

Richmond Regional Planning District Commission
Minutes of Meeting
December 12, 2002

Members/Alternates Present

Rebecca M. Ringley (M), Chairman..... County of New Kent
Angela L. LaCombe (M), Vice Chairman..... Town of Ashland
John E. Gordon, Jr. (M), Treasurer..... County of Hanover
Chris W. Archer (M)..... County of Henrico
Richard W. Ayers (M)..... County of Powhatan
Gregory R. Baka (M)..... County of Henrico
Edward B. Barber (M)..... County of Chesterfield
W. R. Britton, Jr. (A)..... County of Charles City
Joseph E. Brooks (M)..... City of Richmond
Malvern R. Butler (M)..... County of Goochland
Mark S. Daniel (M)..... County of New Kent
James B. Donati (M)..... County of Henrico
Richard W. Glover (M)..... County of Henrico
Russell J. Gulley (M)..... County of Chesterfield
Harvey L. Hinson (A)..... County of Henrico
Michael L. Holmes (M)..... County of Charles City
Renny B. Humphrey (M)..... County of Chesterfield
David A. Kaechele (M)..... County of Henrico
John L. McHale (M)..... County of Chesterfield
Kelly E. Miller (M)..... County of Chesterfield
Patricia S. O'Bannon (M)..... County of Henrico
George K. Roarty (M)..... County of Chesterfield
M. D. Stith (A)..... County of Chesterfield
J. T. Jack Ward (M)..... County of Hanover
Arthur S. Warren (M)..... County of Chesterfield

Members Absent

Roy J. Harrison, Jr. (M), Secretary..... County of Powhatan
John G Dankos, Jr. (M)..... County of Hanover
Gwen C. Hedgepeth (M)..... City of Richmond
William Russell Jones, III (M)..... City of Richmond
Joseph T. Lacy, Jr. (M)..... County of Goochland
Delores L. McQuinn (M)..... City of Richmond
Robert R. Setliff (M)..... County of Hanover
Frank J. Thornton (M)..... County of Henrico

Others Present

John R. AmosRRPDC Legal Counsel (Amos & Amos)
Kathy Messick..... Richmond Goodwill
Don Owen.....Infineon Technologies
Kendal Thompson..... Richmond Metropolitan Convention & Visitors Bureau

Staff Present

Paul E. FisherExecutive Director
Katherine E. BarrettExecutive Secretary
Jo A. EvansAssistant Executive Director
Daniel N. Lysy.....Director of Transportation
Jackie S. Stewart.....Director of Planning and Information Systems
Peter M. SweetlandFinance and Contracts Administrator
Patricia A. Villa..... Communications Coordinator

Call to Order

Chairman Rebecca Ringley called the regularly scheduled December 12, 2002 meeting to order at 1:00 p.m.

I. ADMINISTRATION

A. Certification by Commission Executive Director of Meeting Quorum

Mr. Fisher certified that a majority of the members/alternates (20) were present to constitute a quorum.

B. Request for Additions or Changes in Order of Business

There were no requests for additions or changes in the order of business.

C. Approval of Minutes of November 14, 2002 RRPDC Meeting

There being no corrections or additions, on motion of Mr. Butler, seconded by Mr. Warren, the Richmond Regional Planning District Commission unanimously approved the minutes of the November 14, 2002 meeting.

D. Open Public Comment Period

There were no requests to address the Commission at this time and Chairman Ringley closed the public comment period.

E. Approval of October 2002 Financial Report

Mr. Gordon presented the financial report for October 2002. There being no corrections, on motion of Mr. Gordon, seconded by Mr. Butler, the Richmond Regional Planning District Commission unanimously accepted for audit the financial report for October 2002.

F. Chairman's Report

Chairman Ringley announced the RRPDC Holiday Reception following the meeting today with staff, members, and guests.

Chairman Ringley thanked the staff for a very professional job during the year, and wished everyone a Happy Holiday.

Chairman Ringley also complimented the staff on the Newsletter.

G. Executive Director's Report for November 2002

Mr. Fisher presented a brief report on the following items:

Mr. Fisher reported that during November, Commissioner Thornton hosted a community meeting at which Dan Lysy and the Executive Director gave a presentation on the RRPDC and MPO. Mr. Fisher encouraged other members who may have regular meetings with their constituents to contact the staff to give a presentation to any group to help spread the word about regional cooperation. Also during the month a considerable amount of staff time was spent on the application process for workforce services grants.

On November 22, 2002, the RRPDC served as host for the State Chapter of the American Planning Association's Annual Conference Host City Planning Committee. The Executive Director is serving as a member of that committee.

Preparations have started for the 2003 RRPDC Regional Planning Commissioner's Forum. Henrico County is the host locality this year and the forum will be held in March at the Cultural Arts Center in Glen Allen.

II. OLD BUSINESS

A. Legislative Update

Ms. Patricia Villa gave a brief presentation regarding the Virginia Association of Counties annual conference held on November 10-12 at the Homestead in Hot Springs, Virginia. The pervading issue was similar to one that dominated the October VML conference: the state and local fiscal crisis.

VACo legislative discussions centered on holding the state more accountable to include:

- Tax restructuring and fully funding Standards of Quality (SOQs)—this is VACo's top priority
- Unfunded mandates
- Providing a firewall to prevent raids on transportation funding

During the transportation steering committee meeting, members addressed a potential legislative initiative which would restructure the Commonwealth Transportation Board (CTB): the appointment of members to the CTB by legislators rather than by the governor, which is how appointments are presently made. VACo's position is staunch opposition to any restructuring without thorough analysis.

The focal point of discussion regarding the proposed legislation to increase the cigarette tax was that VACo will not support any tax increase for cigarettes specifically; rather, the consensus was that VACo supports legislation to grant counties equal taxing authority with cities and towns, which would be a significant step enabling counties to broaden their revenue bases.

Discourse regarding the budget was less than encouraging. Discussions by legislators invited for panel sessions and by the keynote speaker, Governor Mark Warner, echoed previous beliefs: Although a number of areas affecting local government (local sheriffs, regional jails, the Juvenile Crime Control Act, CSA, ABC profits, and recordation taxes) had been protected in the budget cuts made in October, all programs are on the table for the next set of cuts. Additional cuts are expected and they will be severe.

The most notable outcome from the VACo meeting was VACo's preamble to their legislative program. This was adopted unanimously by VACo membership on November 12. It included strong language, holding the General Assembly more accountable. Also endorsed by the full membership was a public awareness campaign to inform citizens on how they will be

affected by the \$2 billion shortfall, urging them to hold the General Assembly accountable as well.

Mr. Fisher then discussed, as requested by the Commission at the November meeting, the draft letter from the Richmond Regional PDC, to be signed by the chairman, to Governor Mark Warner and members of the Capital Region Caucus regarding local fiscal stress and the need to restructure tax codes for review.

Following considerable discussion, on motion of Mr. Gordon, seconded by Mr. Glover, the Richmond Regional Planning District Commission unanimously approved the following revised letter:

The members of the Richmond Regional Planning District Commission acknowledge the problems caused by the State's severe fiscal crisis and revenue shortfall, and the difficulties you face in balancing the budget. However, prior to this most recent financial difficulty, local governments in Virginia were already finding it difficult to meet the increasing demand for services from their residents. In fact, we believe that the gap between the ability of local governments to generate revenue and the expenditures necessary to provide for the needs of their residents will continue to expand into the foreseeable future.

In light of the budget cuts that have already been made at the state level and those we expect to follow during the 2003 General Assembly session, the members of the Richmond Regional Planning District Commission are concerned that citizens will expect local governments to increase local funding for services cut back or eliminated by the State. Therefore, we express our strong opposition to any new unfunded mandates that may be proposed for local governments. Do not assume that we will be able to cover state budget cuts with local dollars. As well, we recommend that there should be a systematic review and clarification of which level of government is responsible for which services.

The Richmond Regional Planning District Commission calls on its state elected leaders to recognize the responsibilities of local government to provide the services and facilities their citizens need, and to fairly evaluate the impacts of current state tax policies and budget cuts on those responsibilities. We commit to working with you to do this, and to provide you with the information that will help you make these difficult decisions.

III. NEW BUSINESS

A. Workforce Services Grant Program

Mr. Fisher stated that last March legislation was working its way through the General Assembly that would essentially de-fund the Regional Competitiveness Program and replace it with a scaled-down workforce services grant program. At that time, the Richmond Regional Competitiveness Committee had solicited and received six applications requesting consideration for competitiveness program funding.

Pending further information on the final legislation to be confirmed by the Governor and the General Assembly in April, and program guidelines and regulations to be developed by the Department of Housing and Community Development, the committee's Chairman suspended the work of the Richmond Regional Competitiveness Committee. The committee was reactivated and met on November 20, 2002 to review five program applications submitted by three applicants for workforce services grant funds – the state program that has replaced the competitiveness program.

Program regulations released by DHCD include:

1. Amounts are to be awarded on a competitive grant basis to regional partnerships throughout the state for workforce development. The total budget statewide for this program is \$1.6 million in FY 03 and \$1.5 million in FY 04. To put the new budget in perspective, the original competitiveness program provided more than \$10 million a year statewide and about \$1 million annually to the Richmond region.
2. The application is to be for activities needing 2 years of grant funding, and the maximum grant allocation to a regional partnership will be \$400,000 over two years (January 2003 – June 2004). Additionally, contracts with grant recipients are to include language that allows the state to reduce grant amounts in the event of future budget cuts. Applications must include a detailed budget for the workforce services activities.
3. The program timetable that started with an application workshop on November 6, 2002 will culminate with the December 13, 2002 grant application deadline. According to DHCD, "Our time table is compressed because we would like to have final decisions made, and first checks out before the General Assembly is in session.

4. Grants will be awarded on a competitive basis to qualified regional partnerships. Should the Richmond region be awarded a grant in December, an application for re-qualification must be submitted by May 31, 2003 in order to receive any grant funds in FY 04 - the second year of the grant period.

Organizations that had submitted applications this past spring under the Regional Competitiveness Program were advised of the new application process. Five applications from three organizations were received and reviewed by the Richmond Regional Competitiveness Committee on November 20, 2002. The Richmond Regional Competitiveness Committee took the following action:

Mr. Hazelett made a motion to 1) recommend to the RRPDC all five workforce services applications received, reduced proportionally not to exceed a total of \$400,000, with the RRPDC assessing an administrative fee of five percent of the final contracted amount with each of the recipient programs; 2) stipulate that any contract with recipient programs would be contingent on continued availability of matching funds shown in the applicant's application, and any change of status in that regard would have to be reviewed by the Regional Competitiveness Committee; and, 3) that the administrative fee charged by Workforce One for the Manufacturing Education Consortium program be reasonable as determined by the RRPDC and Regional Competitiveness Committee Chairmen.

The motion was seconded by Mr. Ramsey; motion carried with Mr. Sandridge voting no.

At this point, Chairman Ringley requested that each applicant briefly explain their program application request.

Mr. Don Owen of Infineon Technologies presented a brief summary of the following Workforce One requested application:

Manufacturing Education Consortium	\$131,000
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Ms. Kathy Messick of the Richmond Goodwill Industries presented a brief summary of the following requested application:

Workforce Training Initiative	\$174,713
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Mr. Kendal Thompson of the Richmond Metropolitan Convention and Visitors Bureau presented a brief summary of the following three requested applications:

Welcome Host Certification Program	\$17,471
Internship Program	\$13,103
Destination Marketing Campaign	\$43,678

Following the presentations and general discussion, on motion of Mr. Glover, seconded by Mr. Warren, the Richmond Regional Planning District Commission unanimously approved the recommendation of the Richmond Regional Competitiveness Committee.

B. Approval of Revised FY 03 Budget and Work Program

Ms. Jo Evans, Assistant Executive Director, presented the revised FY 03 Budget and Work Program showing standard tables on revenues, expenditures, and member dues. Ms. Evans reported that in December of each year revisions to the current fiscal year's budget and work program are prepared and presented for Board review and approval. These revisions are incorporated into the budget and work program last reviewed by the Board in May and are based on four months of actual activity. There is no change in member dues from the May budget.

The estimate for operating revenues and expenditures increased \$50,900 from what was anticipated last May. On the revenue side this increase is the net result of a \$21,500 cut in the state appropriation under the Regional Cooperation Act and an increase of \$75,600 in Section 5303 Carryover funds, an adjustment to the FY 03 UWP which is to be acted on by the MPO at its December 12 meeting. Also, a further reduction of \$3,200 in the interest estimate has been necessitated by a reduction in anticipated investable balances and continued low interest rates.

The most significant revisions to expenditures are in the categories of 1.) personnel which is reduced to reflect current salaries that are lower than was originally budgeted, and a continued vacancy of one principal planner position in the Planning and Information Systems Division; 2.) computer operations which is increased as a result of re-programming FY 02 expenditures to FY 03 for conference room upgrades; 3.) printing which is reduced due to a lower copier lease amount and reductions in the cost of printing plans and documents; and 4.) rent which is reduced due to a rescheduling of the start date for the annual escalation of 3%.

Two categories of expenditures are included in this budget as additions since May. The Best Practices Public Participation is a study that was conducted by a consultant for the MPO as part of its FY 02 UWP. The final two payments to the consultant were made in the early part of the current fiscal year and are included here as a current year expenditure.

The item titled Carryover to FY 04 represents a staff recommendation that, because of the economic uncertainties that continue to affect our financial planning, we set aside a portion of current revenues to cover expenditures in the event that the state makes further cuts to the appropriation to PDCs and/or federal revenue allocations are cut more than five percent from the current year's base allocation.

On motion of Mr. Butler, seconded by Mr. Ward, the Richmond Regional Planning District Commission unanimously approved the revised FY 03 Budget and Work Program.

C. Approval of Preliminary FY 04 Budget and Work Program

Ms. Evans presented the preliminary FY 04 Budget and Work Program showing the standard tables on revenues, expenditures, and member dues. In December of each year a preliminary budget and work program for the fiscal year beginning next July 1 are prepared and presented for Board review and action.

At this stage the budget, and to a lesser extent the work program, is based primarily on the assumption of level or reduced funding. Specific information on state and federal funding amounts will become available over the next few months and will be incorporated into the budget presented for review and adoption by the Board in May. Further revisions to the FY 04 budget may also be made next December and the following May.

On the revenue side for operations, the state appropriation is held flat at the current year amount pending the outcome of the upcoming legislative session. Federal allocations of PL and 5303 funding to this region are budgeted at a five percent reduction from current year base allocations reflecting the uncertainties surrounding federal revenue, generally, and allocations between the Richmond Area and Tri-Cities MPOs. Partially offsetting these reductions is a recommended carryover of funds set aside from the FY 03 operating budget. Pass-through PL funds shown represent a rollover from FY 02, and the competitiveness program has essentially been disbanded by the state.

Total operating expenditures have been reduced 2.4% for a reduction from the current year of \$45,500. This reduction represents the net result of an increase in the personnel line which will accommodate filling the vacant principal planner slot in the Planning and Information Systems Division (workload in this Division's work program is increasing, as well as the need for this position to support several major tasks in the Urban Transportation Planning/MPO work program) and providing for salary increases of 1.55%, and reductions in non-recurring items including conference room upgrade, MPO Best Practices study, and a recommended current year revenue set-aside to carry over for FY 04.

On motion of Mr. Butler, seconded by Mr. Ward, the Richmond Regional Planning District Commission unanimously approved the preliminary FY 04 Budget and Work Program.

IV. OTHER BUSINESS

A. Cancellation of January RRPDC Meeting

On motion of Ms. LaCombe, seconded by Mr. Butler, the Richmond Regional Planning District Commission approved cancellation of the RRPDC January 9, 2003 meeting, but Executive Committee along with Charter and Bylaws Committee and Mr. Kelly Miller will meet on January 9, 2003 at 11:30 a.m.

B. Committee Reports

There were no Committee Reports at this time.

C. For Your Information

There were no For Your Information items at this time.

V. ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 2:30 p.m.

Paul E. Fisher
Executive Director

Rebecca M. Ringley
Chairman

