

POLICY COMMITTEE MEETING

January 17, 2013

4:00 p.m.

County Government Center, Building A

1) Roll Call

Present

Mr. Rich Krapf
Mr. Al Woods
Ms. Robin Bledsoe
Mr. Tim O'Connor

Staff Present

Mr. Paul Holt
Mr. Jason Purse
Ms. Tammy Rosario

Ms. Christy Parrish
Mr. Brian Elmore

Mr. Rich Krapf called the meeting to order at 4:00 p.m.

2) Minutes

a) December 6, 2013

Mr. Woods stated on page 3 of 38 of the packet, where Mr. Pennington discusses savings, Mr. Woods asked the question, "If this is the savings, the project is self-funding?" He stated the minutes show this as a statement when in fact he was asking a question: If annual costs are going to be saved in the first year, should we take that into consideration? The minutes should state, "If there is \$2,500,000 of actual savings, then the project would be self-funding, wouldn't it?" In the next paragraph, following a paragraph of Mr. Pennington's description of savings, the Committee discussed the unconventional method.

Ms. Bledsoe stated Mr. Pennington also indicated when asked by the Committee if the budget was \$200,000 and if that was the entirety, initially the answer was "yes" and then changed when the Commission asked "if it was going to be \$200,000 each year, to which Mr. Pennington stated, "No, that is just the start-up cost."

Mr. Woods stated on page 5 where the Committee starts talking about fragmented proposals, specifically on the third paragraph from the bottom where "Mr. Woods asked if, from a project proposal..., "the syntax is wrong. The "he" is Mr. Pennington and Mr. Woods asked, "if Mr. Pennington would typically submit a proposal that is not inclusive of all of the costs." At that point, Mr. Pennington stated the County did not include the operating costs. Mr. Woods then asked, "How can we assess impact on budget if we do not understand what all of the capital and well as ongoing operation costs are?"

Mr. Krapf asked if the correct wording should be, "...from a capital project standpoint, would he (Mr. Pennington) submit a fragmented proposal that is not inclusive of all of the costs both capital and operational?"

Mr. Woods stated yes. He asked down at the end, when Ms. Bledsoe was speaking, in the first sentence, the "they have" references what?

Mr. Krapf stated to strike "criteria they have" and add "capital project ranking criteria."

Mr. Paul Holt asked if he had an additional clarification on packet page 3.

Mr. Woods stated on the next paragraph, where Mr. Pennington stated, "It could be seen that way...", the paragraph is not logical.

Mr. Krapf stated it could read, "It could be seen that way, as a self-funding project."

Mr. Woods asked about others areas in the minutes where clarification was needed: schools access to "about half" of what, and "no revenue is generated" relates to what?

Ms. Bledsoe stated Mr. Pennington said the government never makes money.

Mr. Krapf stated Mr. Pennington was saying schools would have access to about half of the ring.

Mr. O'Connor stated there is an improved service to the schools at no additional cost. He asked if the language could say, "There was a discussion regarding how this is considered a self-funding project."

Mr. Woods stated the County should have a firm understand what costs are going to be for certain kinds of ventures.

Mr. O'Connor asked if we could say, "Mr. Pennington stated it could be seen that way. Although schools have access to half of the \$250,000 infrastructure investment, no revenue is generated from the school system. "

Mr. Woods stated that catches the point.

Ms. Bledsoe asked if Mr. Pennington's words could be changed.

Mr. Krapf stated these minutes are staff's recollection of the discussion.

Ms. Rosario stated staff would offer Mr. Pennington a chance to review the changes to make sure he is comfortable with them.

Mr. Krapf asked staff to review minute changes with Mr. Pennington. He stated if there is no conflict, it will just be inserted. If there is a conflict, the minutes will return to the next meeting.

Mr. Woods stated to strike the last sentence in the paragraph starting "The capital investment...". He stated staff never compared the outside purchase with the investment staff is making to tell the Committee what the savings are. Staff never did a Request for Proposal (RFP).

Mr. Woods moved to approve the minutes as amended.

In unanimous voice vote, the Committee approved the minutes as amended (4-0).

B) December 7, 2012

Mr. Woods stated on page 2, after Ms. Bledsoe shared her frustration with the group, there was a conversation. He stated he believed there was a concurrence with Mr. John McDonald that we will try to capture additional information for future CIP deliberations. He asked staff to insert a new paragraph to reflect the discussion with Mr. McDonald regarding a more appropriate presentation of CIP materials that would include operating costs, capital costs, and related metrics. Related metrics would involve related needs, capacities, and scheduling.

Mr. Purse stated he thought what we would end up asking for is a more detailed descriptions of the need of the project, based on the type of project.

Mr. Woods stated when they were talking about the schools and the fiber optic ring, they actually spoke to the peripheral benefit for that as a teaching aide, yet that was not described in the proposal.

Ms. Bledsoe stated it was frustrating not receiving anything to review from the schools. She stated she found it difficult because they are signing off on things and they don't know why.

Mr. Woods moved to approve the minutes as amended.

In unanimous voice vote, the Committee approved the minutes as amended (4-0).

3) Old Business – Pawnshops

Mr. Purse stated the Committee had reviewed pawnshops in November. The Committee discussed how other jurisdictions regulated pawnshops, whether as specific uses or through other types of codes. The Committee had asked staff to follow-up with other localities and see if there was any information regarding crime and pawn shops. Staff spoke with police departments in York, Hampton, and Newport News. No one had specific information on crime associated with pawnshops, although there was anecdotal evidence that the more pawnshops a locality had, the more crime they had. Pawnshops have more problems if they are located in existing high crime areas.

Ms. Bledsoe asked if anyone tracked the data.

Mr. Purse stated he did not believe police keep data on that specific use. He stated many localities have regulations on pawnbrokers outside of the zoning code, including police and licensing regulations. James City currently only regulates pawnbrokers through business license requirements. The state code permits limiting the number of pawnshops in a locality. The County may elect to permit pawnshops by-right, specially permit it, exclude it from a district entirely development performance standards and /or have a cap on the number of pawnshops.

Mr. Krapf stated he did not like pawnshops under the consumer business/retail umbrella. He stated he liked singling out pawnshops along with possible other related uses. Pawnshops, tattoo parlors, and payday lenders are somewhat compatible.

Mr. Woods asked what where the objections to payday lenders and their clientele.

Ms. Bledsoe stated those types of businesses take advantage of people without money.

Mr. Krapf stated there is a safety component, but also a proximity-to-residence component. He asked if payday lenders and pawnshops could be treated the same in the Zoning Ordinance.

Mr. Purse stated pawnshops and payday lenders could be treated the same due to the loan component. He stated the Committee can choose to group those uses.

Ms. Bledsoe asked if there are any pawnshops in the County.

Mr. Purse stated there has been one request, which the Acting Zoning Administrator determined the use was consistent with retail and service stores.

Ms. Tammy Rosario stated any changes would apply to future requests.

Mr. Purse stated that without changes, the future pawnshops would be treated the same as the previous request.

Mr. O'Connor asked if payday lenders are similarly licensed like pawnshops.

Ms. Parrish stated there is no reference to them in the licensing section of the state code.

Ms. Rosario stated the ordinance definition could be broad enough to encompass both payday lenders and title loan companies.

Mr. Krapf stated he would like payday lenders and pawnshops to be singled out in the zoning ordinance and defined separately.

Mr. Woods asked what where the pros and cons of breaking it out.

Ms. Bledsoe stated it creates one more step and brings it to the group's attention.

Mr. O'Connor stated it would be easier to manage location.

Ms. Rosario stated a pro would be the use being easier to interpret and a con being it creating an additional step to modify the Zoning Ordinance. She stated singling it out doesn't stop it from opening.

Ms. Bledsoe stated singling out the use would be consistent with other jurisdictions.

Mr. Paul Holt stated a con would be that previous zoning efforts try to list uses in categorical senses rather than listing out more individual retail uses. He stated there is no practical reason why it cannot be separated.

Ms. Bledsoe stated her district would want to pay special attention to these types of businesses.

Mr. Woods stated so far the pros outweigh the cons.

Ms. Rosario stated she was not sensing any opposition from the Committee to separate the use.

Mr. Krapf stated staff would return with a draft definition for the Committee to review.

Mr. Woods asked if it was practical to have different performance standards in different districts.

Mr. Holt stated performance standards should be consistent to the use.

Mr. Krapf stated that the Committee should focus on each district's statement of intent, which states the district's purpose to help decide which types of businesses are suited in that district. He asked if the Committee wanted to review whether pawnshops and payday lenders would be appropriate in each district.

Mr. Woods stated that after reading the LB, Limited Business' statement of intent, he did not believe the use is suitable for this district.

Mr. Krapf stated the statement of intent provides for limited business opportunities adjacent to residential land use areas. He stated that this use in proximity to residential areas would not be appropriate.

Ms. Bledsoe stated she agreed with not permitting the use at all in the LB district.

Mr. Krapf asked about B-1, General Business.

Mr. Woods stated he is on the fence, since this district currently has a mixed bag of uses.

Mr. Purse stated this district is where the majority of retail uses are located.

Mr. Krapf stated he did not support the use in this district because the statement of intent states the public requires direct and frequent access.

Mr. Purse stated that shopping centers are near major transportation sections that can be accessed frequently.

Mr. O'Connor stated we have to consider the proximity to residential areas for future pawnshops and did not support the use in the B-1 district.

Mr. Krapf s also stated he was also concerned the use within community character corridors.

Mr. Woods stated that B-1 were for higher traffic commercial developments. He stated this kind of use was not really compatible in this district.

Mr. O'Connor stated that this use could negatively affect existing businesses I in shopping centers, which could create vacant retail space and lowers rental rates. He stated pawnshops are often infill in vacant shopping center spaces.

Ms. Bledsoe stated she did not know if the use would be well received by pre-existing retailers. She stated it would be easy for a shop to find an open retail space. She also agreed that the use should not be permitted in the B-1 district.

Mr. O'Connor asked if staff knew how much revenue a pawnshop generates.

Mr. Purse stated no but staff could look into it.

Ms. Bledsoe stated it depends on the area. She stated in that pawnshops are used more near military areas.

Mr. Woods stated co-tenancy has declined in areas with pawnshops.

Ms. Bledsoe asked if pawnshops reduce building value.

Ms. Parrish stated she did not know.

Mr. Woods stated pawnshops seem to devalue the commercial property for other retailers.

Mr. Purse stated that staff has not seen pawnshops cause a decline in any jurisdictions looked at.

Ms. Bledsoe stated pawnshops move into declining areas because those areas may be the only areas in which they are allowed.

Mr. Holt stated retailers like to be next to similar retailers.

Mr. Purse stated thrift stores and consignment stores are the other side of the pawnshop, without the loan element. He stated there are a lot of consignment stores in the County.

Mr. O'Connor stated the EDA had said some thrift stores were very successful and had provided a lot of tax revenue.

Mr. Krapf stated no other retail establishment has to verify merchandise is not stolen. He stated there is an element of perceived risk with a pawnshop or there would not be that requirement.

Mr. Krapf stated the Committee has discounted the B1 district and will now discuss M-1, Limited Industrial districts.

Mr. Purse stated there aren't a ton of areas in the M-1 district but they are usually along roadways with good access due to the mix of industrial and business uses.

Mr. Krapf stated he thought the M-1 district's statement of intent about not being compatible with residential uses makes it a fit for this use as a SUP.

Ms. Rosario asked if everyone agreed.

Mr. Woods stated if we stop here, we are effectively excluding pawnshops from the community, since no one puts retail shops in these areas.

Mr. Purse stated there are retail oriented areas in M-1 where a pawnshop could go. He pointed out an area along Ironbound Road which was zoned M-1.

Mr. Bledsoe stated no to M-1. She stated Ironbound Road was the backyard of New Town.

Mr. Krapf stated the proximity to the New Town residential components would be undesirable. He stated the SUP process would address items of concern. However, he stated he would support Ms. Bledsoe's no because of her concerns.

Mr. O'Connor stated other localities regulate pawnshops by distance from other facilities. He stated he was not opposed to another layer to make them more restrictive.

Mr. Woods asked if a regulation, for example, not allowing pawnshops within half a mile of a church, would help Ms. Bledsoe's concerns regarding New Town.

Ms. Rosario stated there is a church within Ironbound Square.

Ms. Bledsoe stated the area is right across the street from where young families live.

Mr. Krapf asked if there could be another distance-based standard.

Ms. Parrish stated that staff could create a map of the M-1 areas to evaluate what existing uses are within half-mile.

Mr. Krapf stated he would like to do that with the intent of reviewing performance standards.

Mr. Purse stated if the Committee is looking at churches as a trigger to keep pawnshops away from New Town, it should look to keep them away from M-1 areas. He stated the Committee can restrict distance from churches if they think there are specific impacts on churches. If the Committee is using churches to solve a problem, let's figure out what the problem is. The SUP process evaluates pawnshops on a parcel-by-parcel basis.

Mr. Woods asked what the likelihood was that a small business of that nature would go through the SUP process.

Ms. Rosario stated it would require an additional initial investment due to the supporting documents the applicant would need to support their case.

Mr. Krapf asked if the Committee was comfortable tabling M-1 discussion until further staff research.

Mr. Purse asked for additional guidance on the additional research. He stated minimum distance from residential areas would probably eliminate everything.

Ms. Rosario stated a performance standard tied to distance from residential areas might be possible.

Mr. Purse stated staff can highlight half a mile distances around M-1 zoned properties. He stated there are a lot of uses that are not appropriate in every location.

Mr. Holt stated the Committee should decide whether the use should be by-right or an SUP in the M-1 district. He the legislative process allows adjacent property owners opportunities to voice their concerns or support.

Ms. Bledsoe asked if the issue is whether the Committee wanted pawnshops in the community at all.

Mr. Krapf stated he would prefer not to have pawnshops in the County, but since an application has been approved, we have to address it or they will proliferate.

Mr. Holt stated that if the desire was not to permit them at all, an amendment to the code would still be required to pull pawnshops out of retail use category.

Mr. Purse stated we may not be able to completely exclude it.

Ms. Parrish stated that staff will confirm that pawn shops cannot be totally excluded with the County Attorney.

Ms. Rosario asked if the Board adopted a resolution limiting the number of pawnshops in the County, would the Committee feel as though it still need to be addressed in the Zoning Ordinance. She stated even with a cap, it could also be limited by district.

Mr. O'Connor stated if we are going to allow them, he would like to see as many restrictions as possible.

Ms. Rosario stated staff can review how other localities handle caps. She stated a cap would not be included in the Zoning Ordinance.

Mr. Krapf asked if it makes sense to stop the discussion and wait on the information from the County Attorney before reviewing M-2, General Industrial district.

Mr. Woods asked if, looking at the statement of intent for M-2, should it even be addressed there.

Mr. Krapf stated it doesn't seem like that would be a use that goes in M-2.

Ms. Rosario asked if the Committee was also inferring eliminating the use from MU, Mixed Use, R-4, Planned Residential Planned Community, and PUD, Planned Unit Development districts.

The Committee stated yes.

Mr. Krapf requested staff to follow up with the County Attorney to see if this type of business could be prohibited from the zoning ordinance and how a resolution limiting the number of pawnshops would be handled.

4) Other Business

The Committee will meet on February 13, 2013 at 2 p.m.

5) Adjournment

Ms. Bledsoe moved to adjourn. The meeting was adjourned at 5:30 p.m.



Rich Krapp, Chair of the Policy Committee