



DANVILLE CITY COUNCIL REGULAR MEETING AGENDA

MUNICIPAL BUILDING

October 4, 2018

7:00 P.M.

PRESIDING: Alonzo L Jones, Mayor

CITY COUNCIL MEMBERS: James B. Buckner
L.G. "Larry" Campbell, Jr.
Gary P. Miller
Sherman M. Saunders

Fred O. Shanks, III
Adam J. Tomer
J. Lee Vogler, Jr., Vice Mayor
Madison J. Whittle

STAFF: Ken F. Larking, City Manager
Earl B. Reynolds, Jr., Deputy City Manager

W. Clarke Whitfield, Jr., City Attorney
Susan M. DeMasi, City Clerk

The City Council is the City of Danville's legislative body and is composed of nine Council members. Council members are elected to serve a four year term of office and elects one of its own to serve as Mayor and presiding officer for a two year term.

Time and Place of Meeting

The public is invited and encouraged to attend and participate in the City Council meetings. The City Council meets in the City Hall, Fourth Floor, Council Chambers at 7:00 p.m. on the first and third Tuesday of each month. All meetings of the Council are open to the public.

Communications from Visitors

Communication from Visitors is an opportunity for citizens to address Council on matters not on the agenda. Citizens who desire to speak on agenda items will be heard when the agenda item is considered. Each speaker shall clearly state his or her name and address. Each individual speaker shall have five uninterrupted minutes. A representative of a group may have up to ten uninterrupted minutes to make a presentation. The representative shall identify the group and a group may have no more than one spokesperson. Time will be kept using the electronic timer on the podium.

Guidelines for Public Hearings

For Public Hearings the applicant or his or her representative shall be the first speaker(s). There shall be a time limit of ten (10) minutes for the applicant's or his or her representative's presentation. The presiding

officer shall then solicit comments from the public, asking those in favor of the proposal to speak first, and then those opposed to the proposal. Each speaker must clearly state his or her name and address. There shall be a time limit of three (3) minutes for each individual speaker. If the speaker represents a group, there shall be a time limit of five (5) minutes. A speaker representing a group shall identify the group at the beginning of his or her remarks. A group may have no more than one spokesperson. The presiding officer may limit or preclude comment which is repetitive, redundant, cumulative, or irrelevant to the subject of the public hearing. After public comments have been received, in a land use case, the applicant or the representative of the applicant, at his or her discretion, may respond with a rebuttal. There shall be a five (5) minute time limit for rebuttal.

MEETING CALLED TO ORDER

ROLL CALL

INVOCATION - Dr. Gary P. Miller

PLEDGE OF ALLEGIANCE TO THE FLAG

ANNOUNCEMENTS AND SPECIAL RECOGNITIONS

Proclamation: "A Day of Action Against Hunger and Poverty"

**Presented to: Sherri Tuck, Marie-Louise Crane, Benton Tuck and Leslie Barksdale,
Danville CROP Hunger Walk Planning Team**

Proclamation: Domestic Violence Month

**Presented to: Lisa Caviness, Executive Director
Haven of the Dan River Region**

COMMUNICATIONS FROM VISITORS

Citizens who desire to speak on matters not listed on the agenda will be heard at this time. Citizens who desire to speak on agenda items will be heard when the agenda item is considered.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine, have previously been discussed by City Council and/or introduced for First Reading. There will be no separate discussion on these items and they will be enacted by one motion. If discussion is desired by a Council Member or a citizen, the item(s) will be removed from the consent process and considered separately.

- A. Consideration of Approval of Minutes from Regular Council Meeting held on September 4, 2018.
Council Letter Number CL - 2002.
- B. Consideration of Amending the FY 2019 Budget Appropriation Ordinance for Virginia DMV Occupant Protection Grant Funds.
Council Letter Number CL - 1984

An Ordinance Amending the Fiscal Year 2019 Budget Appropriation Ordinance by Increasing Revenue from Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement – Occupant Protection Grant Program in the Amount of \$5,250.00 and Appropriating

Same.

FINAL ADOPTION

- C. Consideration of Amending the FY 2019 Budget Appropriation Ordinance for Virginia DMV Highway Safety Speed Grant Funds.
Council Letter Number CL - 1985

An Ordinance Amending the Fiscal Year 2019 Budget Appropriation Ordinance by Increasing Revenue from Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement – Speed Grant Program in the Amount of \$9,100 and Appropriating Same.

FINAL ADOPTION

- D. Consideration of Amending the FY 2019 Budget Appropriation Ordinance for Virginia DMV Highway Safety Alcohol Grant Funds.
Council Letter Number CL - 1986

An Ordinance Amending the Fiscal Year 2019 Budget Appropriation Ordinance by Increasing Revenues from the Virginia Department of Motor Vehicles Highway Safety Selective Enforcement – Alcohol Grant Program in the Amount of \$19,285 and Appropriating Same.

FINAL ADOPTION

OLD BUSINESS

- A. Consideration of Amending Chapter 37 of the Danville City Code to Add a New Section, Entitled "Data Centers and Data Center Tax Rate."
Council Letter Number CL - 2000

1. Public Hearing
2. An Ordinance Amending and Reordaining Chapter 37, Entitled "Taxation", Article II, Entitled "Levy and Rate of Tax on Real Estate, Tangible Personal Property, Etc." of the Code of the City of Danville, 1986, as Amended, to Add a New Section 37-37, Entitled "Data Centers and Data Center Tax Rate".

FINAL ADOPTION

APPOINTMENTS

- A. Consideration of Appointments to the following Boards and Commissions:
Council Letter Number CL - 1996

1. A Resolution Reappointing Constance Covington to the Danville Redevelopment and Housing Authority.
2. A Resolution Appointing Jermaine Parker to the Danville Redevelopment and Housing Authority.
3. A Resolution Reappointing John Ranson to the River District Design Commission.
4. A Resolution Reappointing Robert P. Keesee to the River District Design Commission.

NEW BUSINESS

- A. Consideration of Receipt and Approval of the Report of Delinquent and Improperly Assessed Taxes as of June 30, 2018.
Council Letter Number CL - 1995.

A Resolution Acknowledging Receipt of and Approving the Reports, dated August 31, 2018, of Delinquent and Improperly Assessed Taxes as of June 30, 2018, Submitted to the Council by the Director of Finance.

- B. Consideration of Amending the FY 2019 Budget Appropriation Ordinance for a USDA Grant for Food Service Operations at W.W. Moore, Jr., Detention Home in the Amount of \$62,867.
Council Letter Number CL - 1993.

An Ordinance Amending the Fiscal Year 2019 Budget Appropriation Ordinance for a Federal Grant in the Amount of Approximately \$62,867 to Aid the Food Service Operations at W. W. Moore, Jr. Detention Home and Appropriating Same.

FIRST READING

- C. Consideration of Amending the FY 2019 Budget Appropriation Ordinance for a Grant to Provide for Electronic Monitoring and Outreach Detention Programs and Contracted Pro-Social Skills Group at W.W. Moore, Jr., Detention Home.
Council Letter Number CL - 1994.

An Ordinance Amending the Fiscal Year 2019 Budget Appropriation Ordinance for a Grant from the Department of Juvenile Justice in the Amount of \$86,999 and a Local Share of \$39,830, for a Total Appropriation of \$126,829, to Provide for the Electronic Monitoring and Outreach Detention Programs and Contracted Pro-Social Skills Group for the City of Danville at the W. W. Moore Jr. Detention Home and Appropriating Same.

FIRST READING

COMMUNICATIONS FROM:

- A. City Manager
B. Deputy City Manager
C. City Attorney
D. City Clerk
E. Roll Call

ADJOURNMENT

Council Letter

City of Danville, Virginia



CL-2002

Consent Agenda Item #: A.

City Council Regular Meeting

Meeting Date: 10/04/2018

Subject: Consideration of Approval of Minutes

From: Susan M. DeMasi, City Clerk

SUMMARY

Consideration of Approval of Minutes for Regular Council Meeting held on September 4, 2018.
Council Letter Number CL- 2002

Attachments

Meeting Minutes

September 4, 2018

The Regular September meeting of the Danville City Council was held on September 4, 2018, at 7:00 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building. The following Council Members were present: James B. Buckner, L.G. "Larry" Campbell Jr., Mayor Alonzo L. Jones, Dr. Gary P. Miller, Sherman M. Saunders, Fred O. Shanks, III, Vice Mayor J. Lee Vogler, Jr., Adam J. Tomer and Madison J.R. Whittle (9).

Staff Members present were: City Manager Ken F. Larking, Deputy City Manager Earl B. Reynolds, Jr., and City Attorney W. Clarke Whitfield Jr.; City Clerk Susan M. DeMasi was absent.

Mayor Jones presided. Mayor Jones noted Council Members were saddened to learn of the passing of *Danville Register & Bee* reporter Denise Thibodeau and asked Council Member Campbell, in his Invocation, to pray for her family and friends and keep her in their thoughts and prayers

INVOCATION AND PLEDGE OF ALLEGIANCE

The Invocation was given by L.G. "Larry" Campbell, Jr.; the Pledge of Allegiance to the Flag followed.

ANNOUNCEMENTS AND SPECIAL RECOGNITIONS

Mayor Jones read a Proclamation entitled National Suicide Prevention Month, designating September 2018 Suicide Prevention Month in the City of Danville. Mayor Jones asked citizens to take a moment of silence, and presented the Proclamation to Lorrie Eanes-Brooks, Secretary for the American Foundation for Suicide Prevention, Virginia Chapter.

Mayor Jones read a Proclamation designating September 8-16, 2018 as National Drive Electric Week in the City of Danville and presented the Proclamation to Director of Utilities, Jason Grey. Mr. Grey noted Saturday at the Community Market there will be an event from 9:00 a.m. to 1:00 p.m., inviting people with electric cars in the City to bring them down to let others learn about them. Mr. Grey thanked the City's partners, Danville Toyota, Robert Woodall Nissan and Steve Padgett Honda. Sam Keeter from Danville Toyota noted they love being part of the community and helping out, and see a tremendous benefit in electric vehicles. Mr. Forte from Robert Woodall Nissan, noted working together with other dealerships for a cause is bigger than business in this particular case.

COMMUNICATIONS FROM VISITORS

Mayor Jones recognized Dan Hayes from Averett University, who stated September 28-30th is Averett's Homecoming and invited citizens to attend Homecoming Events.

Mayor Jones recognized Cecil Bridgeforth, 709 Edmonds Street, who noted he was very disturbed with what he read and what he experiences when he substitutes in the school system, including lowered test scores and reading levels. Mr. Bridgeforth noted too much money was being put into the system and the City was not getting any returns; what was Council doing to make sure it gets a better return on their investment.

CONSENT AGENDA

Council Member Shanks requested Item B be removed from the Consent Agenda.

September 4, 2018

Council Member Campbell **moved** for adoption of Consent Agenda Items A and C.

Minutes from the Regular Council Meeting held on August 9, 2018. Draft Copies had been distributed prior to the Meeting.

Budget Amendment - Consideration of Amending the FY 2019 Budget Appropriation Ordinance for a Virginia Commission for the Arts Grant in the Amount of \$4,500

An Ordinance entitled Ordinance No. 2018-08.07, presented by its First Reading on August 21, 2018, Amending the Fiscal Year 2019 Budget Appropriation Ordinance to Provide for a Virginia Commission for the Arts Grant in the Amount of \$4,500, and to Provide for the Local Share in the Amount of \$5,000 for a total grant of \$9,500.

The Motion was **seconded** by Council Member Buckner and carried by the following Vote:

VOTE: 9-0
AYE: Buckner, Campbell, Jones, Miller, Saunders,
Shanks, Tomer, Vogler and Whittle (9)
NAY: None

Budget Amendment - Consideration of Amending the FY 2019 Budget Appropriation Ordinance for a Grant from the Virginia Housing Development Authority

Upon **Motion** by Council Member Tomer and **second** by Council Member Saunders, an Ordinance entitled Ordinance No. 2018-08.11, presented by its First Reading on August 21, 2018, amending the Fiscal Year 2019 Budget Appropriation Ordinance to Provide for a Grant from the Virginia Housing Development Authority in the Amount of \$125,000 and Local Share in the Amount of \$75,000 and Appropriating the Same, was presented for Final Adoption.

Council Member Shanks noted he has some serious reservations with regard to this item and asked if the City is in receivership, are they the owner of the property and Mr. Reynolds noted they were not. Mr. Shanks asked was there a reason the City could tear the property down and Mr. Reynolds noted under the Property Maintenance Code they could; Mr. Shanks asked how much staff thinks that would cost and Mr. Reynolds noted between \$165,000 to \$185,000. Mr. Shanks noted the City has already appropriated \$75,000 for this building in the CIP in blight eradication, and questioned was the City trying to spend \$125,000 of other people's money to stabilize the building or to repair it and Mr. Reynolds stated to stabilize it, to resolve the property maintenance code violations relative to the exterior. Mr. Shanks noted there have been some numbers for rehab discussed at the last meeting, does the City know how much it would cost, and Mr. Reynolds explained staff had an estimate at a discussion several work sessions ago, from a local developer, at about \$2.2M. Mr. Shanks noted the second part of the Ordinance involves the DNDC accepting the preferred loan, and Mr. Reynolds explained Preservation Virginia's board has voted to agree to purchase the property; at that closing, they will transfer the property to the DNDC and they will finance the purchase. Mr. Reynolds stated the DNDC will then be responsible for obtaining a developer/partner to finish the repairs on the property. Mr. Shanks stated he would like to see a full plan of action in place as far as what kind of credits are available, what kind of money is going to be required, and how much interest there is, as well as the actual cost to stabilize the building. Mr. Shanks noted he didn't feel comfortable putting the City taxpayers on the hook for this property that the City does not own, that could be demolished for about \$200,000.

September 4, 2018

Council Member Tomer noted the City is on the hook for \$75,000, that is the extent of what the City would pay; at that point, it is no longer in the City's possession. The City stabilizes it, partly with other people's money, it goes to Preservation Virginia and then to the development corporation. Or the City doesn't do anything, it tries to go after the owner, the City has held them accountable and they are not paying the fines and penalties. It is an eyesore and decreasing property values, the City could pay about \$200,000 to tear it down and then it is just a vacant lot. Mr. Tomer noted he is going to vote in favor of it. Council Member Buckner noted his agreement with Mr. Tomer, investing \$75,000 versus \$200,000 plus for demolition, it makes fiscal sense.

Vice Mayor Vogler noted his agreement with Mr. Tomer and Mr. Buckner; the City is talking about accepting a grant for \$125,000 and allocating \$75,000 to stabilize this building where a developer could come in and make something great happen with it. If the City doesn't do that, it pays \$160,000 to \$200,000 to demolish the property and have an empty lot sitting there; he supports this project. Council Member Saunders noted he believed the staff has done a good job, and the citizens living in the OWE have expressed interest and support for this project. The City is looking at a grant from the State, with a cost to the City of \$75,000. The City has built a reputation of looking at old properties, renovating them and making them useful again; it is a win/win for the developers and the City. Council Member Miller noted his concern was a 2016 article in the paper that said this building was irremediable, a staff member didn't see anyway it could be brought up to par. Dr. Miller noted he was not confident this project was going anywhere and the City will end up having to buy it out.

After further discussion, the Motion was **carried** with the following vote:

VOTE: 6-3
AYE: Buckner, Campbell, Jones, Saunders,
Tomer and Vogler (6)
NAY: Miller, Shanks, and Whittle (3)

NEW BUSINESS

BUDGET AMENDMENT - CONSIDERATION OF AMENDING THE FY 2019 BAO FOR VDOT HIGHWAY SAFETY IMPROVEMENT PROGRAM FUNDS IN THE AMOUNT OF \$70,830

Upon **Motion** by Council Member Vogler and **second** by Council Member Buckner, an Ordinance entitled:

ORDINANCE NO. 2018-09.01

AMENDING THE FISCAL YEAR 2019 BUDGET APPROPRIATION ORDINANCE FOR SAFETY PROJECTS TO BE UNDERTAKEN WITHIN THE CITY AND TO BE FINANCED ANTICIPATING REVENUES FROM VIRGINIA DEPARTMENT OF TRANSPORTATION (VDOT) HIGHWAY SAFETY IMPROVEMENT PROGRAM FUNDS IN THE AMOUNT OF \$70,830

was presented by its **First Reading**, as required by City Charter, to lie over before final adoption.

September 4, 2018

BUDGET AMENDMENT - CONSIDERATION OF AMENDING THE FY 2019 BAO FOR VDOT STATE OF GOOD REPAIR/PRIMARY EXTENSION FUNDS IN THE AMOUNT OF \$999,000

Upon **Motion** by Council Member Shanks and **second** by Council Member Campbell, an Ordinance entitled:

ORDINANCE NO. 2018-09.02

AMENDING THE FISCAL YEAR 2019 BUDGET APPROPRIATION ORDINANCE FOR ROADWAY MAINTENANCE PROJECTS TO BE UNDERTAKEN WITHIN THE CITY AND TO BE FINANCED ANTICIPATING REVENUES FROM VIRGINIA DEPARTMENT OF TRANSPORTATION (VDOT) STATE OF GOOD REPAIR / PRIMARY EXTENSION FUNDS IN THE AMOUNT OF \$999,000

was presented by its **First Reading**, as required by City Charter, to lie over before final adoption.

BUDGET AMENDMENT - CONSIDERATION OF AMENDING THE FY 2019 BAO FOR SENIOR CITIZEN PROGRAMS

Upon **Motion** by Council Member Buckner and **second** by Council Member Whittle, an Ordinance entitled:

ORDINANCE NO. 2018-09.03

AMENDING THE FISCAL YEAR 2019 BUDGET APPROPRIATION ORDINANCE BY INCREASING CERTAIN REVENUES TO PROVIDE FOR TITLE III-B GRANT FUNDS AND LOCAL SHARE FOR SENIOR CITIZEN PROGRAMS AND APPROPRIATING SAME

was presented by its **First Reading**, as required by City Charter, to lie over before final adoption.

BUDGET AMENDMENT - CONSIDERATION OF AMENDING THE FY 2019 BAO BY TRANSFERRING \$3,000,000 FROM THE UNRESERVED FUND BALANCE FROM THE WASTEWATER FUND FOR AN ECONOMIC DEVELOPMENT PROJECT

Upon **Motion** by Council Member Vogler and **second** by Council Member Tomer, an Ordinance entitled:

ORDINANCE NO. 2018-09.04

AMENDING THE FISCAL YEAR 2019 BUDGET APPROPRIATION ORDINANCE BY TRANSFERRING \$3,000,000 FROM THE UNRESERVED FUND BALANCE OF THE WASTEWATER FUND FOR AN ECONOMIC DEVELOPMENT PROJECT TO ESTABLISH A REVOLVING ECONOMIC DEVELOPMENT LOAN FUND AND APPROPRIATING THE SAME.

was presented by its **First Reading**, as required by City Charter, to lie over before final adoption.

September 4, 2018

PUBLIC HEARING - CONSIDERATION OF APPROVING OF A SPECIAL USE PERMIT AT 523 LYNN STREET

Mayor Jones opened the floor for a Public Hearing regarding a Special Use Permit at 523 Lynn Street. Notice of the Public Hearing was published in the *Danville Register & Bee* on August 21, 2018 and August 28, 2018. No one present desired to be heard and the Public Hearing was closed.

Council Member Buckner **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2018-09.05

GRANTING A SPECIAL USE PERMIT FOR RESIDENTIAL USES IN A STRUCTURE WITH NON-RESIDENTIAL USE ON THE FIRST FLOOR, A WAIVER TO THE DENSITY, AND FLOOR AREA RATIO IN ACCORDANCE WITH ARTICLE 3:L, SECTION C, ITEM'S 9, 12, AND 13 OF THE CODE OF THE CITY OF DANVILLE, VIRGINIA, 1986, AS AMENDED, AT 523 LYNN STREET, OTHERWISE KNOWN AS GRID 2713, BLOCK 004, PARCEL 0000014, OF THE CITY OF DANVILLE, VIRGINIA, ZONING DISTRICT MAP.

The Motion was **seconded** by Council Member Campbell and carried by the following vote:

VOTE: 8-0-1
AYE: Buckner, Campbell, Jones, Miller, Saunders,
Tomer, Vogler and Whittle (8)
NAY: None
ABSTAIN: Shanks (1)

STATEMENT OF CONFLICT OF INTEREST

I, Fred O. Shanks, III, do hereby state that I have a conflict of interest regarding the consideration of an Ordinance Granting a Special Use Permit for Residential Uses n a Structure with non-Residential Use at 523 Lynn Street listed on the agenda as New Business Item (E). Therefore, pursuant to the State and Local Government Conflict of Interest Act, Virginia Code §2.2-3112, I must abstain from voting on this agenda item.

Witness my signature this 4th day of September 2018.

s/Fred O. Shanks, III

PUBLIC HEARING - CONSIDERATION OF APPROVAL OF A SPECIAL USE PERMIT AT 525 LYNN STREET

Mayor Jones opened the floor for a Public Hearing regarding a Special Use Permit at 525 Lynn Street. Notice of the Public Hearing was published in the *Danville Register & Bee* on August 21, 2018 and August 28, 2018. No one present desired to be heard and the Public Hearing was closed.

Council Member Vogler **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2018-09.06

September 4, 2018

GRANTING A SPECIAL USE PERMIT FOR RESIDENTIAL USES IN A STRUCTURE WITH NON-RESIDENTIAL USE ON THE FIRST FLOOR, A WAIVER TO THE DENSITY, AND FLOOR AREA RATIO IN ACCORDANCE WITH ARTICLE 3:L, SECTION C, ITEM'S 9, 12, AND 13 OF THE CODE OF THE CITY OF DANVILLE, VIRGINIA, 1986, AS AMENDED, AT 525 LYNN STREET, OTHERWISE KNOWN AS GRID 2713, BLOCK 004, PARCEL 0000013, OF THE CITY OF DANVILLE, VIRGINIA, ZONING DISTRICT MAP.

The Motion was **seconded** by Council Member Buckner and carried by the following vote:

VOTE: 8-0-1
AYE: Buckner, Campbell, Jones, Miller, Saunders,
Tomer, Vogler and Whittle (8)
NAY: None
ABSTAIN: Shanks (1)

STATEMENT OF CONFLICT OF INTEREST

I, Fred O. Shanks, III, do hereby state that I have a conflict of interest regarding the consideration of an Ordinance Granting a Special Use Permit for Residential Uses in a Structure with non-Residential Use at 525 Lynn Street listed on the agenda as New Business Item (F). Therefore, pursuant to the State and Local Government Conflict of Interest Act, Virginia Code §2.2-3112, I must abstain from voting on this agenda item.

Witness my signature this 4th day of September 2018.

s/Fred O. Shanks, III

PUBLIC HEARING - CONSIDERATION OF A SPECIAL USE PERMIT TO OPERATE A BED AND BREAKFAST AT 418 PLUM STREET

Mayor Jones opened the floor for a Public Hearing regarding a Special Use Permit at 418 Plum Street. Notice of the Public Hearing was published in the *Danville Register & Bee* on August 21, 2018 and August 28, 2018. Mayor Jones recognized R.J. Lackey, Esq., 341 Main Street appearing on behalf of Spotlight Expansion LLC, the owner of the subject property. Mr. Lackey explained this matter is an attempt to make an Airbnb on Plum Street; Mr. Davis is the owner of Spotlight. Mr. Lackey distributed pictures of the house prior to renovation and after renovation, and noted this project brings increased tax revenues to the City, is good for the community and asked Council to support this.

Council Member Buckner questioned if this was an unnecessary step to continue to be an Airbnb and Mr. Lackey noted the City Code does not have any type of Airbnb provision; this is actually coming under the bed and breakfast with the owner living next door. Mr. Buckner questioned if every Airbnb henceforth has to have a bed and breakfast zoning or approval and Director of Community Development Ken Gillie stated they were supposed to. The ones the City has been made aware of, staff has notified them and that is why Mr. Davis has come before the City to do this. Others that the City has notified have discontinued operation; they have one that has applied for a permit and will be coming to Council in the future.

Council Member Shanks noted he read that the Commissioners of Revenue across the State had some issues trying to work these out and Mr. Gillie noted that was correct. Mr. Gillie stated their concerns are the same, licensing and how to maintain a license, controlling who

September 4, 2018

operates them, the hotel tax, and the amount of tax that is collected. Mr. Shanks noted, do Airbnbs self report and Mr. Gillie noted how they report is one of the things the Commissioners were going to discuss. Staff is concerned with what impact it will have on the neighborhood with people coming in and out, unfamiliar with the area. Also, the impacts on utilities, and safety and escape; hotels have sprinkler systems and things to protect the occupants, these houses don't. Mr. Shanks asked in a bed and breakfast, does the owner live in the house and Mr. Gillie explained they are supposed to be either living there or have a caretaker who resides on the property. In this case, Mr. Davis lives next door to the property and does float between the two.

Council Member Tomer noted he believed Council should move forward with this, but does think staff should continue to explore the options on how the City could make the process easier to do Airbnbs, at the same time protecting the hotels in Danville to ensure there is not an unfair advantage where people are using Airbnbs and not paying lodging taxes. Vice Mayor Vogler noted this is an issue he has been looking at for a while. Airbnb will become more common here in Danville, the City needs to make sure they are up with the current regulations, and noted he supports this project.

Council Member Buckner **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2018-09.07

GRANTING A SPECIAL USE PERMIT TO OPERATE A BED AND BREAKFAST IN ACCORDANCE WITH ARTICLE 3:E, SECTION C, ITEM 3 OF THE CODE OF THE CITY OF DANVILLE, VIRGINIA, 1986, AS AMENDED, AT 418 PLUM STREET, OTHERWISE KNOWN AS GRID 2710, BLOCK 006, PARCEL 000005 OF THE CITY OF DANVILLE, VIRGINIA, ZONING DISTRICT MAP

The Motion was **seconded** by Council Member Whittle and carried by the following vote:

VOTE: 9-0
AYE: Buckner, Campbell, Jones, Miller, Saunders,
Shanks, Tomer, Vogler and Whittle (9)
NAY: None

PUBLIC HEARING – CONSIDERATION OF AMENDING CHAPTER 41, ZONING ORDINANCE, OF THE DANVILLE CITY CODE, ARTICLE #3.M, SECTION C TO ALLOW FOR URBAN AGRICULTURE

Mayor Jones opened the floor for a Public Hearing regarding Amending the Zoning Code for Urban Agriculture. Notice of the Public Hearing was published in the *Danville Register & Bee* on August 21, 2018 and August 28, 2018. Director of Community Development Ken Gillie noted he wanted to apologize to Council Member Shanks; last year the City changed this rule to allow this in the neighborhood commercial district. It was asked that staff should allow it in the HR-C district and Mr. Gillie had noted at that time, he didn't know of any properties that it would work on; it will work on this property and they are here tonight to make this correction. No one further desired to be heard and the Public Hearing was closed.

Council Member Vogler **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2018-09.08

September 4, 2018

AMENDING CHAPTER 41 ENTITLED "ZONING ORDINANCE" OF THE CODE OF THE CITY OF DANVILLE, VIRGINIA, 1986, AS AMENDED, MORE SPECIFICALLY ARTICLE 3.M:, ENTITLED "HR-C HIGHWAY RETAIL COMMERCIAL", SECTION C., ENTITLED "USES PERMITTED BY SPECIAL USE PERMIT" BY ADDING ITEM #28 TO ALLOW FOR URBAN AGRICULTURE

The Motion was **seconded** by Council Member Tomer and carried by the following vote:

VOTE: 9-0
AYE: Buckner, Campbell, Jones, Miller, Saunders,
Shanks, Tomer, Vogler and Whittle (9)
NAY: None

PUBLIC HEARING – CONSIDERATION OF APPROVAL OF A SPECIAL USE PERMIT FOR URBAN AGRICULTURE AT 760 MEMORIAL DRIVE

Mayor Jones opened the floor for a Public Hearing regarding a Special Use Permit at 760 Memorial Drive. Notice of the Public Hearing was published in the *Danville Register & Bee* on August 21, 2018 and August 28, 2018. No one desired to be heard and the Public Hearing was closed.

Council Member Campbell **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2018-09.09

GRANTING A SPECIAL USE PERMIT FOR URBAN AGRICULTURE IN ACCORDANCE WITH ARTICLE 3:M, SECTION C., ITEM 28, AS AMENDED, AT 760 MEMORIAL DRIVE OTHERWISE KNOWN AS GRID 1711, BLOCK 006, PARCEL 0000002, OF THE CITY OF DANVILLE, VIRGINIA, ZONING DISTRICT MAP.

The Motion was **seconded** by Council Member Miller and carried by the following vote:

VOTE: 9-0
AYE: Buckner, Campbell, Jones, Miller, Saunders,
Shanks, Tomer, Vogler and Whittle (9)
NAY: None

APPROVING CANCELING THE OCTOBER 2, 2018 REGULAR COUNCIL MEETING

Council Member Buckner **moved** for adoption of a Resolution entitled:

RESOLUTION NO. 2018-09.01

CANCELING THE REGULAR MEETING OF CITY COUNCIL SCHEDULED FOR TUESDAY, OCTOBER 2, 2018 AND SCHEDULING A SPECIAL MEETING OF CITY COUNCIL ON THURSDAY, OCTOBER 4, 2018.

The Motion was **seconded** by Council Member Shanks and carried by the following vote:

VOTE: 9-0
AYE: Buckner, Campbell, Jones, Miller, Saunders,

September 4, 2018

Shanks, Tomer, Vogler and Whittle (9)
NAY: None

COMMUNICATIONS

There were no communications from City Manager, Deputy City Manager, or City Attorney.

ROLL CALL

Mayor Jones noted the City Clerk was not at tonight's meeting, their thoughts and prayers are with her and her family; the City Attorney did a great job filling in.

Dr. Miller welcomed the Tunstall students, stated GW football is on a roll and encouraged citizens to go out and support them. The City is starting two new solar farms, trying to cut citizen's power bills. Dr. Miller noted Denise Thibodeau was a gracious and kind lady; she was tough and fought lung cancer, and she will be missed. Saturday is the heart walk at Averett and invited Council Members to participate.

Council Member Saunders noted special thoughts and prayers for Denise Thibodeau's family. Denise reported the news, she was very fair in all of her work, and she will be missed. Mr. Saunders thanked her family for sharing Denise with them and will keep her and her family in their prayers. Last Friday at Berry Hill, the City and County had people in from Richmond, and is proud to say that Berry Hill Mega Park was certified as the largest and only mega park in the State of Virginia. Mr. Saunders stated the precision machining program has gotten a lot of attention and encouraged young people to get involved in this program.

Council Member Shanks noted he was pleased to hear of the meeting at Berry Hill, for this community to have the largest Tier Four development is great. Mr. Shanks noted he and Mr. Saunders are the only members on RIFA that were around when it first started with the mega park. They have seen it from the purchase of the property to the attempt to get financing when the market fell apart, and to see it where it is now after years and years of meetings, it is a tremendous asset in Virginia. His complements to all those involved and to the support staff that puts the meetings together. Mr. Shanks noted, rest in peace, to Denise Thibodeau, she did a wonderful job and was always fair in her reporting; he has been on the good side and the bad side, but she was always fair. She worked hard, and was loved by many.

Council Member Tomer asked the City Manager and Deputy City Manager if they could get him data on the City's Pay for Performance Plan; he is interested in knowing, by department, how many of the percentages of each of the tiers. He would like to know if the Pay for Performance is working and the City is using it accurately to reflect high performers and others. Mr. Tomer gave his regards to Denise Thibodeau and her family; he met her when she first moved here from Tennessee and her first assignment was to cover he and Danny Marshall's House of Delegates race. She was always fair, accurate and she could be trusted; she will be missed.

Vice Mayor Vogler noted Denise Thibodeau was not only a great reporter but a good friend. Several years ago when he moved back to Danville, one of his ideas was the energy reduction with streetlights. Denise encouraged him to come to Council and speak to them about it. She loved Danville, pointing out the good things that happened here. Mr. Vogler noted he will miss his conversations with her, the region will miss the writings of a good reporter and he will miss a friend. Mr. Vogler asked citizens to keep Denise's family in their thoughts and prayers. Vice

September 4, 2018

Mayor Vogler noted the other person he wanted to speak about tonight, he didn't know personally, but had met him on a few occasions, was John McCain. There has been an outpouring of respect for a true American hero; he inspired him, as well as others to serve a cause greater than themselves.

Council Member Whittle noted when he was running for Council, Denise Thibodeau sat down with him and did two interviews, his first and his last. She was kind and became a friend; his best to her family.

Council Member Buckner noted Denise was a great lady; she joined his family to watch the fireworks on the Fourth of July two years ago. Her car had broken down and she was walking home and passed where they were watching. She sat there and talked with his family, she was a very sweet lady and will be missed.

The meeting adjourned at 8:22 p.m.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

Council Letter

City of Danville, Virginia



CL-1984

Consent Agenda Item #: B.

City Council Regular Meeting

Meeting Date: 10/04/2018

Subject: FY 2019 Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement - Occupant Protection Grant Program

From: Scott Booth, Police Chief

COUNCIL ACTION

First Reading: 09/18/2018

Final Adoption: 10/04/2018

SUMMARY

The Danville Police Department received a Highway Safety Grant under the FY 2019 Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement - Occupant Protection Grant Program in the amount of \$5,250. This funding will provide overtime pay for police officers for the enforcement of safety belt and child safety seat violations. Matching funds are in-kind and will not require any additional funding from the City.

RECOMMENDATION

It is recommended that City Council adopt the attached Ordinance Amending the FY 2019 Budget Appropriation Ordinance by Anticipating Revenues in the amount of \$5,250 from the Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement - Occupant Protection Grant Program and appropriating the same.

Attachments

Ordinance

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2018-____.____

AN ORDINANCE AMENDING THE FISCAL YEAR 2019 BUDGET APPROPRIATION ORDINANCE BY INCREASING REVENUE FROM THE VIRGINIA DEPARTMENT OF MOTOR VEHICLES HIGHWAY SAFETY OFFICE SELECTIVE ENFORCEMENT – OCCUPANT PROTECTION GRANT PROGRAM IN THE AMOUNT OF \$5,250 AND APPROPRIATING SAME.

WHEREAS the City of Danville has been awarded a grant from the Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement – Occupant Protection Grant Program in the amount of \$5,250; and

WHEREAS the funding will provide overtime pay for police officers for the enforcement of safety belt and child safety seat violations; and

WHEREAS the grant requires in-kind matching funds.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia, that the Fiscal Year 2019 Budget Appropriation Ordinance be, and the same is hereby, amended by increasing revenues to anticipate the receipt of funds in the amount of \$5,250 from the Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement – Occupant Protection Grant Program, such revenue and appropriation to be as follows:

ANTICIPATED REVENUE

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
FY 2019 VA DMV Highway Safety Office Selective Enforcement – Occupant Protection Grant Revenue	61458000-48230	<u>\$5,250</u>

ANTICIPATED EXPENDITURES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
FY 2019 VA DMV Highway Safety Office Selective Enforcement - Occupant Protection Grant Program	61458999-50	<u>\$5,250</u>

AND BE IT FURTHER ORDAINED that this appropriation shall be a continuing appropriation and shall carry forward from year to year until expended for the purpose for which appropriated; and

BE IT FINALLY ORDAINED that all other accounts and provisions of the Fiscal Year 2019 Budget Appropriation Ordinance, as amended, not hereby amended, shall continue in full force and effect unless and until hereafter further amended or repealed.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

City Attorney

Council Letter

City of Danville, Virginia



CL-1985

Consent Agenda Item #: C.

City Council Regular Meeting

Meeting Date: 10/04/2018

Subject: FY 2019 Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement - Speed Grant Program

From: Scott Booth, Police Chief

COUNCIL ACTION

First Reading: 09/18/2018

Final Adoption: 10/04/2018

SUMMARY

The Danville Police Department received a Highway Safety Grant under the FY 2019 Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement - Speed Grant Program in the amount of \$9,100. This funding will provide overtime pay for police officers for the enforcement of speeding ordinances. Matching funds are in-kind and will not require any additional funding from the City.

RECOMMENDATION

It is recommended that City Council adopt the attached Ordinance Amending the FY 2019 Budget Appropriation Ordinance by Anticipating Revenues in the amount of \$9,100 from the Virginia Department of Motor Vehicles Highway Safety Selective Office Enforcement - Speed Grant Program and appropriating the same.

Attachments

Ordinance

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2018-____.____

AN ORDINANCE AMENDING THE FISCAL YEAR 2019 BUDGET APPROPRIATION ORDINANCE BY INCREASING REVENUES FROM THE VIRGINIA DEPARTMENT OF MOTOR VEHICLES HIGHWAY SAFETY OFFICE SELECTIVE ENFORCEMENT – SPEED GRANT PROGRAM IN THE AMOUNT OF \$9,100 AND APPROPRIATING SAME.

WHEREAS the City of Danville has been awarded a grant from the Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement - Speed Grant Program in the amount of \$9,100; and

WHEREAS the funding will provide overtime pay for police officers for the enforcement of speeding ordinances; and

WHEREAS the grant requires in-kind matching funds.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia, that the Fiscal Year 2019 Budget Appropriation Ordinance be, and the same is hereby, amended by increasing revenues to anticipate the receipt of funds in the amount of \$9,100 from the Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement – Speed Grant Program, such revenues and appropriation to be as follows:

ANTICIPATED REVENUE

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
FY 2019 VA DMV Highway Safety Office Selective Enforcement - Speed Grant Revenue	61459000-48230	<u>\$9,100</u>

ANTICIPATED EXPENDITURES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
FY 2019 VA DMV Highway Safety Office Selective Enforcement - Speed Grant Program	61459999-50	<u>\$9,100</u>

AND BE IT FURTHER ORDAINED that this appropriation shall be a continuing appropriation and shall carry forward from year to year until expended for the purpose for which appropriated; and

BE IT FINALLY ORDAINED that all other accounts and provisions of the Fiscal Year 2019 Budget Appropriation Ordinance, as amended, not hereby amended, shall continue in full force and effect unless and until hereafter further amended or repealed.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

Assistant City Attorney

Council Letter

City of Danville, Virginia



CL-1986

Consent Agenda Item #: D.

City Council Regular Meeting

Meeting Date: 10/04/2018

Subject: FY 2019 Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement - Alcohol Grant Program

From: Scott Booth, Police Chief

COUNCIL ACTION

First Reading: 09/18/2018

Final Adoption: 10/04/2018

SUMMARY

The Danville Police Department received a Highway Safety Grant under the FY 2019 Virginia Department of Motor Vehicles Highway Safety Office Selective Enforcement - Alcohol Grant Program in the amount of \$19,285. This funding will be used to pay for overtime personnel for enforcement at driving under the influence, license checkpoints and saturation patrols. It will also be used to purchase field breath testing units for saturation patrol and checkpoint safety equipment. Matching funds are in-kind and will not require any additional funding from the City.

RECOMMENDATION

It is recommended that City Council adopt the attached Ordinance Amending the Fiscal Year 2019 Budget Appropriation Ordinance by Anticipating Revenues in the amount of \$19,285 from the Virginia Department of Motor Vehicle Highway Safety Selective Enforcement - Alcohol Grant Program and appropriating the same.

Attachments

Ordinance

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2018-____.____

AN ORDINANCE AMENDING THE FISCAL YEAR 2019 BUDGET APPROPRIATION ORDINANCE BY INCREASING REVENUES FROM THE VIRGINIA DEPARTMENT OF MOTOR VEHICLES HIGHWAY SAFETY SELECTIVE ENFORCEMENT – ALCOHOL GRANT PROGRAM IN THE AMOUNT OF \$19,285 AND APPROPRIATING SAME.

WHEREAS the City of Danville has been awarded a grant from the Virginia Department of Motor Vehicles Highway Safety Selective Enforcement - Alcohol Grant Program in the amount of \$19,285; and

WHEREAS the funding will provide pay for extra duty personnel for enforcement at driving under the influence and license checkpoints, saturation patrols, and to purchase equipment to be used for these enforcement activities; and

WHEREAS the grant requires in-kind matching funds.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia, that the Fiscal Year 2019 Budget Appropriation Ordinance be, and the same is hereby, amended by increasing revenues to anticipate the receipt of funds in the amount of \$19,285 from the Virginia Department of Motor Vehicles Highway Safety Selective Enforcement - Alcohol Grant Program, such revenues and appropriation to be as follows:

ANTICIPATED REVENUE

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
FY 2019 VA DMV Highway Safety Selective Enforcement – Alcohol Grant Revenue	61460000-48230	<u>\$19,285</u>

ANTICIPATED EXPENDITURES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
FY 2019 VA DMV Highway Safety Selective Enforcement - Alcohol Grant Program	61460999-50	<u>\$19,285</u>

AND BE IT FURTHER ORDAINED that this appropriation shall be a continuing appropriation and shall carry forward from year to year until expended for the purpose for which appropriated; and

BE IT FINALLY ORDAINED that all other accounts and provisions of the Fiscal Year 2019 Budget Appropriation Ordinance, as amended, not hereby amended, shall continue in full force and effect unless and until hereafter further amended or repealed.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

Assistant City Attorney

Council Letter

City of Danville, Virginia



CL-2000

Old Business Item #: A.

City Council Regular Meeting

Meeting Date: 10/04/2018

Subject: Data Center Tax Rate

From: Telly D. Tucker, Economic Development Director

COUNCIL ACTION

First Reading: 09/18/2018

Final Adoption: 10/04/2018

SUMMARY

City Council is considering lowering the personal property tax rate for computer equipment in order to attract large data centers to the City of Danville. During the 9/4/2018 City Council Work Session, the majority of City Council voiced their support for creating a new, special tangible personal property tax rate specific to data centers of \$.25 per \$100 of assessed value (which is determined by applying a depreciation schedule to arrive at the fair market value). The data center facility must house equipment used for the transformation, transmission, distribution, or management of at least twenty megawatts of electrical power capacity.

BACKGROUND

Last year, Vice Mayor Vogler requested that City Council consider lowering the business personal property tax rate for computer equipment in order to attract large data centers.

Data Centers typically look at a number of factors when deciding to locate in a particular area. This includes cost of power, cost of construction, access to high speed internet, and tax rates, among others. During previous work sessions, Council Members have discussed setting the business personal property tax rate to the lowest in the State of Virginia. A rate below 40 cents, when combined with Danville's low real estate rates, would make Danville the most competitive location in the state. The following is the estimated business personal property tax revenue that would be generated over five years by a 20 megawatt data center with \$200 million in computer equipment at various tax rates:

- Current rate: \$15,260,000 (average of \$3,052,000 annually)
- 40 cents: \$1,744,000 (average of \$348,800 annually)
- 35 cents: \$1,526,000 (average of \$305,200 annually)
- 30 cents: \$1,308,000 (average of \$261,600 annually)
- 25 cents: \$1,090,000 (average of \$218,000 annually)

RECOMMENDATION

Staff recommends that City Council set a minimum size of 20 megawatts for data centers to qualify for a reduced rate for the tax for computer equipment.

Attachments

Ordinance

City Code Language

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2018-____.____

AN ORDINANCE AMENDING AND REORDAINING CHAPTER 37, ENTITLED "TAXATION", ARTICLE II, ENTITLED "LEVY AND RATE OF TAX ON REAL ESTATE, TANGIBLE PERSONAL PROPERTY, ECT." OF THE CODE OF THE CITY OF DANVILLE, 1986, AS AMENDED, TO ADD A NEW SECTION 37-37, ENTITLED "DATA CENTERS AND DATA CENTER TAX RATE".

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia, that the Code of the City of Danville, Virginia, 1986, as amended, is hereby amended and reordained to add a new Section 37-37, entitled "Data Centers and Data Center Tax Rate", to Article II, entitled "Levy and Rate of Tax on Real Estate, Tangible Personal Property, Etc." as attached hereto and made a part hereof, as if fully set forth herein; and

BE IT FURTHER ORDAINED by the Council of the City of Danville, Virginia, that it does hereby reserve sections 37-38 – 37-44 for future code additions; and.

BE IT FINALLY ORDAINED that all other provisions and Paragraphs, Subparagraphs, and Sections of said Article, Chapter, and Code be, and the same are hereby, continued in full force and effect unless and until the same are hereafter amended or repealed.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

City Attorney

Sec. 37-37. – Data Centers and Data Center Tax Rate.

- (a) Computer equipment and peripherals used in a data center. For purposes of this subdivision, "data center" means a facility whose primary services are the storage, management, and processing of digital data and is used to house (i) computer and network systems, including associated components such as servers, network equipment and appliances, telecommunications, and data storage systems; (ii) systems for monitoring and managing infrastructure performance; (iii) equipment used for the transformation, transmission, distribution, or management of at least one megawatt of capacity of electrical power and cooling, including substations, uninterruptible power supply systems, all electrical plant equipment, and associated air handlers; (iv) Internet-related equipment and services; (v) data communications connections; (vi) environmental controls; (vii) fire protection systems; and (viii) security systems and services;
- (b) A separate tax rate is levied on the computer equipment and peripherals used in a Data Center. A Data Center is a facility whose primary services are the storage, management, and processing of digital data as defined in subsection (a) above. The facility must also house equipment used for the transformation, transmission, distribution, or management of at least twenty (20) megawatts of electrical power capacity. The Data Center tax rate is \$.25 per \$100 of assessed value (which is determined by applying a depreciation schedule to arrive at the fair market value).

State Law reference— Similar provisions, Code of Virginia, § 58.1-3506

Council Letter

City of Danville, Virginia



CL-1997

Appointments Item #: A.

City Council Regular Meeting

Meeting Date: 10/04/2018

Subject: Consideration of Appointments to Boards and Commissions

From: Susan M. DeMasi, City Clerk

COUNCIL ACTION

Business Meeting: 10/04/2018

SUMMARY

Consideration of Appointments to the following Boards and Commissions:

Council Letter Number CL - 1996

1. Danville Redevelopment and Housing Authority
2. River District Design Commission

Attachments

Resolutions

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2018 - ____.

A RESOLUTION REAPPOINTING CONSTANCE COVINGTON AS A MEMBER OF THE DANVILLE REDEVELOPMENT AND HOUSING AUTHORITY.

BE IT RESOLVED by the Council of the City of Danville, Virginia, that Constance Covington, be and she is hereby reappointed as a member of the Danville Redevelopment and Housing Authority to serve as such for a four-year term commencing November 1, 2018 and ending October 31, 2022.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2018 - ____.

**A RESOLUTION APPOINTING JERMAIN PARKER AS A MEMBER OF THE
DANVILLE REDEVELOPMENT AND HOUSING AUTHORITY.**

BE IT RESOLVED by the Council of the City of Danville, Virginia, that Jermaine Parker be and he is hereby appointed as a member of the Danville Redevelopment and Housing Authority to serve as such for a four-year term commencing November 1, 2018 and ending October 31, 2022.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2018 - ____.

A RESOLUTION REAPPOINTING JOHN RANSON AS A MEMBER OF THE RIVER DISTRICT DESIGN COMMISSION.

BE IT RESOLVED by the Council of the City of Danville, Virginia, that John Ranson be, and he is hereby reappointed as a member of the River District Design Commission to serve as such for a four-year term commencing November 1, 2018 and ending October 31, 2022.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2018 - ____.

A RESOLUTION REAPPOINTING ROBERT P. KEESEE AS A MEMBER OF THE RIVER DISTRICT DESIGN COMMISSION.

BE IT RESOLVED by the Council of the City of Danville, Virginia, that Robert P. Keese be, and he is hereby reappointed as a member of the River District Design Commission to serve as such for a four-year term commencing November 1, 2018 and ending October 31, 2022.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

Council Letter

City of Danville, Virginia



CL-1995

New Business Item #: A.

City Council Regular Meeting

Meeting Date: 10/04/2018

Subject: Report to City Council of Delinquent and Improperly Assessed Taxes as of June 30, 2018

From: Michael Adkins, Director of Finance

COUNCIL ACTION

Business Meeting: 10/04/2018

SUMMARY

The Report of Delinquent and Improperly Assessed Taxes as of June 30, 2018 was delivered to City Council via email on August 31, 2018, and is attached for City Council's review. A detailed list of each taxpayer with delinquent real estate taxes is available on the City's website. A list of taxpayers with delinquent personal property taxes can be provided at City Council's request.

BACKGROUND

Section 58.1 of the Code of Virginia (the "Code") of 1950, as amended, requires a list of delinquent taxes be made within 60 days of the end of the fiscal year and Section 58.1-3924 of the Code requires such list to be furnished to the governing body upon their request. The attached report provides a summary of tax levies, collections, and delinquent taxes for each fiscal year for which collections are still enforceable under the statute of limitations (Section 58.1-3940 of the Code allows for 20 years for real estate and 5 years for all other local taxes). The City's website maintains a list of delinquent real estate taxes, which is updated monthly. A list of delinquent personal property taxes can be provided at City Council's request.

In reviewing the report, keep in mind that personal property taxes are levied on a calendar year basis, which parallels the State Personal Property Tax Relief Act (PPTRA), enacted in 1998. The 2018 levy will not be delinquent until December 5, 2018, after the final installment is due. Under PPTRA, the City receives \$3,593,575 from the State; however, there were no PPTRA payments from the State for calendar year 2018 taxes as of June 30, 2018. PPTRA payments are received each year as follows: \$1,864,702 on July 31; \$691,549 on August 15; and \$1,037,324 on November 15. All these factors result in a large uncollected balance for personal property taxes as of June 30, 2018. The attached table compares the current fiscal year's collection data with the previous fiscal year.

RECOMMENDATION

It is recommended City Council adopt the accompanying Resolution which acknowledges receipt and approval of the Report of Delinquent and Improperly Assessed Taxes as of June 30, 2018.

Attachments

Resolution

Report of Delinquent and Improperly Assessed Taxes

Report Comments

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2018-_____._____

A RESOLUTION ACKNOWLEDGING RECEIPT OF AND APPROVING THE REPORTS, DATED AUGUST 31, 2018, OF DELINQUENT AND IMPROPERLY ASSESSED TAXES AS OF JUNE 30, 2018, SUBMITTED TO THE COUNCIL BY THE DIRECTOR OF FINANCE.

WHEREAS, the Director of Finance has made available to the Council, for its examination and review, a list of delinquent and improperly assessed taxes; and

WHEREAS, there is attached hereto and incorporated herein by reference Reports of Delinquent and Improperly Assessed Taxes, which summarizes said delinquent and improperly assessed taxes; and

WHEREAS, the Report of Delinquent and Improperly Assessed Taxes was made available to Council on or before August 31, 2018.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Danville, Virginia, that the Report of Delinquent and Improperly Assessed Taxes as of June 30, 2018, which report is dated August 31, 2018, by the Director of Finance, be, and it is hereby, received and approved.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

City Attorney

CITY OF DANVILLE
REPORT TO CITY COUNCIL
OF
DELINQUENT AND IMPROPERLY ASSESSED TAXES
AS OF JUNE 30, 2018

SUBMITTED BY:

Michael L. Adkins
Director of Finance



City of Danville
Department of Finance
Michael Adkins, Director

August 31, 2018

The Honorable Mayor
Members of City Council and
The City Manager

Submitted herewith is a Report of Delinquent and Improperly Assessed Taxes that reflects the delinquent balances as of June 30, 2018, the changes during the 2018 fiscal year, and the delinquent balances as of June 30, 2018. This report is comprised of three schedules as follows:

1. Delinquent Real Estate Tax
2. Delinquent Personal Property Tax
3. Other Fiscal Year 2018 Taxes

The report is prepared pursuant to the Charter of the City of Danville and sections 58.1-3921, 58.1-3922, and 58.1-3924 of the Code of Virginia of 1950 as amended.

The list of delinquent real estate taxes is available on the City's website. A list of other delinquent taxes is available upon Council's request.

If there are any questions concerning this report, please contact me at your convenience.

Sincerely,

Michael L. Adkins
Director of Finance

CITY OF DANVILLE
DIVISION OF CENTRAL COLLECTIONS
REPORT OF DELINQUENT REAL ESTATE TAXES
FISCAL YEAR 2018

--For the year Ended June 30, 2018--

--Cumulative to June 30, 2018--

Tax Year (Fiscal)	Balance Beg. of FY 2018	Levies Added FY 2018	Credits FY 2018	Adjusted Levies FY 2018	Collections FY 2018	Balance End of FY 2018	Amounts Levied	Less Credits	Adjusted Levies	Collections	Uncollected Balance	% of Collections
2018		18,049,905.14	108,888.20	17,941,016.94	16,818,033.04	1,122,983.90	18,049,905.14	108,888.20	17,941,016.94	16,818,033.04	1,122,983.90	93.74%
2017	886,460.45		2,625.21	883,835.24	495,650.28	388,184.96	16,226,973.66	120,900.64	16,106,073.02	15,717,888.08	388,184.96	97.59%
2016	340,711.99		1,685.35	339,026.64	154,567.93	184,458.71	16,175,696.96	85,618.36	16,090,078.60	15,905,599.89	184,458.71	98.85%
2015	162,441.77		1,702.84	160,738.93	54,809.43	105,929.50	16,241,176.86	119,855.70	16,121,321.16	16,015,391.66	105,929.50	99.34%
2014	121,513.61		2,014.24	119,499.37	31,972.84	87,526.53	16,165,990.17	92,717.03	16,073,273.14	15,985,746.61	87,526.53	99.46%
2013	92,368.30		2,076.26	90,292.04	16,754.44	73,537.60	16,321,847.89	99,401.36	16,222,446.52	16,148,908.92	73,537.60	99.55%
2012	72,970.69		2,326.72	70,643.97	8,042.84	62,601.13	16,157,014.41	55,721.90	16,101,292.51	16,038,691.38	62,601.13	99.61%
2011	60,960.08		1,511.33	59,448.75	5,963.00	53,485.75	16,415,678.12	101,315.21	16,314,362.91	16,260,877.16	53,485.75	99.67%
2010	62,870.02		2,138.38	60,731.64	5,233.43	55,498.21	16,320,964.51	83,810.19	16,237,154.32	16,181,656.11	55,498.21	99.66%
2009	45,368.89		2,198.16	43,170.73	5,619.87	37,550.86	15,982,160.99	79,844.07	15,902,316.92	15,864,766.06	37,550.86	99.76%
2008	41,806.99		3,688.58	38,118.41	3,912.60	34,205.81	15,922,432.68	177,506.50	15,744,926.18	15,710,720.37	34,205.81	99.78%
2007	31,915.94		2,768.56	29,147.38	2,887.44	26,259.94	15,043,444.57	166,194.04	14,877,250.53	14,850,990.59	26,259.94	99.82%
2006	26,519.43		1,962.73	24,556.70	2,194.11	22,362.59	14,356,245.75	95,206.13	14,261,039.62	14,238,675.03	22,362.59	99.84%
2005	23,641.31		1,907.41	21,733.90	1,230.67	20,503.23	14,126,712.00	82,231.78	14,044,480.22	14,023,976.99	20,503.23	99.85%
2004	21,259.23		1,514.58	19,744.65	1,499.04	18,245.61	13,927,736.80	87,707.88	13,840,028.92	13,821,783.31	18,245.61	99.87%
2003	15,386.91		1,248.86	14,138.05	931.25	13,206.80	12,507,984.07	77,191.82	12,430,792.25	12,417,585.45	13,206.80	99.89%
2002	12,097.64		807.60	11,290.04	227.87	11,062.17	12,361,614.60	70,509.62	12,291,104.98	12,280,042.81	11,062.17	99.91%
2001	10,903.56		564.76	10,338.80	262.98	10,075.82	12,417,948.91	77,178.47	12,340,770.44	12,330,694.62	10,075.82	99.92%
2000	9,990.38		368.48	9,621.90	314.72	9,307.18	11,942,326.32	83,363.60	11,858,962.72	11,849,655.54	9,307.18	99.92%
1999	7,796.08		359.41	7,436.67	20.27	7,416.40	10,289,387.39	59,260.49	10,220,126.90	10,212,720.50	7,416.40	99.93%
1998	6,798.95		300.33	6,498.62	146.97	6,351.65	9,656,267.92	58,474.10	9,597,793.82	9,591,442.17	6,351.65	99.93%
Totals	2,053,782.22	18,049,905.14	142,357.66	19,961,029.37	17,610,295.02	2,350,734.35					2,350,734.35	

(A) Includes Elderly Credits of \$31,458.27, Elderly Deferrals of \$0.00 and Veterans Exemptions of \$75,225.88.

(B) Levy dropped - further collections barred by Statute of Limitations.

(C) Credits for Tax Years 1998-2018 include write-offs for judicial sales

I, Michael L. Adkins, Director of Finance for the City of Danville do swear that the foregoing list is, I verify believe, correct and just, that I have not received full payment of the taxes for which the real estate therein mentioned is returned delinquent, although I have used due diligence to collect such taxes.

Michael L. Adkins
Director of Finance
City of Danville

CITY OF DANVILLE
DIVISION OF CENTRAL COLLECTIONS
REPORT OF DELINQUENT PROPERTY TAXES
(Includes Personal Property, Machinery & Tools, Mobile Homes, and Aircraft)
FISCAL YEAR 2018

---Cumulative to June 30, 2018---												
Tax Year (Calendar)	Balance Beg of FY 2018	Levies Added FY 2018	Credits FY 2018	Adjusted Levies FY 2018	Collections FY 2018	Balance End of FY 2018	Amounts Levied	Less Credits	Adjusted Levies	Collections	Uncollected Balance	% of Collections
2018	0.00	13,362,140.16	289,639.98	13,072,500.18	4,911,302.67	8,161,197.51	13,362,140.16	289,639.98	13,072,500.18	4,911,302.67	8,161,197.51	37.57%
2017	7,089,215.59	472,969.06	169,422.19	7,392,762.46	7,124,331.41 (A)	268,431.05	11,656,860.62	431,477.96	11,225,382.66	10,956,951.61	268,431.05	97.61%
2016	222,024.68	39,202.67	15,522.34	245,704.99	111,466.21	134,238.78	11,519,718.96	503,234.01	11,016,484.95	10,882,246.17	134,238.78	98.78%
2015	123,462.75	3,327.24	4,891.35	121,898.64	16,427.02	105,471.62	11,206,081.30	537,968.02	10,668,113.28	10,562,641.66	105,471.62	99.01%
2014	119,775.72	1,593.75	3,660.06	117,709.41	8,015.90	109,693.51	10,919,426.19	677,056.92	10,242,369.27	10,132,675.76	109,693.51	98.93%
2013	102,147.76	84.73	355.13	101,877.36	3,975.08	97,902.28	10,943,546.14	588,415.76	10,355,130.38	10,257,228.10	97,902.28	99.05%
2012	90,585.19	0.00	47.89	90,537.30	374.30	90,163.00 (B)	10,853,066.44	566,446.09	10,286,620.35	10,196,457.35	90,163.00	99.12%
Totals	7,747,211.67	13,879,317.61	483,538.94	21,142,990.34	12,175,892.59	8,967,097.75					8,967,097.75	

(A) Collections include \$3,344,760.40 of Personal Property Tax Relief Act (PPTRA) payments applied to taxpayer accounts for Tax Year 2017.

(B) Delinquent balance for 2012 dropped December 31, 2017. Further collections barred by Statute of Limitations.

NOTES: Calendar Year 2018 Taxes included - only reflects six months collections as second half taxes are not due until December 5, 2018. This tax year is not considered delinquent, pursuant to Code of Virginia, Section 58.1-3922.

There were no Personal Property Tax Relief Act (PPTRA) payments for calendar year 2018 taxes in fiscal year ending June 30, 2018. Annually, PPTRA payments as follows: \$1,864,702.11 on July 31, \$691,549.38 on August 15, and \$1,037,324.08 on November 15 (for total amount of \$3,593,575.57).

CITY OF DANVILLE
DIVISION OF CENTRAL COLLECTONS
REPORT OF FY 2018 TAXES - OTHER

	Meals Tax	Short Term Rental Tax	Bank Franchise Tax	Public Service Corporation Tax	Business License Tax	Hotel & Motel Rental Tax
Uncollected Balance As of July 1, 2017	\$ 39,624.87	\$ 7.15	\$ -	\$ 299.10	\$ 629,932.95	\$ -
Taxes Assessed by the Commissioner of Revenue FY 2018: Less Credits for Improper Amounts	\$ 7,633,522.87	\$ 17,413.44	\$ 924,345.00	\$ 378,755.10	\$ 4,455,976.35	\$ 992,540.48
Collections	\$ 7,635,442.80	\$ 17,413.44	\$ 924,322.00	\$ 377,192.04	\$ 5,038,623.47	\$ 991,394.59
Uncollected Balance As of June 30, 2018	\$ 37,704.94	\$ 7.15	\$ 23.00	\$ 1,862.16	\$ 47,285.83	\$ 1,145.89

CITY OF DANVILLE
DIVISION OF CENTRAL COLLECTIONS
REPORT OF DELINQUENT PERSONAL PROPERTY TAXES AND SRB ONLY
FISCAL YEAR 2018

--For the year Ended June 30, 2018--										--Cumulative to June 30, 2018--			
Tax Year (Calendar)	Balance Beg. of FY 2018	Levies Added FY 2018	Credits FY 2018	Adjusted Levies FY 2018	Collections FY 2018	Balance End of FY 2018	Amounts Levied	Less Credits	Adjusted Levies	Collections	Uncollected Balance	% of Collections	
2018		11,622,777.56	289,151.82	11,333,625.74	4,016,428.46	7,317,197.28	11,622,777.56	289,151.82	11,333,625.74	4,016,428.46	7,317,197.28	35.44%	
2017	8,331,533.42	469,122.26	164,938.33	6,635,717.35	6,375,028.22 (B)	260,689.13	10,111,489.72	423,789.56	9,687,700.16	9,427,011.03	260,689.13	97.31%	
2016	214,838.04	38,104.59	15,052.42	237,890.21	107,349.77	130,540.44	10,120,928.35	491,882.70	9,629,043.65	9,498,503.21	130,540.44	98.64%	
2015	117,554.34	2,395.66	4,399.97	115,550.03	15,434.16	100,115.87	9,818,732.33	536,572.93	9,282,159.40	9,182,043.53	100,115.87	98.92%	
2014	104,903.97	703.05	3,211.32	102,395.70	7,082.11	95,313.59	9,561,563.85	661,090.93	8,900,472.92	8,805,159.33	95,313.59	98.93%	
2013	96,091.81	83.97	232.33	95,943.45	3,919.93	92,023.52	9,564,058.26	582,002.68	8,982,055.58	8,890,032.06	92,023.52	98.96%	
2012	84,031.58		18.47	84,013.11	374.30	83,638.81 (A)	9,439,825.30	560,224.72	8,879,600.58	8,795,961.77	83,638.81	99.06%	
Totals	6,948,953.16	12,133,187.09	477,004.66	18,605,135.59	10,525,616.95	8,079,518.64					8,079,518.64		

(A) Delinquent balance for 2012 dropped December 31, 2017. Further collections barred by Statute of Limitations.

(B) Collections include \$3,344,760.40 of Personal Property Tax Relief Act (PPTRA) payments applied to taxpayer accounts for Tax Year 2017.

NOTES: Calendar Year 2018 Taxes included - only reflects six months collections as second half taxes are not due until December 5, 2018. This tax year is not considered delinquent, pursuant to Code of Virginia, Section 58.1-3922.

There were no Personal Property Tax Relief Act (PPTRA) payments for calendar year 2018 taxes in fiscal year ending June 30, 2018. Annually, PPTRA payments as follows: \$1,864,702.11 on July 31, \$691,549.38 on August 15, and \$1,037,324.08 on November 15 (for total amount of \$3,593,575.57).

CITY OF DANVILLE
DIVISION OF CENTRAL COLLECTIONS
REPORT OF DELINQUENT MACHINERY & TOOLS TAXES ONLY
FISCAL YEAR 2018

---For the year Ended June 30, 2018---													---Cumulative to June 30, 2018---				
Tax Year (Calendar)	Balance Beg. of FY 2018	Levies Added FY 2018	Credits FY 2018	Adjusted Levies FY 2018	Collections FY 2018	Balance End of FY 2018	Amounts Levied	Less Credits	Adjusted Levies	Collections	Uncollected Balance	% of Collections					
2018		1,692,422.50		1,692,422.50	862,301.15	830,121.35	1,692,422.50	0.00	1,692,422.50	862,301.15	830,121.35	50.95%					
2017	744,614.68	2,579.22	3,647.02	743,546.88	737,799.96	5,746.92	1,500,063.88	5,838.42	1,494,225.46	1,488,478.54	5,746.92	99.62%					
2016	4,191.60	207.00		4,398.60	2,547.01	1,851.59	1,348,577.10	2,578.70	1,345,998.40	1,344,146.81	1,851.59	99.86%					
2015	2,995.59	72.76		3,068.35	72.76	2,995.59	1,347,426.02	2,093.70	1,345,332.32	1,342,336.73	2,995.59	99.78%					
2014	12,614.92	72.76		12,687.68	72.76	12,614.92	1,316,913.74	16,342.32	1,300,571.42	1,287,956.50	12,614.92	99.03%					
2013	3,721.10			3,721.10		3,721.10	1,343,820.40	5,693.08	1,338,127.32	1,334,406.22	3,721.10	99.72%					
2012	4,215.82			4,215.82	0.00	4,215.82 (A)	1,370,761.72	4,389.03	1,366,372.69	1,362,156.87	4,215.82	99.69%					
Totals	772,353.71	1,695,354.24	3,647.02	2,464,060.93	1,602,793.64	861,267.29					861,267.29						

(A) Delinquent balance for 2011 dropped December 31, 2017. Further collections barred by Statute of Limitations.

NOTES: Calendar Year 2018 Taxes included - only reflects six months collections as second half taxes are not due until December 5, 2018. This tax year is not considered delinquent, pursuant to Code of Virginia, Section 58.1-3922.

CITY OF DANVILLE
DIVISION OF CENTRAL COLLECTIONS
REPORT OF DELINQUENT MOBILE HOME TAXES ONLY
FISCAL YEAR 2018

---For the year Ended June 30, 2018---												---Cumulative to June 30, 2018---			
Tax Year (Calendar)	Balance Beg. of FY 2018	Levies Added FY 2018	Credits FY 2018	Adjusted Levies FY 2018	Collections FY 2018	Balance End of FY 2018	Amounts Levied	Less Credits	Adjusted Levies	Collections	Uncollected Balance	% of Collections			
2018		24,532.38	374.46	24,157.92	11,641.94	12,515.98	24,532.38	374.46	24,157.92	11,641.94	12,515.98	48.19%			
2017	9,838.92	1,267.58	836.84	10,269.66	8,274.66	1,995.00	22,503.90	1,316.28	21,187.62	19,192.62	1,995.00	90.58%			
2016	2,985.02	891.08	469.92	3,416.18	1,569.43	1,846.75	25,727.19	2,541.91	23,185.28	21,338.53	1,846.75	92.03%			
2015	2,402.05	858.82	491.38	2,769.49	920.10	1,849.39	23,608.95	-746.31	24,355.26	22,505.87	1,849.39	92.41%			
2014	2,214.79	817.94	448.74	2,583.99	861.03	1,722.96	24,158.50	-163.33	24,321.83	22,598.87	1,722.96	92.92%			
2013	2,334.85	0.76	122.80	2,212.81	55.15	2,157.66	28,201.38	720.00	27,481.38	25,323.72	2,157.66	92.15%			
2012	2,273.59		29.42	2,244.17		2,244.17 (A)	29,702.42	1,832.34	27,870.08	25,625.91	2,244.17	91.95%			
Totals	22,059.22	28,368.56	2,773.56	47,654.22	23,322.31	24,331.91					24,331.91				

(A) Delinquent balance for 2012 dropped December 31, 2017. Further collections barred by Statute of Limitations.

NOTES: Calendar Year 2018 Taxes included - only reflects six months collections as second half taxes are not due until December 5, 2018. This tax year is not considered delinquent, pursuant to Code of Virginia, Section 58.1-3922.

CITY OF DANVILLE
DIVISION OF CENTRAL COLLECTIONS
REPORT OF DELINQUENT AIRCRAFT TAXES ONLY
FISCAL YEAR 2018

--Cumulative to June 30, 2018--												
Tax Year (Calendar)	Balance Beg. of FY 2018	Levies Added FY 2018	Credits FY 2018	Adjusted Levies FY 2018	Collections FY 2018	Balance End of FY 2018	Amounts Levied	Less Credits	Adjusted Levies	Collections	Uncollected Balance	% of Collections
2018		22,407.72	113.70	22,294.02	20,931.12	1,362.90	22,407.72	113.70	22,294.02	20,931.12	1,362.90	93.89%
2017	3,228.57			3,228.57	3,228.57	0.00	22,803.12	533.70	22,269.42	22,269.42	0.00	100.00%
2016	0.00			0.00		0.00	24,488.32	6,230.70	18,257.62	18,257.62	0.00	100.00%
2015	510.77			510.77		510.77	16,314.00	47.70	16,266.30	15,755.53	510.77	96.86%
2014	42.04			42.04		42.04	16,790.10	-213.00	17,003.10	16,961.06	42.04	99.75%
2013	0.00			0.00		0.00	7,466.10	0.00	7,466.10	7,466.10	0.00	100.00%
2012	64.20			64.20		64.20 (A)	12,777.00	0.00	12,777.00	12,712.80	64.20	99.50%
Totals	3,845.56	22,407.72	113.70	26,139.60	24,159.69	1,979.91					1,979.91	

(A) Delinquent balance for 2012 dropped December 31, 2017. Further collections barred by Statute of Limitations.

NOTES: Calendar Year 2018 Taxes included - only reflects six months collections as second half taxes are not due until December 5, 2018. This tax year is not considered delinquent, pursuant to Code of Virginia, Section 58.1-3922.



August 31, 2018

The Honorable Mayor
Members of City Council and
The City Manager

Explanation of the Collection Report

The first schedule in the Collection Report shows a summary of the Real Estate Tax levies and collection progress. The statute of limitation for collection of real estate tax is 20 years. The left side of the schedule shows collection activity for the most recent fiscal year, July 1, 2017 – June 30, 2018. The right side of the schedule shows cumulative collection activity for the entire 20-year period.

The last column on the schedule shows the percentage collected of each year's levy. As of June 30, 2018, the City had collected 93.7% of the FY 2018 tax levy. This is typical and is comparable to the previous year. As time passes, you will see the percentage of collection increases quickly to more than 99% collected. After 20 years of collection efforts, the City typically has to write off about 0.05% of real estate taxes. The total amount of delinquent real estate tax at June 30, 2018, is shown as \$2,350,734.

The second schedule in the Collection Report shows a summary of all Personal Property taxes. This includes vehicles, machinery and tools, mobile homes, and aircraft. It is arranged just like the real estate schedule with the recent fiscal year activity on the left and a cumulative history of collections on the right. The statute of limitation for collection of this tax is five years. Personal property differs from real estate tax, as real estate tax is a fiscal year tax and personal property is a calendar year tax. For this reason, we would expect to only collect 50% of personal property taxes by June 30, with the other 50% collected by December 31 of the next fiscal year. In addition to this variation, the Commonwealth pays the City a portion of the citizens' personal property tax, but this amount is not received until after June 30 as well. This causes our collection rate to appear very low at June 30 – usually around 30% with the remaining balance collected between July and December of the following fiscal year.

The report shows, in the far right column, a collection rate of 37.6% at June 30. This is very good and represents an increase of nearly 2.5% when compared to last year's report. The collection rate increases to about 99% within a couple of years. The City typically has to write off about 1% of personal property taxes after the 5-year collection period.

The third schedule shows collection activity for other local taxes: meals, short-term rental, bank franchise, public service corporation, business licenses, and lodging.

The remaining schedules break down the personal property with a page for each of the main categories of vehicles, machinery and tools, mobile homes, and aircraft. These last four schedules, if added together, would agree to the second schedule that shows all personal property combined.

If you have any questions or would like additional information about our collection of tax revenue, please let me know.

Sincerely,

A handwritten signature in cursive script, reading "Michael L. Adkins".

Michael L. Adkins
Director of Finance

City of Danville, Virginia
Comparison of Collection Rates and Write-off Amounts
As of June 30

	FY 2018	FY 2017
Real Estate:		
Year of levy	93.74%	94.51%
Subsequent Year	97.59%	97.89%
Write-off	\$ 6,351.65	\$ 6,012.67
Collection rate - 20 years	99.93%	99.94%
All Personal Property:		
Year of levy	37.57%	35.09%
Subsequent Year	97.61%	97.98%
Write-off	\$ 90,163.00	\$ 79,175.45
Collection rate - 5 years	99.05%	99.12%
Personal Property (other than M/T M/H & Aircraft:		
Year of levy	35.44%	32.52%
Subsequent Year	97.31%	97.76%
Write-off	\$ 83,638.81	\$ 72,296.44
Collection rate - 5 years	98.98%	99.12%
Machinery and Tools:		
Year of levy	50.95%	50.20%
Subsequent Year	99.62%	99.69%
Write-off	\$ 4,215.82	\$ 4,246.20
Collection rate - 5 years	99.72%	99.67%
Mobile Homes:		
Year of levy	48.19%	52.60%
Subsequent Year	90.58%	86.84%
Write-off	\$ 2,244.17	\$ 2,574.91
Collection rate - 5 years	92.15%	91.03%
Aircraft:		
Year of levy	93.89%	85.50%
Subsequent Year	100.00%	100.00%
Write-off	\$ 64.20	\$ 57.90
Collection rate - 5 years	100.00%	99.57%

Council Letter

City of Danville, Virginia



CL-1993

New Business Item #: B.

City Council Regular Meeting

Meeting Date: 10/04/2018

Subject: USDA Grant for Food Services at W.W. Moore, Jr., Detention Home

From: Scott Booth, Police Chief

COUNCIL ACTION

First Reading: 10/04/2018

Final Adoption 10/16/2018

SUMMARY

Each year, the W. W. Moore, Jr. Detention Home receives funds from the United States Department of Agriculture (USDA) as a result of the Detention Home's participation in the National School Nutrition Program. The revenue from the USDA offsets some of the costs related to the Food Service Operation at the Detention Home. It is projected the City will receive \$62,867 for FY 2019. The amount of funds received may be more or less depending on changes in the daily population.

BACKGROUND

The W. W. Moore, Jr. Detention Home will participate in the National School Nutrition Program during FY 2019. The anticipated revenue is projected and an appropriation is requested based on utilization rates, reimbursement rates, and the number of days each meal or snack is reimbursed. The USDA reimbursement rates provided by the Department of Juvenile Justice Food Service Operations Unit for FY 2019 are as follows: Breakfast - \$2.14; Lunch - \$3.54; and Snack - \$0.91. Breakfast and Lunch meals are reimbursed 365 days per year. Snacks are reimbursed 104 days per year. There is no reimbursement for Dinner meals. Based on the Average Daily Population of 29 last fiscal year, and the number of days meals and snacks are reimbursed, the W. W. Moore, Jr. Detention Home expects to receive approximately \$62,867. USDA funds are received quarterly by the City of Danville.

RECOMMENDATION

It is recommended that City Council adopt the attached Ordinance appropriating funds within the Special Grants Fund for expenses related to the Food Service Operation at the W. W. Moore, Jr. Detention Home.

Attachments

Ordinance

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2018-_____

AN ORDINANCE AMENDING THE FISCAL YEAR 2019 BUDGET APPROPRIATION ORDINANCE FOR A FEDERAL GRANT IN THE AMOUNT OF APPROXIMATELY \$62,867 TO AID THE FOOD SERVICE OPERATIONS AT W. W. MOORE, JR. DETENTION HOME AND APPROPRIATING SAME.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia, that the Fiscal Year 2019 Budget Appropriation Ordinance be, and it is hereby, amended to anticipate revenues from a grant in the amount of approximately \$62,867 from the United States Department of Agriculture to the W. W. Moore, Jr. Detention Home for the purpose of aiding the food service operations and appropriating same in the Special Grants Fund for Fiscal Year 2019, such revenue and appropriation to be as follows:

ANTICIPATED REVENUES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
Categorical Aid-State: U.S.D.A.- Detention Home	60114000-47210	<u>\$62,867</u>

ANTICIPATED EXPENDITURES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
W. W. Moore, Jr. Detention Home Food Supplies/Food Services	60114000-55825	<u>\$62,867</u>

AND BE IT FURTHER ORDAINED that this appropriation shall be a continuing appropriation and such appropriations shall carry forward from year to year until such funds are expended for the purpose for which they were appropriated; and

BE IT FINALLY ORDAINED that all other accounts and provisions of the Fiscal Year 2019 Budget Appropriation Ordinance, as amended, not hereby amended,

shall continue in full force and effect unless and until hereafter further amended or repealed.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

City Attorney

Council Letter

City of Danville, Virginia



CL-1994

New Business Item #: C.

City Council Regular Meeting

Meeting Date: 10/04/2018

Subject: Virginia Juvenile Community Crime Control Act Funding Appropriation

From: Scott Booth, Police Chief

COUNCIL ACTION

First Reading: 10/04/2018

Final Adoption: 10/16/2018

SUMMARY

The Virginia Juvenile Community Crime Control Act (VJCCCA) requires the locality to develop and submit a plan outlining how the City will serve juvenile offenders before intake on complaints or from the court on petitions alleging the juvenile is delinquent, in need of services, or in need of supervision with allocated funds. The locality's biennial plan and funding was approved for FY 2019 and FY 2020. The VJCCCA Plan for FY 2019 will continue to provide the Electronic Monitoring and Outreach Detention Programs. It is projected that forty-five (45) juveniles will be served in the Electronic Monitoring Program and twenty-five (25) will be served in the Outreach Detention Program. The plan will also continue to provide Aggressors, Victims, and Bystanders: Thinking and Acting to Prevent Violence, a Pro-Social Skills group facilitated by the Prevention Services Division of Danville-Pittsylvania Community Services. It is projected that forty (40) juveniles will be served in the Pro-Social Skills group. During FY 2019, the City will receive \$86,999 from the Department of Juvenile Justice to support the delivery of programs and services to juvenile offenders. The City will provide a local match of \$39,830. The total allocation to operate the VJCCCA Programs is \$126,829.

BACKGROUND

In 1995, the General Assembly enacted the Virginia Juvenile Community Crime Control Act (VJCCCA), which appropriated additional funding to localities to implement non-secure detention programs and services to meet the needs of juveniles involved with the Juvenile and Domestic Relations Court Services Unit. The City has been the recipient of VJCCCA funds since its inception. The VJCCCA funding allows the W. W. Moore, Jr. Detention Home to operate an Electronic Monitoring and Outreach Detention Program and provide other identified services based on the needs of the juveniles referred by the Danville Juvenile and Domestic Relations Court. Without these programs and services, it is possible many of these juveniles would be placed in secure detention or in an out-of-home placement, resulting in a greater cost to the locality.

RECOMMENDATION

It is recommended that City Council approve the attached Ordinance appropriating funds to operate non-secure detention programs to provide services for offenders in the Juvenile Justice System.

Attachments

Ordinance

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2018-____.____

AN ORDINANCE AMENDING THE FISCAL YEAR 2019 BUDGET APPROPRIATION ORDINANCE FOR A GRANT FROM THE DEPARTMENT OF JUVENILE JUSTICE IN THE AMOUNT OF \$86,999 AND A LOCAL SHARE OF \$39,830, FOR A TOTAL APPROPRIATION OF \$126,829, TO PROVIDE FOR THE ELECTRONIC MONITORING AND OUTREACH DETENTION PROGRAMS AND CONTRACTED PRO-SOCIAL SKILLS GROUP FOR THE CITY OF DANVILLE AT THE W. W. MOORE JR. DETENTION HOME AND APPROPRIATING SAME.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia, that the Fiscal Year 2019 Budget Appropriation Ordinance be, and it is hereby, amended to anticipate revenues from a grant in the amount of \$86,999 from the Virginia Juvenile Community Crime Control Act for the purpose of operating programs which provide alternatives to detention and appropriating same in the Special Grants Fund, and \$39,830 be appropriated from the General Fund Account such revenue and appropriation to be as follows:

ANTICIPATED REVENUES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
Categorical Aid-State: Virginia Juvenile Community Crime Control Act (VJCCCA)	61256000-47240	\$ 86,999
Local Share: Transfers from General Fund	61256000-6101	<u>39,830</u>
	TOTAL:	
<u>\$126,829</u>		

ANTICIPATED EXPENDITURES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
W. W. Moore, Jr. Detention Home Electronic Monitoring & Outreach Detention Program		
FT Sal/Wages Reg	61364000 51100	\$ 90,747
FICA	61364000 51450	6,655

Retirement ERS	61364000 51525	7,193
Telephone	61364000 54100	984
Materials & Supplies	61364000 55930	0
Travel/Train Exp	61364000 54900	3,650
Equipment Leased	61364000 54750	8,000
Contracted Services	61364000 52349	<u>9,600</u>
TOTAL:		<u>\$126,829</u>

AND BE IT FURTHER ORDAINED that all other accounts and provisions of the Fiscal Year 2019 Budget Appropriation Ordinance, as amended, not hereby amended, shall continue in full force and effect unless and until hereafter further amended or repealed.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

City Attorney