

AGENDA ITEM 7A

1. Roll Call: Frank Jones, Mayor
Bryan E. Polk, Vice Mayor
William J. Treuting, Jr.
Suhas Naddoni
Preston Banks
Brian Leeper

Absent: Keith Miller

Staff Present: Lana A Conner, City Clerk
Dean Crowhurst, City Attorney
James Zumwalt, City Manager

Rescheduled from January 17, 2012 regular meeting.

1. Approval of Agenda:

MOTION: Councilmember Polk moved to approve the Amended Agenda with following changes:

Add Technology Committee report after Consent Agenda.

SECOND: Councilmember Treuting

VOTE: Unanimously passed

2. Moment of Silence/Pledge of Allegiance: Councilmember Naddoni

3. Citizen Time: James Seid, 9205 Vassau Court: Owner of American Stripping Company: They employ 32 people down from a high of 82 people. After looking at the 2012 Manassas Park Legislative Agenda, he wanted to address Priority #4: Oppose restrictions on the ability of local elected officials to raise revenue to pay for local government services. Is the Governing Body restricted on how they raise taxes or revenue now? The Mayor stated there have been motions in the past three years on the part of some legislators to restrict the ability of the Governing Body and Board of Supervisors to raise specific kinds of taxes and to address kinds of revenues and in some cases to eliminate them or direct that rates be reduced to a specific level. The impact is that they mess with the tax rate of various types of revenues that could be generated without diminishing any of the mandates for services to be provided. They push a greater reliance on real estate tax. The impact is if they took a tax which could be BPOL, machinery tax, etc and say they are going to disestablish that or mandate that you come down. It would have a consequence impact in real estate tax. The Governing Body is saying leave it along and let the locality manage the locality budget as we need to given the widely varying revenue sources that the locality have. In Manassas Park we are heavily residential compared to business and in some cases it is more a fifty/fifty equity. Leave it to the locality that are in the best position to manage the locality business to do so. Councilmember Naddoni stated an example was recently that HB 549 was redirecting the machinery and tool tax from the locality to state government.

He asked about Legislative Item 2: Specifically opposes efforts to limit City authority to levy Business, Professional and Occupational License (BPOL) tax and Machinery & Tools (M&T) tax. The Mayor stated the city has the authority today but one legislation would in one case eliminate the tax and in another case mandate that it come down. Mandate for service city has to provide is not changing. It forces the revenue to have to be generated out of a more convinced pool of option than we would otherwise have.

Mr. Seid stated the city has mandated cost and to meet that mandated obligations you would possibly raise business taxes in the way of occupational license and machinery & tool. The Mayor stated the city has only a fixed number of types of revenue that city can generate. When you have demands for services based on law and only a fixed number of mechanisms to generate revenue as those isolated sources of revenue are diminished by state action or state says continue to collect the tax but instead of money going to locality it comes to the state which was Councilmember Treuting's concern.

Councilmember Polk stated Virginia is a Dillion rule state which basically says the locality can only do what the state legislator allows and can only collect certain taxes if state allows us to do so.

The Mayor stated as this legislative session goes along, the city will make every effort to make the citizens aware of what is going on and will use our website to put up information regarding proposed actions taken by our legislators which will impact taxes and revenue, etc.

4. Presentations:

4a. Dr. Bruce McDade, Superintendent of Schools Report:

Dr. McDade introduced Ebonee Johnson, 11th grade student, who is the only student at MPHS to ever make it to the final three at the Martin Luther King Oratorical contest last Monday. The theme of her speech was "The power and persuasion of education" with a focus on the works of Dr. Martin Luther King. She made her speech to Governing Body. The Mayor asked that she give her speech again in February as part of Black History Month.

Jon Mamon: He gave a presentation on an e-transcripts initiative that is ongoing in the school system which gives the schools the ability to send transcripts electronically. This background is through the Virginia Transcript Center which is part of the umbrella of national transcript center. This is at no cost to Virginia. Of the 132 school divisions, fifty school divisions use this service.

5. Public Hearing

5a. Ordinance: Provide Tax Exemptions and Development Incentives:

The Mayor opened the Public Hearing at 7:45pm.

The City Attorney stated all three of the Public Hearings are interrelated. In October 2011, Councilmember Leeper came up with idea to create a redevelopment district to take advantage of real estate property tax exemption provision. The ordinance was expanded to provide for BPOL tax exemptions and other incentives such as waiving fees for rezoning for site plan review and for building permits. The percentage to be waived would be 80% of additional revenue or additional assessed value of property due to construction or additional gross receipts due to expansion of existing business or for both technology businesses and defense production businesses for the creation of the businesses. The base ordinance will be in the tax chapter of city code which will provide for these various incentives. The boundary areas where the property must be in order to get any of these incentives are going to be defined in the Comprehensive Plan. The zoning ordinance will be amended to create special incentive zoning districts to take full advantage of these. This is to encourage development in the city.

Citizens: There were no citizens wishing to address the Governing Body on this proposed ordinance.

MOTION: Councilmember Naddoni moved to close Public Hearing at 8:00pm

SECOND: Councilmember Banks

VOTE: Unanimously passed

The City Attorney sent out an amended ordinance today which has been provided to Governing Body with his recommended changes in addition to what was advertised. The changes are based on comments received from Staff, Governing Body and further review by his office.

Page 3: Each of these incentive programs have timelines associated with them. One has a 20-year period, one 15 year period, and two of them 10-year period. The revitalization zone says specifically that the entire program cannot exist longer than 10-years from the date it is enacted. The rest imply ten years of the actual incentives for the business. Theoretically, they could come in two years from now and it would be 10-years from that point. To make it simple, he merged them all together for ten years. They would not be able to do anything for the revitalization zone for the BPOL beyond January 24, 2023. BPOL is based on calendar year so they made that the end of 2022. There is not a restriction on real estate property tax and could be as long as 15-years.

Councilmember Banks wanted to know why you put years on it. He liked the previous version because the code stated 10-years but not a specific year. If they came in two or three years from now they would be dissuaded to use this tax incentive because they would be less than ten years. The City Attorney stated for three of them, that is a good way to look at it but for the revitalization zone it specifically says the program itself cannot extend beyond ten years the date it was approved by the City. If this is approved tonight, the entire program will have a 10-year life that will expire on January 24, 2022.

The Mayor recommended using the date in the ordinance and test it for a year or more to see what interest we get and then bring it back for textual adjustments on dates if needed. Councilmember Banks wants this ordinance to make the approach as simple as possible.

BPOL uses calendar year and real estate property taxes use fiscal year.

It was consensus of the majority of Governing Body members to consider this ordinance tonight. It is Agenda Item 8c.

Dates are modified to be 2021 and 2022.

5b. Amendment to the Land Use Chapter: Comprehensive Plan

- (1) Introduction**
- (2) Land Use Chapter**
- (3) Glossary**

Mayor Jones opened the Public Hearing at 8:00pm.

Vanessa Watson, City Planner, stated the Comprehensive Plan has to be reviewed every five years. This is the first part of four components; introduction (sets the stage for the chapter, land use chapter (meat of the article), illustrious guidelines (for buffering and mixed use development) and the glossary.

The Planning Commission held a Public Hearing on January 12, 2012 and recommended approval to Governing Body with few noted changes.

There were no citizens wishing to address this item with Governing Body.

MOTION: Councilmember Naddoni moved to close Public Hearing at 8:05pm.

SECOND: Councilmember Treuting

VOTE: Unanimously passed

5c. Joint Governing Body and Planning Commission Public Hearing: Ordinance: Create Incentive Zoning Districts:

Present from Planning Commission: Edmond Rishell, Jr., Chairman, Oscar Jamilla, Vice Chairman, John Evans, Julie Cline, and Bryan Polk

The Chairman of Planning Commission called this special meeting to order.

The Mayor and Chairman of Planning Commission opened the Public Hearing at 8:05pm.

Governing Body Close Public Hearing

MOTION: Councilmember Naddoni moved to close the Public Hearing.

SECOND: Councilmember Banks

VOTE: Unanimously passed

Planning Commission: Close Public Hearing

MOTION: Commissioner Cline moved to close the Public Hearing.

SECOND: Commissioner Jamilla

VOTE: Unanimously passed

Approval of Ordinance: Planning Commission:

MOTION: Commissioner Cline moved to recommend approval of the Ordinance as recommended by Staff and City Attorney with minor noted changes and change to:

Sec 31-17.A. – MU-D Downtown mixed-use district: m signage (5) wall signs shall be limited in size to one and one-half square feet of sign area per lineal front foot of building.

Chairman Rishell stated that when green house are mentioned it is not about the color and he wants to define green house from a horticultural standpoint.

SECOND: Commissioner Jamilla

VOTE: Unanimously passed

Adjournment of Planning Commission Meeting: Chairman Rishell closed the Planning Commission meeting at 8:25 pm.

6. Consent Agenda:

6a. Approval of Minutes: December 10, December 20, 2011, January 3, 7, 2012

6b. Recommendation to Court Re-appointment: Board of Zoning Appeals: David Coates

MOTION: Councilmember Polk moved to approve as presented.

SECOND: Councilmember Naddoni

VOTE: Unanimously passed

Report from Technology Committee: They would like to see all components of the new Financial software package put in place and reported back to Governing Body by the first or second meeting in February how to proceed to do that acknowledging potential litigation.

7. Unfinished Business: No Unfinished Business

8. New Business

8a. Resolution 12-1000-1127 Potomac and Rappahannock Transportation Commission

MOTION: Councilmember Naddoni moved to approve as recommended by City Attorney.

SECOND: Councilmember Leeper

VOTE: Unanimously passed

8b. Ordinance 12-1700-916 Create Incentive Zoning District:

MOTION: Councilmember Naddoni moved to approve Resolution declaring that the City is not required to amend its Comprehensive Plan to create urban development area in accordance with Sec 15.2-2223 as presented by City Attorney.

SECOND: Councilmember Treuting

VOTE ROLL CALL: Unanimously passed

8c. Ordinance 12-1700-917 Provide for Development Incentives:

MOTION: Councilmember Naddoni moved to approve as presented by City Attorney.

SECOND: Councilmember Treuting

VOTE ROLL CALL: Unanimously passed

8d. Resolution 12-1000-1128 Urban Development Area:

MOTION: Councilmember Naddoni moved to approve as presented by City Attorney.

SECOND: Councilmember Treuting

Because the City's comprehensive plan accommodates growth in a manner consistent with Subsection 15.2-2223.1B, pursuant to Subsection 15.2-2223.1D, the City is not required to further amend its comprehensive plan to incorporate urban development areas.

VOTE ROLL CALL: Unanimously passed

8e. Ordinance 12-1700-918 An Amendment to the Land Use Chapter of the Comprehensive Plan:

MOTION: Councilmember Naddoni moved to approve as recommended by City Attorney.

SECOND: Councilmember Leeper

VOTE ROLL CALL: Unanimously passed

9. City Manager Report:

Candidates for Fire Chief will be interviewed on Friday, January 27, 2012 and Tuesday, January 31, 2012. Governing Body members can stop by and meet the candidates at 5:00pm at the police department.

February 8: Chamber of Commerce after hour will be held from 5-6:30pm. The Mayor stated for the record that there is a possibility there will be more than three members of Governing Body, Planning Commission and Economic Development Authority present at this meeting.

February 15: Chamber of Commerce: The Mayor will be on the panel.

10. Closed Meeting State Code of Virginia Freedom of Information Act Section 2.2-3711a of the Code of Virginia: Paragraph (3) and (7): 8:30 PM:

MOTION: Councilmember Naddoni moved to accept recommendation of City Attorney that the Governing Body go into closed meeting to discuss the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the City, and to consult with the City Attorney regarding specific legal matters requiring the provision of legal advice by the City Attorney pursuant to paragraphs 3 and 7, respectively, of Subsection 2.2-3711A of the Code of Virginia.

SECOND: Councilmember Treuting

VOTE: Unanimously passed

12. Return to Open Session: 9:20pm:

MOTION: Councilmember Naddoni

SECOND: Councilmember Leeper

VOTE: Unanimously passed

13. Certification & Action out of Closed Meeting if Necessary

MOTION: Councilmember Naddoni moved the following Resolution:

WHEREAS, the Governing Body of the City of Manassas Park has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712(d) of the Code of Virginia requires a certification by this public body that such closed meeting was conducted in conformity with Virginia law.

NOW THEREFORE BE IT RESOLVED that the Governing Body of the City of Manassas Park hereby certify that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered in the meeting by the public body.

SECOND: Councilmember Leeper

VOTE ROLL CALL: Yes: Naddoni, Leeper, Banks, Polk, Treuting, Jones

Motion out of Closed Meeting:

MOTION: Councilmember Naddoni moved to direct the City Manager and the City Attorney to prepare a letter from the Governing Body to the Prince William County Board of County Supervisors stating that the City would like to discuss and renegotiate the terms of the library services portion of the existing shared services agreement, with the topics to include cost sharing, the location of the Central Library, and the delivery of library services.

SECOND: Councilmember Treuting

VOTE: Unanimously passed

13. Adjournment:

Adjournment at 9:25 pm.

Approved February 7, 2012

Frank Jones, Mayor

Lana A Conner