago, so special use permits were required for that use in the B-2 General Commercial District. If approved, the use would be subject to some automatic conditions in the Ordinance, as well as automatic review and adherence to the application plan.

Mr. Crews provided information on the existing conditions of the site, the required management program for the nightclub use, the floor design, the security plan, procedures for occupancy, and emergency response protocols. He noted the zoning uses on adjoining parcels. He stated that there was a public hearing for this item on December 4, 2025 and four comments were received at the meeting, and other comments received at an additional public comment period hosted by the Planning Commission.

Mr. Crews explained there were concerns raised about the existing nightclub on the property, parking concerns, illegal activity, and incompatibility with surrounding uses. He said that the Planning Commission had asked the applicant to work with neighbors to find compromises. Conversely, the comments in favor of the request noted the need for this use within the City, the applicant's focus on older, calmer clientele, and the thorough management plans submitted with the proposal. He then reviewed the Comprehensive Plan considerations for this application as well as staff's proposed conditions for approval.

Mr. Crews summarized that the Planning Commission recommended denial of the special use permit request in a 4-1 vote. The Planning Commission found that the proposed use would result in adverse impacts to neighboring properties; concerns included conflict over parking needs, noise levels and

impacts to neighboring churches and residents, and demands on law enforcement. The Planning Commission noted that the applicant did not coordinate with neighbors to find solutions to questions raised.

Mayor Parham opened the public hearing.

Karl Pulliam, stated that he was representing the Elite Horsemen. He said that he was here to recommend that Council vote against the proposal. He said that the Elite Horsemen had been a chartered in the City for 52 years. He said that their previous location was at 10 North Union Street, and they relocated to 2793 South Crater Road in 2011, where they had been operating for 15 years. He said that they had a nightclub business there. He said that he did not have any issues with the proposed use, but their main concern was parking.

Mr. Pulliam said that they typically had between 100 and 125 patrons per night when they were open. He said that he was not aware of the proposed business's hours, but if they were to operate during the same time, it would be impossible for them to accommodate their clientele due to the limited parking. He said that they had a good relationship with the churches because their hours did not overlap so they did not have to compete for parking. He said that their landlord seemed to be unwilling to address this potential conflict with their business and the proposed new business. He said that again, their organization had a long history in the City, and he was speaking on behalf of them to recommend denial of the application.

Lash Barksdale, the owner of the property at 2787 South Crater Road, which was also the site of Apostolic Ministry Church. He said that he was fortunate to have Mrs. Wilson, a respected preacher, serving their church. He said that he was concerned about this development and agreed with the Planning Commission's decision to recommend denial of the permit. He said that Mr. Threatt had a great plan, but he believed this was not the right location. He said that in his opinion, it would be a better fit for a casino training center. He said that it would be a good opportunity for Mr. Threatt to look downtown at the old Croaker's building, or the old Pep Boys building on Crater Road.

Mr. Barksdale said that he strongly believed that the business proposed was not compatible with the existing nightclub, as the previous speaker stated. He said that he was very concerned about the logistics of emergency situations, particularly with regards to parking and exit routes. He said that he would appreciate Council accepting the Planning Commission's recommendation. Additionally, he congratulated Ms. Scott on her 46 years of working with the City, as she was a very wonderful person and they were lucky to have her.

James Payne said that he was a graduate of Virginia State University (VSU). He said that when considering coming to Petersburg, he was looking for something to do. As an older man, he was 47 years old, and he had often said to himself, "I wish I could have some wholesome entertainment and something fun to do." However, hearing the objections presented by some individuals in this City was disheartening. He said that he believed the Horsemen should be a membership establishment, with a predetermined number of spaces for their events. He said that they should not have a random number of people attending their events.

Mr. Payne said that additionally, the church conducting its great ministry in this City would not be open at the same time as the lounge. He said that these objections, in his opinion, sounded like a lot of hate. What he saw was a young individual, a young proprietor in the City of Petersburg, who should be welcomed as a resident and encouraged to help the City. Unfortunately, this individual was facing opposition from people presenting false information. He said that the church should not be fearful of opportunity. He said that the lounge, as presented, was actually a venue and an outlet for artists and creative individuals in the City.

Mr. Payne said that Petersburg had incredibly talented people; however, if individuals moved forward in fear, they would never discover their potential. He said that he was here to say that the City should have a lounge that was worthy of the City of Petersburg. He said that he was concerned about the fear and false predictions presented today regarding the Horsemen Club. He said that he knew that Mr. Threatt had attempted to work with these individuals, but he had been met with hate and animosity. They had lied to him, claiming to want to work with him, but had not even spoken to him, let alone looked him in the eye.

Joyce Vincent, 1608 Kings Road, said that her church is located at 2787 South Crater Road. To begin, there was a previous Planning Commission meeting where the Commission voted to deny the proposal. This decision was significant, as it indicated that there were legitimate concerns about compatibility with the area. The issue was not just about parking, but also about the lack of introduction by Mr. Threatt to the occupants. To this day, her apostle or the board of directors had yet to meet with him, nor has he reached out to them. This was a determining factor in the tabling of the vote on December 4, 2025. He was specifically advised by one of the Commissioners to reach out to the occupants and engage in a dialogue.

Ms. Vincent said that she appreciated Mr. Threatt's desire to expand and build, and she was supportive of entrepreneurship and development in Petersburg. However, she was not in favor of a lack of communication and not adhering to the guidance provided. She believed there were workable solutions that could be explored through a partnership. However, she thought this was a great idea for the wrong location. She said that there were other locations better-suited to this proposed use. Finally, she acknowledged that Mr. Threatt did a lot for the community, but she questioned why Mr. Threatt had not donated his sprint van to get kids to come to the skate land that was there.

Ms. Vincent said that furthermore, considering Council Member Jones owned that place at one time, she was unsure of his current relationship with it, so she asked that everyone put aside their personal feelings about this applicant and use and think about what was best for the community there. She asked why this could not be a STEM-related use, an activity center for the youth, or a training center as previously mentioned. She said that they could partner with existing businesses to provide the best tenant for that location, rather than just a nightclub.

Ms. Vincent said that a nightclub would be better in terms of profitability and development in a different location. She said that the Live Casino would be doing more development on their property, so again, those types of entertainment venues would be provided in other parts of the City. She reiterated that her main request was for the applicant to consider moving the location of the nightclub. She asked Council Member Jones to please be impartial on this issue and consider the impact on the surrounding residential neighborhoods.

Maxine Wilson, Pastor of Apostolic Ministry, located at 2787 South Crater Road, said that she was opposed to the club due to the congestion it would bring, as having two clubs in a small area was a concern. She said that in this area of Crater Road Square, the presence of the casino had elevated the status of the area to an elite level. She said that adding another club, just two blocks away, seemed unnecessary. She said that she believed the casino would bring the necessary activity, entertainment, and events, but having this so close to another club in a congested area, with a casino already located two to three blocks away, was not justified.

Terrell, 1822 Bogese Drive, said that he was in favor of the proposed lounge. He said that for one, they had mentioned parking as an issue, but he recalled that the parking was initially for Food Lion, and the surrounding businesses had to adapt to fit in. He said that he did not see it as a problem to have a club away from the casino or near the church. He said that there were other clubs on Crater Road. He said that there were a thousand reasons they could use to deny a club, but to think that sharing a parking lot

and not communicating face to face with the neighbors was being used to stop this was inappropriate. He said that he supported the proposal and thought this luxury lounge would help in the progress of Petersburg. He said that some of the other points raised by previous speakers were not relevant to this situation at hand.

Theresa Still, 715 Ann Street, said that she was a new resident in Petersburg. She said that she loved Petersburg and she wanted to be part of the new chapter Petersburg was entering. She said that she was impressed by the progress made recently and Mr. Threatt had been very professional and had been actively involved in the community. She said that the proposed lounge was not a club, but rather an experience. She said that their goal was to create a welcoming space that would bring jobs and opportunities to the area. She said that she believed that with community support, they could make this vision a reality.

Tamara White, said that she lived in Jesse Lee Apartments. She said that she was a 40-something-year-old, and she still enjoyed going out and socializing. She said that unfortunately, Petersburg did not have a lot of nightlife options suitable for her age group. She had tried visiting smaller establishments, but none of them offered the experience she was looking for. She did not think it would be a problem with traffic getting out because she had been to that area at night and she was familiar with the area.

Ms. White said that this lounge would bring revenue to the City, create jobs, and revitalize the area. She said that she was born and raised here, and she had traveled to other Cities that had thriving nightlife scenes. She asked why Petersburg could not have something similar. She was not aware of any recent examples. She did not want to go to clubs that were 21 and over; she was 40, and she did not want to be partying with younger people. She said that she tired of going to the Horsemen, which was too hot and crowded. She said that she did not want to go to the casino, as she did not want to gamble or be surrounded by cigarette smoke all night.

Ms. White said that she would much rather spend her time at a lounge, enjoying good food and company with friends. She shopped and dined in Petersburg regularly, and she would prefer to keep her money in the community. She said that as a mental health dispatch for 988, she was deeply invested in this community, and she believed a lounge like this would be a great addition.

Kenya Williams, 1832 Bogese Drive, said that as a resident of Petersburg and an older resident of the City, she knew there were really no spots in Petersburg that offered live entertainment. She said that she had been hearing people say that this new development would be a club, but from her understanding, it was more likely to be a lounge-style venue where one could relax and enjoy some entertainment, with local artists and performers brought in to help boost the City. She said that she had also heard that local artists would be involved, which would be a great way to showcase the city's talent and bring in revenue. She said that as the previous lady mentioned, she believed they did not currently have a lounge-style venue in Petersburg, unlike the many small clubs that existed. She said that they did need a more upscale option for older residents like herself to enjoy.

Barbara Coleman, 1824 Powhatan Avenue, said that she had been living in Petersburg for six years. She said that she was originally from the DMV region and she had always returned to those areas for entertainment and to spend time family members from as far away as Texas and California. She loved Petersburg, but she missed having entertainment options. She did not enjoy traveling away from Petersburg and taking revenue from the City.

Ms. Coleman said that she was split on this issue because she lived nearby and had visited the Horsemen and some of the churches in the area off of South Crater. She said that her concern was the 500-occupancy limit. She thought it would be beneficial to revisit the proposal and consider alternatives, such as lowering the occupancy limit or not issuing an ABC license for the first year or six months, instead of

denying the proposal outright. She said that she also thought they should change the name from "nightclub" to lounge, as the original proposal referred to it as a nightclub.

Ms. Coleman said that in order to better understand the proposed design, she would like to see plans. The Horsemen Lounge, which she had visited, was dated, but she still enjoyed the atmosphere during events. What she would like to see was a comprehensive security plan, including not only security staff but also security cameras, facial recognition, ID identification, and measures outside the parking lot. She said that as a 53-year-old resident, she had experience with country clubs and had been to different states and countries. She believed security should not only be inside the club but also outside.

Ms. Coleman said that she would like to see these measures put in place before making a decision. She said that the lack of imagination in the proposal and the wording she saw led her to question whether this would be a hastily assembled venue. She said that she would also like to know the cost of admission and how it would affect the venue's clientele and popularity. She asked what protocols would be put in place to ensure a safer lounge for those who would like to stay in Petersburg, besides the casino. She said that she would love to see the proposal readdressed and given a chance.

Mayor Parham closed the public hearing.

Council Member Jones said that he understood the concerns raised by citizens this evening, but he also noted there was a tone of fear and distrust in a lot of those comments. He asked Mr. Crews how many buildings in this area had proper place of assembly permits.

Mr. Crews said that he did not have the answer to that.

Council Member Jones asked if the City Manager could follow up with that information.

Mr. Crews said that he would assume that because the Horsemen's organization had an active business license, that would require them to go through the Fire Marshal's office, so they likely had those assembly permits. He said that he was uncertain about the church's status.

Council Member Jones asked if they had occupancy limits on the neighboring business and church.

Mr. Crews said that those were in place but did not come through his department.

Council Member Jones asked if the City Manager could provide the occupancy limits for these businesses and churches. He asked Mr. Crews if the 187 was with the new side added or without.

Mr. Crews said that he did not have the answer to that question.

Council Member Jones said that regarding security, he was wondering if the Horsemen had security at their establishment.

City Manager Altman stated that when they made the amendment last year, they included a security requirement as a condition for nightclubs, lounges, and other establishments. He believed that this requirement was not a standard condition prior to that. If there was a previous conditional use or special use permit issued for this facility, that requirement was not part of the standard conditions imposed.

Mr. Crews confirmed that was correct.

Council Member Jones said that he wanted to make sure they were being fair across the board. He said that additionally, he did not understand why there was a requirement that the doors could not be propped open.

Mr. Crews said that he was unsure of the origin of that provision, but it had been in the City's Ordinance for quite some time.

Council Member Jones said that he had never seen that language before, so he would like to know more about where it came from. He said that regarding soundproofing, he was wondering if the existing facilities were soundproofed.

Mr. Crews said that he did not have access to that information so he was unsure.

Council Member Jones said that regarding the parking lot, there was a requirement that it had to be clean at the end of the night. He asked if that was a shared responsibility between all of the users of the parking lot.

Mr. Crews said that he believed that ideally, the responsibility should be shared. He said that what they had control over was putting conditions on the proposal that was before Council tonight.

Council Member Jones said that he knew in the past, the parking lot was kept clean between all users. He asked that they include this as a requirement that everyone had to participate.

City Manager Altman clarified that the applicant was the only one in front of them right now, so that was the only person they could impose the conditions upon. He said that they could not impose conditions on the church or any other businesses there because they were not seeking anything further from the City.

Council Member Jones said that he understood, but he also did not think it was appropriate to include a condition that was impossible to determine who was at fault. He said that he also did not understand the church's objection to having this business next door, as it would be an opportunity for the church to provide outreach. He said that also, someone mentioned they should think about the community, but he wanted to note that he was born and raised in this community and had gone into significant debt in an attempt to provide support for the children of this community. He said that he dedicated himself fully to the community despite how difficult it could be. He asked Mr. Crews if the application called this a nightclub or a lounge.

Mr. Crews said that according to the application, the intended use was a nightclub, but both terms were used interchangeably throughout the application.

Council Member Jones said that he thought the term "nightclub" came with some misconceptions, while referring to it as a lounge may be more palatable to the community. He said that he thought people were overly fearful of something that had not even yet happened. He said that he wanted to assure the public that if the plan did not work, the City could take the permit back. He asked the public to please give it a chance, and asked Mr. Crews to advocate strongly for new businesses that were proposed in the City.

Vice Mayor Hill expressed concern that the applicant's proposal was located in his Ward, but Mr. Threatt had not tried to contact him whatsoever. He said that he had received numerous communications from people about this project, but none from the applicant himself.

Donte Threatt, applicant, said that he had sent an email to Vice Mayor Hill.

Vice Mayor Hill said that he did not recall receiving that email. He said that it was easy for people to get in touch with him, as most individuals called him directly, so that lack of communication was one concern he had. He said that he had also heard multiple descriptions of this proposed establishment so he would like to hear from the applicant whether it was going to be a restaurant, a nightclub, or a lounge.

Mr. Threatt said that he envisioned this as a lounge, an upscale venue for professional community members, offering a sophisticated atmosphere for evening enjoyment. He said that he planned to open around 5:00 p.m., where guests could enjoy food and drinks in a refined setting. He aimed to cater to VIP clientele, providing entertainment options such as live artists, including musicians and comedians.

Mr. Threatt said that currently, professional individuals had to leave the City to experience such events, so he wanted to bring this experience to Petersburg, allowing residents to enjoy these amenities locally. In conjunction with the casino, he believed the City needed additional attractions to complement that experience. He said that the casino would undoubtedly offer some of these amenities, but the City also required alternative activities for visitors to enjoy outside of the casino.

Vice Mayor Hill said that he would like to inquire about the tenants in the surrounding area. He asked if Mr. Threatt had engaged with those neighbors.

Mr. Threatt said that he did reach out to the other tenants and had talked to the pastor of the church multiple times. He said that he tried to talk to a gentleman with the Elite Horsemen but did not hear from him, and he was unaware of the other church in the area. He said that he had also talked with Joyce, but she had never called him back. He said that he disagreed with the previous comments that he had not reached out to these tenants. He said that he was always willing to work with anyone and support everyone.

Vice Mayor Hill stated that the way someone came into a community said a lot about them. He said that their City had good planners who were well-educated and did thorough research on proposals. He said that due to the calls he had received from residents and the tenants in that area, it was difficult for him to support this proposal. He said that Council had previously discussed a phenomenon they had noticed where prospective businesses spent a lot of time and money prior to getting approval for a project, so he wanted to reiterate that it was best to remain cautious and wait until approval to begin the bulk of the work.

Vice Mayor Hill said that it was crucial for business owners to do their due diligence and make sure there was sufficient support from the community as well as proper zoning and permitting from the City. He said that he understood Mr. Threatt's perspective as a fellow business owner, and this was why he offered this advice. He said that regarding security, he would like to know how the applicant planned to provide security for this establishment.

Mr. Threatt said that he was outsourcing his security services and contracting a third-party provider because he wanted to maintain control and accountability over the security personnel. He said that he wanted to be able to hold them accountable in the event of any incidents, both within and outside his building. He said that he also wanted to hold himself accountable.

Vice Mayor Hill asked if they would have cameras and what the age requirements would be.

Mr. Threatt confirmed there were already cameras outside and the lounge would have an age requirement of 30 years and older.

Frank Branza, Account Manager for Shadowguard Security Services. He said that he had prepared a packet that outlined their agenda and the services they would be offering, both inside and outside the facility.

Jonathan Hughes stated that he was one of the heads of security for Shadowguard Security Services. He said that he would go ahead and outline some key points they had discussed. He said that the Royalty Lounge would operate under a zero-tolerance enforcement policy, which ensured that safety and

professionalism were never compromised. This policy included: no weapons permitted on the premises, no illegal narcotics, no physical altercations, no gang-related activity, no disorderly conduct, and no loitering in or outside of the property. They would have security inside and outside the premises, including roaming the parking lots to protect the business and surrounding businesses.

Mr. Hughes noted that this policy applied to all areas, including the parking lots and surrounding streets. He said that they had a strict dress code standard, and individuals who violated this policy would be immediately removed and coordinated with law enforcement if necessary. The zero-tolerance policy did not imply hostility; rather, it ensured consistency in enforcing rules and treating guests respectfully.

Mr. Hughes said that their exterior operations security would include parking lot and perimeter security, active foot patrols, marked security vehicles, and monitoring of suspicious activity to prevent loitering. They would work closely with the City of Petersburg to ensure a coordinated effort in maintaining safety and security.

Vice Mayor Hill asked if they had spoken to their law enforcement yet.

Mr. Hughes said that they had spoken to some, and Mr. Branza had been in more contact with officers than he had.

Vice Mayor Hill asked how many security officers would be present during a function or event.

Mr. Threatt said that he would likely have at least 10 people present, depending on the volume of the event for that night.

Vice Mayor Hill asked if he planned on obtaining an ABC license.

Mr. Threatt said that yes, they did. He said that regarding the parking lot, he wanted to clarify that the parking lot itself needed to be repainted so they could determine exactly how many spaces there were. He said that the lights of the parking lot also needed to be replaced for visibility and safety purposes, and he had discussed that with the landlord. He said that he wanted to assure Council that they would be solving these issues, but there were a number of them that extended beyond the parking spaces. He said that in response to Vice Mayor Hill's earlier comment about receiving correspondence about this application, he would like to know why the Vice Mayor had not reached out to him.

Vice Mayor Hill said that he did not know who was developing the parcel at that time, and he was only hearing about it from his constituents. He said that Mr. Threatt had a valid question, but from his position as a Council Member, he would expect an applicant to approach him rather than the other way around.

Mayor Parham asked if Mr. Threatt would be willing to work with the Petersburg Police in order to monitor the cameras at this business. He asked him to please work with the Police Chief on that if this item was approved this evening.

Vice Mayor Hill said that regarding the neighboring churches, he did not want people to think that the churches would only be operating on Sundays, because many churches were open to their congregations throughout the week and for a variety of purposes. He said that he wanted to ensure they shared the parking lot with their neighbors, regardless of the day of the week.

Vice Mayor Hill further noted that the reason there were so few clubs in Petersburg was because they had become associated with violent behavior. He acknowledged that the 30-and-older requirement may provide something different in that respect. He noted that normally, the discussion they were having right now would have been fleshed out earlier in this process.

Mr. Threatt said that he was willing to have these conversations.

City Attorney Williams said that to solidify this, they could make it a condition. He said that if they wanted the 30 and over age requirement to be a condition, the Council could amend it to add that. He said that similarly, if they wanted the 10 minimum security officers to be a condition, the Council could move to add that as a condition if they chose to approve this proposal.

Council Member Jones agreed that these issues being discussed should have been included as conditions, including the issues with the parking lot and lights. He said that he thought Mr. Threatt and the Horsemen would be great partners, and he wanted everyone to prioritize coexisting together in harmony. He asked everyone to put aside their fear associated with having a nightclub here and to rest assured that if it did not work, the City could revoke the special use permit. He added that his duty was to do what was best for his Ward, even if people did not like a certain decision.

Council Member Jones made a motion to approve the Ordinance to Approve a Request by Donte Threatt, on Behalf of Sweet Investments VA LLC, for a Special use Permit to Operate a Nightclub at 2793 South Crater Road, parcel ID 065110004, in the B-2, General Commercial Zoning District, with conditions as recommended in the staff report and discussed by Council. Council Member Myers seconded the motion.

Council Member Westbrook said that he was going to ask Chief Christian if he had any thoughts on the door-propping and security issues.

Travis Christian, Chief of Police, said that he did not have any additional comments to add regarding the doors. He said that he would like to request that any security plan developed be approved by the Police Department in coordination with their efforts. He said that he was confident that the impact of the lounge would have an impact on their law enforcement services as well.

City Attorney Williams clarified that the door provision in the code was intended to mitigate noise, as the club was expected to be loud.

Council Member Jones said that he was referring to the doors in the foyer, not the main outside doors.

Mr. Crews said that he thought that they could potentially mirror the language they had about those back doors, which stated that doors in a room where entertainment was being provided should not be propped open. He said that the entry into the foyer would not be an issue if that was acceptable.

Vice Mayor Hill made a motion to substitute motion to deny the application, per the recommendations of the Planning Commission. Council Member Cuthbert seconded the motion.

There was no discussion on the motion. The motion was denied on a roll call vote.

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

Mayor Parham stated that the substitute motion failed. He called the vote on the original motion to approve the application with conditions.

The motion was approved on a roll call vote.

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

- e. Public Hearing for Consideration of an Ordinance to Approve a Request by Alexander Graham, Jr., on Behalf of the Warrenton Group, to Rezone Property at 2088 Defense Road, 1918 Townes Road, and 1926 Bogese Drive, Parcel IDs 070080002, 06907001, 077010801, from the A Agricultural and R-1A Single-Family Residence Zoning Districts to the M-1 Light Industrial Zoning District with Proffers to Amend the Existing Proffers for Property at 2233 Halifax Road, Parcel ID 076030800 in the M-1 Light Industrial District

Jared Crews, Interim Director of Planning and Community Development, provided a summary of the item. He stated that the subject properties were listed, including 2233 Halifax Road, as well as additional properties acquired by the applicant. He explained that in April of last year, City Council approved the rezoning of 2233 Halifax Road, also known as the Collier Yard site, to M-1 with 10 specific conditions for a data center development.

Mr. Crews stated that since then, the developer had encountered challenges with access to the site from Halifax Road, as well as the presence of wetlands on the site. He said that to mitigate these issues, the applicant was requesting that the project footprint be expanded to provide alternative access to the site and to mitigate the impacts to the wetlands, and then to amend the proffers to accommodate these new plans.

Mr. Crews stated that this would involve rezoning the newly acquired parcels, including 2088 Defense Road, 1918 Townes Road, and 1926 Bogese Drive, to M-1 Light Industrial. He noted that a traffic impact study had been provided, which outlined the management of traffic and required improvements during and after construction. Part of the plan involved improving Townes Road, which would be built out to provide a point of emergency egress from the property.

Mr. Crews stated that the site at 1926 Bogese Drive allowed more flexibility with the site layout, but there was no proposed development on that site. He stated that the newly acquired parcels were all actually proposed to remain undeveloped except for the entrances into the development and wetland mitigation.

Mr. Crews provided the updated concept plan for the project. He noted that construction access would be limited to between Defense Road and crossing on Halifax Road. He then enumerated the amended proffers as proposed by the applicant.

Council Member Jones said that he thought the setbacks were 300 feet.

Mr. Crews said that the application specified 125 feet, although the applicant had provided visuals that indicated a lot of the setbacks would be over 300 feet.

City Manager Altman clarified that 125 feet was the minimum setback, but in reality the setbacks may be more than that.

Council Member Jones said that he recalled the applicant had offered 300-foot setbacks.

City Manager Altman said that he would like to confirm that in this rezoning, the proffers being offered were voluntary on the part of the applicant, and not imposed by the City.

Mr. Crews continued to review the amended proffers for the application, noting that the proffers would be applied to the newly-acquired parcels. He then provided the additional proffers the applicant had offered as part of this rezoning application. He indicated the adjoining zoning and uses around the parcel and explained the Comprehensive Plan considerations for this application.

Mr. Crews then reviewed the public input that had been received so far with this application, which included several concerns. These concerns included noise, light, traffic impacts to surrounding community, environmental impacts, incompatibility with surrounding residential developments, insufficient buffers, lack of community engagement, site access, and street capacity for construction traffic.

Mr. Crews added that the applicant attended a Ward 7 meeting to provide additional information and address questions, with written responses to concerns provided subsequently. He stated that the Planning Commission recommended approval of the rezoning with the 14 proffers as submitted in a 5-1 vote with two abstentions.

Vice Mayor Hill opened the public hearing.

Scott Perkins, 1918 Dodson Road, stated that he would concentrate his comments on the rezoning on Townes Road. He said that this rezoning was particularly hard to understand and support. He said that from what he understood from the map, there would be 10 lots zoned M-1 Light Industrial, while six lots would remain residential on Townes Road. There were two fully developed residential streets on either side of Townes Road, and the proposed rezoning would essentially be in the middle of the residential neighborhood.

Mr. Perkins said that Council Member Westbrook and the Warrenton Group had stated that these properties would be rezoned but not built upon; they would be left in their vegetative state. He asked why this even needed to be rezoned in that case. He said that the Warrenton Group had already purchased the land and therefore controlled whatever happened on those parcels, so it could remain vegetative without rezoning. He stated that they should keep them zoned residential. He said that he did not see the reason for rezoning just to create a road.

Mr. Perkins stated that he and his family had moved back to this area because they loved it, but he was very unhappy about having an industrial-zoned area behind his home. He emphasized that he wanted to see the City prosper and have a good quality of life, but there were some problems here. He said that his main concern was the proposal related to Townes Road. If they could keep it residential, there was potential for homes to be built there when needed, but with industrial land, the future was less certain. He asked how the City could guarantee that they would not build anything on any of these properties that were proposed to be rezoned.

Cindy Perkins, 1918 Dodson Road, said that her husband and she recently moved back to the area, and they were thrilled to be here. She said that they had no idea that a data center was being built behind their property. She said that they had the opportunity to meet with the Warrenton Group and attend the Ward 7 meeting on January 13 of this year. She said that unfortunately, many of their questions regarding the project's design, cooling systems, and environmental impact went unanswered.

Ms. Perkins said that the Warrenton Group representative seemed to downplay their health concerns, stating that they would follow the law and regulations regarding emissions, waste, water, and air quality. She said that she was puzzled as to how this data center site could be approved without addressing these concerns. She said that on April 3, 2025, there was a Planning Commission meeting, which she was not aware of since they had just moved to the area in September.

Ms. Perkins said that the Commission had a meeting to approve the data center, and Mr. Crews responded to some questions about noise, light, and environmental impact. He said that these issues would be addressed by the City's preexisting regulations for data centers, but the site would require special consideration due to its proximity to the railway, and if the Warrenton Group could not comply with these standards, they would need to obtain a special use permit from the City.

Ms. Perkins said that as residents in this area, they were concerned about the lack of adequate planning and poor planning on the part of the Warrenton Group. She said that a citizen had asked about low frequency noises and vibrations from the data center, and the Warrenton Group representative stated that they could not have any vibrations; yet, it was nearby a railway, which almost certainly would have vibrations. She said that they did not think through crossing the railroad, which was why they decided to go through the residential area.

Ms. Perkins said that she was frustrated that their neighborhood would be rezoned to M-1 Light Industrial in order to provide buffers. She asked why buffers needed to be zoned M-1, rather than staying residential. She said that Council kept emphasizing the future of the City, but she did not know anyone that would want to locate an industrial site in a residential area. She said that the Warrenton Group already owned the land, so they could decide to keep it the way it was now without rezoning.

Ms. Perkins said that if the land was rezoned, there was a risk that it could change hands in the future, potentially placing an industrial use adjacent to their homes. She said that she strongly opposed the rezoning request from Warrenton Group. She said that as a representative of many community members and neighbors, she was speaking on behalf of those who did not want to see this development in their community.

Randy Rush, 1961 Dodson Road in Petersburg, said that one issue he had was with the Defense Road entrance design, which would cross two front yards, including one they paid \$500,000 to buy the house. He said that numerous businesses were able to cross railroad tracks, including those on Halifax Road. He said that he understood there may be potential problems during construction, but once the data centers were built, they would have about 150 people coming each day, so he did not think that was too much of a burden on Halifax Road. He said that he also wondered if the City was jumping the gun with this data center development squeezed into a residential neighborhood, especially when the City was in negotiations for another data center on Route 460 and Wagner Road.

James Beck, 1977 Vesonder Road, said that he and his wife had lived for 52 years in the Ramblewood subdivision. Their home and neighborhood would be directly affected by the proposed development of a large data center complex with two electrical substations and six or more large buildings topped with diesel generators. The site plan that had been proposed would place one of these large buildings only a few hundred feet from their property, with their house being the closest to the data center property. He stated that they were strongly opposed to the rezoning that would destroy their quiet residential neighborhood and turn their personal lives upside down.

Mr. Beck said that they would be subjected to the noise, pollution, and disruption of this industrial development. He asked who would even consider locating a major industrial facility in the middle of a residential area. He said that it appeared that only the City Council, their elected City leaders, would consider that as part of their never-ending search for tax dollars. He said that he would like to specifically address one of the three new additions to the main site that had been discussed.

Mr. Beck said that the site, which had been approved last year for M-1 Light Industrial zoning, now included three new components, including the proposed street, Townes Road. He said that Townes Road had been on the City's maps for many years but had never been developed. It was located between Dodson Road and Vesonder Road, both of which were lined with one-family homes. He could not understand why the property on either side of this street should be rezoned from residential to light industrial.

Mr. Beck said that apparently, there were plans for development on this street that had not been revealed to them. The proximity to an industrial site would undoubtedly lower the value of their home. On an M-1 site, there were many potential uses, but most of these would be incompatible with a residential

community. At the very least, they needed to know what the long-term plans were for this street. Additionally, he and his wife owned two lots that would be located on the new Townes Road, and now they would be situated in the middle of an industrial property.

Mr. Beck said that these lots would be worthless as home sites. It was not too late for Council to reconsider this data center development. Other communities had rejected and continued to reject similar projects, many of which were not planned for siting in a residential area in a historic City. He requested Council to reject this ill-conceived plan and vote against this rezoning proposal.

Charles Bullock, 2086 Defense Road, said that he came to Petersburg 22 years ago, started a business here which became very successful. He said that he had spent a lot of money on that property, and the shame of it was that he did not realize that a road would be built in front of his home. If he had known this, he would not have bought the property, as it was a secluded spot with wildlife, including deer and all kinds of birds. He said that it was a beautiful place.

Mr. Bullock said that therefore, he was puzzled as to why the town would take one of the most private spots and convert it into a business area. He said that he had a question regarding the road placement. He said that he also did not understand how they could put a road off of Defense Road and in front of his house. He said that the property they showed was inaccurate in terms of scale, because that property ran along the railroad. He said that the setbacks could not be met on that property. He said that they needed to find another way to build that road, and reiterated that he opposed the project.

Jacqueline Dailey Kidd, 2017 Country Lane Court, stated that she was a former public policy analyst and director, and she was here to open the conversation around opposition of establishing a data center in Petersburg. She said that in recent months, several localities in the Commonwealth, including Pittsylvania, Hanover, Louisa, Campbell, Prince William, Charles City, and Henrico, had either ceased or stalled their data center projects and initiatives.

Ms. Kidd stated that the primary reason for this resistance was the cost it would impose on the constituents. She said that data centers required substantial amounts of electricity and water, as well as backup generators, which generated considerable noise pollution. She said that there were numerous reasons why a data center was not needed in Petersburg. She said that as a resident and native, she asked Council to reconsider trying to provide another revenue stream at the cost of their residents.

Barbara Rudolph, 1675 Mount Vernon Street, said that she was not opposed to the data center, although she acknowledged it was not in her neighborhood. She said that she would like to address a couple of points Council Member Westbrook made. She said that one of the points he mentioned was employment, specifically training programs with high schools and Virginia State. She thought it was worth noting that when they discussed this earlier, the number of employees at a data center was not a major selling point because it was a relatively small number. She said that the real goal was to increase revenue, which was substantial. She was suggesting that employment might be a red herring.

Ms. Rudolph said that additionally, Council Member Westbrook mentioned that there was a community concern that data centers were located in minority communities, and she thought this was a misconception. She said that Loudoun County, Virginia, was the data center capital of the world and the richest County in the country; the African American population was around 7%, and they had a higher number of other ethnicities. She wanted to note that this did not seem to be the case here.

Ms. Rudolph said that she did not want to impute any motives to the Warrenton Group, as they had worked with Petersburg before. She said that she was a supporter of their proposal for the casino. However, from her own experience, she would like to share that in 2017, she retired from the state and worked at the state IT agency in Chesterfield. Their building housed the state data center for the entire

Commonwealth. The building was designed like a V, with one leg being the offices and conference rooms, and the other leg being the data center.

Ms. Rudolph said that she could attest that the data center was extremely loud from the inside, but outside in the parking lot it was silent. She said that although she could not speak to the backup generator noise, which were likely very loud, she knew it was possible to achieve the necessary quiet to reduce noise impacts. She said that additionally, she wanted to note that there were deer and other wildlife all over that property as well, so she did not think the data center would deter the wildlife in this case, either.

Ajani Sekou, 27 South Sycamore Street, said that this data center was not in his own neighborhood, but they were all connected throughout Petersburg. He said that he had concerns based on the history and the process they were going through. He said that he was seeing changes before anything even happened, which he found concerning. He said that it was not ideal to introduce changes before they were fully considered. He said that he was worried that they were bringing in revenue without considering the long-term impact on the City.

Mr. Sekou said that they had already invested in one major industry, and now they were considering another. He said that he was concerned that they might be growing too quickly and making mistakes that would harm the community. He said that the data center was an opportunity, but if other Cities were saying no, they should at least consider that. He said that he was not a follower, but he thought they should look at other Cities' approaches and see if they could model a better path.

Mr. Sekou said that he believed they were on the right track, but he also thought they could do better. One of the things he would like to see was investment in agriculture, as they lived in a food desert. He said that they should also consider alternative investments that would not put undue stress on their seniors. the Warrenton Group had money to invest, but they should invest in something that benefited the community, not just themselves.

Mr. Sekou stated that their seniors were the backbone of the city, and they deserved their support. They were the ones who would carry their votes, and they were telling them that they needed to do better. He said that he was currently unsupportive of this proposal, and perhaps they could come up with a different approach. He said that what they needed was a solid plan, not just a willingness to do whatever the developers wanted. The developers had already purchased the land, and it was clear they had the upper hand. They needed to be smarter than that and come up with something better.

Kelly Squires, 1925 Bogese Drive, said that her property was directly across from the lot at 1926 Bogese Drive. She said that, based on the drawing and the data center, it was almost right next door to her and certainly not 300 feet away. She said that this was not part of the original plan that was approved in April, which she had not been notified about. She was unclear as to why she had not been informed, and she was quite upset upon learning of this proposal.

Ms. Squires said that she agreed that Petersburg needed business and industry, and she believed that was the right approach, but they should do it the right way. She agreed with a previous speaker who thought this did not need to be rezoned to M-1 Light industrial. She said that the minute they rezoned it, someone else could claim they needed to put a driveway there. She was concerned about the noise, as she would be right next door to it.

Ms. Squires said that the 125-foot barrier was not even the length of a football field, which indicated how close it would be to her. She was also concerned about the utility bills, as the Warrenton Group was required to bring the water into the facility, but the City would likely have to maintain service to them, which may require infrastructure upgrades. She said that her water bills were already being raised as it was.

Ms. Squires said that her property value, in her opinion, would likely decrease significantly from this. Yet, she recently received a notice that her property value would be increased by \$50,000 two years from now. She knew that this was going to happen, as the April approval had already been made. However, she believed they should make it work right. She said that she did not think this land needed to be rezoned to M-1. She said that utility companies came onto land all the time without rezoning it.

James Griffiths, 1152 Oak Ridge Road, said that when someone approached Council with a proposal for a new airport in downtown Petersburg, it was unlikely to pass. They would not be building runways on Sycamore. He said that when people tried to introduce new projects into existing neighborhoods, it was not feasible. He said that what was available was farmland surrounding the City, particularly in the area past Wilcox Lake, near Defense Road, and further out.

Mr. Griffiths said that this land was flat, with no trees, making it ideal for data centers. He said that it seemed to him that there were other locations around here where a new facility could be built without disrupting the City population. He said that they would not have to worry about preserving trees or altering traffic patterns or impacting property values. He said that data centers did not employ many people anyway, so they were much better-suited to more remote locations.

Constance Green, 3364 Seaton Road. She said that she lived in Ward 7, and she would like to bring to Council's attention some points that were not included on the list. One of the issues they discussed was the impact of data centers on public health. She explained that recently, the General Assembly passed SB-94, which allowed land zoned for data centers to be approved for industrial use.

Ms. Green said that based on this, she assumed that data centers had already been approved for industrial use in their City. She would like to ask the City Council if they were willing to put data centers on the ballot in November, so that they could address the risks associated with them. During the meeting, she raised health concerns, specifically regarding the air pollution caused by data centers and their diesel generators, which can lead to respiratory issues, asthma, bronchitis, and other health problems. She said that as a registered nurse, she was particularly concerned about the impact on their community's health. Petersburg was already struggling with extremely low health rankings, and she feared that introducing a data center would exacerbate the issue.

Ms. Green said that additionally, high utility bills were another concern related to this proposal. She said that residents would ultimately pay for the high-water usage of these facilities. She said that just recently in Pennsylvania, a data center was approved and used 41% of a small city's water supply. She believed that a data center in their City would put an even greater strain on their water system. She said that she wondered how much water they were going to be taking from Lake Chesdin to cool the data center. She said that during her previous visit, she also mentioned several states that had rejected data centers, as well as multiple Virginia localities. She asked if they were going to put a data center in a City with the poorest health outcomes. She said that they were putting their residents at risk.

Joyce Vincent, 1608 Kings Road, said that an email should have been provided to Council. She said that she was supportive of the development, but she wondered if there could be some kind of accountability marker in the resolution. She said that she did not oppose the development, as Petersburg did need growth and it was a wonderful opportunity for Ward 7, but they must ask whether rezoning residential adjacent property to industrial use was the right approach to achieve that growth.

Ms. Vincent said that supporters of this data center expansion said that it brought economic value, but residents were asking for a measurable return on investment. She said that she had also been hearing concerns about the jobs that would be created, and she would appreciate more clarity on that. Additionally, she would like to discuss the long-term infrastructure costs. She said that once the land was rezoned to industrial use, it rarely returned to its original residential character.

Ms. Vincent said that she would like to know if there was an option to change the zoning back to residential if needed. She said that they should grow Petersburg wisely and collectively, protecting their neighborhoods while pursuing investment. She said that she would like to bring up a question regarding the Warrenton Group's experience with developing data centers. She said that she could not find any information on their website, and she would appreciate it if they could address this later.

Marlowe Green, 301 Rolfe Street, said that she had attended the meeting that Mr. Westbrook had with Warrenton Group. She said that although some people felt their questions were not being answered, she felt that Warrenton Group had been making a genuine effort to address concerns. She said that she understood the community's concerns about industrial encroachment, as she lived on Pocahontas Island. She said that she was not aware if everyone was aware, but there was a wastewater treatment plant on the island that had been installed in 1955, and they were currently undergoing upgrades. She said that heavy truck traffic was a daily issue on her residential street, with Delta Oil and other industrial sites contributing to the problem.

Ms. Green said that she completely understood the community's concerns. However, a resident on Pocahontas Island, who had lived there for a long time, told her that sometimes difficult decisions needed to be made for the greater good of the City. She said that this data center would bring significant revenue to the City, and it was essential to consider the benefits it would provide. She said that the water they drank in their homes came from Pocahontas Island. She said that she was upset about the situation, but a resident reassured her that sometimes communities must make sacrifices for the greater good. She said that she believed this was one of those sacrifices, and it was unfortunate when it was right on one's doorstep.

Ms. Green said that regarding the proffer and the property to be rezoned to M-1 use, she suggested including a provision that required the developer to retain the property as a buffer or return to Council to make changes. She said that this would provide some mitigating controls on the developer. She said that she was not opposed to first movers; if they never took action, they would never achieve anything. She said that she hoped that if this project moved forward, the City would modify real estate taxes to make them more comparable to those of their counterparts.

Roger Clark, 2032 Dodson Road, said that his address was adjacent to the subject property. He said that the people who had come forward tonight did so because the future was at stake, and he was concerned that this project would have far-reaching consequences that would affect all of them. Specifically, he was worried about the potential for cyber-warfare and surveillance, which these data centers were designed to facilitate. He said that they had anti-democratic implications that had not been thoroughly considered. He challenged each of them to think critically about democratic values and to consider how this project might impact those values. Furthermore, he wished to highlight the fact that for consumers, electric prices and water prices were expected to skyrocket, which was a significant concern for all citizens.

Mr. Clark said that many households would see a decrease in property values, likely in this entire southwest quadrant of the City, which was not a small matter. As guardians of the City, it was hard to see how Council could preside over such a situation. He had made some notes, which he would refer to now. He said that the level of detail the Planning Department had was absolutely vague. He said that they did not know the number of square feet or number of stories; they just knew it would fit. He said that if it moved forward, it needed to be radically reduced in size and scale. Moreover, access and egress could be achieved by going over the railroad tracks from the southwestern edge of the property, eliminating the need to go through a residential neighborhood for four or five years of construction.

Mr. Clark said that additionally, there were concerns about emergency power, diesel generators, and noise buffers, which had not been adequately addressed. He said that this was because this was the applicant's first data center project, and Petersburg was the guinea pig. He said that there should be

scrubbers for all the diesel generators, but so far, the only people to ask about that were nurses of the City. There were no plans for noise buffers whatsoever, but they would be essential if the project moved forward. He said that these were huge buildings, larger than anything they could imagine, so they should install green rooves, solar rooves, and other mitigative measures. He asked how far the water table would fall and how much of the Appomattox River they would drain to service this data center. He asked what the construction timetable was for this project. He said that hundreds of data centers had been proposed and constructed during the past 36 months, which indicated this was an economic bubble. He said that there should be a construction parameter, a sound barrier around the property, probably an earthen berm to look more natural.

Mr. Clark said that running trucks through the neighborhood was ridiculous and should not be considered. He recommended they use access and egress over the railroad tracks or make the applicant build a bridge. He said that with a billion-dollar project, the applicant should be able to spend to get across the railroad tracks at the southwest corner of the property and avoid disturbing the neighborhood. He said that there would also be high-voltage, high-tension lines, huge concrete structures 50 feet high, carrying in electricity from the surrounding region. He said that the ratepayers would be paying for that, and half of Petersburg would be able to see that.

Mr. Clark said that the applicant had not included any of these additional burdens in their presentations, nor did the City planners. He stated that additionally, light pollution was of major concern, so there needed to be conditions to ensure the lights on this property did not spill over. He said that the diesel generators were each the size of a truck, so he wanted to know the total decibels when they tested them weekly. He asked what the emissions measurements were for those generators. He said that there was also a fire hazard with each building, which likely could not be handled by Petersburg's Fire Department by itself. He asked Council to please think critically through all of these points, because they clearly had not yet.

Merrilee Cohen, 1983 Dodson Road, said that a lot had been said that was true, and she had never gotten an answer to the questions she had asked. She said that she was a resident of Ward 7, she had repeatedly called Mr. Westbrook about neighborhood problems, and he had never answered the phone. She believed that the lack of accountability and transparency in this situation was a symptom of a larger issue - personal greed. She said that when they made generalizations without thoroughly investigating the immediate results, they risked perpetuating problems. She said that it was essential to acknowledge that people in positions of power could make mistakes. She said that she had spoken to numerous individuals who were not informed about the data center's first proposal in April, when the initial decisions were made. She said that it was puzzling that people were not informed, and it was clear that the lack of transparency had led to a lack of public engagement.

Ms. Cohen said that she loved the City of Petersburg and their neighborhood, but she was concerned about the impact of the data center. She said that the City already had a big pharmaceutical company in town and other sources of revenue, so she did not understand the low prices of land being sold by the County. When asked about the sale price versus the price after improvements, buyers often refused to provide a reasonable answer. She said that it was beyond comprehension as to how one of the largest data centers in the world could end up here in a small town like Petersburg, especially so packed in and right next to a residential neighborhood.

Ms. Cohen said that in her previous experience with town planning, a City should grow organically and industry built in agricultural areas should somehow relate to the type of people that lived in the City and the number of people, and it should have some concern for their health. She said that everything she had read about data centers disputed what the City and applicant had stated about it being clean and modern. She said that it was modern in a way that people were resistant to, and data centers had been

confirmed to become poisonous. She asked, were they willing to compromise the health and well-being of their community in order to accommodate the data center on a \$5,000/per acre piece of property.

Ms. Cohen said that if the data center became a source of pollution, it could affect not only the immediate area but also farther streets like High Street. She asked if residents would be forced to leave the City due to the data center's presence. She asked why it was not being located on the edge or in a County, where it could be built in a more responsible manner. She said that she was reminded of the history of Walla Walla, Washington, where the introduction of new technologies and industries had led to significant negative consequences. She was not sure if Council was familiar with Walla Walla's history, but she did know that General Electric had brought significant changes to the area, including the development of new electricity-generating technologies. While these advancements may have brought economic benefits, they also came with significant environmental costs.

Ms. Cohen said that data centers, in particular, had a substantial environmental impact and could also lead to job losses. She said that this had led to widespread concern and opposition to data centers in general. In Petersburg, they were facing a range of challenges and opportunities, but even if they did not have the pharmaceutical industry, the new casino, and other developments, she believed the data center would still not be appropriate for the City. She said that it would be better located in a more rural setting where people would be less affected. She said that she appreciated that people wanted to make money, but there was a point where they needed to research how to make the money while still letting people survive and be happy.

Mayor Parham closed the public hearing and the matter rested with Council.

Council Member Cuthbert stated that he knew every member of Council appreciated the comments that had been made and acknowledged this was not an easy decision. He said that perhaps the Warrenton Group could help fashion a response to alleviate his concerns. He said that one of their previous speakers had mentioned the bubble bursting. He said that he wanted to support this project while also ensuring the Council protected the Ramblewood neighborhood.

Mr. Cuthbert said that their top priority was to safeguard their neighborhoods, and secondly, to maximize municipal revenue. There was a clear tension between these two interests; he was trying to reconcile this tension. He explained that his nightmare was that the bubble did burst, and either the Warrenton Group or the company that flipped these data center properties filed bankruptcy. He said that he had no way to predict that, but he wanted to eliminate that risk. If a bankruptcy occurred, the property went into bankruptcy court, and the judge sold the property to satisfy creditors, this would eliminate the proffers.

Mr. Cuthbert said that he was trying to figure out how to reconcile these two conflicting interests: protecting the neighborhood and maximizing municipal revenue. He wondered if the Warrenton Group would consider adding an additional proffer, number 15, which would include a deed restriction in favor of the City of Petersburg, prohibiting any improvement on the lots referred to in proffer 14, except as may be required for the construction of new wetlands, access roads, and related improvements. He said that this would protect the neighborhood in case of an economic catastrophe while allowing the project to move forward.

Mr. Graham said that philosophically, he agreed. He said that they had already proffered that, but he understood where Council Member Cuthbert was going with the deed restriction. He said that the mechanism for implementing that would require them to figure out how it got incorporated into their policies, whether it was through a development agreement or another means. He said that he was not a lawyer, but he was saying yes, and they needed to determine where this got formally established.

Council Member Cuthbert asked City Attorney Williams how they could enshrine this deed restriction in this agreement.

City Attorney Williams said that the most effective way to preserve something like that was through a recorded covenant in a deed. He said that if that was what was being requested, he would recommend this approach because it would make the agreement significantly more unalterable.

Mr. Graham asked if Council would consider empowering the City Manager and City Attorney to determine the appropriate implementation of Council Member Cuthbert's request. He said that he primarily wanted to avoid the need for another public hearing or separate process.

City Attorney Williams said that if the applicant would voluntarily offer a deed restriction, Council could simply allow the City Manager and himself the ability to work it out. He said that he believed that was the only real way to do it if they wanted to do it tonight.

Council Member Cuthbert asked Mr. Williams if he could articulate the motion and he will say so move.

City Attorney Williams asked Mr. Cuthbert if he was making a voluntary proffer to agree to a deed restriction in favor of the City that would essentially ensure that the buffer space remains buffer space and that there's going to be a covenant to the effect that they were going to work out and record.

Council Member Cuthbert made a motion to adopt the Ordinance to Approve the Request and accept the proffers, with one additional proffer requiring a deed restriction to protect the buffer space. There was no second on the motion, so the motion died.

Council Member Westbrook made a motion to adopt the Ordinance to Approve the Request to Rezone Property at 2088 Defense Road, 1918 Townes Road, and 1926 Bogese Drive, Parcel IDs 070080002, 069070001, 077010801, from the A Agricultural and R-1A Single Family Residence Zoning Districts to the M-1 Light Industrial Zoning District with Proffers and to Amend the Existing Proffers for Property at 2233 Halifax Road, Parcel ID 076030800 in the M-1 Light Industrial Zoning District, with proffers. Council Member Myers seconded the motion.

There was no discussion on the motion. The motion was approved on a roll call vote.

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

Council Member Jones made a motion to direct the City Attorney, the City Manager, and the Finance Director draft an ordinance creating a senior property tax freeze exemption for residents aged 70 or older who had held title and had occupied their primary residence within the City limits for a minimum of 10 years, identify the funding source, such as the data center revenue fund, and determine how to backfill any revenue shortfall to the general fund, and then bring the ordinance back to Council for discussion. Council Member Myers seconded the motion.

City Attorney Williams said that staff could certainly research this, but Council should be aware that in order to undertake something like this, enabling legislation was typically required, and the state must authorize them to do so. He said that he and the City Manager would research this and return with information to City Council.

The motion was approved on a roll call vote.

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

Mayor Parham noted that they would remove Item 14a from tonight's agenda.

- f. Public Hearing for Consideration of an Ordinance Authorizing the City Manager to Execute the Purchase Agreement Between the City of Petersburg and LDJ Petersburg LLC (Ansal McCal) for the Development of a Sub-Parcel (5.36 Acres) of 3501 Halifax Road, Located in Petersburg, VA, Tax Map No.: 092010001

Brian Moore, Director of Economic Development, provided a brief summary of the item. He explained that there were rails on property that was part of the mitigation plans of the Warrenton Group, and they had allowed Ansal McCal to purchase those sub-parcels that were part of the development agreement. He clarified that they were not developable parcels, but they fed directly into their operations. The applicant would be responsible for handling issues with CSX and the rails, which would allow the City to avoid expense. He noted that from 2012 through 2025, the City had spent \$503,000 on rail repairs outside of budget. He summarized that staff recommended approval of the request.

Mayor Parham opened the public hearing. Seeing no speakers, he closed the public hearing and the matter rested with Council.

Council Member Westbrook made a motion to approve the Ordinance Authorizing the City Manager to Execute the Purchase Agreement Between the City of Petersburg and LDC Petersburg LLC (Ansal McCal) for the Development of a Sub-Parcel (5.36 Acres) of 3501 Halifax Road, Located in Petersburg, VA, Tax Map No. 092010001. Council Member Myers seconded the motion.

There was no discussion on the motion. The motion was approved on a roll call vote.

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

- g. Public Hearing on Consideration of an Ordinance Adopting the FY27 Real Property Tax Rate - Requesting Motion to Continue the Public Hearing to March 17, 2026, to Allow Compliance with the Statutory 30-Day Advertisement Requirement

March Altman, City Manager said that unfortunately, The Progress Index did not advertise the public hearing properly, as the ad did not meet the required font size and state code specifications. He said that the ad was published in the paper, but they would not be able to proceed with the public hearing as previously scheduled. He said that therefore, they would need to remove this item from the agenda; they would re-advertise and bring this item back to Council at a later date.

City Manager Altman said that he had a thought regarding this situation, and he would like to propose an alternative. He said that they could not meet the deadline for the March 17 meeting; however, they could consider holding the public hearing at 5:00 p.m. on March 24, before the joint meeting with the School Board at 6:30 p.m., which would allow them to meet the advertising deadline. Alternatively, they could look at an alternative date if this option was not feasible.

Mayor Parham made a motion to schedule this item for the special meeting on March 24, 2026 at 5:00 p.m. Council Member Westbrook seconded the motion.

There was no discussion on the motion. The motion was approved on a roll call vote.

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

10. PUBLIC INFORMATION PERIOD

Jacqueline Dailey Kidd, 2017 Country Lane Court in Ward 3, said that she was here on behalf of the Peabody High School National Alumni Association to request that the City grant custodial ownership of the Peabody Complex to PALDC. She said that the City of Petersburg had been a leader in developing opportunities for its citizens of color. She said that history had recorded that Petersburg was a pioneer in providing public education to the freed slaves that resided there. She said that they were the first in the country to provide a publicly funded high school education to newly freed slave children.

Ms. Kidd said that graduating from Peabody High School was a significant milestone for many luminaries, including Howard Ball, a Tuskegee Airman; Alvin and Sadie Chavises, parents of Alvin Bragg, the first District Attorney to win a conviction against a U.S. President, Donald Trump; Charles Sherrod, the founder of Student Nonviolent Coordinating Committee (SNCC); and Herbert Colton, the field director of Southern Christian Leadership Conference (SCLC). She said that the City should grant PALDC the custodial ownership because it was the right thing to do. She said that PALDC, with the support of multiple funders, sought the opportunity to do the right thing.

Ms. Kidd said that they were prepared to educate and support their community, which faced numerous unmet needs stemming from a depressed economy and underfunded schools. She said that they would provide year-round tutoring for all ages, workshops for job training, both technological and musical, services for seniors, a museum, food distribution programs, and many other services and programs. She said that in closing, she would like to thank Council for allowing her to present this case on behalf of their community. She asked Council to remember to do the right thing.

Louis Goodwyn said that he was in support of giving PALDC custodial ownership of the Peabody Complex. He said that Peabody was the oldest Black high school in the United States. He said that unfortunately, in this area of central Virginia, it was the only Black high school not in use. He said that Dinwiddie County had Southside High School, Prince George had J.E.J. Moore, Hopewell had Carter G. Wilson, and Chesterfield had Carver. He said that in Richmond they had Maggie Walker. He asked why they could not use Peabody. He said that they had a beautiful building, if it was ever repaired.

Mr. Goodwyn said that it was a large building with many potential uses. He said that they hoped that in the near future, and not too far from there, the school would be restored and put to use for various purposes. He said that as the previous speaker had mentioned, there were people willing to help them, and some assistance was scheduled to begin next month. He said that they kindly requested Council to have ownership restored and returned to PALDC. He said that Peabody was a wonderful institution. He said that the City needed it, as it was a historic City and this school was a historic landmark. He said that they wanted to do great things at Peabody that would not cost the City much, and it would be a great place for the entire community.

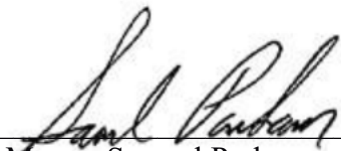
11. ADJOURNMENT

Mayor Samuel Parham stated that it was 10:00 p.m., according to the Council's rules he will entertain a motion to extend the meeting. If a motion is not made, he will call the meeting at 10:00 p.m. Hearing none, Mayor Parham stated that Council will move the remaining items to the next Council meeting. Mayor Parham called the meeting adjourned.

The City Council adjourned at 10:01 p.m.

12. **BUSINESS OR REPORTS FROM THE MAYOR OR OTHER MEMBERS OF COUNCIL**
13. **ITEMS REMOVED FROM CONSENT AGENDA**
14. **FINANCE AND BUDGET REPORT**
 - a. Department of Finance Monthly Update – Moved to the March 3, 2026, Meeting
15. **NEW BUSINESS**
 - a. Resolution of Intent to Implement Categorical Funding of Petersburg City Public Schools – Moved to the March 17, 2026, Meeting
16. **CITY MANAGER'S REPORT AND SPECIAL REPORTS**
17. **BUSINESS OR REPORTS FROM THE CLERK**
18. **BUSINESS OR REPORTS FROM THE CITY ATTORNEY**

Adopted: 03/03/2026



Mayor, Samuel Parham

ATTEST:



City Clerk, Tangi R. Hill