

The Town of Washington

"THE FIRST WASHINGTON OF ALL"

April 10, 2023

7:00 p.m.

Approved Minutes

- CALL TO ORDER: Mayor Whited opened the meeting at 7:00 p.m. Council members Drew Beard, Fred Catlin, Jean Goodine, Patrick O'Connell, Brad Schneider, and Gail Swift were present. Town Attorney Martin Crim and Town Administrator/Clerk Barbara Batson were present.
- APPROVAL OF THE AGENDA: Mayor Whited made a motion to approve the agenda and Ms. Swift seconded and a roll call vote was taken:

Mr. Beard voted "yes"

Mr. Fred Catlin voted "yes"

Ms. Goodine voted "yes"

Mr. O'Connell voted "yes"

Mr. Schneider voted "yes"

Ms. Swift voted "yes"

Mayor Whited voted "yes"

And the motion passed 7-0.

- MINUTES: Mr. Catlin motioned to accept the minutes for March 13 and March 18, 2023 and Mayor Whited seconded and a roll call vote was taken:

Mr. Beard voted "yes"

Mr. Fred Catlin voted "yes"

Ms. Goodine voted "yes"

Mr. O'Connell voted "yes"

Mr. Schneider voted "yes"

Ms. Swift voted "yes"

Mayor Whited voted "yes"

And the motion passed 7-0.

REPORTS:

Mayor's Report: Mayor Whited shared that Mr. Chuck Hunter, a long-time resident of the town, passed away. He fondly remembered when he first met Mr. Hunter, at the Sperryville Corner Store. He also shared that you could frequently find Mr. Hunter outside tending to his flowers and garden. He thanked Mr. and Mrs. John Sullivan for hosting Mr. Hunter's memorial service. There is a plan to install a bench on the corner of Porter and Main Streets in honor of Mr. Hunter. Anyone wanting to donate to the bench can send made out the Town of Washington's Trust Fund to the Town Offices at PO Box 7, Washington, VA 22747.

Mayor Whited also reported that the exterior lighting at the post office has been installed. He also thanked the Council for their work on the boundary line adjustment and said that moving forward, Mr. Crim would work with the county to move it before the Committee of Local Government.

Treasurer's Report: Ms. Swift reported that the bill for the bond payment just came in. She shared the repair and maintenance amounts on the water report include the water line break on Main and Middle Streets and the new well pump at the wellhouse.

Ms. Goodine requested seeing a monthly breakdown, instead of quarterly on future reports. Ms. Swift said that she could provide the report with a monthly breakdown.

Ms. Swift made a motion to advertise a public hearing, for the FY 23/24 budget, at the May 8 Town Council meeting and Mr. Catlin seconded and a roll call vote was taken:

Mr. Beard voted "yes"	Mr. Fred Catlin voted "yes"
Ms. Goodine voted "yes"	Mr. O'Connell voted "yes"
Mr. Schneider voted "yes"	Ms. Swift voted "yes"
Mayor Whited voted "yes"	

And the motion passed 7-0.

Ms. Swift made a motion to release the FY 22-23 Q4 funds and Mayor Whited seconded and a roll call vote was taken:

Mr. Beard voted "yes"	Mr. Fred Catlin voted "yes"
Ms. Goodine voted "yes"	Mr. O'Connell voted "yes"
Mr. Schneider voted "yes"	Ms. Swift voted "yes"
Mayor Whited voted "yes"	

And the motion passed 7-0.

Town Attorney: Mr. Crim reported he is working on the boundary line adjustment (BLA) and updating the format because it needs to go before the Commission on Local Government and then to a special three judge panel. The reason for this change is because the BLA calls for zoning restrictions that are binding to future Councils.

He also reported that last month the Virginia Supreme Court struck down Fairfax County's zoning ordinance in its entirety because they had violated FOIA (Freedom of Information Act). The county was operating under COVID provisions that allowed them to have meetings virtually. The court ruled that the statute was only for emergency meetings and the zoning ordinance was under work for five years.

Zoning Administrator: Mr. Steve Gyurisin was not present and submitted a written report.

Public Works Task Force: Mr. Schneider shared that the fence around wastewater treatment plant (wwtp) and been repaired and painted. He also shared that we provided Rush River Commons with a meter on the water valve so they could use the water in their drilling efforts. Mr. Schneider said he is working on a solution to replace the control system at the wwtp. He is also working on getting a quote on replacing the line from the pump house to the water reservoir and a new generator for the pump house. He also shared that he is looking into finding a grant for infrastructure work on the water system.

Planning Commission (PC): There was not a report.

Architectural Review Board (ARB): There was not a report.

1. OLD BUSINESS:

- (a) Economic Development Authority (EDA): Mayor Whited shared the draft document for forming the EDA. He referred to the proposed language in Section 3, and said the council could provide some specificity on what it would like the EDA to accomplish.

3. Town of Washington Economic Development Authority is authorized to take the following actions subject to the appropriation of funds by the Town:

- a. Establish a Meals and Lodging Tax Rebate, for a period not to exceed 24 months in each instance, to encourage the opening of new restaurants within the Town.
- b. Establish a Meals and Lodging Tax Rebate, for a period not to exceed 12 months in each instance, to encourage the redevelopment of and expansion of existing transient lodging business, consisting of 7 or less rooms, within the Town. The Authority may accept and approve no more than 4 applications for this rebate within any 24-month period
- c. Make grants, not to exceed \$5,000 in each instance, to support the opening of new retail business supporting the tourist trade within the Town. These funds may only be used to pay for the rent or renovations of the property to be occupied by the business.

Ms. Goodine questioned whether grants was the appropriate language since the term tax rebate was being used. Mr. Catlin said when you use "tax rebate" that means a defined amount, the term "grant" leads to some arbitrariness. He suggested issuing grants without defined guidelines is ambiguous. He suggested that perhaps "grants up to the equivalent of the tax rebate amount" may be better language to use. Ms. Swift said she thought some language that said "up to the amount of the estimated meals and lodging taxes" would be appropriate.

Mr. Whited suggested that the language could say "the EDA could issue grants up to the meals and lodging taxes as collected during the first 24 months in each instance to encourage the opening of new restaurants within the town".

Mr. Schneider pointed out that item C allows a grant up to but not to exceed \$5,000 but items A and B would allow more than \$5,000. He felt a better approach is to get away from what's collected for meals and lodging taxes. He suggested that instead the Council should provide the EDA with a fixed dollar amount. The EDA could issue grants to any business or restaurant that is irrespective of any meals and lodging taxes collected. He feels that doing a tax rebate is an accounting nightmare. He suggested the town collects meals and lodging taxes as it normally does, council appropriates money to the EDA, and the EDA issues grants up to a fixed amount regardless of what your business is.

Mrs. Swift commented that the EDA should be established as an entity and then the members come up with guidelines and present at the June TC meeting instead of the TC telling the EDA what they should nor should not be doing without their input.

Mr. Catlin asked Mr. Crim if the EDA was setup tonight, could its first responsibility be to setup specific guidelines and then bring those back to the town council. Mr. Crim replied that the EDA could in their initial meeting(s) establish guidelines that they would propose to TC. Mr. Catlin asked if the EDA was appointed, could they meet before the budget goes into effect to establish guidelines. Mr. Crim said they could.

Mr. O'Connell pointed out that the restriction of 7 or less rooms in item B would restrict only one entity from being ineligible. Ms. Swift responded that this was to encourage small businesses. Mayor Whited said this comes down to the impact on the base budget and that in the previous version you could separate restaurants and other large establishments in town that are capable of expanding or would add revenue to the budget, that is revenue neutral for the town to do a tax rebate for those businesses.

Mr. Catlin suggested taking out Section 3 in its entirety and voting to form the EDA, with the understanding the EDA would come back to the TC with a recommendation for section 3. Ms. Goodine asked for clarification of why the EDA was even needed. She shared that during the meeting with the business owners this wasn't an issue. The business owners were asking for sidewalks and accessibility. Mayor Whited responded that during that meeting with the business owners it was brought up that it would be nice to have more businesses in town, specifically retail and restaurant spaces. He personally thinks that we could do something for all businesses in town. As he stated in his inaugural address, he feels it's important to encourage growth from existing businesses also. Mr. O'Connell said his visitors often ask what the town is doing for visitors and not so much what the town is doing for owners and businesses. He asked if there was a legal requirement to take some of the taxes and put it back into benefitting the visitors to town. Mr. Crim responded that in counties those taxes must be spent in large part on tourism, towns do have the same restriction. Mr. Whited shared that the town could not create a grant or tax rebate on its own, that the Commonwealth requires us to established an EDA.

Mr. Whited suggested moving forward with creating the EDA tonight. Mr. Crim suggested that if there was a slate of names they could be voted on and TC could determine their length of service. Ms. Goodine asked him to clarify the number of town officials who could serve. Mr. Crim said that town officials could not hold a majority of seats on the board. Which means no more than three council members could serve. Mr. O'Connell asked if council members were required to serve and Mr. Crim advised that there was not a requirement. Mr. O'Connell felt it would be better to have a board not made up of council members. Ms. Goodine said she agrees that as much as possible the board should be made up of individuals who do not serve on TC. Mayor Whited said he had a slate of names he could propose solely to get the EDA created and then the board could be revised as needed or have government representatives' step aside.

Mr. Schneider recommended that the town advertises for applications from citizens. Ms. Goodine asked if the term limits in the ordinance are legally set and Mr. Crim replied that they were. Mr. Catlin proposed deferring this issue for one month, that someone clean up the draft ordinance, send out a letter to the town asking for interested parties and then present a slate of candidates at the next meeting. Ms. Goodine agreed with that suggestion. Mayor Whited said

that Mr. John Fox Sullivan and Mr. Klaus Peters have both volunteered to serve on the board. Mr. O’Connell asked if Mr. Peters would have a conflict of interest since he is a hospitality owner. Mayor Whited said he could recuse himself for any votes that he had a conflict of interest. He recommended that Mr. Catlin, Ms. Goodine, and himself would serve along with the chairperson of the ARB and PC, then two other members from at large. Mr. Beard said he was hesitant to slow the process and that the individuals on the mayor’s slate would do the job well.

Mayor Whited made a motion to create an economic development authority effective as of this meeting and with terms for members of that board beginning on April 11, 2023 and the members of the board would consist of:

- For a term of one year, Mr. Klaus Peters
- For a term of one year, Mr. John Fox Sullivan
- For a term of two years, Ms. Deb Harris
- For a term of two years, Ms. Caroline Anstey
- For a term of three years, Ms. Jean Goodine
- For a term of three years, Mr. Fred Catlin
- For a term of four years, Mr. Joe Whited

And Mr. Catlin seconded and a roll call vote was taken:

Mr. Beard abstained	Mr. Fred Catlin voted “yes”
Ms. Goodine voted “no”	Mr. O’Connell abstained
Mr. Schneider voted “no”	Ms. Swift voted “no”
Mayor Whited voted “yes”	

And the motion failed 2-3 with Mr. Beard and Mr. O’Connell abstaining.

Mr. Catlin made a motion to advertise notice inviting individuals interested in serving on the EDA to submit letters of interest to the town clerk by April 30, 2023 and Mr. Schneider seconded and a roll call vote was taken:

Mr. Beard abstained	Mr. Fred Catlin voted “yes”
Ms. Goodine voted “yes”	Mr. O’Connell abstained
Mr. Schneider voted “yes”	Ms. Swift voted “yes”
Mayor Whited voted “yes”	

And the motion passed 5-0 with Mr. Beard and Mr. O’Connell abstaining.

2. NEW BUSINESS: there was no new business

PUBLIC FORUM: Mayor Whited opened the public forum at 8:16 p.m.

Ms. Murdoch said she was glad that council did not vote to form the EDA because she’d like to be considered to serve on the board. She also said that she would like to see an ordinance that bans fireworks in town. Mr. William Lester asked if the EDA would have the authority to give tax relief and Mayor Whited responded, it would if TC approved that provision.

Mayor Whited closed the public forum at 8:18 p.m.

ADJOURNMENT: Mr. Beard made a motion to adjourn the meeting at 8:18 p.m. and Ms. Goodine seconded and a roll call vote was taken:

Mr. Beard voted "yes"

Ms. Goodine voted "yes"

Mr. Schneider voted "yes"

Mayor Whited voted "yes"

And the motion passed 7-0.

Mr. Fred Catlin voted "yes"

Mr. O'Connell voted "yes"

Ms. Swift voted "yes"

THE NEXT REGULAR MEETING OF THE TOWN COUNCIL IS
June 12, 2023.

Barbara Batson, Administrator/Town Clerk

Attachments:

Zoning Administrator's report

Draft Economic Development Authority Ordinance

Treasurer's report