City Council
WORK SESSION
October 13, 2016
5:30 p.m.

Council Members Present: Mayor Dull, Vice Mayor Kier, Council Members Curren, Harrington, Holmes, Oakes and Obenschain.

The Mayor called the work session of City Council to order. The invocation/moment of silence was given by Dr. Curren.

1. Consideration of Work Session and Regular Meeting Agendas

Consistent with Procedural Memorandum No. 3, amended by Council at its organization meeting on July 1, 2016, the agendas were presented for Council consideration.

Dr. Curren moved to approve the Work Session agenda, with the addition of an item concerning his attendance of the 2016 Governor's Infrastructure Financing Conference, December 14-16 in Williamsburg, and the Regular Meeting agenda.

The motion was seconded by Dr. Harrington and carried unanimously as follows:

Dr. Harrington	aye	Ms. Oakes	aye
Mr. Obenschain	aye	Dr. Curren	aye
Vice Mayor Kier	aye	Mr. Holmes	aye
Mayor Dull	aye		

2. Presentation of Staunton Creative Community Fund Annual Report

Ms. Christina Cain, Executive Director of the Staunton Creative Community Fund (SCCF), presented SCCF's annual report for fiscal year 2016. She highlighted the following:

- SCCF helped 10 businesses start or expand in the City of Staunton and helped create 33 jobs
- SCCF served 242 clients and offered 595.75 hours of 1:1 technical assistance
- SCCF provided more than 650 hours of classroom and outreach educational programing from 7/1/2015 – 6/30/2016
- SCCF underwrote 1 small business loan for $18,000 and local investment of over $250,000 for 3 businesses
- 55 individual volunteers gave over 700 volunteer hours
- Virginia Individual Development Accounts (VIDA): SCCF manages 9 VIDA matched savings accounts for residents of the City of Staunton, making the total now 22 savers. Each saver can save up to $500 and that VIDA account can be matched at a 8:1 rate up to $4,000. Each saver took 8 hours of financial literacy training. This year, over $24,000 was saved to go into small business or post-secondary education. In FY 2016, $13,669.62 in VIDA funds was used to help 4 businesses expand or start in Staunton

3. Discussion of High School Project

Ms. Jeanne Colvin, Chief Financial Officer, presented Council with the following information:

1. Financing Assumptions:
   a. $1,250,000 from sale of land at Staunton Crossing reserved in the Debt Fund for Staunton Crossing debt in FY 2018
   b. $1,300,000 to be transferred to the Debt Fund from the CIP Fund from the Lee High Project
   c. $800,000 tax revenue increment from Staunton Crossing development
   d. 5% Interest Rate
   e. 30 Year Debt Term
   f. Real Estate Value – One cent = $180,600

2. School Project Concepts:
   a. Concept 1-$13-$20 million – Mechanical Systems/ADA/Minor Renovation
   b. Concept 2-$20-$35 million – Mechanical Systems – New Instruction Addition
   c. Concept 3-$40-$45 million – Mechanical Systems/Extensive Renovation/New Addition
   d. Concept 4-$50-$55 million – New School on Existing Site
   e. Concept 5-$60-$75 million – New School on New Site

3. When should the tax rate increase be implemented? – January 1, 2018
   a. Fiscal Year 2018 Budget cycle
   b. Why – Need to implement tax rate increase and reserve the funds for the debt service to lower the rate increase needed at the time bonds are issued

4. When should the project start?
   - Architect design – 18-24 months. Architectural design could begin July 2017. Costs can be reimbursed to the City when the bonds are issued. City will need to cash flow the cost until bonds are issued.

5. Bond Issue/Construction – timing based on design completion, but not before May 2019

G.O. BONDS	DEBT PAYMENT	TAX RATE INCREASE	CONSTRUCTION START	DELAYED START DATE	TAX RATE INCREASE
$20 MILLION	$(1,305,000)	3 CENTS	2018		
$30 MILLION	$(1,951,555)	5 CENTS	2019	2019	5 CENTS
$35 MILLION	$(2,276,800)	7 CENTS	2019	2021	5 CENTS
$40 MILLION	$(2,602,057)	8 CENTS	2019	2022	5 CENTS
$45 MILLION	$(2,927,315)	9.5 CENTS	2019	2022	5 CENTS
$50 MILLION	$(3,252,752)	11 CENTS	2019	2023	5 CENTS
$60 MILLION	$(3,903,086)	14 CENTS	2019	2024	5 CENTS
$75 MILLION	$(4,878,858)	18 CENTS	2019	2026	5 CENTS

After review, discussion ensued.

4. <u>Closed Meeting for Discussion or Consideration of the Possible Acquisition of Real Property for Public Purposes and/or of the Possible Disposition of Publicly Held Real Property Related to Education and Other Facilities Pursuant to Virginia Code § 2.2-3711(A)(3)</u>

Ms. Oakes moved to enter a closed meeting for discussion or consideration of the possible acquisition of real property for public purposes and/or of the possible disposition of publicly held real property related to existing and future education and other facilities, pursuant to Virginia Code § 2.2-3711(A)(3).

The motion was seconded by Dr. Harrington and carried unanimously as follows:

Mr. Obenschain	aye	Dr. Curren	aye
Vice Mayor Kier	aye	Mr. Holmes	aye
Mayor Dull	aye	Dr. Harrington	aye
Ms. Oakes	aye		

Ms. Oakes moved that Council reconvene in an open meeting and certify to the best of each member's knowledge that only lawfully exempted public business matters were discussed and that only public business matters as identified in the closed meeting motion were heard, discussed or considered in the meeting.

The motion was seconded by Dr. Curren and carried unanimously as follows:

Vice Mayor Kier	aye	Mr. Holmes	aye
Mayor Dull	aye	Dr. Harrington	aye
Ms. Oakes	aye	Mr. Obenschain	aye
Dr. Curren	aye		

The work session adjourned at 7:20 p.m.

Linda L. Little

Linda L. Little, CMC
Clerk of Council