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A Regular Work Session of the Danville City Council convened on March 16, 2021 at 8:30 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building. Council Members present were: James B. Buckner, L.G. "Larry" Campbell Jr., Bryant Hood, Mayor Alonzo Jones, Barry P. Mayo, Vice Mayor Gary P. Miller, Sherman M. Saunders, J. Lee Vogler, Jr. and Madison J.R. Whittle (9).

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

Mayor Alonzo L. Jones presided.

WORK SESSION ITEMS

CONSIDERATION OF APPOINTMENTS TO BOARDS AND COMMISSIONS

Vice Mayor Miller noted following a meeting of the Committee on Appointments, they make the following recommendations:

Southern Area Agency on Aging:	Reappoint:	Gladys Webb
	Appoint:	Andre Bethea

Council had no objections to the recommendations.

REVIEW OF GENERAL FUND FINANCIAL REPORT

Director of Finance Michael Adkins reviewed the General Fund Financial Results through the end of February, eight months or 67% of the fiscal year complete; Mr. Adkins noted not a lot has changed over the last couple of months. Under Revenues, the City received \$64.8M, down about \$1.5M from last year. It was pretty much evenly distributed in the three areas previously talked about, one was the interest earned for the year, with interest rates being down quite a bit from last year. Some of that was expected, they did budget for lower interest rates, it was not that huge of an impact, but a little bit worse than they thought it would be. They have been able to get some agency bonds backed by the Federal government recently, and that started to turn around a little bit. The other area where revenues were down was Charges for Services; this was primarily Parks & Recreation activities and Adult Detention. Parks & Rec for obvious reasons, and the Adult Detention census has been running at 50% or lower for this year. The good news for both of those was there were savings on the other side the City experienced as well. The associated costs for Parks & Rec activities were not being realized and the variable costs in Adult Detention such as utilities, medical care and food supplies were down as well. The third category was timing issues in State revenues, mostly for the Department of Social Services; again that was a timing issue with revenues coming in a day or two slower than they were last year.

With regard to property taxes, they were doing very well with their collection of delinquent taxes, both with real estate and personal property. Real estate delinquent collections were at 70% of budget, a little ahead of where they would expect and Personal Property was at 72% of budget, doing very well. The next round of current year billings will go out by May 5th; as they progress through the fiscal year, they will have more information on current collections.

With regard to Local Taxes, the Sales Tax continues to do very well. The Sales Tax revenues they received in February were at an all-time record at about \$1,070,000; a lot of that relates to holiday sales in December. Sales Tax year to date was up about \$900,000 over last year at this

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time. That overage was very important because it was helping to cover the decreases they were still seeing in Meals and Lodging Taxes related to the pandemic. Meals Tax was currently at 64% which was \$112,000 less than last year at this time and Hotel Tax was at 59% of budget, which was \$85,000 less than last year at this time. Business Licenses were at about \$4.5M which was up about \$367,000 over where the City was the end of March last year. Business License collections were looking very good at this point.

On the Expenditure side, the City has spent 61% of the budget with 67% of the year complete. Departmental Spending was under budget and Non Departmental expenditures, which was primarily health insurance, continues to remain on target with budget. Unassigned Fund Balance was tracking somewhere between \$800,000 to \$900,000 better than they were last year at this time.

DISCUSSION OF NEW CASINO – ENTERTAINMENT ZONING DISTRICT

Planning Director Doug Plachcinski, noted the time was approaching for Caesars Danville to begin their development process and one of the first things they would like to make sure they engage was developing the zoning process for them to be able to meet the deadlines they expect in the development agreement and build a great facility in Danville.

He has prepared a memorandum for Council that goes through how they look at all the land uses in the City; these were the basic components the Zoning Ordinance looks at. Zoning districts have purposes, they identify the uses available by right or which require a special use permit which was what Council adopts by ordinance. It looks at building spacing and mass, were there any open spaces required as part of the development, does it require parking and different signage standards. In this case, there will be some dedicated entrances to the site both for vehicles and pedestrians. There was landscaping along the major streets as well as buffering landscaping to the residential properties that were adjacent to the property. There will probably be exterior lighting found at this site that was not found anywhere else in the community with a lot of architectural up lighting. Caesars has let the City know that outdoor sound, not just piped in sound, but potentially outdoor performance areas may be a part of what they propose. After this work session, staff will put a draft together, send it to Caesars as well as beginning to develop their public hearing notices and material, so that the public will have their opportunity to comment on the draft. In April, the Planning Commission will have their public hearing and make a recommendation to Council. In May, staff would like Council to have their Public Hearing and adopt an Ordinance making the change. That establishes the district, it does not rezone the property; at that point, Caesars will need to initiate rezoning the property to the new zoning district and conceivably in July, they will be back to have Council adopt the actual zoning map change to the new zoning district.

Council Member Vogler noted Council was very deliberate and spent a lot of time and effort in getting Caesars here; he does not want to do anything that handcuffs them in developing this property. He wants them to be able to develop this to the fullest extent. Mr. Dyer spoke earlier about the building height, Mr. Vogler stated he did not want to put any kind of restriction on how tall that building could be; he wants people to be able to see it from a distance. As far as the smokestacks, the suggestion about having it a certain distance from the smokestacks so they were not crowded out, that has been a part of their marketing so he does not envision them trying to suffocate that. He wants them to build it to what they feel was best for them; he was not in favor of any height restriction outside of making it a certain distance from the smokestacks. Mr. Vogler noted he does not like limiting signage, and certainly not with this case. He does not want them shining lights in people's yards but at the same time, he hopes they have lights coming out

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of the smokestacks up in the air. He wants people to see that sight in a positive way and see it from pretty much any point in the City. They were going to invest a lot of money in Danville and he did not want to handcuff them right out of the gate.

Council Member Campbell noted he had one concern, to make sure the City considers the citizens within the area, that they have a good working relationship with the residents. Council doesn't want the citizens to lose the culture of where they were because industry was coming to the area. Reverend Campbell hoped the City had good rapport with the community and made sure it was done in the right way, that they will be happy to see the growth of Danville in a peaceful way.

Council Member Buckner noted he thought the style of the building needs to fit the area, but much like Mr. Vogler, he certainly does not want to handcuff them and put them in a disadvantage. Let the City see what Caesars presents and go from there. Dr. Miller noted his agreement, unless it was really off the wall, people envision a casino as being a lively place with plenty of action going on and entertainment. As long as they don't get too out of bounds, the City needed to listen to what they say. Dr. Miller noted since they chose that site, he was concerned about the traffic from West Main; he wanted to know where the traffic study was; for getting people in there, it was going to need improvements.

Mr. Larking noted the traffic study was in its final draft form. They did share it with the news media who requested it; they reported a little on the recommendations which included some roundabouts but that was not necessarily something that was going to happen, it was just an option that could alleviate some of the traffic flow. The basics of it were that the road infrastructure was adequate to serve what they project to be the number of vehicles per day, because it was spread out throughout the day. Some times will be busier than others. Coming in from West Main, it was four lanes, they can turn on Bishop which was four lanes and get to the sight. Dr. Miller stated the reality was when they come up from North Carolina, the number one option would be to come up West Main Street; people will discover that's a quicker route, but it really narrows down there and the challenge was if that was going to be the number one access point from the south. Mr. Larking noted they were going to be encouraging people to go certain ways, but there might be some strategies to work that out.

Mr. Whittle noted they were going to have to do a warrant if they put a stoplight in anywhere and Mr. Larking explained they would do a signal warrant but it factors a number of things such as existing conditions, traffic, and accidents, but one of the things studied was future consideration. When they know a certain kind of development was on its way, it will generate a certain amount of traffic; that automatically triggers traffic signals in certain areas as necessary or improvements to traffic signals that already exist. All that was part of the traffic study.

Mr. Whittle questioned the height restrictions outside the area, were they forty seven feet and Mr. Plachcinski noted that was correct. Mr. Whittle noted if the City allows the casino to do that, then others coming to the City will want those variances also. Mr. Plachcinski noted he did not disagree with that based on his experiences with different communities and different hotel flags that come in. The smokestacks sit at around 208' tall and Caesars indicated they may desire to go taller than that. To follow up on Mr. Dyer's comment, he agrees, that providing an architectural space between the smokestacks and a taller building mass was appropriate and the best way to handle it. The City will see what exactly they were talking about with height, as Mr. Whittle suggested, it may have implications with other future developments in the City.

As far as signage, staff had asked Caesars for an idea of what their signage program would be like, and they have furnished that to the City. Mr. Plachcinski stated he will incorporate that into

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the draft but using the language they used in the Coleman Marketplace Development; that was how their zoning ordinance was structured. Mr. Plachcinski noted he was hearing some limitations with things like architectural lighting and search lighting and they will put that out there.

PRESENTATION OF SUMMER YOUTH JOBS PROGRAM

Deputy City Manager Earl Reynolds introduced members of the Summer Youth Jobs committee, including Dr. Julie Brown from the Institute, Mr. Tyler Freeland, CEO of Virginia Career Works Program, Ms. Natalie Hodges, Special Projects Coordinator for Ross Innovative Employment Solutions, and Ms. Keisha Averett, the Youth Career Coach with Ross, Director of Human Resources Sara Weller and Robert David with the City, Dr. Angela Hairston, DPS Superintendent, Dr. Jackie Gill Powell from DCC, Marsha Mendenall with PATHS, Kenny Lewis, Amanda Oakes with DPCS, Alexis Earhardt with the Chamber, Robin Owens with DPS, Director of Parks and Recreation Bill Sgrinia, Chief Scott Booth and Deputy Chief Dean Hairston, Tia Yancey, Angie McAdams and Ryan Todd with Averett, Ms. Joyce Culley with DPS as well as Ken Larking.

Mr. Tyler Freeland, CEO of the West Piedmont Workforce Development Board thanked Council for being the first municipality to come together on a program like this. They have never been offered funds before from a municipality; their funds were so restrictive, and they can do so much more to help people with collaborative funding. They look at this as a pilot program, and were extremely excited about it.

Dr. Julie Brown explained this group had been meeting at the request of the City Manager and Deputy City Manager to have some conversations about young people in the community and giving them work experience and work readiness skills. They put together a Pilot Summer Youth Employment Opportunity; it would be eight weeks, directed to in school and out of school youth through a partnership with the WPWDB, the Institute for Advanced Learning and Research, Danville Public Schools, and the City of Danville. The City was one of the largest employers in the region, the ask was for them to be the model for the other employers in the region. The structure of the program was eight weeks, the student will receive a ten dollar an hour stipend; they were not employees. The stipend will be in four payments for continued participation and success on the job. It was about a two hundred eighty hour experience modeled after what the Commonwealth of Virginia was asking for all high school students to have at some point, a work based learning experience.

The students will go through a one week boot camp and DPS has offered to host that. There was very little money for personnel, but they have resources in the community they were going to leverage and work together. The City of Danville already receives through the Workforce Development Boards, dedicated funds for young people, whether in school or out of school youth; they were going to leverage those dollars to start funding this. The West Piedmont Workforce Development Board will be the lead agency and fiscal agent, because where they can, they were going to leverage their dollars first. However, not necessarily all fifty youth they intend to serve will be eligible for those funds. The Institute was ready to provide some matching funds to offset some of the stipends for students and that was through their partnership with DRF and the Dan River Region Collaborative. The Institute was also prepared to provide a third party evaluation, and will offer the National Career Readiness Certificate free of charge; that was through a grant they already have through the Tobacco Commission. They will leverage those funds to give these young people an industry certification that was portable.

Dr. Angela Hairston, Superintendent of Danville Public Schools, thanked the City Manager and Mr. Reynolds for this opportunity, as well as the Mayor and Council Members. The Virginia

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Department of Education charges each school district with graduating well rounded students and there were four components of their work with students. One was content, what children were learning, another was to ensure they have work place skills, career exploratory opportunities and community engagement; this fits so well with what they were trying to do. The City was stepping up and as a community they were working together to ensure their students were career ready, work ready and certainly college ready when they leave. Dr. Hairston introduced Joyce Culley, their Director of CTE, Career and Technology Education; she will coordinate for DPS the work based learning experience and provide some skills for the children as they go through the work experience. They know that children were not going to enter the experience in a perfect way, they will need coaching, and they were prepared to provide that; they want this to be a successful experience for the student and for the employer. Ms. Culley noted this opportunity was exciting as they were preparing their students to be not only college, but career ready. This will give many of the students in the City the opportunity to get the skills they need to prepare for workforce and workforce development. This was an awesome opportunity and they were thankful to Council for their support of them and the children, and DPS for providing this opportunity.

Ms. Hodge stated they were really excited about this program from an operational standpoint. They already have all the pieces in place to implement the stipends through their existing workforce system. They will also be providing a comprehensive follow up with all participants and all those eligible for their services following the summer experience; they can be plugged into those services and receive additional coaching into the workforce.

Mayor Jones thanked the group for coming to Council, stating this was very exciting, and hoped this program was so successful if they get more than fifty kids participating, they were able to support those additional children.

Reverend Campbell questioned how they were going to choose the participants and Ms. Brown explained they were hoping to start this program on June 7th, right after students were out of school; if they were able to start earlier based on approval, they would do that for the out of school youth. On the selection, they will work with Robert David, and the school system to identify those students, that was where the primary referrals will come from for the pilot program. They do have mechanisms in place through some other efforts, to list work based learning experiences for everyone. This year they just launched, through a partnership with Go Virginia, a platform called Major Clarity, it was being used by thirteen school divisions in Go Virginia Region III. They have a full time, work based learning coordinator and were posting opportunities for students through that platform. This was going to be a requirement for students to graduate, they were going to have to have a work based learning experience. It will put pressure on the private sector, everyone was going to be getting a phone call from a school counselor to place their assigned students into work based learning experiences. VDOE has clearly defined what those requirements were going to be; they were going to try and put systems in place to make sure they were linking young people with the right opportunities to meet their need and interest.

Mr. Vogler thanked the group for making this happen, he has been asking for this for a long time, especially when they were having the issues with crime. He was very excited about the program and the partnership; he believes other localities will want to do the same. Mr. Saunders thanked the Mayor, City Manager, Deputy City Manager and all the volunteers for coming together and was glad they included both in school and out of school children. With regard to the Hoops Don't Shoot, if they could find some people in that group, it would help as well. Mr. Mayo noted he went through a program similar to what the group was doing, learning at an early age to go to work, learning job skills, helping his mother and was glad the City was starting this up again and making it happen. This program will carry the children through times when they were moving on through

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life and they will understand work. Dr. Miller noted back in Lyndon Baines Johnson's administration, there was the Neighborhood Youth Corp; at that time, the salary was \$1.25 an hour but it was invaluable. It helped provide a lot of jobs and helped a lot of youth. Dr. Miller hopes this program will continue to grow.

Mr. Larking expressed his appreciation to the team for all the work they did to put this together. He was very impressed with it when Mr. Reynolds showed it to him. He was very grateful to the group and stated there was an "ask" of City Council. At the next meeting, there will be a budget amendment they will need to approve to help fund this.

PRESENTATION OF THE CITY MANAGER'S PROPOSED BUDGET FOR FISCAL YEAR 2022

City Manager Ken Larking noted each year, the City adopts a budget and the process begins with the staff presenting a recommended budget for their consideration. By April 30th, City Council produces an introductory budget for the public to consider; Council has public hearings, input, revisions were made and adoption usually in June. Mr. Larking thanked the budget team for all the work they did, they do a great job for Danville, making sure the funds they provide through the tax dollars, were used as wisely as possible to provide the services the community has decided needs to be provided to make the community a nice place to live.

In the General Fund, Mr. Larking noted the main highlights were no proposed tax increases, no rate increases and no use of Fund Balance. In the Utility Fund, the City had its biennial rate study. They proposed changes to rates, and recommended some changes and adjustments based on what the City's costs were and what they anticipate being the revenue. This year, the cost of electric and the cost of gas have both gone down; those were the main reasons why most people will see a reduction in their utility bills as a result of the changes to the rates.

The General Fund was \$114.7M and there were some major revenue increases based on trends. The City was seeing additional delinquent and current real estate taxes coming in, so they proposed an increase of \$410,000, and additional Personal Property of \$130,000. For Sales Tax, they were proposing an almost \$1M increase to sales tax revenue primarily because the State started collecting internet sales, sales tax. They do have a reduction showing in hotel tax of \$252,000; staff feels after the pandemic was over that would rebound but they wanted to be conservative.

Mr. Larking noted some of the Expenditure highlights included continued funding for Pay for Performance Increases for employees; this was great for morale for employees and gives them an opportunity to earn a small increase, an average of 2% for employees, based on performance. There was some increased funding for the School's Capital Projects for next year. DPS requested a certain amount of funding; based on conversations with the superintendent, they want flat funding for operational needs but do want an increase for capital. The funding was primarily for rehabilitation of the track around the GW Football Stadium which will enable them to host track meets and practice on campus. If approved, they could have it ready for spring of next year. The money that Council set aside a few years ago, about \$1.3M, and additional dollars will cover the cost of the renovations. The cost was lower than expected because they were focusing on the track itself; the field will be shrunk a little so it can only be used for football, and they have future goals for a soccer field somewhere else. The drainage problem has been looked at, it was the school's facility and their responsibility to do it; they were asking for these funds because that was what they believe they needed in order to accomplish the project.

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Mr. Vogler noted Council had made a point to initiate this because for several years it was never brought up by school leadership to do anything for the track. He remembers hearing there were drainage problems and wanted to make sure the City doesn't invest the money and five years from now there were problems; he would rather get it done the right way. Mr. Larking explained the Schools received the information the City prepared for the track, took that and gave it to the engineer they have on staff. They have everything they need in order to do what they need to get that facility up and running. Dr. Miller noted the other thing Council wanted was a track to hold not just local meets, but regional and state meets. He thinks Council needed to be involved to make sure it's not just a plain track. Mayor Jones suggested when Dr. Miller was meeting with the Superintendent, to share those thoughts with her.

Mr. Larking noted the final highlight for Expenditures was that the traditional government services were continuing at the current levels. He will discuss some of the investments they were making based on the conversations they had at the retreat that came as a result of the Investing in Danville work.

Utility Fund

The Utility Fund budget was a little over \$167M, it does recommend implementation of the recommendations from the biennial rate study that were reviewed by the Utility Commission, modified, reviewed again and presented to Council as a recommendation. This was a \$10M decrease from the current year and most of that due to the lower cost of electric and gas; they were passing those cost savings to the customers. There were some adjustments to the Water and Sewer as well which also gave some savings in those areas; that was mainly due to more efficient service and good fund balances. They continue to maintain their electrical system because they want to have the most reliable system possible, that includes right of way clearance and also upgrades to the substations.

Investing in Danville

As always, City Council was focused on the future; after the retreat they learned that the three City Council focus areas identified several years ago, Public Safety, Education and Economic Development, were the same three top priorities, but now in a little bit different order. Now it was Education, Economic Development and Public Safety. The other priorities identified by the Investing in Danville committee were also important, some of which overlap the three main focus areas in a lot of ways. Mr. Larking noted he will review some of the recommendations that will be funded in a unique way that provided the City's ability to begin the work of making investments in the community as a result of new revenues from casino gaming, some already received and some expected to be received when the casino was up and running.

Education

The City does have an expectation that there will be significant additional state funding related to teacher pay and other areas. Also, the schools received a good portion of Federal stimulus funding, both in CARES Act and other stimulus packages, and the one that was just passed this year will likely increase funding for them. They have a lot of opportunities to use those funds in ways that will serve their students during the pandemic, but will also be leveraged to provide additional benefits for the school system going forward. Mr. Larking noted in addition to the \$2.4M increase for capital improvements, he was recommending no limit to the rollover of unspent funds which they will use for capital projects.

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Economic Development

The City wants to continue their River District Redevelopment Program; as always, anytime they invest in Economic Development, they look at a return on investment. Staff believes that additional investment in the River District was important to continue the good work that was happening there. In addition, they want to invest in industrial site development; a lot of times that was in partnership with Pittsylvania County and with the help of the Tobacco Commission. When they have companies that were looking at the community, deciding whether or not they want to build a new business, employing hundreds of people, investing in capital, they need to have some place to locate. They need an industrial site that was graded or they needed a building; about 70% of the time they want a building. The City needed to have industrial site development in the budget in order to meet the needs of the companies that were trying to be here.

There were funds for the incentive programs which included incentives that have already been committed, and incentives they expect to commit because of interest in the community. Staff wants to focus on international business recruitment, bringing companies to the community that will employ citizens and provide tax revenue through capital investment.

This year, in addition, they want to begin the Tourism Development Program; earlier this year, Pittsylvania County adopted a resolution that made Danville the designated marketing organization for the community and for their community. Staff feels that was very important, and as the City becomes a tourism based economy, in some ways because of the large investment from Caesars, that they promote all the tourism assets of the community. Staff wants to promote existing tourism but also to build new tourism assets so that there were multiple reasons to come to Danville. It improves the City's revenues and the quality of life for the people who live here.

Workforce Attraction through Quality of Life Amenities

Mr. Larking noted this was an example of an overlap; one of the other Investing areas was called "Quality of Life Amenities." It was listed last in the group of eight, but in order to have a quality workforce in the community, to meet the needs of the businesses they were trying to attract, they have to give people a reason to live here. If they don't want to live here then they will not have the workforce to provide the jobs that people were looking for. The City has to have a great community for people to live in, that was why focusing on these investments and improving quality of life, housing and those things, play a huge roll in building the workforce they need so that the companies can be successful.

Public Safety

Mr. Larking noted, included was the new police headquarters, with funding for that, and additional closed circuit television cameras. The police department has solved many crimes because of the closed circuit television cameras they have; every year they add new ones. There was also new police equipment and fire apparatus upgrades included in the budget.

Infrastructure

Staff feels that it was important to invest in the airport; they will likely have a lot of customers coming in to visit the casino resort through the airport and staff wants them to have a good experience. One of the major needs that has been in the capital improvement plan that has not been able to be funded was rehabilitation of the crosswinds runway. The Airport Commission has been recommending this for many years, the City just hasn't been able to put it in the budget. It

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was at end of life, it needed to be fixed and was necessary for the success of the airport. In addition, staff also recommended terminal upgrades so that when the flying public comes into Danville, they have a great first impression. It will be used for economic development, used for promoting the businesses here, and they want people to see that.

Community Health

This was an initiative a lot of people in the community have been involved in. The biggest reason Danville won All American City last year was because of health, that was the main topic; it was related to what the City was doing for health and health equity. Having a great trail system, staff wants to expand that as well as the Riverfront Park, which will be a premier regional park in the downtown. The budget proposes to close the funding gap necessary to make that a reality so they can begin construction sometime within the next fiscal year. The City received additional donations from various groups, they received a \$4M donation from DRF, donations from Minnie Maude, and just heard the Lions Club has given a significant donation, as well as the Rotary Club. The State of Virginia General Assembly has approved \$740,000 in their budget; it was not final until the Governor signs it. Mr. Larking thanked the delegates and senators for pushing that through and making it happen. The vast majority of the park will be paid for by other money, but there was some requirement for the City to put in some funds to match the state.

Quality Housing

Mr. Larking stated this goes back to having a great workforce, the City needs to have a place where people want to live. It was discussed earlier, they want people to own homes, have energy efficient homes, homes they were proud of, and homes people would be interested in investing in. The City has some funds to partner with the Danville Neighborhood Development Corporation to help improve neighborhoods that could go one way or another; the City wants to make sure those neighborhoods were heading in the right direction. They want to propose doing that to help those people in those neighborhoods with investing in their homes. This will include investment in home owner occupied, and renter occupied homes where they partner with landlords.

Mr. Saunders questioned if this could be an opportunity to help with the homelessness. There were some people in the City who were homeless and he has heard there were students who lived in hotels. Mr. Larking noted they do have a work group similar to the work group that Mr. Reynolds put together for the summer youth jobs program, working on the homeless issue. They want to be sure they handle the homeless issue in a comprehensive way because there were multiple facets that create homelessness and they want to do it in a way that was beneficial for the community. The City wanted to be careful on how they approach that problem.

Mr. Larking noted a lot of the neighborhoods in the community have small pocket parks and the budget does include some funding to help renovate some of the playgrounds in those neighborhoods. Sometimes the neighborhood park was an important part of the quality of life in the neighborhood.

Financial Stability

Mr. Larking noted it was important that they make sure they can pay for the programs they were putting in place; they can do that in the long term and in a sustainable way. In this budget, they were looking at the next two years while they wait for casino revenues to come in on a steadier basis, and to maximize what has already been received in casino revenues through bond

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anticipation notes. Until trends were established, they want to plan for only using the minimum guaranteed revenues to support any ongoing expenses. The City negotiated a development agreement with Caesars that said there was a \$5M minimum of revenue for casino gaming and that was what the City should rely on; that was the most prudent way to handle that. With regard to financial stability, staff had a goal to eliminate the use of fund balance in balancing the budget so they can build a healthy reserve, and hopefully change the policies to have a larger reserve balance which will lead to better credit ratings.

Quality of Life Amenities

Mr. Larking noted there were splash pad playgrounds proposed in both the northern and southern sections of the City, they want to have those up and running next summer. There were also gateway enhancements included in the budget to help with improving the look of the City when people come in to visit.

Financial Advisor Recommendations

Mr. Larking noted from the retreat, the financial advisors had a recommendation on how the City could conservatively begin doing some of the things recommended by the Investing in Danville Committee work. Looking at a five year plan of what they believe the revenues will be including in year three of that five year plan, at least \$2.5M of casino gaming revenue plus \$5M a year for the next two years after that. Leveraging the current revenue the City has already received from the \$5M from Schoolfield plus the \$15M payment, the City can use Bond Anticipation Notes to bridge the gap, where the City pays interest only payments on short term borrowing for about five years. When the casino gaming revenue comes in, the City has two choices, they can either pay it off or refinance it; they will likely pay it off. The City was in a unique situation, they have the casino coming to the City, they know from the projections it will likely bring in multiple millions of new dollars to the community, they want to invest in Danville, in the neighborhoods and people and create a great home for the community; this was how they do that.

When City Council said they wanted to adopt resolutions for specific projects, how to use the casino gaming revenue, it will be a blend of bond anticipation notes, casino revenue that was already received and regular bonding to accomplish all of the projects that were recommended to be done this year and next year. Staff feels that was the soundest financial strategy to accomplish the most they can accomplish for the community, and begin the process of transforming the economy of Danville.

Mr. Larking noted there would further budget discussion at the next Council work session.

COMMUNICATIONS

Mr. Whitfield noted his office along with Finance has started working with the school system with regard to both the bond and the referendum for the one cent sales tax. Over the weekend, Governor Northam signed the bill moving all local elections from May to November; his office will begin to put a plan together which will probably require some action from Council and maybe some changes to the City's charter.

CLOSED MEETING

At 9:25 p.m., Vice Mayor Miller **moved** that this meeting of the City Council of the City of Danville, Virginia be recessed and that Council immediately reconvene in a Closed Meeting for the

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following purposes: consultation with legal counsel retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, as permitted by Subsection (A)(8) of Section 2.2-3711 of the Code of Virginia, 1986 as amended.

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

VOTE: 9-0

AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Saunders, Vogler and Whittle (9)

NAY: None

Upon unanimous vote at 9:41 p.m., Council reconvened in open session and Vice Mayor Miller **moved** for adoption of the following Resolution:

CERTIFICATE OF CLOSED MEETING

WHEREAS, the Council convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.1-344.1 of the Code of Virginia, 1950, as amended, requires a Certification by the Council that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Council hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements of Virginia Law under Section 2.2-3711 were heard, discussed or considered, and (ii) only such public business matters as were identified in the Motion by which the Closed Meeting was convened were heard, discussed or considered by the Committee.

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

VOTE: 9-0

AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Saunders, Vogler and Whittle (9)

NAY: None

MEETING ADJOURNED AT 9:42 P.M.

APPROVED:

s/Alonzo L. Jones
MAYOR

ATTEST:

s/Susan M. DeMasi, CMC
CITY CLERK