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[00:00:29] Smith please call the roll. Mayor Davis-Younger. Present. Vice Mayor Wolfe. Yes. Councilmember Ellis. Councilmember Smith. Here. Councilmember Elcina. Here. Councilmember Vasquez-Luna. Councilmember Hudson. Form is present. Thank you. Ms. Ellis is on. And I'll call on Mr. Wolfe for the motion from Ms. Vasquez-Luna. Yes ma'am. I move approval by the council participation in the meeting by remote electronic device of council member luna. Second.

[00:01:06] A motion by Vice Mayor Wolfe, seconded by Council Member Sina to allow the participation of Councilwoman Vasquez Luna to participate electronically in the meeting. Any discussion? Seeing none, Mr. Smith, please call the roll. Vice Mayor Wolfe? Yes. Council Member Sina? Yes.

[00:01:24] Council Member Sina? Yes. Council Member Sina? Yes. Council Member Hudson? Yes. Motion carried. Great. Mr. Sina had a request. Can we do that right off the bat? Yeah. Mayor, thank you. I wanted to speak to Chief Assistant City Manager Keene for a moment, just for some clarification. As the person who put together the budget that was presented, I believe the end of January, was it, or the beginning of February there, as the City Manager's proposed budget here.

[00:02:00] So there was a portion in the budget where the budget was put together around a tax rate of \$1.26, correct? Yes, sir. All right. And secondly, while there were a variety of things that are in the budget, there was also a portion that was unallocated, I believe, \$2.1 million.

[00:02:27] Is that correct? Yes, sir. And there were a variety of different items in there. uh that that were listed how did those items get get there those those are what we called unfunded requests they totaled

more than the 2.1 million they totaled 3.5 roughly million dollars for those requests from services within the city knowing that we didn't have enough to fund all of those it was our decision my decision to unassign those 2.1 million to allow us as an elected body

[00:03:03] and staff to have the conversation so you had more input uh what to do with that 2.1 unassigned money was that money surplus money it is not surplus it is money in the dollar 26 proposed budget with your decision of where to put that money in the unassigned funds okay and so uh that That \$2.1 would have then completed the budget set for \$1.26.

[00:03:33] Is that correct? Yeah, that's correct. It was a different method of doing it. I could have chose what to put in the budget totaling \$2.1 million, and that would not have given you the decision-making out of that list of unassigned requests.

[00:03:50] Okay, very good. Thank you so much. Appreciate it. Mayor, thank you for the time. So we have several items on the agenda, but item 2, discussion items is item 2.1, real estate tax rate discussion.

[00:04:05] So I don't know how Steve, if I can, want to be up anything or just dive right into discussion points? Basically, yes, it's up to Council, and we know that there's been discussion about possibly reducing the total \$1.26 real estate tax rate, and reduction of one penny would reduce \$770,000 from that \$2.1 million unallocated amount.

[00:04:36] The two pennies would put it up to about \$1.54 million, And again, that would leave, that would reduce the unallocated portion that council would then have to determine how best to appropriate. Any discussion on any questions or do you want to discuss that further?

[00:05:00] If you want, so you have on the screen, I think it's a few, a spreadsheet like we've done several years in the past, just to try to... Eric is sending it. Yeah, Eric is sending.

[00:05:18] Thank you, Sonia. To just try to get a little structure to the conversation. So the first part is just the data points. So the current tax rate, the manager's suggested tax rate, what that equates to in your average residential tax bills, that one cent is equal to \$770,000, and that one cent impact to an average residential bill is \$75 and change.

[00:05:46] The Mahentra's budget calls for a \$406 increase in the average residential bill. The general fund and the fire levy we're talking about, and I just showed what the makeup of each of the revenue sources is.

[00:06:06] I think the key takeaway here is that the non-real estate tax items have significantly underperformed inflation in terms of growth. That's driving part of the allocation of money.

[00:06:24] And then it just gets into various scenarios or options, really, as to the first piece is brought up by Councilwoman Ellis about what it would take to get a flat tax bill and whether people are supportive of that.

[00:06:42] And then it gets into each of the items that Mr. Burke referenced that have been held out as possibilities for uses for the \$2.15 million. And then the sheet shows the impact on the rate, the impact on the bill.

[00:07:03] Roll way down to the bottom. The key thing is there is a maximum, since we have an advertised rate of \$1.28, that ties to an average residential tax bill of \$58.40. and 26 cents and that is the maximum which number we could end up at and what we've done in the past is just literally go through and see what there's consensus on different items or not

[00:07:31] the size and try to get to an overall consensus on the budget questions y'all amenable to going down the spreadsheet doing that way i know we've done that before so is vasquez luna uh thank you Madam Mayor, my request will be, you know, I don't know.

[00:07:59] I'm trying to look at it online, but my request, you know, for the first rate, I guess the one we're looking at in the agenda, is to, you know, decrease it for two pennies and for any leftover money to save it on the future decisions.

[00:08:27] like we did with the school last year, I would like for us to be able to have reserved any of that money in case I have the support to decrease it by two things. And I would like to ask the current percent budget for the staff to work in finding ways to accommodate one of the Marcella part-time positions

[00:08:58] and something for HMI, but I'm open and willing to see what their support for HMI is. It doesn't have to be the amount. I know they requested a lot, but I would like to see something that goes up to them.

[00:09:17] But that's not to come from the money that is up for allocation, but come from the budget that was presented. That way I don't have to go and find it. You know, maybe I'll allocate a deduction from the wrong line. That will be my direction for now.

[00:09:36] Thank you, Mom. So, Ms. Vasquez Luna, you're saying for Marsteller, instead of three, do one? Am I misunderstanding you? Because it's in there for three part-time, and you said one. So don't do three. Yes, I believe it's \$150,000.

[00:09:56] And, you know, my hope is that at least that we have it open, even if it's not fully staffed. I know that that is going to create problems with programming, but my hope is that within a few hours that it's already available, plus a part-timer, at least we'll be able to have the doors open for the next, at least for the more important hours for the next, for this budget year.

[00:10:23] So one... That is for... I'm sorry. That was, you know, my, basically, my minimum for that is, like, we already made an investment. I really want to see the residents who enjoy that, especially the youth.

[00:10:44] And along, you know, along with that, you know, the HMI, because that is something that, you know, the programming and what we're doing for the residents, especially now that, you know, People are not going to have time for, you know, money for vacations or two other things.

[00:11:04] People are losing their job or residence, you know, so I'm concerned about those things. So I hope that even if there is no programming, but at least there's, you know, hours available so they can come and play. Open game or things like that.

[00:11:20] And that's, you're saying the \$1.24 rate. So take two cents off of \$1.26. The \$1.24, one person, Marsteller, HMI, and then whatever's left go into reserves. That's where you are.

[00:11:38] No, I don't. Whatever is left over from the \$0.02, I want all of that to go to reserves or future allocations. Maybe we can think about November meeting to see if our economics are there.

[00:11:57] And then I want the HMI and the \$50,000 to come from the current allocated money by the percentage one. Okay, thank you. I wanted to make sure I understood what you were saying there.

[00:12:15] So, anyone else? Thank you, Tom. Yes. I just would say there's essentially two ways to do this. You can start at the rate and work back one way, or you can go through the line items and work to a rate. It's whatever we want to do.

[00:12:32] So if we want to start a great discussion, then. I have a question. I'd like to get an update from Tim on what's been reported April 15th, equipment taxes, specifically the data center, you know.

[00:12:50] Okay. We had that on the agenda. Oh, that's on the agenda? It's on 2-4, yeah. It does kind of factor into what we're talking about. I mean, if there's, like, an excess coming in, it might actually factor into what we're doing, tax rate.

[00:13:12] I can answer it now. I mean, as I explained ad nauseum, the tenant in the brick plant data center had until April 15th to file.

[00:13:29] They did file on, and when we were talking about how much money it would be bringing in, I don't know. I wouldn't count on any of it. And on April 14th, we got their filing. They are a bank. The tenant is a bank, and they are doing, from what they've told us, all banking in there.

[00:13:51] Nothing is being generated outside of their own information. In 58.1-1202, banks are exempt from BPOL as well as business personal property, including computers.

[00:14:14] and that's all they've got in there, supposedly. We are doing our due diligence. That was their filing. So they are exempt from everything in that building on their filing. And this is just like when we do our taxes. Personally, this is self-reporting, and that's what they have reported.

[00:14:33] We have taken that information, and we are doing our due diligence to confirm every bit of it. But at this moment, if this stays the way it is, There'll be no computer tax coming out of that building.

[00:14:51] Is that the only industry that has that exemption for equipment? Well, they pay bank franchise tax. Banks pay all banks. We don't get reports from the bank down the street here as to what kind of computers they've got or anything like that.

[00:15:09] But yes. Is that only the city or the state? It's the state. It's the entire state. Right. It's code. We have no, it's not a may, it's a shall. They are exempt from those taxes. Now, if they started doing, this particular bank also owns computers and leases them to other places, that is taxable.

[00:15:32] But they are claiming that everything in that building is theirs for their own information, and they are not leasing any of that. They own every bit of that, and that makes it exempt. So another follow-up, if that's okay? Sure. The actual building for real estate tax is just taxed as a warehouse, right?

[00:15:53] No, it's taxed as to the value of it. It's done on the cost basis. And that building went from \$6 million to \$102 million as far as value for this year.

[00:16:11] Now, they are not exempt. And it doesn't matter anyway because they don't own the building. They are a tenant. But if they did own the building, that is not exempt. so it went from six million to 102 million is that what you said but they do pay taxes on that because the owner of the building does not the bank the bank would if they owned it but they don't own it and if they owned it would be exempt if they owned it they would still pay tax on that real estate is not exempt but uh b-pole and business personal property is exempt as part of the reason that when we were talking at the retreat and stuff i said i don't know what's

[00:16:50] going to be in there i wouldn't count on anything at this point and i'm glad that y'all didn't okay thank you um do we want to i have much concern and several questions in my mind about the facts that just were disclosed do we want to take this conversation in that direction now or do we want to finish the rest of the budget i think we need to go finish this and then that discussion later

[00:17:27] because we already know it's not going to impact anything because it's money we didn't have money we're not gonna get right anything right you know and we didn't budget anything around that money because you kept saying what's in there we don't and we didn't know what was gonna come in and it came in with the zero so we didn't so far but again we are doing our due diligence I'm not saying that I don't trust them but you trust and verify and we are doing our due diligence to verify that now we have I appreciate that and if that being the

[00:17:59] case I would put my time in reserve because I'm dismayed and disappointed and it's related to a question I raised a couple of meetings ago about legislative impact on what we were calling data centers. But anyway, I'll stop there as long as we can have that discussion and get clarification before the mic is over. Yes, Mr. Mayor, if I might, because I don't want to leave those watching with the wrong impression and it's an important fact to point out. We're still getting tax revenue

[00:18:37] from the building. I don't want to leave people with, oh, they're not paying any taxes. What was the difference in the value? 17 times. It went from \$6 million to \$102 million. That's an important factor and we're getting that tax revenue. And that's a big number. It's a million dollars.

[00:18:57] yes 1.2 1.2 million dollars all right so we go back to our checklist are y'all okay with going through mr osina um i would be in favor of determining what what we consensus is going to be for a tax rate first yes and then i think that will allow us to then uh just know what what we're dealing with here in terms of you know are we dealing with the 2.1 at a 1.26

[00:19:29] of Ms. Vasquez Luna's proposal of lowering it two cents to 1.24, then we know a different set of amounts of money here, rather than spinning our wheels discussing which items.

[00:19:46] For me, that would be a far more preferable approach to take, if the rest of the council would agree. So we're looking at \$1.24. I would suggest \$1.26. You're saying \$1.26, right?

[00:20:07] For me, yeah. I know Ms. Vasquez needs 124. I'm 126. I'll give my pitch. Well, you know, I'm, of course, going to go in a different direction.

[00:20:28] I think after hearing from the public with the e-mails and all the comments and public hearings, to me the consensus was please don't raise our tax bill just because the assessments went up we keep the tax rate flat they're still going to get an increase you know from 450 to 900 i think if you're non-resident um and everybody's saying every little bit counts right now it's it's really tough times um i would actually like to see the unassigned revenue of 2.15 million used to reduce

[00:21:05] the tax rate by three cents um i feel like that's the right thing to do for our residents i i do i I would like to see out of the unfunded request that we do give the \$100,000 to HMI because I think it's really important that we continue to spur economic growth down in historic Manassas.

[00:21:27] I've been going to visit all the businesses down there. They're struggling. They're concerned. They need to have the public relations marketing arm of our city, HMI, to keep them going. So then it comes to the difficult part.

[00:21:44] To get to a flat tax bill, you've got to take it down 7 cents. That's the hard part, the next part. I've done a lot of phone calls with the schools, with the city, about where we could try to cut, try to do due diligence instead of saying just cut it.

[00:22:02] And I think that the school salaries are really out of whack in their formula, the way they're doing it. I actually like the way our city does it. Our city is doing a good job with the salaries when it comes to targeting who is really, like, below the mid-level and trying to bring them up to speed, up to where they need to be, as opposed to a flat increase across the board to everyone.

[00:22:28] It's causing some resentment with staff over there, with the teachers, you know, when they're licensed and been working really hard and they're not going to get the raise that they would like to see and then someone new is getting the same that they're getting.

[00:22:47] But I know we're trying to get teachers, you know, I know how poor it is. I do not want to see the teachers' salaries suffer. However, it's not our decision. We don't have any control over the school budget. All we have is this is what we're capable of doing so our teachers also are suffering you've heard some teachers say we get a raise but then our tax rate goes up and we don't get anything so if we focus on trying to keep that tax bill at a better level you know if the schools do the right thing and give the teachers some a raise in the right place they they will benefit but we have to

[00:23:26] basically cut from the school budget and to do that to get to that flat tax bill you might have to cut about two million dollars from their budget that's their decision what they do with their money not ours if they want to give the teachers raises they will if they want to use that to two million dollars to fund the pilot program for the alternative school they will we don't have any say on that and just to be fair I think the city should cut two million as well there's I do trust that our departments can cut when needed I do think we do have an excess

[00:24:03] in our city but I can't go I tried to do this myself and I can't the departments would know where they could see it a cut so that is my proposal I would like to review it mid-level like mid-year like Ms. Vasquez Luna suggested in November but to start out you know try to keep it so our citizens are you know getting punched again honestly yeah that's it so 120 it would be

[00:24:36] one point one eight seven i think that's what i got one one is one seven uh one one is that currently because i know back when we were talking about this is one point one eight seven is that what it is don't you flat bill flat bill is one point one eight seven is the one yeah that's what i had from when we were going through this before a couple months ago and so that would be like one penny is 770 000. so it's actually more fifty six hundred i mean five thousand six hundred

[00:25:15] actually mr samantha um uh you know i think we've heard a lot of different things from the residents over the past couple months um and keeping in mind uh the difficulties and unknowns at the federal level um but also recognizing what we are hearing from our residents here And now, you know, I think investing in our schools is really important.

[00:25:52] I can't see cutting their budget at this juncture. And, you know, listening to what's going around the table, too, it sounds like there are priorities to make, you know, some investments off of this unassigned list as well.

[00:26:10] So reducing the tax rate, you know, any more than maybe one cent, I don't think is feasible. I'm good with 1.26, but I could do 1.25, too, if we could figure it out.

[00:26:28] Thank you. I'm flat out supportive of 1.26. I'm concerned that we're going to have anything lower than that in view of what we've heard from a very impressive and very factual report from our specialties with regard to the utility situation and the city's potential, the impact on the city, potentially, if we don't start doing their preserve and raising those rates.

[00:27:03] Along those lines, I'm concerned that we are really, we've heard a lot of comments and certainly we all can attest to the impact that's starting and that's coming on every resident here and so forth.

[00:27:20] I'm concerned, though, that we are lowering it and definitely going much lower than 124, 125. We are, in effect, kicking their problems or our potential to help them down the road.

[00:27:37] If the city is not sound next year, next two, three, four, maybe five years with the impact that's being predicted with the second economic situation, if we aren't preparing to help, then they'll be even at a worse position.

[00:28:00] The impact on the city's bond rating, for example, if to help our residents down the line, we may have to borrow money, not meeting those reserve requirements and considering, in fact, seriously, the recommendation from the specialists, we may well lose our bond rating.

[00:28:20] If we have to, if it gets that drastic and very credible economists are predicting some drastic times, every one of us wants to help and be here for our residents. Yes, it would have them this year, next tax year coming up, But what if they need, and the real potential, they need much more help than what is given, 400, whatever we say, whatever the difference numbers would be now.

[00:28:51] I'd like to say that I prefer having the city in a better position, in a solid position, to help the residents down the line. If we're sitting here next year, the city manager proposes a budget coming off of 1.17 or 1.24.

[00:29:08] He possesses a budget next year, and the reality is our residents are really in the city. It's in a dire situation. The next council deal with that budget. We'll start with one hand tied behind.

[00:29:23] That's my concern. I just think we start now helping our residents, and we help our residents best by being in a position to help them. So I'm comfortable with 126. All right, so there's three of you I heard solidly at 126, Ashley 126 or 125.

[00:29:47] So, and Ms. Vasquez Luna 124, Ms. Ellis 1.18. So, it seems like the majority is at 126. That's where we are. So, then we just start ticking away at what we want to do. What was your age? Tom is 126.

[00:30:02] Oh, he said three and he's, okay, she's at three and a half. Yeah, three and a half. So, the majority seems to be at 126. So, yes, Ms. Zell. I have a question. actually for diane when it comes to the reserves or general fund reserves and our capital reserves where are we with those um are we in a good position are we over our what we're like that that factors into our bond rating that's one of the things right yes so the 20 is the general fund So the general fund unassigned is at 20%.

[00:30:40] Anything in excess of that goes into capital reserves, which to date is at \$23 million. But their utilities all have their own reserves too. And so that factors into it too.

[00:30:59] And their policy is what the consultant discussed during that. So all of those reserves factor into a bond rate again. We are in good financial shape. Yes.

[00:31:17] We just got a fair to triple A. And even at doing 124, we're still in good shape. I mean, just asking you at \$1.94, we're still good, right? Yeah, that's not impacting the reserves or the financial condition.

[00:31:38] I think, you know, y'all know I don't vote, i said from the beginning that my choice would be to cut to 124 just want that on the record because and and we heard from our residents as well and knowing that we're able to do everything that we want to do with that money and still be at 124 was where i was but of course it's you all's decision and we have to do what you all vote on so um i think it's it's 126 from what i'm I'm hearing is where we'll go. I don't, Mr. Smith, I'm sorry. I had a few. So I wanted to follow up

[00:32:13] on a reserve. So no matter what the budget is, tax rate is set on the budget, our policies is we set aside 20%. Is that correct? Of our general fund to go into reserve, correct? Our official policy is no less than 15%. We've been at 20% and we try to maintain the 20%. Yes.

[00:32:38] And the purpose of the reserve is to do what? The purpose of the reserve is for an emergency situation. Emergency?

[00:32:56] No, thank you for emergency. But yes, for emergency situations. And what's the policy about paying it back? The policy of paying it back is to have a, when you use from it, to come up with at the same time a plan to pay it back within three years.

[00:33:14] this is this is the general fund reserve policy I'm talking about so so this is money that like anything we we have we needed all of a sudden to come up with X amount of dollars we could do so but we do have to pay it back oh within that three-year period correct and every and so two things are important to credit rating agencies are following policy adhering to policy and draws on reserve.

[00:33:48] So drawing that reserve would be something that would be looked at. Perceived as a negative. Perceived as a negative. And part of what was in the presented budget was a recommendation for a contingency. Should there be a shortfall at the federal level to either social services or the schools, that was absolutely necessary.

[00:34:13] If the contingency amount that was included in your budget wasn't sufficient, that's when you would need to go into that contingency. And at this point, we don't know what the potential impact will be to social services or to schools.

[00:34:28] We've already heard from the schools that they are short about a million dollars for the food service that they desire to provide. And that's the only one that we're aware of now. But it may not be the only one that comes out in the next year.

[00:34:46] And if I may, just one reason I was in favor, I am in favor of the 1.26. So what happens in Washington flows down to Richmond.

[00:35:03] What happens in Richmond flows down to us. And I recognize that elections have consequences, and what's happening in Washington is what a majority have decided that they want.

[00:35:22] But at the end of the day in this city, as long as I'm a city councilor, I have to look out for making sure the city operates, that roads are paved, schools are operated. We have appropriate city staff.

[00:35:41] We have all the things that along the way, I would be hard-pressed to come up with bells and whistles that we have in our budget along the way here. And I've got nobody, you know, it's not like I can

throw up my hands and say, you know, let's stop answering the phones or, you know what, no more overtime.

[00:36:10] And when a storm comes through, all these branches come down, say, you know what, we'll get it on Monday morning when we've got the crew back in there along the way. Things of that sort. Or to Miss Ellis's point, yes, there's things that can be cut.

[00:36:32] You know, I mean, we could cut paving, whatever that amount. Let's say it's \$2 million. We could right off the bat do \$2 million, no more paving. But we know, just like a leak in our roof, when it's small, it's one thing.

[00:36:50] When it gets bigger, it's more of a problem along the way here. And we'll be getting into some of these sorts of things. But, you know, we are criticized for purchases we've made. And yet, you know, such as the community center, this is something that we're going to leave that dormant.

[00:37:11] leave it all closed up i mean these are things we we you know are going to be talking about here but for me i am you know when these things happen above me and and you know causing the heartache that it does and be quite honest our leaders out of washington and our leaders out of richmond are saying to us this is this is passing you know this is not going to be don't worry things will get better not very long from now you know voters wanted this along the way and i've got to deal

[00:37:49] with the real world and these sorts of things here. And I've got to make sure stuff happens. And that's, you know, on that. And it just, I'm very frustrated that to be in this position, to be put in this position.

[00:38:10] Nothing this city did put us in this. But here we are, and we're having to wrestle with this and trying to make lemonade out of out of lemons, so to speak, which, by the way, I do have lemonade, so zero sugar on that.

[00:38:28] But I just think, right now, this is where I am on that, and I will look my fellow residents in the eye and say, that's what we have to do here, because those are the sorts of things.

[00:38:44] Otherwise, the choices become very untenable along the way here, in terms of what happens, and that is a path that I will fight that we don't end up going down, such as not being able to take care of our maintenance problems and the things that we have to do in this city.

[00:39:07] Thank you. For a point of emphasis, you referenced utility reserve and the general reserve. Is that right? I just want to reemphasize that there are two reserves that can be impacted by what we decide, Because our discussion subsequent to that, then we're focusing on replenishing the general reserve.

[00:39:31] The utilities reserve gets right at the point he was making. We lose our ability there to serve our residents. We should not let it happen.

[00:39:48] Not too distant history. The city has experienced an attempt at flat tax. And it wasn't up against a national economy that is up against. Our recovery wasn't up against the national economy of the level we're facing now.

[00:40:10] So there's at least enough history to dictate caution in throwing everything to the wind again now and kicking the real problem further down the road. Anyone else?

[00:40:31] Well, we're still the second highest tax rate in the state. Massus Park is still first. And Prince William, they decreased their rate.

[00:40:47] So they're allowed in. Of course, they have the data center revenue coming in, which I hope they are careful with what they're doing. Different locality, but from what we're learning, it's not always going to come in. I guess I'm looking at how it's impacting our residents on a daily level, and also the fact that we have invested a lot in the city.

[00:41:10] We have been putting a lot of money into the city, Which, you know, some of it came out of the reserves, capital reserves. And so that's where, like, I think the public is like, what's going on? You know, like, we're taking capital reserves to buy stuff for the future, which I voted on.

[00:41:27] You know, I understand what we're trying to do here. But times are hard. It's unfortunate that where it is. I'm the first to agree with all of you about what's happening. I feel terrible for people that come in and say, you know, We have people coming in for food three times as many and things like that.

[00:41:47] So I'm just looking at what does the public, I get the long-term goal, but I think we are actually in a good place. The pandemic, we raised the rate, you know. That was like the worst time for our city, and we raised the rate. And I'll never forget that.

[00:42:02] The public's like, what are you doing to us, you know. Unemployment rate's off the chart. So I just would like to see us do good faith to the public and say, you know, We're in good shape right now. Let's give you a year, see where you are. People are losing their jobs.

[00:42:18] People are moving out and see if we can have a little empathy for them. I mean, I just see it in a different way. Yeah, I just want to point out, I was on the phone just a little bit ago with Mr. Bode, who's the county board of supervisors finance chair.

[00:42:39] The county was able to lower their tax rate. They still increased their bills. but the county received this last year 280 million dollars of data centers we received one that's why and how and god bless and you know we get if and when we get to that point we'll do the same uh but i think at this point i just suggest i think we just start going down the list yeah um i mean kind of echoing what councilman smith said um you know recognizing that there are

[00:43:16] there are struggles right now i think the possibility of there being even bigger struggles next year are very apparent um and i think that if we were to reduce you know we might find ourselves having to increase you know even more the following year which you know would hurt even worse um and yeah than the keeping it flat so i guess for that reason i'm good with 126. it seems to be the consensus of where everybody's landing is 126.

[00:43:53] Yes, Ms. Sonia. I'm sorry, Ms. Vasquez-Lana. Thank you, Madam Mayor. So, you know, it's hard to hear that. I believe that whether we have a bed storm and we need to allocate, you know, if the department has to, you know, use the resources differently, I mean, it's no different than when they go through stuff they have to find, you know, priorities.

[00:44:26] I believe that our staff is very capable of finding priorities. I still believe that how much, may I ask, how much will it be if we had a \$124? And how much will the extra money will be?

[00:44:43] The allocated funds. \$610. \$610. So, and my hope was like we did last year, that that money will go to the schools, you know, for them to allocate as appropriately as we know that they will need the

money, whether it's for wages or for other things.

[00:45:08] And, you know, regardless of our goals, I believe our staff, just like any other locality, they will find a way, you know, to make changes to adopt. Just like, you know, when things happen and, you know, the number was not really high or things, you know, are different and we have to try to allocate and make adjustments.

[00:45:37] I believe that right now, you know, the resident, you remember, I was trying to lower the tax rate for the personal property by one penny. And I came to find out that that's the same rate that Prince William lowered it to.

[00:45:58] And, you know, that was important to me because either way, you know, we are, you know, getting, regardless of what the amount is, There still is an amount, you know, that's going to reach residents and the businesses too. So my thought is that not only that we can afford, but we are able to give a small relief.

[00:46:24] The housing is not going to drop. I mean, we have seen, you know, that regardless of how the rates are, the houses have continued to sell. The houses have continued to be in a hot market.

[00:46:43] I mean, the business, you know, it is still difficult to find, you know, opening a space, you know, in our city to, you know, arrange and to purchase. So all this, you know, makes us a little different than other localities.

[00:47:00] And, you know, I'm really, you know, sad to hear that, you know, And even though we haven't lowered the rate in five years after COVID, you know, now, you know, we're still here with that rate.

[00:47:17] And the residents won't see any, no even a penny go down, you know. But I guess, you know, each one of you will answer to the residents and, you know, I have to make that decision.

[00:47:33] But, you know, I'll continue to support the two pennies. I think it's the minimum that we can do without hurting each department. And I do believe that, you know, in the future, you know, even, you know, as we go through this home, when it takes place, it's still the department, some of the departments might have to make adjustments with what they got.

[00:47:53] And that said, you know, understanding the, you know, there's no money on the data centers, you know, I was hoping, you know, if there was any change there, you know, to see some money for affordable housing.

[00:48:11] You know, we know that's another issue, and it's another issue important to me, just like it is, you know, getting around the city, transportation. So, you know, for me, you know, I understand, you know, that everybody has, you know, I've been working on the race, but it's sad to hear, you know, to hear that there's no concessions, not even \$1.24 for our residents.

[00:48:38] Thank you. Thank you, Ms. Vasquez-Luna. So we're going to move forward with the \$126 and build around. Yeah, so I guess the first thing would be, are there four people who support a \$100,000 request for HMI? Hold on.

[00:48:57] I think we're... Go ahead, Ms. Vasquez-Luna, go ahead. Sorry, my suggestion will be that because of the times that we are at And because they are non-profit, they're able to raise their own funds.

[00:49:13] My suggestion is that we do a contribution of \$20,000 from the budget that was already built. My ask is that regardless of what the rate is, that you don't allocate the other money for HMI, that you do it from the allocated funds already.

[00:49:41] She's asking if I may, instead of \$100,000, she's recommending instead of \$100,000, \$20,000. I would say \$100,000. You're with \$100,000.

[00:49:58] I have \$100,000. Mr. Rossino. And, yeah, I think as we go through these, I think we know what the request is, and it's more of a matter of what we're willing to support here. And I was going to propose \$30,000. That's \$100,000, not \$100,000.

[00:50:25] Ashley. Ashley. I mean, it's kind of hard to come up with a number without, like, looking at the other ones. And then be back and forth. We'll go circle it back up. Yeah, yeah, yeah. I was thinking more along the lines about \$50,000 for HMI.

[00:50:43] I said earlier we would support \$100,000. All right. Do you want to just keep going through and then come back? I think we'll do that. The more stellar repositions. I don't know.

[00:51:00] Ashley, next on the list. The 130 is three positions, is that right? Three part-time. Yeah. Recognizing that we could still invest later, I was thinking to start with one part-time position for now.

[00:51:17] It seems like they can still get the current plans off the ground. 43,000. Do they do have staff already, right? One full-time position.

[00:51:35] And this is what you're saying, just add one part-time. 130 is three part-time positions. So one part-time is 43K, as you're suggesting. I'm sorry, what are you?

[00:51:50] That's what I'm suggesting, is one part-time person. I'm certain you'd persuade it otherwise.

[00:52:03] Yeah, I would support the three. I think we made the investment in the building, and I think the staff's been very clear that the part-time staff's, A, the way to go because it's most cost-effective, but it allows us to have a level of programming.

[00:52:22] We roll at the thing, the community outreach over there. People are looking for it, and we spend how many million dollars for the building and the land. This is a rounding error in terms of being able to provide the program. Thoughts on Lamar Stellar?

[00:52:46] I'm with the 1.30, I'm on with it. 1.30. Ms. Vasquez Luna, this is on the one person. Did I understand that right? Well, I don't want to do it in the box of the people that are losing their job or the people that are seeing issues with, you know, that you're increasing the rate to do this, you know.

[00:53:15] This is something that you can save on to give them a savings, but I know that this council is not interested in looking out for them. You said 130. Yeah. I'm trying to keep track.

[00:53:31] So I have one, two, three 130s. I'm sorry. I'm so sorry. I'm trying to write. I'm actually fine with the full-time, and I do want to see if we can work out something to get some volunteers to work in there.

[00:53:48] Maybe this is something that Matt is looking at. Some people would like to use the space, but you have to pay for it and see if they can work out something where volunteers can come in and use that towards using space. And the full-time person could train them to do that.

[00:54:09] I think it would be a win-win on both sides. so you're so I'm a zero for zero for that okay zero yeah zero okay we have three 130 right now so we'll see what's next this is the eliminating the card you have a final certification go ahead yes uh thank you madam mayor so I am very uncomfortable and I dislike this list I appreciate it um this you know just a way of talking but I do believe that this can give a

[00:54:45] message to the public that we're voting when we're just trying to be forehanding up for staff to have an understanding and where do you might vote because we're no voting today. So I just want to make sure that I accept that. And being, you know, unfortunately being like this, I cannot see, I don't even know what it was approved, what it was heading out for HMI.

[00:55:12] and i don't know if uh you know we are calling one by one or we're just trying to get the forehead not because i don't believe uh you know things have been done before and i don't believe that we approve it when the when the uh when the uh spreadsheet was you know i mean i have not even seen it i'm just getting into looking at it when the especially was provided but i i hope the The public doesn't feel like you're voting because, you know, even here it says votes for and needs to adopt.

[00:55:49] But you don't vote today. We still have time to look it too far, and people might continue to get with us and how they feel. I am very uncomfortable with sending the voting message when this has not been looking for.

[00:56:05] Yeah, we're just right now just trying to get an idea where everybody's thoughts are on each item so that we can further discuss, like you said, not voting, definitely not voting, but just seeing where everyone is falling in their thoughts and then coming back around and massaging the numbers, seeing where we could reduce, increase different areas once everybody gets their initial thoughts out.

[00:56:31] So you're right, it is not voting, but just trying to move forward with where everybody is thinking and getting it written down so we all kind of know where everybody is and then we'll come back around and discuss it again so i hope that clarifies it a little bit and i understand what you're saying about not seeing it before but it is just to get an idea where everybody is is falling in their thinking but in fairness nobody else saw it no we didn't nobody saw it so it's all information we've had this is all the requests right none of this is new right but but the the

[00:57:06] the this this format this chart nobody nobody had seen until tonight right thank you but we had certainly known the numbers right yeah the requests thank you miss luna you you good no i'm very uncomfortable i'm about to just leave because i really don't like this process i didn't know i If I was walking into that, if it had been like that, I wouldn't even have joined.

[00:57:34] This is, you know, how, if I don't agree to the rate, how am I going to agree to spend the money when my priorities are to, you know, not to charge, you know, residents and businesses for that amount.

[00:57:51] So if we're not doing the markup, I don't know why, you know, why we're doing this. because you have, now that I'm looking at the list, you have a whole bunch of Manassas city public schools where we are not allowed to do, we don't even do vans for them.

[00:58:12] We don't even, you know, we can't tell them what to do. And if we are walking into, you know, you're asking, you know, at least somebody asking for head nods on doing that, you know, I am really, you know, intending to live in church.

[00:58:32] I agree with Ms. Vasquez-Lana. I don't like this process, like, especially the schools. We never saw these before. I don't recall ever seeing those. And we also can't.

[00:58:48] Do you want this section? Are we doing this series? Right here in this table. But we can't control where they put the money. Like, we have no control. How can we do a head nod on any of those when we do not control that?

[00:59:07] That's their, yeah, I agree. I don't like this at all. I'm fine talking about the rate and card fees. I'm actually okay talking about that, but some of the other ones, no.

[00:59:22] So you're talking about the breakout of the school, but not the total, the \$1.7 million. That was before us, but the breakout was not. Right, because we didn't work.

[00:59:38] To be clear, Mr. Smith, the 1-7 is a one-line item. All these others are line items. So the total is from the schools is like \$4 million. Right. I understand. So it should be \$4 million had not.

[00:59:55] Total, yeah. Well, and it may be, but I'm just saying that this is what was provided by the schools. And so in clarity, what they asked for, we could see it's just not \$4 million. go into, you know, space, there were specific items that, you know, we're requested for funding.

[01:00:18] And I think Ms. Ellis' point is that we should not get into the weeds of telling them what to spend. Don't disagree with that. A lower amount of \$4 million, then they do what they want. That would be my suggestion for the schools. Yes, at the end of the day, it's just a lump sum, whatever that is.

[01:00:36] But, again, for transparency, I wanted to make sure to show this is what was requested specifically by the school. I understood. Well, we had that list of, what was it called, unfunded requests.

[01:00:56] And this is an expansion, definitely, of that. So the unfunded requests that we went over during budget, that came much later, I believe. 1.7 March. It is? Yep. Because I have it as what?

[01:01:13] On further requests, was it 3-5 or something like that? It's when we had our joint meeting near the end of March. And they added that on. Well, they went into detail. Yeah. This was the document they gave us.

[01:01:29] Right. And they elaborated because up to that point, they had not presented to us at all officially until we had that joint meeting. I mean, we could, at the retreat, we heard, you know, Assistant City Manager Keene at the time, or ICM Keene at the time, you know, told us what had been relayed in terms of the 1.7.

[01:01:57] But again, the whole purpose of having that joint meeting was to hear from them about what they wanted to present to us as, in this case, their financial needs and any other things related that would be helpful for us to understand in terms of putting together the full city budget.

[01:02:20] because we're their funding authority and so along the way so as as vice mayor wolf has pointed out no those items on there are not new items those are items that were not in our our notebook when we got them at the beginning of february somebody's going to elaborate was that on your budget original budget that went out mayor if i might be able to um i'm i'm waiting to okay can chief keane just kind of explain a little bit sonia and then you can go after him please

[01:03:02] so we're we're talking about two different things i believe you had your city manager's proposed budget that was presented to you and at that time i had one item from the school which was the 1.7 for

additional salaries you then had a joint work session with the schools which they expanded upon and had an additional list outside of that ask so you ended up with two two different lists Ms. Vasquez Luna.

[01:03:39] Thank you, Madam Mayor, and I appreciate the explanation. As you see, you know, in the spreadsheet, the firefighter on Sunday doesn't really have an amount, and it is no different. I mean, like, here we're putting it, you know, this list explaining, like, they did ask for it, and it was a priority.

[01:03:58] The only priority that I heard from the school board in the joint meeting was the salaries. Yeah, they have unfunded all the priorities that they, you know, they are not pushing at this time, which is below the salary. It is no different than the DEI position that, you know, it wasn't even trying to be at all.

[01:04:25] So I, again, you know, it is, I don't know who made it, you know, I don't understand why this is here because it's not a priority. And still, we shouldn't, any money that is available that we want to allocate to the school, that should be the only conversation when it comes to the school.

[01:04:47] But I, you know, I do feel very, you know, comfortable to, you know, bring all these and, you know, all the proposed items, like if they were a priority item, but we already had an idea of what it was. But again, you know, I still don't know what was it for HMI.

[01:05:04] I missed the whole, you know, before it seemed like everybody had already, you know, got their support, you know. And I understand that and I can see it, you know, all I'm asking, you know, what was heading at it for the HMI, so I can understand that.

[01:05:24] And I really don't want to go through this whole list, you know, especially with, you know, some, you know, some position. Like, I don't know, I just wait for farther, but, you know, I do believe this spreadsheet is showing, like, if it was a priority or the priority number one, it was by the schools to provide salaries for everybody, regardless of where they are, regardless of some are high and some are low.

[01:05:56] I just want to give everybody a higher salary, and that's what their number one has been, and at least that's what I continue to hear. If I might, just Ms. Vasquez-Luna, the document from the schools in March of 2025 listed unfunded budget priorities.

[01:06:18] And yes, the first thing is the salaries, the \$1.71 million, but the other four items are also listed as top priority. And then they have a listing of five items as additional priorities. And that is where this information came from.

[01:06:37] The school is in March of 2025. It was given to all of the council. And I'm not disputing that. What I'm saying is that the way it's protected, it works like they're asking for all of these. And even if, you know, like I guess you already have your board as you expressed for no changes on the tax rate.

[01:07:00] But even with that, it doesn't give you enough money for all these to be presented. So how can I, you know, if I don't know what the HMI was, how can I add up, you know, what is being proposed to our location?

[01:07:17] We actually didn't make a decision on HMI. It was just documenting what everybody had said that they wanted, and then we just moved forward. So it wasn't finalized, I guess is the right word to say. And we just, we got it all written, wrote it down, and then we moved on to the next thing.

[01:07:37] So, and we were going to work through all the items and then come back around and talk further about where we could cut, what we could massage and work with each other on coming at a final

decision when we do. But it was just getting everybody's thoughts down on where they were. So for HMI, there was no, we're going this way or that way.

[01:07:56] It wasn't decided. Nothing was decided. Yeah, so I didn't get everybody's thoughts. That's what I'm saying. I couldn't understand them. Didn't get what? I'm sorry. She couldn't get everybody's thoughts. She couldn't hear everyone's thoughts. Oh, okay. Okay. Well, yeah, Madam Mayor, the intent of this budget work session was for Council to start their discussion about how the, well, to arrive at what the unallocated amount would be.

[01:08:25] Now that you all have consensus at the 1.26 tax rate, that says that we've got about \$2.15 million for council to ultimately allocate at your budget meeting. The point of the work session was for you all to have a discussion about those items so that you could either come up to a consensus or at least understand everyone's feelings so that you wouldn't have potentially the same discussion at your regular meeting.

[01:08:56] It was trying to allow you all to present what your priorities would be as far as the outstanding items. Not come to a vote, but simply come to an understanding as to where everyone's position was and discuss. If there was an adamant, you know, we really do need to pursue the reserves, we really do need to pursue pool funding, that way it gives you an opportunity to discuss where your priorities are.

[01:09:25] Not necessarily the numbers, but at least where the priorities are, so that in advance of your public... I was muted again. I can't hear you. Madam Mayor, the speaker's in front of you, if you hit it, it's going to mute everybody.

[01:09:43] So that may provide some clarification. So if anybody mutes that speaker, it mutes the whole system. Now that one's blinking. That may just be due to a battery, but as long as it's green, she's back.

[01:09:55] Ms. Luna, basically the intent of the work session is to allow council to have a discussion about your priorities for the unallocated funding, not necessarily to vote on it, but just so that you'll have an opportunity to discuss in advance of the first reading and second reading of the meeting so that it would hopefully abbreviate some of the discussions at your regular meeting.

[01:10:28] The list exceeds 2.1, so you have to eliminate numerous items from this list.

[01:10:47] If I may, Mayor, if there's consensus of things you, as a group, know you're not going to do, you might be worthwhile starting there. So if you know you're not going to eliminate the car fees, that's a big hit. It's \$950,000.

[01:11:04] If you know you're not gonna do that, that might be a better way to maybe arrive there. I don't know. - Well, that's trying to work through the list. - Yeah, I know what we're trying to do. We're not getting there. - I just gotta understand something.

[01:11:19] Okay, so the items here that are listed for the school was not included in their presented budget of \$151 million, right? - Correct. - Okay, so that was extra. The unassigned revenue of \$2.15 million When we were talking back in whenever, March, there was discussion about using that for the unfunded requests, which is everything except it was the salaries, not the DEI position,

[01:11:52] social services, the car tax, part-time positions, and HMI, and social services. Yeah, I said that. So if we add on these priorities from the schools, we are not going to be a 1.26.

[01:12:09] No, we can't do everything on that list. You wouldn't be at 1.26 even if you went through the list. They'll be up to like five cents. Yeah, we have to make choices. That's the whole point of the exercise. I

mean, the schools presented their budget, and, you know, mid-year we can look at some things, you know?

[01:12:33] I know. I know you're doing this. Let's get there. I appreciate what you're doing. Bye-bye. Next would be car fees. I will be honest, this is something I think there's been a lot of talk about giving back to the citizens, and I think this is a way to do so.

[01:12:53] This is equivalent to one and almost a quarter penny on the tax rate. It is, I think, a little bit broader reach than affecting the tax rate because there's a lot of renters that have cars that this would benefit that aren't necessarily directly paying the real estate tax or would not see benefit from the relief of real estate tax and rents.

[01:13:19] And I think it has the additional benefit of this has got to be the second or third largest workload in the treasurer's office. If you get rid of that, then you're hopefully and possibly helping your headcount in the treasurer's office downrange.

[01:13:39] And this is one I very strongly support because I think this is a better way to give back rather than off the tax rate. Getting rid of the car tax. Anyone else have thoughts on the car tax? Car fee.

[01:13:54] Car fee. Sorry, sorry, sorry. The fee. Car fee. Any thoughts on that? Mr. Racino. So, Ms. Bergerana, how much is the car fee? \$950,000.

[01:14:12] No. \$25. \$25. \$25 per vehicle. All right. Again, you all pay back. I think when residents, those residents who talk about tax relief, I do not think that this is what they're talking about, \$25, and it'll be only one year, because next year it won't exist.

[01:14:44] I mean, they wouldn't be putting it out. And when I look, I think there are far more meaningful ways to provide tax relief than this along the way.

[01:15:04] And so I'm, you know, just for that, I would like, you know, if it does pass, I'm on the tail end, you know, on the minority end of this. I will be looking forward on October 5th for an attaboy that we got rid of that along the way here.

[01:15:30] But I don't think this is, you know, collectively it produces money that we have found that we use to operate our budget along the way here.

[01:15:49] And I think if we're going to be serious about reducing taxes, then on that score, I think that the discussion can be on some other things along the way here, but not this one.

[01:16:06] Do you in favor keeping the car fee? Okay, Ms. Ellis. I'm always in favor of getting rid of these. Mr. Smith, do you have a thought on that? I'm in favor of finding meaningful ways to leave the residence.

[01:16:25] I don't know that this would be one of the meaningful ways, at least at this round. I'm not opposed to reducing any load on any residence or any vehicle sticker, but at this point, I would keep it.

[01:16:43] There are some other things I would see sacrificed for. Right. Ms. Hudson. You know, recognizing that some people are calling for a need for reserves and that, you know, there are things that we want to look at later in the year. To me, I also don't think that this is a huge ask of, or I don't know if ask is the right word, but of residents.

[01:17:07] Originally, when I was looking at this, I wanted to keep the car fee and take a cent off of the real estate rate. It seems like we're past that, kind of, but I still think that would be a good idea if, like I

said, if we could make the math work. But I guess all that to say I'm in favor of keeping the fee this year, you know, especially just in, I guess I'll say, fear of what could happen next year.

[01:17:32] I think we can always go back and eliminate that car fee next year if we find that we're not in the, you know, the worried situation that I think we all feel like is on the way. Ms. Vasquez Luna, did you want to weigh in on this?

[01:17:51] I don't like the process. I don't want to weigh in. I believe that as all the problems that we have coming up, there are so many issues. My biggest concern is the schools, the social services, and so many other ways that are seeking to hurt.

[01:18:18] I know, you know, I think I heard the news in regards to a new executive order, and they're going to be aligning cities that, you know, they're going to be named century cities, regardless of you agree or you don't.

[01:18:36] So within that, I, you know, I continue to advocate. I believe that this, you know, is important. Many, many sessions ago, I was, you know, the first one trying to get everybody to support this.

[01:18:55] But I believe that things change. I, you know, think that we need to be thinking about trying to have a temporary service or coming back for all this and allocating money in a session maybe November, October, the end of October or November, just like we did with the extra money that we allocated to the schools last year.

[01:19:25] I believe that as everything has been allocated right now, they can move forward and take care of business when it comes to July 1st and that will give us a better position to make decisions in the future.

[01:19:42] That's why, you know, I don't agree to go down the list. I don't agree to, you know, spending any money off this at this time. And if you think about it, I believe the residents will appreciate, you know, one or two pennies because this is over one penny amount.

[01:20:03] So those \$950,000 could be a penny on their taxes. They could be eliminated. So as much as I was, you know, the first one in asking for this right now, you know, I would say, you know, when I vote, you know, it will be in regards to that.

[01:20:27] And, you know, I still have time between now and the next taxable meeting to make that decision. Thank you. All right. Next item for throwing out. DEI. The DEI position. Is it funded in the DEI position for another year?

[01:20:42] Can you skip social services? No, I'm sorry, social services, right? To me, the obvious thing is the DEI position, but we can go in order, however y'all want to do it. To me, that, I mean, reserves feels like leftovers. Sorry, reserves feels like leftovers, like, yeah, we can skip it and come back to it.

[01:21:04] So the DEI position? Is currently unfunded in your budget. So, it ain't going to hurt nothing to, in my opinion. Yes, I would agree.

[01:21:22] Ms. Saskia, Luna? Thank you, Father Mayor. When it comes to that, you know, I believe I had a discussion, but if we're able to keep it, because I would like for us, you know, to go back and take away positions that we have thought that were important for our diverse community that we serve, I will say, you know, please eliminate from the budget and continue to be an unfunded position.

[01:21:51] That's what I meant, and I apologize when I said get rid of it. I mean, keep it unfunded, but keep the position as a position within the city. In our staffing. Yeah, in our staffing. That's what I meant when I said that. Thank you for clarifying your position.

[01:22:07] Any other thoughts on the DEI? Keep it as unfunded. That kind of sounds where everybody is. Salaries. Well, then you get to schools. And then schools, schools, schools, schools, schools. To the earlier points, my suggestion would be sort of if we're at an X tax rate and we've dealt with, once we've dealt with city issues, I guess it would be seeking if there's consensus that whatever's left went to the schools or not as a lump sum.

[01:22:47] Let them decide. Yeah, on purpose, I'm not interested in trying to sit here and say allocate X amount of money for a school bus yeah i think her point was well taken yeah we don't want to get into the no i just again this is here this this list is here because they gave us the list um but what they do with it is their business did we do social services or did we skip it no we skipped it we're but i think it comes back to what's what's you know the 2.1 what's the city part what's and that's assuming

[01:23:22] He's right we make the spin that I'm not sure which order we discuss it in or we go back some of the others I think a good strategy would be exactly that Set a fee for the schools and then we go back and do the fine tuning for the city matters Because there were disagreements I understand on a couple of the city matters

[01:23:56] well and just to give you a context so if if you did the 100 for hmi and the three positions at marsteller and the social services reserve which i'll be honest i was not going to support but if you did those three that's 755 and then it leaves you a million 380 you off zone for the schools And that's removing the part?

[01:24:29] No, that's off the table. How much for social services again? The half man that's been requested. We also haven't heard from the feds on what they're going to, that was one of the budget items, what they're doing with that.

[01:24:51] So why would we? No, I'm saying, if you funded HMI, if you funded the three positions at Marsteller at the vast rate and the Social Services Reserve, that's \$730,000.

[01:25:08] And that leaves a little under \$1.4 million to go elsewhere, which I would suggest lumps up to the schools. And Mayor, I would say that we funded the schools, we gave them 1.5 last, the year we're in now, but I'll just say last year, we did the same thing here, 26 there, along the way.

[01:25:36] I would prefer to see some, this may be the wrong term in terms of strings, but some direction along the way, in that case.

[01:25:52] They did talk about salaries, but I will also be a realist that if that would get more of you to support 1.5, where it's just we allocate an additional 1.5, and for the schools to use as they choose, then so be it there.

[01:26:16] along the way here. I think there is merit in assisting in the salaries, you know, for the very things we just heard several of you brought up, you know, what our neighboring jurisdictions are doing along the way here. You know, we don't operate in a vacuum. And so I'm rambling a little bit. So, you know, to you. With you, Mark, I'm kind of a little bit at the edges because, again,

[01:26:53] And I'm, no offense to our folks at HMI, who are busy being very attentive there. No, I'm teasing. And it's not that I, in any way, shape, or form, discount your service along the way here.

[01:27:09] But, you know, along the way, in terms of trying to determine some priorities, I'm not at, to be quite honest, the full \$100,000. That's not to say that at some point I wouldn't be, or, you know, additional along the way. But I am a lot further along for our schools on that case.

[01:27:31] And I would ask you to consider that, especially after, you know, the comments we've heard from last year, where we see what's happening from, again, from Washington, when, you know, away with our school, you know, funding for schools in our state and things of this sort.

[01:27:54] I think truly very, very important that we are supportive of them. And I'm not saying anyone is not supported. I don't be left with that in that regard. So that's how I would make up the difference, though, Mark.

[01:28:12] Take it from HMI? Zero out of HMI? No, I don't want to zero that out. Well, you've got to make up \$120,000, so where are you making up \$120,000? Make up \$120,000, what's the basis for that? If you do the \$100,000 for HMI and the \$130,000 for Marsteller and the \$500,000 for the social services, that's \$730,000.

[01:28:36] Can you back that out of the 2.1 and it leaves you a million 380? It's 21.50. 21.50, yeah. So it leaves you 1420. Right? That's what's left. Well, Mark, I was going to say you could take it out of my salary here.

[01:28:52] There we go. I'd be generous. \$18,000. Or something. I mean, it's \$80,000.

[01:29:08] I'm sorry. It's an \$80,000 difference between what Tom was saying and what I was suggesting. But, again, put it in after. I'm flexible. You know, I think we're very, very close to kind of working out. Let's not lose sight.

[01:29:25] I know this is probably an uncomfortable time for people to talk about without fully understanding. Let's make sure we fully understand the impact and the importance of HMI, what it does for the city, what it facilitates.

[01:29:43] Right. The very things that makes the city viable. Tourism, a lot of information. If I can get a chief dean head nod, you guys only have one, one and a half people?

[01:29:59] We have three full-time and a half for the farmers. But my point is they're working for basically 24 hours, seven days a week. I will throw out the idea if we, I don't know if anyone else thinks about this.

[01:30:17] Is this something you're, this concept you're agreeable to Ashley or Teresa or Sonia? It seems like what we're trying to do is find an extra \$80,000 to round up the schools. I've got a way to get there. I have not yielded my time.

[01:30:32] Oh, I'm sorry, sir. If I can return after this is input, I'll reserve our return. Go ahead. Well, I just, again, we just have to remember what they do, the interaction with all the festivals, All the things that brings revenue, things that bring revenues to the city.

[01:31:04] And the segments of that, even with Amtrak, I mean, Amtrak technically doesn't bring us out here for the weekend, but they might. But in an actual BRE, they pass up their information, obviously our information center.

[01:31:22] And we tend to roll their name off our tongues at will when it benefits us. Let's show not just appreciation, but let's go into a realization that HMI is a key piece of what makes this city what we brag about.

[01:31:45] It's not our tourist center, but it is our tourist center. So that's our reserve of us in comments. Thank you, sir. Ms. Adams. Yeah.

[01:32:02] So I have a question about some things circulating on the social media about the schools and the percentage that we are, the city, has in our budget for them. Diane, it's over 50%, right?

[01:32:20] What is the actual pie? The pie, what is the school's allocation of the budget? So I need more specifics on which pieces you're looking at. It's all kinds of different ways to look at it. so the pie chart i believe you're referring to is the chart where we take all tax revenue that comes into the city that includes the fire levy the general tax levy and other local taxes personal property that's one percentage that it that is under 50. the fire levy is specifically for fire

[01:32:56] so that should be taken out of that that if you take that out you take that out um as proposed it's 52 percent that is how i always looked at it fire levy is for fire it's not something that's why it's designed and that's the reason you created your fire levy so the the rest of the revenue they get 52 they get 52 of tax revenue that is not the fire levy revenue okay so that's

[01:33:34] the pie chart that we're talking about is breaking up a dollar of taxes and the fire levy is a levy all other local taxes are taxes too so that's that's great that's one way to look at it the other way is just of the general fund tax revenues what percentage is it okay and that's the 52% and then I also wanted to say I mean I said what I felt we should do you know and then we're talking about some other things if there is any fines left over for schools and you all decide to give

[01:34:09] it to them we can like we can suggest it goes for teachers we can do that we can earmark that for teachers specifically instead of just putting in the pot no you can't i thought we did that in the past you know you are allowed there are seven categories that you are allowed teacher pay is And there's compensation, but you can't do it specifically to teacher pay, if I'm correct.

[01:34:43] There's seven categories you could break out how you fund them into those categories. I'm sorry, sir. You can break them out into those categories. But what Ms. Ellis, I believe, is referencing last year, two years ago, when you gave them the extra 1.5 resolution, You designated that they had to come back and tell you how they were going to use it.

[01:35:09] You designated. You're not getting it unless it's used towards teacher pay. And you had to approve it. Which didn't end up getting. Yes, yes, it did get used. The whole 1.5 was used to adjust teacher salaries to bring those that were not compensated for their prior years of service.

[01:35:36] were 70, 75 or more teachers that they ended up making an adjustment to. It may have been 82. It's close to that number. And if I may, that is why that we had that joint committee, two counselors and two school board people to work out the mechanics and the steps and stuff out and that sort of thing.

[01:36:03] I won't say the committee worked it out, but they were all wrong, and then they made some adjustments on their step levels and stuff. I think that, well, I'm sorry. I didn't mean to interrupt. Because, you know, and from what I'm hearing, the teachers are the big need and want, you know, to make sure we have instructional staff there to get our kids, you know, learning.

[01:36:31] But I do know on the website, they have about 1,500 in payroll, and 40% of that is actually teachers. So I do think that if it is decided to impact that salary for the full compensation and you focus on that 40%, I think that would be a good...

[01:36:56] To get us off the dime, I mean, we were talking about a difference of, what, \$80,000 out of a \$158 million budget. So this is worse than the discussions about nonprofit funding at this point.

[01:37:17] So I might suggest if we have a consensus for the three things, you know, full funding for HMI, and I understand where Tom is saying, Marsteller and social services and 1.5 for the schools, maybe we leave it to staff.

[01:37:36] I mean, we can find \$80,000. It might be easier just to do \$420,000 for your reserve. \$420,000. Sold. Yeah. If I could, I would tend to support Ms. Ellis' concern rather than just a blanket 1.5 to the schools, if we could specify the compensation.

[01:38:01] And the only reason, and I might be callous about this, the lower list, outside of the diesel bus as a public works guy, they absolutely need the bus, but I'm not promoting that. But the additional priorities that they had below their top priorities, which was the salary compensation, those are new positions.

[01:38:22] The new positions will put an ongoing burden on their budget requests going forward, whereas just the compensation is for their current staffing. My only concern is you consider how to word the funding for the schools.

[01:38:38] And my pushback, I hear you and I supported this last year. My pushback goes to, I know that maintaining meals is a huge priority of the superintendent. And that is in their top priorities.

[01:38:54] Yeah, and again, I'm trying to be mindful of not stepping too much on their toes as an elected body. And last year I fussed that it should be teachers, not any other staff.

[01:39:15] I mean, that was a huge conversation last year. I'll point out that in the school that she was provided, their expenditures actually are greater than the county's. So there's money there somewhere. They've got to choose how to spend it and be accountable for it.

[01:39:35] That's not our job. But, yeah, I would be great if everyone agreed to \$420 for social services and \$1 million for the schools and the other two, and we can be done. So run through those numbers again for me.

[01:39:51] \$100 for HMI. Go slow. \$130 for the three position at Marsteller. Hold on. \$420,000 for the Social Services Reserve, and that leaves \$1.5 million to go to the schools.

[01:40:13] Thank you. Appreciate you. Not heard from you. Ms. Vasquez, Luna? Yes, Madam Mayor. Did you hear Mr. Wolf's list there?

[01:40:33] No, but, you know, thank you for allowing me to have the time, and I will say, you know, I'll continue to say, you know, we should know, do these allocations, you know, know, I still don't agree with the money that you were allocating, as I don't agree with the tax rate that you were saying, and we should decrease their tax rate.

[01:41:02] For me, you know, these unallocated funds should continue to be unallocated until we have further information because whether you're doing increases or whether if it's used for the food, we're not

going to know until later. One of the concerns that I have brought to us, you know, from all the emails and the feedback that we're getting is many, whether teachers or staff, they feel like there is an issue in how the money is allocated. So

[01:41:41] So if the money continues to be allocated like that, just to everybody, it's, you know, just, I recall somebody saying this on the speed at the ocean because you're not going to make sense on the issues that we have.

[01:41:57] For several sessions, I have continued to highlight and praise the work, not only our different departments, but I will say, you know, the work that our chief is doing at the police department. He has been able to do retention. We can never have enough money, just like we don't have a six, we're not ready to fund 6% increases for our police or our fire department or all our such important stuff in our city.

[01:42:29] You know, how can we, you know, be looking into this without making sure that we heard everybody they said there is uh issues uh there is uh some uh different classifications and that by no means i'm trying to you know tell them how to do it but if they are asking for money and the feedback was that you know it's no everybody because some people have worse conditions than others i believe there is uh this body provided money and there is a requirement for our residents

[01:43:02] who are providing that to have, you know, no one even heard, but something to happen to fix that. So, again, you know, I had a lot of my crazy work of a police chief and assistant manager, and I believe, you know, they have been able to try to keep employees, and I don't know why, if we were so close together and other things, it's not something possible.

[01:43:33] for the school board body to do instead of continuing to put money for everybody, which will never resolve the very main issue that employees who are residents are bringing forth to this body, who allocate the money, and continue to bring up that I'm very concerned about what will happen, and hopefully if nothing happens, we'll be able to make that allocation, and that money can go to the wages.

[01:44:03] I would like to, since we're talking about the schools, I would like to read up what wasn't on that sheet that was brought up by the schools, which is, you know, they wanted to have that money allocated for them to purchase the building, and they didn't want to do that for a while.

[01:44:20] I don't see this body discussing that. I don't see anybody discussing the actual request that it was made by them for the school since their grant wasn't funded. They were asking for a location of the money, and I know it was there on that joint session.

[01:44:40] So I don't know why that wasn't so important to make it on the super detailed, uncomfortable spreadsheet. So I would like to focus on that. But, you know, my ask, you know, my ask is to continue to decrease the two pennies and continue to keep the locations as if any funds are left over to keep it unallocated.

[01:45:06] So we are ready and we have, we fulfill our, you know, emergency so we don't hurt our reserves by taking money out if there is any catastrophe happening when it comes to what the federal government is doing.

[01:45:22] And we know it's not only affected us directly, but, you know, I think Councilman Othena might have said before, you know, it will come from D.C. to Richmond and then Richmond to the locality, and then in other ways it will hit us directly.

[01:45:40] And they are concerned, and if that happens, you know, that will happen to them too. The priorities might be more different, or we might have a different conversation in \$1.5 million. Thank you.

[01:45:57] Just to speak to the property acquisition by the schools, staff have been conversing with the superintendent. We've requested that they pursue their offer and then come back to the city when they have negotiated a firm price.

[01:46:13] And at that time, that would be a separate item from your budget to allocate funds for that acquisition. So that's why that is not in your budget discussion tonight, Ms. Luna. Thank you for saying that.

[01:46:29] I wouldn't have known. What about the schools? Yeah, basically the same, yes, ma'am. Again, the discussion had been that that would be the alternative education facility would be funded from the reserves.

[01:46:49] And we had asked them to come back with a better cost because there's been some discussion about the cost and the timing as to how they would be able to get the staffing to facilitate that.

[01:47:05] So we requested that to come back as a separate request as well. Thank you for the update. And my last ask, how much again is there reserves? There is no from the reserve, but is there reserve from five years left over money?

[01:47:24] - The capital is about \$16 million available. - \$16 million. - Thank you. Thank you. - Comment about the free meals for 875. That is the amount that the General Assembly killed to fund.

[01:47:49] - No, 370? - 875. - Oh, 875. - Yeah, I have time. - That's, no, that's federal. - That's a federal grant. - That's a federal grant that they're concerned may go over. I thought that the feds paid for this, the economically disadvantaged students.

[01:48:06] That's not going away. Again, I was just going off the list. I was getting... Yeah, that was from the pandemic. No, this is recent. This is because of Trump administration. I believe the 875 was for... Cutting the dinners.

[01:48:22] Yes, the three meals that they provide with no regard to financials. yes so you are correct it's the pandemic well the funding the funding for those that need need assistance is still available it's just that the schools had received funding to make that available to every student and that's what they're that's where that number comes which started in the pandemic so it's now back to prevent pandemic free meals the kids that are getting the free meals

[01:48:54] because of their um economic status so that will not go away no matter what well i don't know about what it's just not going away for the upcoming school year right now well they're looking for the to the school year right now everybody is eating everybody excuse me everybody has access to up to three meals at the schools for this school year starting the new school year there there is the

[01:49:31] chance that that will be reduced here and so that 875 is for next year correct but that doesn't That's not including the federal funds that are allocated for the... They're waiting to see what they're going to get.

[01:49:48] The figure is not firm. Correct. I understand it. So we have an idea.

[01:50:04] I don't know if there's four people that would support it.

[01:50:14] Sorry, I won't make a motion. We need the first hand nod. And recap what the nod would be. I know Tommy wrote it down because he went slow. yes thank you steve tell us what you have uh here's what i wrote down clear direction yes what so it would be a hundred thousand for hmi 130 000 for the community center staffing three

[01:50:42] positions uh 420 000 for the social services reserve 1.5 million for the schools for salaries or our if we want compensation compensation schools okay and that would be at the tax sorry

[01:51:08] that would be at the tax rate 1.26 correct a little clarity is we're simply saying compensation you're not putting any other stipulations to it however they do it is how they do it believe me i'm not going there that's a fight i don't want to have if council's comfortable with that kind of getting back to just the confirmation part of

[01:51:47] of our work session continuing with the 360 uh vehicle personal property tax rate i know there had been some discussion about adjusting before you run ahead i can we see if we've got four people that are comfortable with what tom just outlined i don't we have okay with what tom just

[01:52:15] right off. All right. Ms. Vasquez-Luna, did you want to chime in on that? No, as in all occasions with the, you know, in the back of the residence because there's no decrease in the rate. Thank you.

[01:52:35] So she hears me. I'll say no. I just want to make sure she heard my no. Yes. That's the battery. Thank you, Steve. Let's be quick. Again, just confirming the 360 for the vehicle property, personal property tax rate the 215 for business computers personal property tax rate 360 for data center tax rate then utilities water at eight and a half electric at six and a half

[01:53:11] sewer at three you can you can go lower staff is hesitant to recommend going much lower The lower you go with those those percentages, it doesn't equate to a single year extension It as you go lower it if we could actually drop below the funding that we need And you take the hole deeper yes, sir, and at that I would defer to Councilman Smith who wanted to continue discussion regarding the data centers

[01:53:45] Okay, so you just went through and everybody I mean the numbers that we have are where they are if anybody has anything to add or take away from that that now then we'll bounce to the data center discussion so um just just kind of um recapping we kind of did it at the beginning but um mr demaria as a commissioner received from the brick i'm saying brickland um we were told that they turned in their paperwork

[01:54:23] April 5th, 14th, that we are not going to get any computer tax money. Right. And so I know Mr. Smith had some points to make there, but I want to make sure that we were just informed about this when you got it.

[01:54:41] Nobody had prior knowledge of what was going in there or what was there. Just wanted to make sure. That's what I was reiterating in prior meetings. You kept saying, don't spend it, don't spend it. and I don't know what's going in and what they're bringing. I know it was going to be a bank.

[01:55:00] Absolutely. I did not know and wasn't prepared for that at all and I'm very shocked to hear it, but we've got to deal with it now. At least we have not budgeted any of that money. We didn't do anything, thank God, but we are getting a real estate. Yes.

[01:55:16] So I just wanted to recap that. There have been some inquiries about when this code section had been adopted by the General Assembly. it was 1984. It wasn't for data centers. It was for bank

franchise. So that, you know, if we just don't think of a data center, think of your branch of your bank. They pay on their deposits, basically. They do not pay on the chairs and the computers inside that building. And now it just,

[01:55:52] now that we have data centers, if the bank is using that data center for their own use, and they own the computers that are in there. They don't lease them. If they own those, they don't pay business, personal property on anything.

[01:56:08] And now it just moved over to data centers now that we have data centers. Back when nobody thought about it back in the 80s, we didn't have any data centers. Or electronic banking. What's that? Or electronic banking.

[01:56:23] Oh, yeah, that's right. So if I could clarify, Mayor. So, for instance, any of the banks that do business here in the city, that's how they pay. Yeah, let me read this real quick.

[01:56:39] You know, so like they don't pay, they pay bank. Every bank or trust company shall pay annual franchise tax measured by its net capital as defined in 58-1205.

[01:56:55] Such tax be in lieu of all other taxes, whoever, for state, county, local purposes, except real estate and tangible personal property enumerated in 51-1203.

[01:57:13] And these are not enumerated in 1203. So they pay real estate tax, but that's it. All right. Thank you. Is there anything left to do on that? I do. I mean, and the chances of us finding something are maybe not that great.

[01:57:33] But, again, like I said earlier, trust and verify. You know, with these kind of numbers, you know, I'm not going to audit a peddler on the street. It's just not worth it. But this may be, and we just want to make sure we have all of our ducks in a row and we know exactly what's going on there.

[01:57:54] And we'll probably do the same with the new data centers once they come up and running. So we're learning as we go. We seem to have done everything right, and this council did everything right by not spending money they didn't know we had.

[01:58:14] So the data center campus on Dean Drive, that's all AWS, is that right? To the best of my knowledge, they have also not filed yet. They must have a business license or something.

[01:58:29] They're not operating a business. They're not there yet. Oh, because they're not there. They're just building. have anything. It's just what we're told. They own the property. Yes, that's public knowledge. They own the property. Yes. And with all of our discussions and the classes I've gone to, they're not a bank. They're not going to get this, from what I understand, they're not going to get an exemption. This exemption is unique. I guess I think what we have to do as a council is to

[01:59:04] realize that even though if they go in as Amazon, which we would get. Let's just say, yes. They could sell it to a bank later. But if they sell it to the bank and the bank is still doing the same thing Amazon is doing, they're taxable. They're not taxable when they're using it for their own purposes.

[01:59:22] Well, they could convert it into their own servers. I mean, that's a possibility, but I don't see that happening because I don't know how much data a bank with a data center at a brick plant. And if I'm correct, they're not using a whole lot of energy yet either.

[01:59:42] So there's not a whole lot of stuff in there. I don't think the Amazon one is in danger of being sold to a bank for pure banking reasons. It may happen. You never know. You never know. So we can't count on that revenue.

[01:59:59] I wouldn't count on any revenue until April 15th of the year they start working because I won't know what's in there. I can't know what's in there until they are required to file on April 15th. I don't think it's good.

[02:00:15] The way that building looks to me, I don't think it's going to be next year. I don't think April 15th of 2016 there's going to be anybody filing any personal property. I could be wrong, but they better start working real hard if they're going to put something in there by January 1 of 2016. I don't see it happening.

[02:00:32] Mr. Smith has been waiting patiently. Thank you, sir. No, no, thank you. I earlier referenced the question I raised a couple of work sessions ago. We cut the discussion off, but this is exactly the legislation that I had in mind.

[02:00:52] As I remember that night, I tried to find where I had read that I was unable to, and we cast it off as Google not being a good lawyer. But I did raise the question, because we were accepting that places were data centers and doing things that we could tax.

[02:01:13] And as this has come forward, it raises a lot of questions. It's very disappointing that we are where we are. I'm not faulting the Commissioner of Revenue. Fortunately, this information was discovered before we started relying on data centers.

[02:01:36] But there are so many questions that we need answers to here. First question, I would assume this company was vetted back when we were convinced that it was going to be a data center.

[02:01:55] Why did not the vetting discover that this wasn't even going to be a data center in the first place? The bank, I don't think, pulled a switcheroo. They sought permits and zonings and all of that on some basis.

[02:02:17] Did they tell us they were going to be a data center and then change? Or did they tell us they wanted to put a warehouse there? It's my understanding that this was developed by a private company. It was not developed by a bank. The bank does not own the property. Then my question to the private company actually brings up another question.

[02:02:34] Who brought the company to us? community person or who brought that company to us and lead us down to the data center and family? You don't have to answer it tonight, but those are the kinds of questions that I have. Well, it's capitalism and the people that built the shell, they can lease to any tenant they want.

[02:02:56] And it is a data center. I'm not questioning. Well, then that raises further questions. We're back to even Ms. Ellis' question. We're anticipating three, four, how many data centers a week? Thought we were going to have a lot.

[02:03:12] So you, and I know this is not your area expertise, but your point is taken. What's to stop the other three, four from deciding, you know what, I'm going this route. So we end up with zero revenue from data centers because, as I pointed out before, that the legislation didn't let you just tax people, even though they resided in the data center.

[02:03:40] So all I'm asking, I guess, is staff and the attorney and all. is that we get some clarification and some clarity. I'm very concerned about what was negotiated, and are the other data centers going to be impacted? Are we going to find the same thing out down the line from the other data centers, that they can do a switcheroo if all of a sudden...

[02:04:02] And let me just do a paraphrase here, I mean a bracket here. Given the economy and where we're headed with the policies that's covered down, it very well may be more profitable for a company to say, We ain't data centers no more, and we're going to be a bank reservoir, and then that bank can go somewhere else and do the staff to staff.

[02:04:25] They are, trust me, those who are moving behind the scenes, there are various ways that this thing could head. So for staff, are there other data centers? Do we have the same problem?

[02:04:42] Are there whatever is written, whatever is permitted, or whatever has got an agreement? Are we convinced that it's going to be a data center? I don't imagine it brings up any zoning issues, maybe. Well, I don't know the exact numbers.

[02:05:00] The investment in the Brickyard facility is a fraction of the building itself is a fraction of the size and cost of the three that are going up on Dean Drive.

[02:05:18] And as such, the investment cost to the private developer for Brickyard, I assume they were able to negotiate a rental fee from the bank that covered their cost. I don't suspect that the bank use would be able to cover the scale of the data centers that are going in on Dean Drive.

[02:05:43] There's not to say that they could be a portion of it, but I don't. I give them credit for shrewd negotiation. My concern is how is the city going to be protected against future shrewd negotiators? I'm using the word shrew to go to shrew because somehow somebody pulled a switcheroo and it seemed well planned.

[02:06:04] Again, I'd love to know who brought those people here, who brought this company to us, why weren't they vetted, what's the impact or what's the potential from the remaining data centers, and how in the hell do we avoid this in the future?

[02:06:19] I share the frustration, and when, you know, I reached out today to a friend of the county, all their data centers, they do not have any that fit this situation.

[02:06:46] Apparently there are some allowed. But we have no ability to determine who is going to lease what equipment in a data center. We don't have that power in any way, shape, or form. Well, then we should cease convincing the public, don't worry, everything will be fine.

[02:07:07] Because when data centers come online, we're going to have revenue. Well, again, this is a... We've done it as an agency, not just call and talk. I just, I don't, again, if you have the 80s, whatever, the number of data centers in the county, and you've got none, it's bad luck or no it is.

[02:07:28] I mean, I just, I don't know how you have a way to stop it from happening. Okay. Just the more you can tell Joe over here who he's going to lease his building to, as long as the use is legal.

[02:07:45] Well, we could explore whether there's zoning, I mean... There's been tremendous investment in data centers, small d and small c. I've not even given them credit for being, but whatever we have going up, supposedly to be data centers, we need to find some way to do some zoning or something that is zoned for this only.

[02:08:07] If we're going to do the reliance and plan our budgets on such, and then we have no control over what they are. Something is rotten, and this ain't Denmark, but something is rotten. Yeah, I think the answer is more on the legislative side.

[02:08:23] And I think this needs to be a locality-driven request of our legislative friends. And this should actually be a big O-DEMA item.

[02:08:41] And, yes, you're going to run up against the banking lobby. But as more and more data centers, or whether it's here or Stafford or Loudoun or wherever, on the General Assembly, this is a layup issue. that I would be supportive of making, you know, carving out data centers from, you know, from that exemption, from that franchise fee, because that's totally not conceived of when that legislation was put in place.

[02:09:11] Everything's changed since then. Yeah, yeah. The world has changed totally. I think that's it. I mean, I just want us to be cautious and be aware and then not let it drop and say, oh, well, thank you, Tim, for keeping us in track.

[02:09:28] That's not dependent on it. I just think there's calls for further action, further investigation. And, again, even internally, perhaps the city needs to look at this process of even the first step.

[02:09:45] Who are we dealing with? Who are we talking to? Who's knocking on our door saying, hey, I've got a guy on the corner. That sounds like friends talk to friends. I don't know. And we have, let me just say this real quick.

[02:10:01] We have the legislative breakfast on the 15th of July. So, of course, we can purchase something. I see some changes in our legislative priorities. My recollection is that this data center in the Brickyard location was done by Wright.

[02:10:28] Is that correct, Matt? Correct. Along the way here. So we didn't, meaning we, meaning city council nor the planning commission, had the opportunity to say grace over it, you know, approve it.

[02:10:45] What we did have was what, over, you need to move your shoulder there so I can see the man there. Move out of the hot seat. That's right, out of the hot zone there. In terms of site development and things of that sort, is that correct?

[02:11:04] Am I saying it correctly? In terms of the development of the Brickyard Data Center. Is it as of right use? Yes. Yes, but we did have a say on the actual, when I say site development, I mean in terms of how the building was set back or sound baffling.

[02:11:26] It has to comply with all the city's ordinances for development. All of that sort of thing on that regard. Just curious, they accepted all the conditions knowing it wasn't going to be a data center. It is a data center.

[02:11:44] It's a data center because we want to call it a data center. This is a reclining chair if I decide to call it a reclining chair. Okay. We'll agree to disagree. They're using it as a data center for their own information. Then again, we need some control. If you hold yourself out to using it as such, then we do all these extras and inquire you to put up sound boundaries, spend the money, spend the money on research about noise and all of that.

[02:12:12] We're being loosey-goosey, if you will. We are just not monitoring children. I mean, where's the economic development in getting taxed on a warehouse versus the economic development on getting a

debtor center?

[02:12:33] That's my only act. We just can't let this drop, not just for the sake of making noise, but we are at the risk, frankly, of being used by those who have inside tracts.

[02:12:49] And I'm sorry. It stinks. Mayor, Mayor. Agreed. Ms. Vasquez, on it. Thank you, Mayor, Mayor. And, you know, we do have to be mindful of this.

[02:13:08] You know, it does still bring a revenue. It does, you know, reflect the work that, you know, the staff has done because it looks way better than other locations. I think, you know, within what we have is the best results possible.

[02:13:26] So, I would say, you know, this will be a good opportunity to look at, you know, whether we have to make changes when it comes to, by right, when it comes to, you know, Washington, or maybe just, so we don't have more data centers built there by right, so we know in this position.

[02:13:48] So I will be, you know, open into, you know, looking into that because it does concern, you know, that, you know, one of the things, you know, that it could be beneficial if there was, you know, they were paying and they were coming for, you know, extra income for the schools.

[02:14:08] So I would like to see maybe in the future, you know, if there's support from this body to go ahead and make changes, whether it's just to, you know, accept the guy right. So if it happens, the city will have a little bit more input in that. Because I am concerned they may not be big enough, but they might still land available in that area.

[02:14:30] And they might have not, you know, we may not have the results. Even though from this, you know, somewhat sour moment, you know, I think we need to, I would like, you know, to see if the staff can look into something or some options that we have to fix that in the future.

[02:14:50] And, you know, I believe it's very important, especially now with this feedback. Thank you. Thank you. Ms. Ellis. And I think there are a few more spots in the city that are by right where you could put a smaller data center, maybe on quarry, I think, over there.

[02:15:12] But to do like a rezoning, I think you have to have the owner's approval. Like we just did the rezoning for some of the one business property when Liberia was the owner's request. This is where whoever economic development, whoever does that, needs to start talking to the owners of some of the properties because it's going to tax our resources.

[02:15:39] We can't depend on tax revenue, apparently, but they're still going to need power, water, infrastructure. And I do want to say we are fortunate that we have a diverse economy here.

[02:15:55] Thank goodness we are not totally reliant on data centers because the lobbyists for the data centers are probably way more powerful than the banking, you know. So that's one thing. It kind of puts us in check.

[02:16:11] It's unfortunate. But I think we're a little smarter. You know, we know we cannot rely on that. The real estate tax is a lot more. You know, Tim said earlier it went from \$6 million to \$102 million for real estate assessment.

[02:16:31] But, you know, they're using a lot of resources, so stay diverse. I'm done agitating. You're not agitating. I'm done. Do you have anything else to say?

[02:16:48] No, I am just proud of this council for understanding that you don't spend something you don't have yet. That's right. You get, like Ms. Ella said, the real estate tax. I mean, it's a lot of money coming in.

[02:17:04] not what we would expect him but he's got that so all right what is left budget enhancements discussion that that was we already did that uh budget general discussion pretty much already did that too so utility rates and that was just confirming the eight and a half just eight and a half and nobody had anything else to add to that so anything oh no two-sided okay anything else to Well, the obvious is the eight and a half

[02:17:44] the total rate fits with the 1.26, right? I mean, it doesn't, they're completely independent. Yes, sir. Ms. Vasquez Luna, do you have anything else to add? No, thank you, Madam Mayor.

[02:17:59] Okay, all right. If that's, there's nothing else, we're adjourned. Thank you.



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