

**NORFOLK, VIRGINIA**

**MEETING OF COUNCIL**

**TUESDAY, OCTOBER 25, 2022**

Mayor Kenneth Cooper Alexander, called the meeting to order at 4:00 p.m., with the following members present: Mrs. Courtney R. Doyle, Mrs. Mamie B. Johnson, Mr. Paul R. Riddick, Ms. Danica J. Royster, Mrs. Andria P. McClellan Mr. Tommy R. Smigiel Jr., and Vice Mayor Martin A. Thomas Jr.

**Announcement**

Dr. Filer announced that Mr. John Stevenson, who is currently serving as Acting Director of Transit, will now serve as Director of Transit. Mr. Stevenson began working for the city in 1980, and prior to serving as acting Director of Transit he was the Senior Design Special Project Manager with the department. Dr. Filer thanked Mr. Stevenson for his many years of service to the city.

**Creating Economic Inclusion Through Small Business Capacity Building**

Presenter: Ms. Aleea Slappy Wilson, Chief Diversity, Equity & Inclusion Officer

Dr. Filer stated that in the FY 2023 budget, Council voted to make Ms. Slappy Wilson's position a director position and created the Office for Diversity, Equity, and Inclusion. Ms. Slappy Wilson has been involved with the economic inclusion plan for procurement in the city. Now we are pivoting and looking to build economic inclusion, asset and wealth building through small businesses, but outside of doing business within City Hall. To that extent, in the ARPA funds that the city received, Council appropriated \$1.2 million of those funds to go into this initial effort for small business capacity building.

Ms. Slappy Wilson stated when they started their work back in 2019, one of the first things they did was outline four focus areas:

- Outreach & Neighborhood Engagement
- Inclusive Economic Growth
- Planning & Infrastructure
- Human Resources & Workforce Development

Ms. Slappy Wilson reported on Inclusive Economic Growth as follows:

**Inclusive Economic Growth**

**Goal**

Close the racial wealth gap through internal strategies, external programming, and policy recommendations designed to reduce barriers and increase economic mobility.

- Economic Inclusion Plan & Procurement Policy- Passed by City Council December 2020
  - 12% City spending Goal- Minority Owned Firms
  - 13% City spending Goal- Women Owned Firms

Strategy & Implementation

- Capacity Building (Training & Business Consulting)
- Contracts (Procurement Opportunities)
- Capital (Grants)

State and Local Fiscal Recovery Funds (SLFRF) Spend Plan

<b>Program</b>	<b>Amount</b>
Continuity of City Services	\$48 Million
Nonprofit Assistance	\$13 Million
Neighborhood Capital Projects	\$23 Million
Cash Funded Planned Capital Projects	\$64 Million
Broadband Expansion	\$6 Million
<b>Total</b>	<b>\$154 Million</b>

Nonprofit Assistance Budget

<b>Program</b>	<b>Amount</b>
Eviction Mitigation	\$ 800,000
Diversity Equity and Inclusion Grants	\$ 1,200,000
Business Assistance	\$ 2,000,000
United Way ALICE program	\$ 1,500,000
Norfolk Strong Workforce Initiative	\$ 1,500,000
PICC Program (replaces Human Services Grants)	\$ 6,000,000
<b>Total</b>	<b>\$13,000,000</b>

**Economic Inclusion through Small Business Capacity Building**

Strategy

- Training
- 1:1 & Small Group Consulting
- Grants

Food Business Capacity Building

Budget: \$100,000

Goal: 10 SWaM Food Businesses complete training, 1:1 coaching and receive \$5,000 grant

<b>Program</b>	<b>Amount</b>
\$5,000 Grants for 10 SWaM Food Businesses	\$ 50,000
Training and consulting services for food businesses	\$ 30,000
Food Business Forum (1-day food business forum/summit) (Resource fair & workshops)	\$ 10,000
Materials, Staffing, Support, etc.	\$ 10,000
<b>Total</b>	<b>\$100,000</b>

Contracting Institute

Budget: \$300,000

Goal: 20 SWaM Businesses will complete training, 1:1 coaching and receive \$10,000 grant to build capacity for future contracting opportunities with the City of Norfolk

<b>Activity</b>	<b>Amount</b>
-----------------	---------------

\$10,000 Grants for 20 SWaM Businesses	\$200,000
Training and Consulting Services	\$100,000
Materials, Staffing	\$50,000
<b>Total</b>	<b>\$300,000</b>

Timeline

<b>Activity</b>	<b>Dates</b>
Review/Finalize Program	Nov 2022
Marketing and Promotions	Dec 2022–Jan 2022
Secure Trainers/Consultants	Dec 2022–Feb 2022
Capacity Building Cohort Application	Jan 2023– Feb 2023
Application Review/Participants Finalized	March 2023
<b>Program Launch</b>	<b>April 2023</b>

**Launch Spring 2023**

**NOTE:** One cohort for Fiscal Year 2023

Additional Staffing

- Current Economic Inclusion Staff
    - Sr. Economic Inclusion Manager/Business Navigator
  - Additional Economic Inclusion Staffing
    - Economic Inclusion Manager (Compliance)
      - Position Live
  - Sr. Economic Inclusion Manager (Capacity Building) \*
  - Economic Inclusion Manager (Capacity Building)\*
- \*Opportunities Posted Soon!

Contact Us

For more information on starting and growing a business in The City of Norfolk, please contact:

Mrs. Lashawnda Williams Hall  
 Sr. Economic Inclusion Manager/Business Navigator  
[Lashawnda.Williams@norfolk.gov](mailto:Lashawnda.Williams@norfolk.gov)

Councilwoman Royster asked what assistance will be offered to those businesses not yet SWaM certified. Ms. Slappy Wilson stated that there what is called sheltered procurement opportunities for those businesses not yet SWaM certified. As part of the economic inclusion plan and procurement policy, we do have opportunities that have been set aside for minority and woman-owned firms based off the disparity study conducted by the City of Virginia Beach.

Councilwoman Royster asked does a business qualify for the program if they have just started a new business. Ms. Slappy Wilson stated they want someone to have been in business and have about a three-year stability for the contracting institute.

Councilwoman Johnson noted that a lot has done to help small businesses through these grants, and these businesses in turn must be prepared to do their homework

which equates to having a good foundation and then building their capacity. What are you going to do next? What is your next step?

Councilwoman McClellan suggested that our website should clearly show where to go for assistance if you are a SWaM certified business or if you are not certified. She added that we want to be welcoming to everybody who wants to do business in the city. Councilwoman Doyle added that the scope of work that Mrs. Lashawnda Williams Hall is working on with these small businesses needs to be broadcast as well.

Mayor Alexander stated that we want our small businesses to grow, but there is a labor shortage right now and so we need to be very careful that we do not give someone false hope. Looking forward, we must answer the question of where the labor force will come from, and we need to figure out how to close that gap.

### **Update on search for Chief of Police**

Presenter: Dr. Larry H. Filer II, City Manager

Dr. Filer stated that public information sessions have been held and the last one was held last week at Norfolk State University. After receiving feedback, staff have worked with Morris & McDaniel Consulting and a position description was drafted and the position is now posted. Morris & McDaniel have sent the posting out through many of their social media platforms. Applications will be accepted over the next four weeks. After Thanksgiving they will narrow the list down to seven or eight candidates, at which time assessments and face-to-face interviews will be conducted. Next, candidates will be narrowed down to two or three for a second set of interviews and then a new chief will be selected by the end of the calendar year. Interim Chief Michael Goldsmith will serve until the new chief is onboard.

Councilman Riddick asked how many citizens attended the most recent public information session at NSU. Dr. Filer stated there were approximately 15 attendees. Councilman Riddick suggested having a public hearing at City Hall to allow for more citizen input.

### **Nighthawks Wrap-Up**

Presenter: Mr. Edward Matthews, Assistant Director, Parks & Recreation

The Norfolk Nighthawks program began in July 2022. This state-award-winning crime prevention program uses a basketball league to create a safe environment for evening activities and community building for residents in several at-risk neighborhoods in Norfolk. In addition to participating in and/or watching games, those present could also obtain information about employment opportunities, professional development, G.E.D. program enrollment, healthcare services, and financial literacy for young adults ages 18 and up. The Nighthawks program successfully ran through mid-October at the Huntersville Community Center, Young Terrace Community Center, and Southside Boys & Girls Club.

Mr. Matthews presented a video highlighting the successes of the program.

Mr. Matthews stated the master plan was recently adopted, and this program is part of the innovative approach towards offering many opportunities within the city. He next introduced Rev. Primus Paige, who has been essential in making the program a success.

Rev. Paige thanked Council and others present for their support. He stated that this initiative shows the power of collaborative service from many individuals and entities, including coaches, law enforcement officers, site liaisons, and volunteers.

Mayor Alexander thanked all present for their time, dedication, and commitment to this program. He added that this program has been a model that can be replicated across the region.

### **CLOSED SESSION**

Motion for closed session was approved at 5:53 p.m. for purposes which are set out in **Clauses 29** of subsection (A) of Section 2.2-3711 of the Virginia Freedom of Information Act, as amended:

- (29) Discussion of the award of public contracts involving the expenditure of public funds in the Church Street area and the Granby Street/Brambleton Avenue area.
- (8) Consultation with legal counsel requiring advice on matter pertaining to St. Paul's area and the Casino.

AYES: Doyle, Johnson, McClellan, Riddick, Royster, Smigiel Jr., and Thomas Jr., Alexander.

NO: None.

### **Deferred Retirement Option Program (DROP)**

Presenter: Ms. Penny DeLosh, Executive Director of Retirement

Dr. Filer stated that Ms. DeLosh will talk about the recommendations to the DROP program.

Ms. DeLosh reported as follows:

#### What is DROP

- Deferred Retirement Option Plan

- Voluntary savings investment plan for soon-to-retire employees that allows members of NERS who are eligible for normal service retirement to retire for purposes of the retirement plan while remaining continuing to work for up to an additional 5 years and collecting a paycheck
- Opportunity to work beyond normal retirement date and temporarily invest part of their retirement benefit
- The DROP benefit is a lump sum payment upon completion of the DROP period, in addition to the member’s monthly retirement benefit

History of DROP

- Was first implemented for Public Safety (Sworn Police and Fire employees) effective January 1, 2015
- Adopted in response to employee interest in added benefit flexibility and management’s recognition that the DROP would assist in workforce planning, by both encouraging employees to stay beyond their normal retirement date and providing a more definitive date of retirement for planning purposes
- City Council, as part of the FY 2023 Operating Budget, expanded the DROP to all NERS members, including general employees, effective January 2023

How Does the DROP Work in NERS?

- When an active employee enrolls in the DROP, they are technically “retired,” but they are treated as active employees for all other purposes (e.g., promotions, raises and benefits)
- However, given DROP participants are retirees they are exempt from NERS mandatory employee contributions (currently 5% of salary), so nor does the member continue to earn benefit service credit
- At entry into the DROP, the employees’ monthly retirement benefit amount is calculated and locked in
- The DROP benefit is 70% of the DROP employee’s monthly retirement allowance
  - During the DROP period, a DROP benefit accrues, but all funds remain with NERS
  - At the conclusion of the DROP period, the accrued DROP benefit is paid to the member (or beneficiary) as a lump-sum payment

DROP Proposed Change to 5 Years

City Code Sec. 37.84	Current	Proposed Change
----------------------	---------	-----------------

Duration of participation	Up to a maximum of four (4) years*	Effective January 1, 2023 <u>New DROP Participants</u> ❖ Expand to allow participation up to a maximum of five(5) years* <u>Members who entered DROP prior to January 1, 2023</u> ❖ May extend their DROP period by no more than one (1) additional year ❖ Total DROP period not to exceed five (5) years*
---------------------------	------------------------------------	---

\*Not to exceed any age restrictions (e.g., Sworn Public Safety Officers have a mandatory retirement age of 65)

### Virginia Retirement System (VRS)

#### Partial Lump-Sum Option Payment (PLOP)

- VRS offers their members something similar
- Participants who work at least one year beyond their eligibility for an unreduced retirement benefit may elect to receive a one-time PLOP
- May elect up to three times the amount of annual Basic Benefit
- Not available to members who retire on disability
- For more information go to [www.varetire.org](http://www.varetire.org) or call 1-888-827-3847

#### How to Join DROP

- The decision to participate in the DROP is personal to each individual's situation and each employee's retirement calculation is different
- If you are eligible for NORMAL Service Retirement within the next year, AND are seriously considering entering the DROP, please contact the Retirement Office for more information
- Applications must be received 30-90 days prior to your requested DROP entry date

#### Questions?

- For questions or to schedule an appointment with a Retirement Benefits Specialist, contact the Retirement Office
  - (757) 664-4738
  - [retirement@norfolk.gov](mailto:retirement@norfolk.gov)
  - Norfolk Employees' Retirement System  
810 Union Street, Suite 309  
Norfolk, Virginia 23510
- More information can be found in our Frequently Asked Questions and Know2Ask Series brochures, visit [www.norfolk.gov/377/Retirement](http://www.norfolk.gov/377/Retirement)