

February 6, 2021

A Retreat of the Danville City Council convened on February 6, 2021 at 9:00 a.m. in the Fourth Floor Conference Room of the Municipal Building. (Remote viewing for the public and the media was available in the Second Floor Conference Room.) Council Members present were: L.G. "Larry" Campbell Jr., Bryant Hood, Mayor Alonzo Jones, Barry P. Mayo, Vice Mayor Gary P. Miller, Sherman M. Saunders and J. Lee Vogler, Jr. (9). James B. Buckner and Madison J.R. Whittle were absent (2).

Staff Members present were: City Manager Ken Larking, Deputy City Manager Earl B. Reynolds, Jr., City Attorney W. Clarke Whitfield Jr. City Clerk Susan M. DeMasi, Budget Director Cynthia Thomasson, Director of Finance Michael Adkins, Director of Economic Development Corrie Bobe and Assistant to the City Manager Amanda Paez.

Also present were Clarke Casteel, Danville Regional Foundation, Joe Mason and David Rose from Davenport and Facilitator Matthew Dolge.

9:00 a.m.

City Manager Ken Larking noted Matthew Dolge, from the Piedmont Triad Regional Council in North Carolina, who would be facilitating the retreat. Mr. Dolge gave a brief introduction, Council Members introduced themselves and Mr. Larking introduced staff.

Mr. Larking noted he had several goals for the day, one was for the City Council to have an opportunity to talk about long-term strategic priorities and visions for the future based on what they all learned from the Investing in Danville Committee group. In addition to that there were some short term things he would like to have accomplished and that would be some particular guidance on the next year's budget and the year after that. The challenge the City was facing, they did get \$20M from Caesars for the purchase of the property plus the \$15M upfront money, but there was a two year gap before the City starts to get new revenue from the casino once it was up and running. How do they bridge that gap and be able to start doing some of the things they need to do to invest in the community in a positive way. Later on today, when the financial advisors come up, they have some neat ideas on how they can do that. Everyone was eager about getting out in the committee and getting all parts of the community investing in ways that will make a difference in people's lives. They will discuss that, discuss how to pay for it; they think they have a good idea at the staff level of how they can pay for it, but need Council's guidance to make sure they were on the right track.

Mr. Larking introduced Clarke Casteel, the President of the Danville Regional Foundation; the DRF actually helped to fund the report from the Investing in Danville Committee group, and they appreciate the Foundation's involvement in making things happen in Danville and the region. They had Committee had several town hall meetings, a survey and really engaged the public in the process.

Clarke Casteel noted his main goal is to review the guiding principals that were developed because he thinks they were really good, important and do hope they guide the process the Council was undertaking. The strategic plan, how do they be strategic. Mr. Casteel noted on page 8 of the report and noted the Citizens Advisory Committee, was something they had been thinking a lot about and it goes back to one of the speakers DRF had in the past, Robert Putnam. He did research that led to a book, Bowling Alone, but his research before that was interesting. He went around Italy and looked at all the different provinces of Italy. The individual provinces can run themselves any way they want to, and they had a wide range of political aspects within the range of government. He was trying to do a political analysis, which was

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better. When he finished, he found it didn't matter what kind of politics they were in, what mattered was if the people came, if the people worked together. The successful provinces were the ones where the people had a history and a practice of coming together to solve tough issues. That led to his first book, *Bowling Alone* and his basic message to the United States was, watch out, people aren't joining bowling leagues anymore, they were bowling alone. His premise was that as people come together in bowling leagues and other things, as people come together on little things, then they have a history and were used to coming together to tackle big things like strategic planning for the future of the region. The fact that council decided to do this was to start by bringing the community together and getting them to go deep in this was absolutely critical. Mr. Casteel noted he was convinced the future of the region depends on how the people can come together to help them all solve these great challenges they face.

Mr. Casteel noted on page 10, the Guiding Principles that were developed throughout the process and stated he thinks they were extraordinary:

- Goals identified by City Council – Education, Economic Development, and Public Safety.

Mr. Casteel noted the thing that struck him, were these were all things that everybody can agree on, everyone in the community no matter what their political position, recognizes the City needs better education, better economic development and better public safety. This was one of those areas where the community can all come together and work on this and create a shared vision. These were places that people could come together. They know these were not easy, starting with education, and look at the education statistics, which were not great, the number of accredited schools, the test scores all these things were lagging the state; in some cases substantially. But can the community come together to work on this, absolutely they can. Mr. Casteel stated he was really pleased with Dr. Hairston's first step, which was to do a community based strategic plan. They were going to engage the community and talk to them about how they do this better. Mr. Casteel noted he would plant a seed on education, for 100 years in places like Danville, they knew exactly what school was for. This many folks were trained to work in the mills, they trained this many people to work on the tobacco farm, they creamed off about 10-15% to go to college hoping they would come back as managers. People today lament, their BA/BS degrees, are much lower, it was only 10-15% and one of the significant questions to ask was, where would they have worked if they had been higher. The school system was completely market driven for 100 years. The significant question, the seed he wanted to plant on education was this, what was school for? What was it for now? That was the question, they as a people need to be asking. What was an educated person need to know in their community to thrive and help the community thrive. I think that's a significant question and integral to this.

The second one of goals identified by city council was economic development that is another one that was a completely disrupted industry. ED for years was going out, looking for companies who were moving and bringing them here. The number of companies who were moving has gone down dramatically, not just because of the pandemic, but the number of companies that were moving has dropped exponentially. On big projects like the Berry Hill Project, you may get one announcement every two or three years. These are long terms bets you were making, but there was this other piece to ED, business retention and expansion, tourism, entrepreneurship, all of these other things make up economic development, so it was part of this really important challenge, and why was this one so important, the median household income in the region was still about half of the state average. Our population rate was not increasing, it was going down, health disparities still lagging the state. All of these

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things are changed by and the health work through the health collaborative, they talk about the social determinacy of health. The key one of those was were people making a living wage. So as you were thinking about economic development, you were thinking about this completely disrupted industry. Here is what we know about economic development, DRF and city council has been to other places that have transformed, who have done this work. They went to Greenville, SC, DeBakey IA, Tupelo, MS; here is what we know about those places – it takes a long time. It takes about forty years for places to move. When he interviewed for that job, sat down with the board during the interview process, DRF has been doing this for 13 years, granted \$130M in this community, median household income hasn't changed, the education numbers were going down, population was going down, does this mean you all have no clue what you were doing. I don't think it does, I think you have made really good strategic investments. What it means was, this was a long term process, every region has a developmental curve they go through and sometimes it takes forty years. What they were trying to do was shorten that gap a little.

The next one was public safety, he thinks this was something DRF has learned a lot from the City and something they were thinking about with regard to public safety and that was the model that has been developed. They were seeing a big improvement in public safety in this region as anything else. The model created along with Chief Booth was community engagement, community policing; it means he is on the ground there, he is engaging them deeply in this process of "how do we make this place one you want to be in". that model is this community engagement that he started talking about earlier. That was how they come together on these critical issues and why that was really important.

Additional priorities identified by staff and Advisory Committee:

Good Safe homes and neighborhoods
Parks and community centers
Reduce poverty
Improve health outcomes

Mr. Casteel noted when he read through this, the piece that jumped out at him was the inter-relation of these things. They were all parts of quality of life; they were all parts of creating a better quality of life in the region. They were doing some research right now with the Robert Wood Johnson Foundation and have researchers from Ball State doing this in Akron. They were looking at every micropolitan in the United States, 535 micropolitan and what their research has shown, was micropolitan who have a higher quality of life than ones that have a higher quality of business environment.

Targeting neighborhoods and people for equity and resiliency by considering:

- what inequities or barriers currently exist?-
- How do we support our most vulnerable populations?
- What projects will help address systemic inequities?

How do we talk about shared opportunities – need a shared vocabulary.

Systemic Change – go upriver to see where it is coming from.

Investing in Danville Guiding Principles

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Use one time revenue for one time expenses
Meet current obligations before creating new ones
Emphasize return on investment (money and quality of life)
Take good care of what we build and own
Identify the desired outcomes and intended beneficiaries of investments

Where possible the city should:

- use casino revenues to invest in organizations with specialized expertise and capacity that further the city's goals.
- use casino dollars as match funding to maximize the impact of financial investments
- use funds to ignite collaboration among existing programs and institutions

Mediocre can be expensive
Need, opportunity, impact
What impact will the investments make
How do you leverage those funds to make an impact – mediocre is expensive

Can the community come together on the big issues

Casino revenue gives the City leverage – nationwide best practices
Where are places that look like us that have done this well.

Matthew Dolge

Everything the city does should be branded and identified - show the impact, see it across the community – branding it so people can see what the city was doing. Metrics to see the impact
Changing the outcomes for everyone so they can participate.

Because of history, not everyone is starting from the same starting point.

Build a system that is successful that continues to build itself.

Alonzo – need to celebrate successes outside the River District.

MD – review handout

10:57 reconvene

Mr. Rose – Davenport

Review of handout.

P2 – one time money for one time expenditures
Don't count on dollars before they arrive.

Joe Mason

General Fund policy 20%, as casino revenues come in may want to boost that to raise that floor.
Cities typically have between 5 to 35%.

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P8 approximately \$50M in debt capacity as of today.

MA – total debt for city is about \$100M

P9 city could issue approximately \$29M as early as fy 2021 and \$76M over next decade.

Joe – may want to leverage some of the casino revenue or bank some.

Ken – strategies for investing upfront casino payments

1. Police Headquarters – already under construction – anticipate will be up and running in spring of 2022 and will need \$5M set aside to make payments

2. Riverfront Park – engineering underway, hope by April submit for permits, don't know if this will be a long term or short term permitting project, environmental issues, estimated cost was \$10-11M (several years ago) \$4M DRF, \$300,000 JT Minnie Maude, Coal Ash Funds, area rotary clubs gave \$100,000, plus contributions. Next year's budget \$500,000 utility fund balance to \$6.3M, house version of budget had \$1M for park, last year senate approved \$700,000. \$3.7M to \$5.2M additional cost.

3. \$480,000 for splash pad in northern part of city – looking for public comments – 3

4. \$190,000 other park improvements including rehab of Ballou

5. Assessment of every playground in parks and neighborhoods to make sure they were high quality.

6. \$2.15M over two year for neighborhood revitalization including blight and funds for DNDC has a grant application, \$750,000 for city share and DRF same. DRF has not yet approved their share. Highly recommend investing in this.

- Redevelopment plan for Almagro similar to Monument Berryman – what investments could be made to improve that neighborhood. Look at Winslow historic hospital. – do an historic assessment on that property – possible historic tax credits.
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7. \$3.632M Airport Upgrades – 7 star members who get a free trip to anywhere in the country and like to go to new properties. Want to have a good experience when they get to the airport. Cross wind runway rehabilitation, critical to Averett and being a tourism asset. Airport terminal renovations, want it to be a good experience.

8. Tourism program \$400,000 (\$200,000 for two year) tourism assets,

Downtown parking will need to be addressed

White Mill redevelopment

Mega Park investments

Total of \$20.5M in one time investments

Total of \$7.25M per year for recurring commitments

Lee- two splash parks, one at Ballou

KL – may be cost savings with doing two at one time

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GM- schools – broadband program has stopped, 25% of city done. Only in affluent communities. Comcast has lifeline \$9.95 a month – city pay the subscription price.

KL – some school systems may pay for the core service. Can look at that. Want to take the time to design it carefully and look at outcomes.

SS - how do get people who have skills but don't have licenses. Like to see more on how DCC Averett and the Institute are working together, in print. Concerned about student enrollment.

Barry – how can we increase enrollment; would like to see how DCC Averett and Institute all collaborate to improve education.

Bryant – how do we help underserved and unengaged communities get engaged in what was happening. Get information into the communities so they see what was going on.

SS – track

Lee – newspaper article – Worcester – uplift every part of city. Commercial revitalization zones to spark growth in areas left behind. 50% or higher vacancy rate – Five Forks, North Main Hill,

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GM – 29 entrance into the city lot of empty storefronts.

Corrie – agree, outlying commercial areas that need attention, three historic outlying areas – own district - North Main - Schoolfield, fy 2022 will be creating a plan to addressing North Main Hill.

Mayor – upgrading parks – northside, hear from citizens. Put some priorities

KL – theme – engaging the community. City needs to do a Comprehensive Plan, have done the basic in the past. We can afford to do a Comprehensive plan that has more community engagement; go into neighborhoods, have meetings and talk to the citizens.

12:42 – reconvene after lunch

Visioning/Priority Setting – Matthew Dolge

What would they like to see in ten years:

Continued growth

Shared opportunities in prosperity

\$50M fund balance – financial stability

Better family quality of life

2031 a United inclusive community

Poverty – a word barely used

20% population increase

Danville is a place to move to

Top rated school system

Berry Hill 90% to fully developed

Growing population

Technology , infrastructure

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Great place to raise a family
Capital improvements for schools
Good quality of life
Movie production company
Improved housing values, stock/new stock
Better health outcomes
Unemployment 4% or less
No dependence on fund balance/borrowing – capital projects funded by current revenues
All schools accredited –
Attractive campuses
Growth in the middle class families

What is the process?
More needs than dollars develop plans for staff to do

What are parameters for staff when they bring something to you, you can approve

- Can the city afford it/ fiscal impact of project
- Where is it on the priority list
- Community impact
- Quality – built to last, developer, timeframe, etc.
- ROI
- How does it elevate Danville's reputation outside the City
- Who might be partners
- Opportunities to leverage funding

Possible barriers to getting to a proposal

- Effective communication to the public – is there a game plan to communicate
- Expectation setting
- Addressing ideological differences
- Long term consistency – school board – improved relationship
- Increased consistency in communication

Quality of Life – key issues, key concerns

Blight remediation
Riverfront park
Increased activities/ businesses for youth
Citywide access to nextgen infrastructure – get ahead of next big wave
Entertainment, shows, festivals, restaurants, sports tourism
Have youth and young adults engaged in what the city already has
More youth programs, constructive, things for them to do
Parental involvement in children's education
Reduce poverty rate
Recidivism – help ex offenders engage back in the community
Summer youth jobs, youth engagement
Productive citizenship – ex convicts

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Develop more neighborhood programs, block parties
One person in each household know CPR
Promote being of service in your community
Youth jobs program

Mayor – partner with groups that are doing things with the youth – how can they help get that information out there.

SS – why don't people take advantage of programs run by parks and recreation.

Public Education

Bring back trades to public education
Highlight successful, exceptional schools to people outside the City
IB level in lower grades?
Schools – strategic plan and help them stick to it

Weighted Ranking of Priorities -

Community rankings:

Public Education
Economic Development
Public Safety
Infrastructure
Community Health
Quality Housing
Financial Stability
Quality of life amenities

2:18 p.m.