

// A special meeting of the Council of the City of Lynchburg was held on the 19th day of October, 2012, at 9:00 A.M. in the 2nd Floor Training Room, City Hall, Michael Gillette, President, presiding. The purpose of the meeting was to conduct a City Council Strategic Planning work session. The following Members were present:

Present: Cary, Foster, Johnson, Nelson, Perrow, Gillette

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Absent: Helgeson

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// City Manager Kimball Payne reviewed the agenda and expectations for the strategic planning session.

// City Manager Kimball Payne reviewed City Council's Vision Statement and after some discussion Council reaffirmed its Vision Statement by consensus.

// Council Member Helgeson arrived at 9:40 a.m.

// Bonnie Svrcek, Deputy City Manager, discussed the summary report that the Sustainable Lynchburg Working Group had prepared that lists the following for each of the eleven Sustainable Lynchburg elements that Council adopted in August, 2008:

1. major accomplishment during FY 2012,
2. major works in progress, and
3. critical issues and concerns for the future.

City Council suggested that the assessment metric be updated. Staff is to provide input, then to survey City Council and include discussion of the assessment metrics in a future work session.

// City Council took a short break at 11:00 a.m., reconvening at 11:10 a.m.

// Donna Witt, Financial Services Director, presented the Financial Indicators and Trends for a period of the last five years. The following items were discussed: real estate value; real estate defaults; personal property tax revenue; sales and meals tax; businesses by license classification; business by license tier; debt service (in millions); long-term debt (in millions); residential construction permit fees; commercial construction permit fees; employees per capita; water disconnects; monthly unemployment and median household income. During Council discussion a report was requested from City Assessor Greg Daniels on the relationship between assessed value change due to market conditions and growth due to development or redevelopment.

// Bonnie Svrcek, Deputy City Manager, provided a preliminary, high level overview of the FY 2014 Budget and Beyond highlighting areas of possible revenue reduction and anticipated expenditure increases. Council had a lengthy discussion regarding employee compensation and where it stood with respect to other priorities. Opinions varied on the matter and no consensus was reached. The City Manager announced that the Leadership Team was trying to identify \$2 million in ongoing savings, through restructuring, benefits reduction, service reduction, or outsourcing, and stated his hope that, if this initiative was successful, the funds would be used for compensation adjustments. The idea of a one-time bonus in lieu of a general raise was also mentioned.

After a brief discussion regarding citizen feelings regarding the budget, as demonstrated by past citizen surveys and budget outreach sessions, Council agreed to a staff proposal to reinstate periodic citizen surveys.

// City Council recessed at 12:10 p.m. for lunch and reconvened the meeting at 12:20 p.m.

// City Manager Kimball Payne gave an update on the unemployment/economic development initiative that had been raised by Council Member Cary. Mr. Payne suggested that an examination of the issue might address the following questions:

- What's the problem?
- Do we understand the data?
- What would "success" look like?

Mr. Payne went on to talk about some of the things that he had done so far such as have discussions with the City's Director of Economic Development and with the Region 2000 EDC Executive Director. Mr. Payne further stated that Lynchburg Economic Development Authority (LEDA) had engaged Garner Economics, LLC, to engage community stakeholders and produce a "Competitive Realities Report" which the LEDA will use to help formulate a Business Development Strategic Plan.

Council members were also given the opportunity to suggest other issues of interest to them for possible future discussion. Council Member Perrow mentioned re-addressing the matter of requiring deposits for water accounts held by renters. He also expressed a desire for the City to identify an area for and to facilitate the development of an upscale office park. Council Member Foster mentioned the downtown arts district and her hopes for its success. Council Member Nelson expressed concern about the possible impact of the proposed Constitutional amendment on eminent domain, if passed, on City sponsored events and construction projects.

// The meeting was adjourned at 1:25 P.M.

Clerk of Council