

CITY OF COLONIAL HEIGHTS, VIRGINIA
Special Meeting of City Council
Tuesday, September 23, 2020

1. Call to Order.

The Special Meeting of City Council was called to order by Vice Mayor Luck at 5:31 P.M.

2. Roll Call.

Present: Councilman Michael A. Cherry
Councilman Kenneth B. Frenier
Councilman W. Joe Green, Jr.
Councilman John E. Piotrowski
Vice Mayor Elizabeth G. Luck
Mayor T. Gregory Kochuba

Absent: Councilman John T. Wood (arrived late)

Also Present: Mr. Douglas E. Smith, City Manager
Mrs. Pamela B. Wallace, City Clerk

3. Declarations of Personal Interest

A declaration was read by Mr. Green and filed with the Clerk.

4. Special Meeting on the following item:

- A. A RESOLUTION NO 20-50**
Authorizing the City Manager to enter into two Highway Safety Grant Agreements with the Virginia Department of Motor Vehicles for the Selective Enforcement – Alcohol Project and the Selective Enforcement – Occupant Protection project partially funded by the U.S. Department of Transportation National Highway Traffic Safety Administration.

A motion was made by Mr. Green, seconded by Mr. Piotrowski, to adopt Resolution No. 20-50.

Mr. Smith provided additional brief comments stating the proposed resolution was a requirement for the grant further advising of staff's support of the resolution. There were no comments from Council.

Vote: 6-0
Yes: Cherry
Frenier
Green, Jr.
Piotrowski

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	Luck
	Kochuba
No:	None
Absent:	Wood
Abstained:	None

Motion UNANIMOUS PASS

B. A RESOLUTION NO 20-51

Approving the Economic Development Agreement and Memorandum of Agreement between the Economic Development Authority and Lee Hall Plaza, Inc. relating to project development at 401 Temple Avenue; and authorizing the City Manager to sign the Economic Development Agreement as “Seen and Agreed to” on behalf of the City.

A motion was made by Mr. Green, seconded by Mrs. Luck, to adopt Resolution No. 20-51.

Mr. Smith provided background information relative to the agreement and Memorandum of Agreement (MOA) between the City’s Economic Development Authority (EDA) and Lee Hall Plaza, Inc.; specifically noting that the dates in the agreement will be updated or amended due to the date change of the EDA meeting date being moved to October.

Before continuing, Mayor Kochuba clarified that the property at 401 Temple Avenue was owned by Kroger and not the City.

Mr. Smith turned the floor over to Mr. Fisher, who provided comments relative to the Deed of Sale. Mr. Fisher asked Council to recall a request by a Council member to obtain a deed restriction concerning the prohibited issues, which he was unsuccessful in obtaining. Mr. Fisher stated he was, however, able to have Lee Hall Plaza agree to alternative language; noting that page one of the MOA provides that immediately upon recordation of the MOA, the prohibited uses would be in full force and effect. Mr. Fisher also noted an additional significant change is the inclusion in an exhibit to the MOA of the definitions or meanings of the prohibited uses that the Zoning Ordinance provides.

Mr. Green clarified that the same restrictions would be imposed upon businesses seeking to locate on the property, as those originally imposed upon Kroger. Additionally, City staff had worked with the consultant that the limitations of what would be permitted would be in the deed or MOA. Mr. Green expressed his excitement at the opportunity to develop and attract businesses in an effort to generate revenue for the City.

Mr. Wood stated that he would be opposing the resolution for two primary reasons:

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- 1. The proposed developments are not the best or the best beneficial for the City of Colonial Heights.**
- 2. Does not agree with the cost to the City should the tax revenues not be met or generated by those businesses.**

Mayor Kochuba clarified for those in attendance that the reason for not holding a public hearing was that the City was not the property owner and therefore, the City cannot hold a public hearing regarding property it does not own.

Mr. Cherry expressed his previous concerns relative to the rebates the City would not receive; however, he was confident the City would see an increase in tax revenue from the property and the revenues would not be included in the rebate. Mr. Cherry noted that currently the only thing generated from the undeveloped property was property tax and with the proposed development, the City will receive a higher property tax on the developed property and will come out ahead in the long run for collecting tax revenue over what is currently being collected.

Mr. Frenier stated he echoed Mr. Cherry's comments adding City staff had worked on this project extensively and he felt the outcome is very good.

Mayor Kochuba stated he did not disagree with Messrs. Cherry and Frenier's comments; however, he struggles with the tax incentives for one of the businesses.

Mr. Smith clarified that the current agreement has its own conditions which should not be compared to the previous Kroger agreement; however, there are specific conditions which are listed as development conditions.

Additionally, Mayor Kochuba stated that when Kroger purchased the property, there was a clause in the agreement, which stated the City had the right to first refusal.

Mr. Green, for the benefit of those present, stated that the purchase by Kroger was for the entire property but will be developed as several parcels; therefore, increasing the number of restrictions.

<u>Vote:</u>	5-2
Yes:	Cherry
	Frenier
	Green, Jr.
	Piotrowski
	Luck
No:	None
Absent:	Wood
	Kochuba
Abstained:	None
Motion PASS	

6. Adjournment.

A motion to adjourn the Special Meeting was made by Mayor. Cherry, seconded by Mr. Cherry, and carried unanimously on voice vote at 5:50 P.M.

APPROVED:

T. Gregory Kochuba, Mayor

ATTEST:

Pamela B. Wallace, City Clerk