

NOTICE OF SPECIAL MEETING

A SPECIAL MEETING OF THE CHARLOTTESVILLE CITY COUNCIL WILL BE HELD ON Saturday, March 16, 2019, AT 1:00 p.m. at Key Recreation Center, 800 East Market Street, Charlottesville, VA 22902.

THE PROPOSED AGENDA IS AS FOLLOWS:
Community Budget Forum

BY ORDER OF THE CITY COUNCIL

BY Kyna Thomas

Key Recreation Center – March 16, 2019

City Council met on this date with the following members present: Mayor Nikuyah Walker, Vice Mayor Heather Hill, Dr. Bellamy and Ms. Kathy Galvin. Absent due to sickness: Mr. Mike Signer.

Ms. Walker called the meeting to order at 1:15 p.m. and turned the meeting over to Interim City Manager Mike Murphy, who gave a brief overview of the overall FY2020 Proposed Budget.

Dr. Bellamy with regard to the \$500,000 proposed budget cut for the Schools original request, asked Councilors if they would consider fulfilling \$250,000 of that request so that the Schools do not deplete their reserve account in the event they have to use it.

Ms. Walker opened the public forum.

Ms. Catherine Lott asked for full funding of \$500,000 cut by Schools for their budget. She advised that the funding would have been for positions to address equity in schools.

Ms. Nancy Carpenter spoke about affordable housing. She advised that housing justice is racial justice, and would also address class issues. She asked for Councilors to consider the real estate tax relief for up to \$65,000 income. She spoke in support of lodging tax and meals tax increases.

Mr. Mike Massey, resident, spoke in favor of a real estate tax increase. He said that it would be a bold step toward long-range housing policy planning. He spoke in favor of Charlottesville Affordable Housing Fund (CAHF) funding as an investment in the future.

Ms. Elisa Diamond, City resident, spoke about making affordable housing a high priority for the City, and lauded the affordable housing rehabilitation efforts already in the budget. She advised that she would like to see \$1.55M allocated to CAHF and \$1M for the rent subsidy voucher program. She also spoke in support of a real estate tax increase of 2%, paired with the relief programs mentioned earlier. She spoke in support of lodging, and meals tax increases.

Ms. Lisa Torres, City resident, spoke about the need to address affordable housing and equity in the City. She asked why more Councilors are not in support of options that have been presented, such as the meals tax. Ms. Torres advised that she wanted to publicly acknowledge that she has privilege, which impacts food security, housing, jobs, wages, education and judicial decisions.

Mr. Ken Horne, County resident working in the City, spoke about historic racial and vulnerable population inequities. He encouraged Council to consider every revenue source to combat equity issues. He also spoke of the inter-connectedness of affordable housing with other social issues, including equity in schools, making this a City that works for everyone.

Ms. Pam Elliott, City resident, spoke in support of tax increases, and advised that she would be willing to pay more than a 1% increase.

Ms. Andrea Massey, City resident, spoke in support of affordable housing efforts and encouraged Council to fund efforts to address equity in schools. As a resident who eats out a lot, she advised that she is willing to pay more in tax. She spoke in favor of the proposed tax increases in real estate, meals and lodging as long as equity is addressed.

Ms. Wendy Stanley, City resident and homeowner, spoke in favor of meals tax and lodging tax increases.

Ms. Sonya Bell, City resident, asked for more funding toward additional affordable housing.

Mr. Walter Heinecke, City resident and homeowner, advised that the budget reflects values. He asked Councilors to consider long-term planning to generate revenue for addressing affordable housing. He spoke in support of adding \$1.55M to the CAHF, and fully funding CHAP for household incomes of \$55,000 and less. In terms of meals tax, he advised that at least a 1 cent increase is necessary, giving more privileged patrons an opportunity to contribute to the affordable housing solution. He spoke in support of a 2 cent increase in real estate tax. He stated that addressing housing inequality can also help school equality.

Mr. Michael Payne, City resident, spoke in support of meals & lodging tax increases and supporting the CHAP program at the higher rate. He advised Council to consider what happens if tax rates are increased, and what if tax rates are not increased. He asked Council not to consider raising the real estate tax until meals and lodging taxes have been increased.

Ms. Colette Hall, City resident, acknowledged that passing a budget is the toughest decision made by Council, and predicates all future decisions. She spoke of past irresponsible spending that could have benefited affordable housing. She spoke against spending on the Sister Cities program and on social media efforts. She expressed concern that the City spends a large portion of the budget on Schools without getting the desired results.

Ms. Janette Abi-nader expressed support of full funding for affordable housing and schools as presented in the Proposed budget. She advised that funding an increase in salaries to \$15 could affect funding to the School nutrition program.

Matthew Gillickey, City resident, spoke about the Living Wage increase to \$15.00, and asked that the language be changed to Minimum Wage. He spoke in support of restoring the \$500,000 that was proposed as a cut to the City Schools budget and in support of continuing the AVID Program in Schools. He spoke in support of the meals tax increase, and in support of lodging and real estate tax increases if needed. He advised that he wants to see more funding for affordable housing and the Capital Improvement Program. Versus the West Main streetscape project.

Dr. Bellamy commented that marketing of the City could address the support of affordable housing efforts.

Ms. Hill agreed, but recognized that there is an associated cost with marketing.

Ms. Galvin advised that after further discussion, she has a greater understanding of the reserve account and does not believe there is a need to dip into the reserve fund. She advised that she still supports a real estate tax increase so that the burden of funding all the City's needs does not rest on two industries – restaurants and hotels. She requested a 1 cent increase across lodging, real estate and meals taxes. She advised that real estate tax should fund schools.

Ms. Hill advised that the struggle with real estate tax increase also affects renters.

Ms. Walker expressed that Council does not control the budget for Schools. The Schools decided which items to present for the proposed budget and proposed cuts. She advised that discussions are needed around outcomes. She supports the meals tax. She supports the real estate tax, but with a progressive affordable housing plan.

Council continued to discuss tax options, and City Attorney John Blair advised that it is permissible to increase at less than a full percent.

Mr. Murphy summarized Council discussion and asked Councilors to consider a plan that will address the rental assistance program. He advised that by formula, the City has exceeded the amount of funding required for Schools. He will bring back information to show the scenario of increasing lodging, meals, and real estate taxes all by 1%, given support of three Councilors: Bellamy, Galvin, and Walker.

The meeting was adjourned at 3:02 p.m.