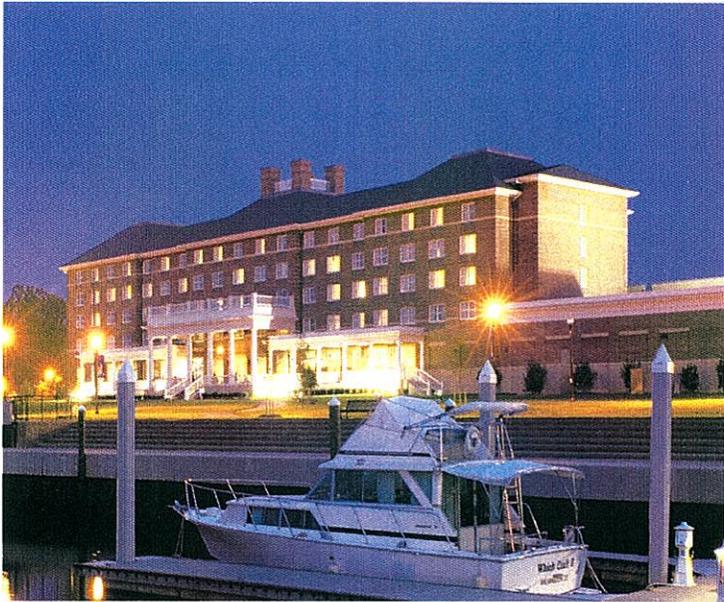
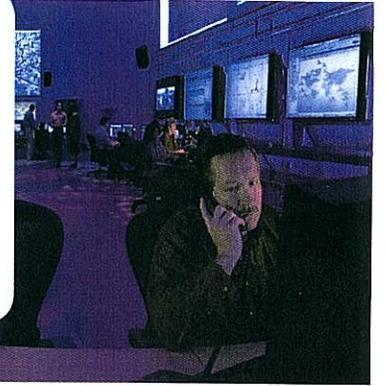
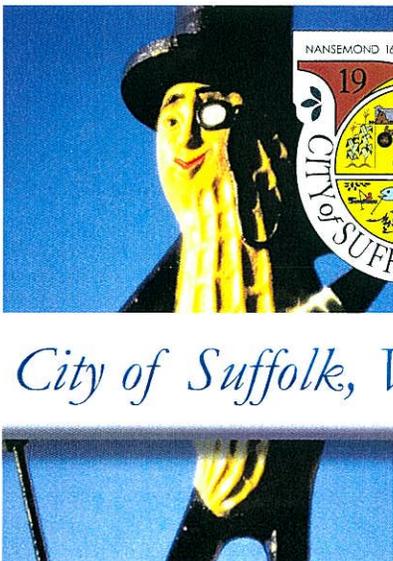
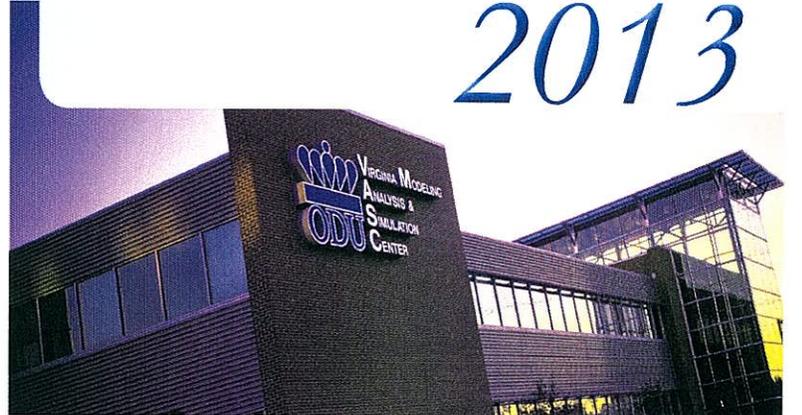




Legislative



AGENDA 2013



City of Suffolk, Virginia





City of Suffolk, Virginia

City Council Members

Mayor, Linda T. Johnson

Vice Mayor, Charles F. Brown – Cypress Borough

Robert C. Barclay, IV – Sleepy Hole Borough

Leroy Bennett – Nansemond Borough

Michael D. Duman – Chuckatuck Borough

Jeffrey L. Gardy – Holy Neck Borough

Curtis R. Milteer, Sr. – Whaleyville Borough

Charles D. Parr, Sr. – Suffolk Borough

Roger Fawcett – Councilman-Elect, Sleepy Hole Borough

Lue Ward - Councilman-Elect, Nansemond Borough

City Manager

Selena Cuffee-Glenn



City of Suffolk, Virginia

General Assembly Delegation

Senator Harry B. Blevins – Senate District 14

Delegate Matthew James – House District 80

Delegate S. Chris Jones – House District 76

Senator L. Louise Lucas – Senate District 18

Senator John C. Miller – Senate District 1

Delegate Richard Morris – House District 64

Senator Thomas K. Norment, Jr. – Senate District 3

Delegate Lionell Spruill, Sr. – House District 77

Congressional Delegation

Congressman J. Randy Forbes – U.S. House of Representatives

Senator Mark R. Warner – United States Senate

Senator Jim Webb – United States Senate

Senator-Elect Timothy Kaine – United States Senate



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*Legislative Initiative
Change to Enterprise Zones
Designation Criteria*



Legislative Initiative

❖ Change to Enterprise Zones Designation Criteria

The Virginia Enterprise Zone program is a partnership between state and local government that stimulates job creation and private investment within designated areas throughout the state. The program is targeted towards economically-distressed localities and is administered by the Virginia Department of Housing and Community Development. A locality's qualification and selection for Enterprise Zone status is determined by (1) the locality-wide distressed criteria, a demographic determination, and (2) the proposed local incentives, impact and capacity for the Zone designation.

Suffolk had previously been designated as an Enterprise Zone locality by the Virginia Department of Housing and Community Development. Suffolk's designation expired 2009 and was not renewed primarily based upon the locality-wide distressed criteria.

Request

The "locality-wide" distressed criteria approach does not give an accurate demographic representation for a locality's need for the Enterprise Zone Program; if the proposed Zone will not be used locality wide. Instead, Suffolk would like to propose the use of demographic information for the distressed criteria determination to come from the locality's United States Census Tracts. This approach would only include specific demographic information for the population that is being proposed to be included in the future Enterprise Zone, and the portions of the locality that are not proposed to be included would not be analyzed for the determination of the distressed criteria.



State Legislative Requests Suffolk VIRGINIA

*Policy Positions
State Aid to Localities*



Policy Positions

❖ State Aid-to-Localities

On August 15, 2012 Governor McDonnell announced a \$448.5 million budget surplus for Fiscal Year 2012 marking the third straight fiscal year for a Commonwealth surplus for a total of nearly \$1.4 Billion. Local government has not fared as well. Local revenues, which are largely comprised of real estate taxes, continue a sluggish rebound.

The Governor and General Assembly chose to respond to shrinking State revenue growth by shifting to local governments the responsibility for reducing \$100 million of unmet resources through cuts in core services in the 2008-2010 Biennial Budget. In FY 2011 and FY 2012, the State Appropriation Act contained \$60 million each year in these cuts, under which localities are required to either elect to take reductions in particular state aid programs or to send the State a check for the amounts determined by the Department of Planning and Budget.

In the budget enacted by the General Assembly this session and signed into law by Gov. McDonnell, \$50.0 million in FY13 and \$45.0 million in FY14 will be taken from local revenues or from state appropriations for state-mandated or state-priority programs delivered by Virginia's cities and counties. The City of Suffolk has issued the Commonwealth a check drawn on Suffolk's funds each year for its share of the State take back and is required to send the State \$314,740 in FY 13'. The total local aid returned by the City of Suffolk to the Commonwealth over the last five years is \$1.7M. Now that another State budget surplus has been achieved, the City urges the elimination of this practice. The City of Suffolk supports restoration of the \$50 million across the board "Local Aid to the Commonwealth" reduction in the FY 13 budget and supports eliminating the state's annual reduction permanently.



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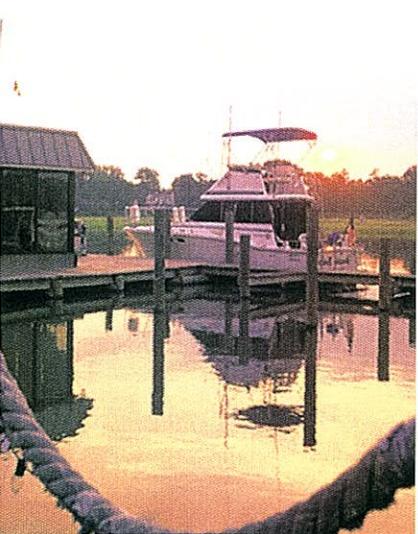
Policy Positions
Mandates



❖ Mandates

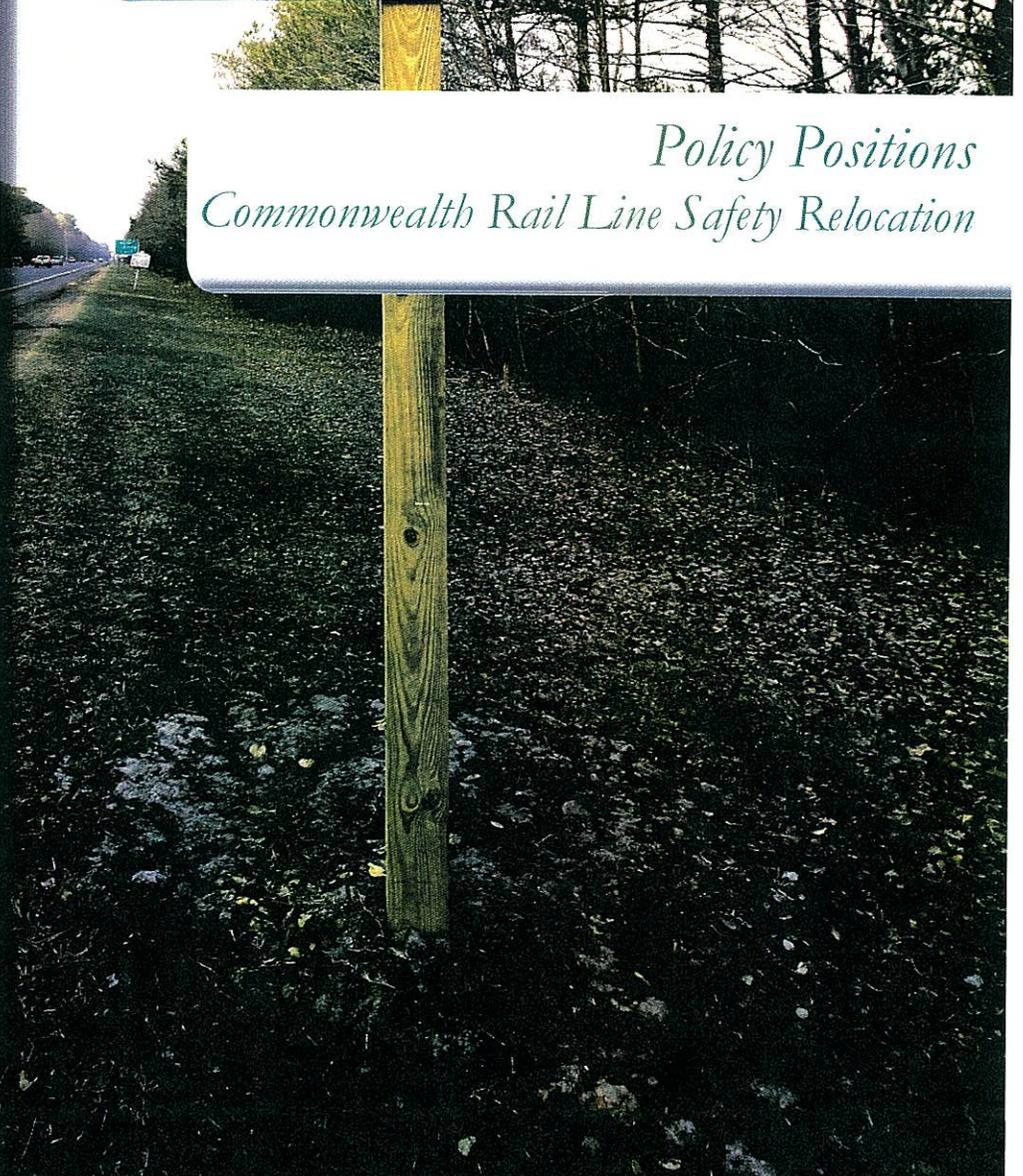
Unfunded and underfunded state mandates and commitments place an extreme burden on local government and their overextended local tax revenue streams. While State revenues such as sales and individual income taxes may be recovering, local revenues, which are largely comprised of real estate taxes, are not. Coupled with the decline in local revenue, municipalities across the Commonwealth have experienced the steady erosion of State funding for mandated services such as education, public safety, human services, and transportation.

The City of Suffolk opposes the imposition or shifting of costs for federal and state mandates for service provisions or administrative functions without full federal or state funding. Further the City of Suffolk opposes the shifting of costs to local governments through continued underfunding, reduction or elimination of programs and services. Any legislation having a fiscal impact on local governments should also be accompanied with State appropriations adequate to cover the full cost of such mandates.



State
Legislative
Requests
Suffolk
VIRGINIA

*Policy Positions
Commonwealth Rail Line Safety Relocation*





❖ Commonwealth Rail Line Safety Relocation

Commonwealth Railway (CWRV) owns and operates approximately 4.5 miles of rail through the Cities of Portsmouth and Chesapeake and approximately 12 additional miles through the City of Suffolk. The Commonwealth Railway Mainline Safety Relocation project consists of the relocation of Portsmouth and Chesapeake segments of this rail line to the Western Freeway (Route 164/I-664) Median Rail Corridor. The project is funded primarily through state and federal appropriations.

This rail corridor will be used to serve both the planned Craney Island Marine Terminal and the recently completed APM/Maersk Marine Terminal. The \$2.1 billion Craney Island Marine Terminal is in the planning stage. Rail traffic from these two facilities is expected to exceed one million TEUs annually. (Source: Virginia Port Authority).

No funding has been identified by the state or federal government to address rail impacts in Suffolk related to increased freight on the Commonwealth Mainline, and no detailed study has been initiated to identify future phases of the Commonwealth Railway Mainline Safety Relocation Project for the segments of track in Suffolk. The current rail alignment has a negative impact on existing businesses impacts emergency response times and traffic patterns, and has a negative impact on the quality of life for the residents who reside near the current rail corridor.



State
Legislative
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Suffolk
VIRGINIA

*Policy Positions
Transportation Funding*



❖ Transportation Funding

Background:

Virginia's transportation system is significantly underfunded and the situation continues to deteriorate. It is currently projected that by 2017, no State funds will be available for highway construction and the Commonwealth will be unable to fully match federal funds. Because Transportation is fundamentally a State responsibility, the Commonwealth must lead the efforts to provide more revenue for our transportation infrastructure.

The leadership of the 13 Hampton Roads communities has worked together in recent years, through the regional Transportation Planning Organization, on the prioritization of our most important transportation projects. Numerous studies have shown that failure to make the necessary roadway improvements will continue to hamper the economic competitiveness of the Hampton Roads region which is home to key centers for employment, such as Naval Station Norfolk and the Port of Virginia. Finding solutions to the state's transportation problems rests with the Virginia General Assembly which has been granted the power to secure a dedicated source(s) of revenue for transportation projects in the state of Virginia.

Over the last 25 years, the Virginia General Assembly has chosen not to exercise its authority to secure a dedicated funding mechanism for much needed transportation infrastructure improvements in the state, however, it is now clear that the Virginia General Assembly needs to take action to secure a dedicated source of transportation funding to solve both the Hampton Roads region's transportation issues as well as those of the state.

On April 4, 2012, Suffolk City Council adopted a resolution requesting action from the General Assembly to secure a dedicated source of transportation funding. Subsequent to this action, elected leaders from the Urban Crescent sent a letter to the Governor and General Assembly stating that transportation is fundamentally a state responsibility and that Virginia needs real transportation solutions that provide significant increases in state transportation funding for all modes from new stable, reliable, permanent, and balanced source(s).

Below are potential funding solutions as proposed by the Urban Crescent Coalition:

- (1) Gas Tax Increase** – a one-cent per gallon gasoline tax increase would generate approximately \$50 million a year for transportation.
- (2) Increase the Sales Tax on Vehicle Purchase** – a one-percent increase in the Motor Vehicle Sales and Use Tax would generate about \$141 million.
- (3) Increase the General Sales Tax** – a one-percentage point increase in the state sales tax would generate between \$800 million and \$1 billion if dedicated to transportation (of course, potential revenue generated will depend on the economic conditions in the state).



(4) Vehicle Registration Fees – any increases in Motor Vehicle Registration fees will have a minimal impact on revenue generation for the transportation fund.

(5) Indexing – index the motor vehicle fuels tax to inflation and deposit the additional funding generated to the Highway Maintenance and Operation Fund. This could generate \$10 million by 2014 and \$125 million by 2018.

(6) Tolls – use tolls to help finance highway construction.

A strong transportation system is important to all areas of the Commonwealth: without it, business and leisure travel, the movement of goods and provision of services, and future economic development will decline to the extent that we will no longer be competitive in the global marketplace. The state must provide decisive leadership on this critical issue and state funding assistance will be critical in ensuring toll rates are affordable and not counterproductive to mobility and commerce. The General Assembly is requested to create a long-term dedicated and sustainable source of additional revenue for transportation for high priority projects in the Hampton Roads region and to help solve our regional and statewide transportation issues. Additionally, should the State provide a designated highway funding stream, the City urges the General Assembly to ensure that those localities that have, or are, building facilities with local dollars and/or tolls, will receive their appropriate share of these dollars and not be penalized for their initiative.

Maintenance Funding:

The cost of existing roadway maintenance continues to grow by approximately \$50 million a year. This increased funding requirement is a function of new roadways being added to the system, secondary road maintenance, and increasing maintenance costs for segments of the interstate system, which are now aging. Since 2002, funds for maintenance have had to be transferred from the Commonwealth Transportation Fund, which was envisioned in 1986 as purely for new roadway construction. In fact, in 2012, over \$500 million will be transferred from the construction fund to the maintenance fund.

The consequences of this diversion of construction funds to meet maintenance needs means that in Suffolk, where only a few years ago, the City received over \$3 million a year for the urban road program, we now only receive funding for local road maintenance.

However, while the City believes that sustainable long-term sources of new revenue to help meet critical transportation needs should be pursued immediately, these funds should not come at the expense of existing revenue streams. The City of Suffolk strongly opposes any proposal to reduce annual road maintenance payments to the 83 Virginia local governments that own and maintain their own streets.

Transit Funding:

In February 2011, the Senate and House of Delegates agreed to Senate Joint Resolution 297 (SJR 297), which directed the Virginia Department of Rail and Public Transportation (DRPT) to study key issues relating to the distribution of funding to



2013 Legislative Package City of Suffolk

transit agencies within the Commonwealth of Virginia. Specifically, this legislation called for the examination of Virginia's current transit funding practices with respect to performance, prioritization, stability, and allocation. In conjunction with the study, DRPT formed the SJR 297 Funding Study Advisory Committee to gather input from transit agencies of varying sizes, as well as representatives from local governments, metropolitan planning organizations, transportation demand management agencies, and other interested parties from across Virginia. Over the course of eighteen months, DRPT, in consultation with the Advisory Committee, has completed its work and developed recommendations for allocating capital and operating assistance to Virginia's public transportation providers. The study team presented the findings of the SJR 297 Funding Study Report and the recommendations for allocating State capital and operating assistance to the Commonwealth's public transportation providers in September of 2012.

The recommendations of the Advisory Committee are consistent with the recently adopted federal surface transportation bill (MAP-21) which mandates implementation of performance measures. The current state operating assistance funding allocation is based on budget size. The proposal is to go from this pure formula based allocation process to a hybrid model designed to reward operator performance based upon specific performance criteria. For the performance-based portion of the allocation, peer groups of similar agencies have been created, funds in each metric pool are allocated to peer groups based on size, and funds in each peer group metric pool are distributed to agencies based on performance. These changes will create winners and losers among the 41 local transit agencies across Virginia. The City of Suffolk will closely monitor this issue along with any associated legislation, as the DRPT is expected to present their findings to the General Assembly in the upcoming session. Continued capital and operating assistance from the state is critical to the future expansion of the City's transit system.



State
Legislative
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*Policy Positions
Uranium Mining*



❖ Uranium Mining

At its regular meeting of September 5, 2012, the Suffolk City Council adopted a resolution stating the City of Suffolk's opposition to the mining of uranium in the Commonwealth of Virginia.

Virginia has had a moratorium on uranium mining for the last 30 years. The company Virginia Uranium, Inc. (VUI) is currently seeking to mine an estimated 119-million-pound uranium ore deposit at Coles Hill (Pittsylvania County), and this would require the lifting of the moratorium. In the last three and one-half years, there have been a number of studies relating to uranium mining in Virginia. One such study, completed by the National Academies of Sciences (NAS) at the request of the Virginia Coal and Energy Commission, concluded that there are "steep hurdles to be surmounted before mining and/or processing could be established within a regulatory environment that is appropriately protective of the health and safety of workers, the public, and the environment".

At the request of Governor McDonnell, the General Assembly postponed making a decision on lifting the current moratorium on uranium mining in the 2012 session. The governor then commissioned a uranium working group "...to help the General Assembly assess whether the moratorium on uranium mining in the Commonwealth should be lifted, and if so, how best to do so." The panel will report its findings to the Virginia Commission on Coal and Energy by December 1, 2012. While mining operations would create economic activity for this region, legitimate concerns regarding the potential contamination of the water supply of nearby and downstream residents, including the Hampton Roads region, remain an issue with the City of Suffolk, and this has prompted us to take action to formally oppose uranium mining in Virginia before the panel's findings are reported.

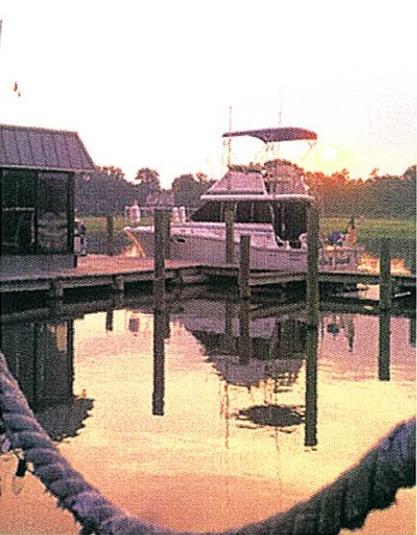
A discharge of uranium tailings into the Roanoke River system would result in the Cities of Virginia Beach and Chesapeake's Lake Gaston water supply project being unavailable for use by the South Hampton Roads area for up to two years. During this worst case scenario of a dry period, it may be problematic for the City of Norfolk to provide enough water from its water system to supplement the Cities of Virginia Beach and Chesapeake's demands while meeting the needs of Norfolk's regional customers. This in turn could have a negative impact on the City of Suffolk which, as a member of the Western Tidewater Water Authority (WTWA), executed a water agreement with the City of Norfolk in 2009 to supply raw water to the WTWA member jurisdictions through 2048.

While the probability of a major tailings release is small, the adverse consequences of such a release would be enormous and unacceptable for the Hampton Roads region, and the City of Suffolk. Therefore, the City of Suffolk opposes uranium mining in



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Virginia, and opposes the elimination of the existing legislative moratorium on the mining and milling of uranium in Virginia.



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*Policy Positions
Stormwater Regulations/TMDL*



❖ Stormwater Regulations / TMDL

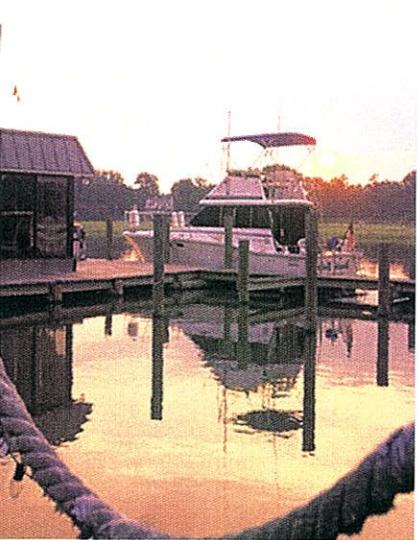
The Environmental Protection Agency (EPA) and the Commonwealth have completed Phase I of Chesapeake Bay Total Maximum Daily Load (TMDL) and are currently working to complete Phase II. The Chesapeake Bay TMDL sets out EPA's "pollution diet" for the bay. While Phase I was largely a collaborative work between the Bay States and the EPA, Virginia's Phase II approach was to be geared towards splitting the state's pollutant allocations into municipal-sized portions.

Unfortunately, the Department of Conservation and Recreation (DCR) has undergone a significant reorganization in the middle of this phase. The department has not been able to achieve the level of support required to organize this massive undertaking and to lead the municipalities in a coordinated response to the EPA. The municipalities are left to coordinate through planning districts and individually. As a result municipalities have been slow to respond or spent valuable resources working on items that may not have any value to the Phase II response.

While we understand and agree that the health of the Chesapeake Bay should be of concern to everyone and must be addressed, we are concerned with many of the approaches proposed by EPA as well as with the tools being used to determine the load allocations and to monitor the diet and with the Commonwealth's level of support to this point. We will continue to monitor the progress of the TMDL implementation and its impacts.

As part of our legislative package, the City of Suffolk requests that our legislators work closely with the appropriate state agencies and committees to urge them to provide guidance and direction toward the Phase II response. We would also like to request that those agencies and committees work to provide a bigger toolbox of solutions to the municipalities for this issue and to identify funding for this largely unfunded mandate. We would ask that model ordinances be developed, credits assessed for the phosphorus fertilizer restrictions and that the Commonwealth work to gain approval and reduction efficiencies from EPA for retrofits and capital improvement being made to sanitary sewer systems in conjunction with the consent order.

Last year's House Bill 1739 expanded the authority of a locality operating an MS4 to enter property that drains to that MS4. The City of Suffolk's MS4 boundaries do not cover the same extent of the city that the TMDL does. City staff does not have the same authority to inspect or investigate issues outside of the MS4 boundary. This limitation may make it difficult to enforce the TMDL provision outside of the MS4 boundaries. We would ask that our legislators work to expand this authority to include all areas included in a TMDL.



State
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*Policy Positions
Western Tidewater Regional Jail Federal
Recovery Request for Exemption*



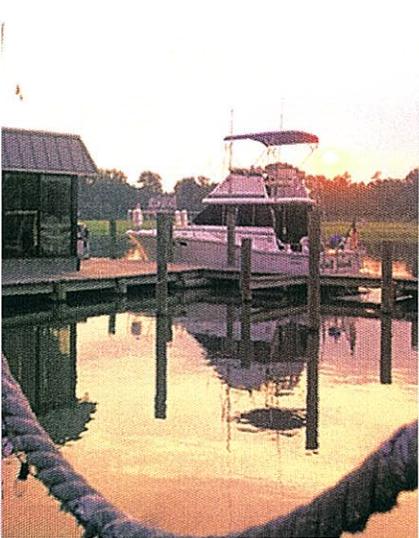
❖ Western Tidewater Regional Jail Federal Recovery Request for Exemption

The Western Tidewater Regional Jail (WTRJ) is seeking the City's support of legislation they would like for the General Assembly to pass in the upcoming session. The Jail has two primary objectives, both of which would require an amendment to the state budget bill.

First, the jail is seeking an exemption from the provisions of the Federal Overhead Recovery language in the budget bill. This language was developed to help recover state costs associated with the housing of federal inmates in local correctional facilities. The WTRJ added on a housing unit in 1999 at no cost to the state and currently locally funds 26 jail officers. Therefore, there are little if any state recoverable costs. Nonetheless, the state is recovering \$1.3 million from WTRJ when there are no state costs associated with holding Federal Inmates at this facility. The jail is not subject to an exemption because it does not meet the strict language required for an exemption.

Secondly, WTRJ is one of, if not the most, understaffed local correctional facilities in the state. In the 2011 General Assembly session, language was added to the budget bill which required the Department of Corrections to conduct a staffing study of both the Western Tidewater Regional Jail and Piedmont Regional Jail. The Staffing Study and the Virginia Compensation Board both made recommendations for increased staffing and WTRJ seeks state funding to add the recommended positions.

WTRJ is pursuing an exemption to the Federal Overhead Recovery and is seeking funding to increase staff in accordance with the Staffing Study and Compensation Board Recommendations. The City of Suffolk supports these requests.



State
Legislative
Requests
Suffolk
VIRGINIA

*Funding Requests
Transportation*



Funding Requests

❖ Transportation

In order to address significant transportation deficiencies and to foster future major economic development initiatives, funding is desperately needed for the following categorized projects:

Primary Roadway

- The design consultants, who have prepared preliminary design plans, have estimated the cost to improve Holland Road to accommodate existing traffic and traffic from the port at \$72.5 Million (widening from a four-lane road to that of a six-lane roadway).

Critical Bridge Capacity Enhancement

- The construction of a bridge over the Nansemond River, parallel to the Godwin Bridge, is critical to ensure public safety and to reduce significant detour times for the traveling public utilizing this corridor. Should the existing bridge be closed due to accidents or repair, detour times could exceed more than one hour and as much as two to four hours. More than 30,000 vehicles per day currently use this roadway and could be significantly impacted if a parallel span is not constructed in the near future. The estimated cost for the parallel span is \$65 million.

Flood Mitigation / Public Safety

- North Main Street is a four-lane primary highway which serves as a vital connector for citizens and the business community. This primary roadway is frequently closed to all traffic during periods of extremely high tides from the Nansemond River. Average daily traffic counts on this road are in excess of 20,000 vehicles per day. Even temporary closure of this roadway causes significant negative impacts to traffic patterns due to the six-mile detour. Replacement of the Kimberly Bridge, and raising a portion of North Main Street to address this reoccurring flooding problem, is estimated at \$35 Million.

Railroad Crossing

- Improvements related to increased rail traffic from recent and projected expansion to port facilities in the Commonwealth were recently estimated by the Hampton Roads Planning District Commission (HRPDC). The estimated cost to address these deficiencies is approximately \$350 Million.



- The City of Suffolk is requesting that the state initiate an additional study to identify future components of the Commonwealth Rail Line Safety Relocation project which would address impacts of port-related rail traffic in Suffolk.
- The City is also seeking funding for safety upgrades and/or grade separation at existing at-grade rail crossings throughout the City in order to mitigate congestion, safety hazards, and to improve air quality.

Intercity Passenger Rail

- The request is that funds be identified to allow Virginia to meet its requirements as of October 2013 to fund 100% of the operating cost and 25% of the capital equipment costs for existing Amtrak service of 750 miles or less, and all new high-speed rail service.

Bridge Replacement

- Due to safety concerns, the Virginia Department of Transportation closed the Kings Highway Bridge in 2005. Closure of the bridge eliminated one of only three crossings of the Nansemond River and significantly reduced the ability of residents to evacuate the area during times of disaster. In addition, the closure created a major detour and severed a direct connection between the Villages of Driver and Chuckatuck. The estimated cost for a replacement bridge is \$65 Million.

Continued Maintenance Dredging of Bennett's Creek

- The City of Suffolk has an authorized maintenance project to preserve the navigability and safety of Bennett's Creek for our residents and commercial businesses that utilize this waterway on a daily basis. It is anticipated that future maintenance dredging will be necessary approximately every three to five years.

❖ Transportation Funding Strategies should include:

- State Transportation construction funding
- Federal and State Railway funds to include:
 - Rail enhancement funding
 - Rail relocation funding
 - Rail preservation funding
 - Rail safety funding
- Federal and State funding for bridge replacement



2013 Legislative Package City of Suffolk

- Federal and State Transportation funding to address negative impact of port related expansions
- Explore Local Authority options to create revenue (i.e., tolls, impact fees, proffers, etc.)



State
Legislative
Requests
Suffolk
VIRGINIA

*Funding Requests
Sanitary Sewer Consent Order Projects*



❖ Competitive Grant Funding for Sanitary Sewer Consent Order Projects

It is desirable, potentially at the federal level, to have funding in grant form for the Hampton Roads jurisdictions to address the Regional Special Order By Consent requirements. The Special Order By Consent, executed by the Hampton Roads jurisdictions with the Department of Environmental Quality, requires each jurisdiction to implement and fund long-term sanitary sewer system rehabilitation plans and wet weather management plans to eliminate sanitary sewer overflows. Funding is generally provided to the State through the revolving loan process, which results in some low interest loans. It would be more desirable to have additional funding set aside for competitive grants for the Hampton Roads jurisdictions to reduce the financial impacts to the region's customers.