

## **Agricultural Advisory Commission Meeting Minutes**

Monday April 14, 2025 – 7:00 pm

Department of Agriculture, Building 14

2449 Princess Anne Road, Virginia Beach, VA 23456

### **Present:**

#### **Agricultural Advisory Commissioners:**

John Cromwell: Chairman

Ryan Horsley: Vice Chairman – Absent

Betsy Morris: Secretary

Jason Dawley: Commissioner

Ryan Dudley: Commissioner

### **Liaisons:**

Council Member Barbara Henley, City Council Liaison

David Trimmer, Director of Agriculture, City Staff Liaison

### **Agriculture Staff:**

Jenny McPherson, Rural Community Coordinator

Cathy Rogers, Administrative Specialist II

### **Virginia Beach Cooperative Extension Staff:**

Roy Flanagan, Agriculture Agent

### **Other Individuals Present:**

Victoria Eisenberg, Deputy City Attorney

Diamond Royster, Assistant City Attorney

Kevin Chatellier, Director of Budget Management Services

Max Bartholomew, Dominion Energy

Diana Hicks, Transition Area (TA) Interfacility Traffic Area (ITA) Citizens Advisory Committee

## **I. Welcome and Call to Order**

Formal meeting called to order by Commissioner Cromwell, Chairman. The meeting convened at 7:00 pm. Betsy Morris - Secretary - conducted roll call and reported all Commissioners were present except for Ryan Horsley.

## **I. Approval of January 13, 2025, AAC minutes:**

Commissioner John Cromwell called for a motion to approve the minutes from the Agricultural Advisory Commissioners meeting held on January 13, 2025. The motion was unanimously approved.

## **II. City Updates:**

Mr. Cromwell welcomed Max Bartholomew from Dominion Energy and Kevin Chatellier, Director of Budget Management Services.

### **Councilwoman Barbara Henley commented:**

There are two budget categories that are being looked at, Ag Reserve Program and Open Space that have dedicated funding sources. Looking to see if there are any surpluses or if we need to make a change in allocation to update them.

It's important for the commission to feel comfortable that we aren't doing any harm to ARP by making a reduction in funding.

### **Kevin Chatellier, Director of Budget Management Services**

- Last year someone asked about the interest earned in the ARP Fund and it was \$682,000.
- Review of dedications and commitments to fulfill promises of approved easements.
- Dedication capacity large part of discussion in last year's budget process

The following dedications have been routinely referenced as having the most flexibility for a partial redirect without hurting original program intent:

- **Open Space** – Established in 2001 to purchase land for preservation of natural areas, tree canopy, and development for parks and recreational activities
- **Town Center TIF** – Established in 1999 to finance and support infrastructure development of Town Center
- **Agricultural Reserve Program** – Established in 1995 to purchase development rights of property to preserve around 20,000 acres of farmland.

Proposed Operating Budget includes partial redirection from the capacity of these dedications totaling \$11.8 M to support the CIP

### **Agricultural Reserve Program (ARP)**

Category	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	FY 31-32
Revenue	7.80	8.98	7.50	6.71	6.59	6.25	8.02
Expenditures (Existing)	5.85	7.17	5.39	4.37	4.08	3.05	4.63
Expenditures (New)	2.10	2.36	2.62	2.88	3.16	3.44	3.73
Difference	(0.16)	(0.54)	(0.51)	(0.54)	(0.64)	(0.24)	(0.35)
Cumulative Fund Balance	\$23.41	\$22.87	\$22.36	\$21.82	\$21.18	\$20.94	\$20.59

### **Retention of 0.6¢ Real Estate Dedication allows**

- Keeps staff and operations at 100%
- Meets existing debt obligations
- Maintains capacity for annual enrollment estimate of 300 acres
- Maintains \$990,000 per year support of stormwater ditch maintenance
- Maintains starting fund balance of \$23 million

### **How did capacity occur?**

Dedication growth over time:

Fund	FY 09-10	FY 14-15	FY 15-16	FY 19-20	FY 24-25	FY 25-26
Open Space	3,985,256	4,756,226	2,424,755	5,591,945	7,781,454	3,146,556
<b>ARP</b>	<b>4,824,373</b>	<b>4,474,353</b>	<b>2,869,337</b>	<b>5,146,034</b>	<b>7,085,160</b>	<b>4,951,492</b>
Town Center TIF	5,729,830	5,367,921	6,377,444	8,033,042	10,478,916	6,518,679

- Growth in revenue combined with the retirement of debt (existing obligation)
- Redirect creates \$11.8 million in annual capacity for potential use in leveraging as a means of financing tool for the CIP

### **6-Year CIP: Major Projects Sustainably Planning for Future**

#### **FY 2026-28**

Pay-go and fund balance to close gaps and design projects:

- LETA, \$8.7M Design
- Indian River Road Safety, \$9.2M Design
- VB Trail, \$16M (fully funded)
- Courthouse Modernization, \$15M Design

#### **FY 2030**

- Full issuance of bond referendum
- Debt metrics at highest point

#### **FY 2031**

Debt capacity becomes available for full funding with dedicated bill payer:

- LETA, \$83M
- Indian River, \$130M
- Courthouse, \$170M

Capacity for possible future projects: Coastal Resiliency, Aquarium (Existing), VB Trail Ph. II & III, Roadway Projects, 911 Backup Call Center, etc.

### **Major Projects Fund-Proposed**

#### **Revenue Sources:**

- Real Estate (ARP) \$0.3¢ per \$100 assessed
- Real Estate (TIF) 40%
- Meals Tax (Open Space) 0.27%
- Meals Tax Increase 0.5%

Total annual revenue \$21 million to be leveraged as a sustainable on-going bill payer to support priority projects determined by City Council:

- Public Safety
- Transportation
- Quality of Life projects

#### **IV. Staff Updates:**

##### **Jenny McPherson: Rural Community Coordinator - Farmers Market**

##### **Agricultural Reserve Program, ARP, updates:**

- Assisted with ARP application files and payment questions as needed.
- Requested the reissue of 1099's for several clients that had not received their forms timely in January
- Closings were held for the Hefner and Gilbert Farms, LLC applications in January and March.
- Interest rates have fluctuated from 4.5% as a low (April 4), to 5.13% (January 10 closing) as a high this past quarter. Market closed at 4.891% today.
- Two ARP applications are going to Council for final vote tomorrow for Bonney Bright.
- See attached ARP Application Status Report for details on all applications.
- The ARP Coordinator job description and position announcement will be completed and posted soon.

##### **Farmers Market News:**

- A new ADA sidewalk has been installed in the center circle with two new park benches.
- Space renovations have been completed for one space that was vacant in the back of the Market, formerly Moosewood Creek. The space has been divided and will be leased as two separated spaces. A request for proposal will be drafted and shared soon by Facilities Management.
- Repair work is still anticipated for some of the outside plywood on many shops.
- The Farmers Market will celebrate its 49<sup>th</sup> birthday with our Birthday Bash special event on April 26. Please join us or birthday cake at 1:00 pm while supplies last.
- The Market continues to hold pop-up markets with crafters, sponsors, and food trucks, usually the first Sunday of the month. Please check our Facebook page for details on these events and more: [www.Facebook.com/VBFarmersMarket](http://www.Facebook.com/VBFarmersMarket).

##### **Other Agriculture Item:**

- Participated in plan reviews as needed for site plans, subdivision requests, and Conditional use Permits.
- Directional agriculture signs will be changed for strawberries this week.

##### **Roy Flanagan: VCE Agricultural Agent - Virginia Cooperative Extension**

- Rodeo went well last weekend
- 4-H camp still has openings
- 22 new Master Gardners graduated

- 5/30 – Show and Sale at Creeds Ruritan, 163 Hams have been cured by 101 participants. The top kids' hams and a few donated hams will be up for bid.
- 4-H agent interviews will be next week
- Master Gardener Plant Sale will be May 3<sup>rd</sup> and 4<sup>th</sup> at AREC.
- Rain Barrel Workshops continue.

Roy shared the 2024 Virginia Beach Agriculture Impact Fact Sheet:

The fact sheet captures all aspects of agriculture in Virginia Beach, with corn, wheat, and soybeans accounting for over 80% of the city's agricultural production. These three crops largely drive our outcomes.

In 2024, the economic impact to Va Beach's agriculture industry was \$178,566,526.35. This represents a reduction of \$3,954,948.31 compared to 2023, primarily due to global market factors affecting the prices of corn, soybeans and wheat.

Downward move on average price per bushel in our three largest acreage crops:

- Corn – (\$.88) under 2023
- Soybeans – (\$1.89) under 2023
- Wheat – (\$1.01) under 2023

#### **Max Bartholomew: Dominion Energy**

- Transmission projects on Northampton Blvd and Towne Center.
- Coastal Virginia Offshore wind project, in the restricted period right now due to the migration of the North Atlantic whales, should be lifted May 1.
- Working on putting 176 turbines in offshore
- Each turbines stands 800 feet tall.
- Some onshore projects near Harpers Road, Oceana, Castleton, and Indian River Farms

#### **David Trimmer, Director of Agriculture:**

- Farmers Market and ARP are doing well
- Looking forward to getting a new 4-H Agent and the ARP Coordinator
- Annual Agriculture Banquet went well in March and thanked everyone for coming.

**Tori Eisenberg introduced the new Assistant City Attorney, Diamond Royster, she will be attending future AAC meetings.**

**Diana Hicks asked about the Comp Plan, David mentioned that Planning will be attending the July meeting.**

#### **V: Adjournment:**

Commissioner John Cromwell mentioned the next AAC meeting will be July 14, 2025, and the meeting was adjourned at 8:21pm.

