



DANVILLE CITY COUNCIL REGULAR MEETING AGENDA

MUNICIPAL BUILDING

October 17, 2023

7:00 PM

PRESIDING: Alonzo L. Jones, Mayor

**CITY COUNCIL
MEMBERS:**

James B. Buckner
L.G. "Larry" Campbell, Jr.
Bryant Hood
Barry P. Mayo

Dr. Gary P. Miller, Vice Mayor
Sherman M. Saunders
J. Lee Vogler, Jr.,
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, who have signed up to speak, 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, and shall have three uninterrupted minutes. A representative of a group may have up to five 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 - SHERMAN M. SAUNDERS

PLEDGE OF ALLEGIANCE TO THE FLAG

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.

PUBLIC HEARING

- A. Consideration of Approval of Minutes from Regular Council Meeting held on September 19, 2023.

Council Letter Number CL - 898.

Consideration of Approval of Minutes from Regular Council Meeting held on September 19, 2023.

- B. Consideration of Amending or Establishing Rental Fees for a New Corporate Hangar.

Council Letter Number CL - 868.

An Ordinance Amending and Establishing Monthly Rental Fees for a New Hangar Located at the Danville Regional Airport Effective November 1, 2023.

FINAL ADOPTION

APPOINTMENTS

- A. Consideration of Appointments to Boards and Commissions.

Council Letter Number CL - 917.

1. A Resolution Reappointing Larry Toomer to the Danville Redevelopment and Housing Authority.
2. A Resolution Reappointing Adam Jones to the River District Design Commission.
3. A Resolution Reappointing R.J. Lackey to the River District Design Commission.

NEW BUSINESS

- A. Review of General Fund Financials as of September 30, 2023.

Council Letter Number CL - 698.

A brief presentation will be given on the General Fund financial results through September 30, 2023. Financial Statements are included.

- B. Consideration of Approval of the Acceptance of Parcel No. 01944 on Riverside Drive in Exchange for Release of Liens.

Council Letter Number CL - 883.

A Resolution Approving and Authorizing the Acceptance of Real Property Identified as Parcel No. 01944 for Right-of-Way Improvements Along Riverside Drive.

- C. Consideration of Authorizing and Approving the Execution of a Support Agreement By and Between the City of Danville, Virginia and the Virginia Small Business Financing Authority.
Council Letter Number CL - 865.

A Resolution of the Council of the City of Danville, Virginia Approving and Authorizing a Support Agreement.

COMMUNICATIONS FROM VISITORS

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COMMUNICATIONS

A. City Manager

B. Deputy City Manager

C. City Attorney

D. City Clerk

E. Roll Call

ADJOURNMENT

Council Letter

City of Danville, Virginia



CL - 898

CONSENT AGENDA A.

City Council REGULAR MEETING

Meeting Date: October 17, 2023

Subject: Consideration of Approval of Minutes from Regular Council Meeting held on September 19, 2023.

From: Susan DeMasi, City Clerk

COUNCIL ACTION

Consideration of Approval of Minutes from Regular Council Meeting held on September 19, 2023.

Attachments

1. Meeting Minutes
-

September 19, 2023

The Second Regular September meeting of the Danville City Council was held on September 19, 2023, 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., Bryant Hood, Mayor Alonzo L. Jones, Barry 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 F. Larking, Deputy City Manager Earl B. Reynolds, Jr., City Attorney W. Clarke Whitfield, Jr., and City Clerk Susan M. DeMasi.

Mayor Jones presided.

INVOCATION AND PLEDGE OF ALLEGIANCE

J. Lee Vogler, Jr., gave the Invocation followed by the Pledge of Allegiance.

ANNOUNCEMENTS AND SPECIAL PRESENTATIONS

Proclamation: Crop Walk Week
Presented to: Sherri Tuck

Ms. Tuck thanked Council for the Proclamation for Crop Walk Week. Ms. Tuck discussed statistics on citizens experiencing hunger and acute hunger in the US, and the one hundred and fifty three households that were served daily by God's Storehouse. God's Storehouse has seen a 32% increase in need since 2022, and reviewed the reasons why they hold the Crop Walk each year. Ms. Tuck introduced Karen Harris from God's Storehouse who noted 25% of what was raised in the Crop Walk goes to God's Storehouse; that can be a very significant amount and they were very grateful for that. Anytime God's Storehouse was in need, the community stepped up, helped out by stocking shelves and sending volunteers. Ms. Harris encouraged Council to come out on October 1st to walk with the group.

Presentation: VALOR Award Recipients
Presented by: Police Chief Scott Booth

Chief Scott Booth addressed Council, noting it gave him great pride to talk about the five officers, four who were present this evening. On Tuesday, September 12th the Virginia Associations of Chiefs of Police had its annual awards banquet and the four officers present were presented with their most prestigious award, the VALOR award, which was given to officers in the State of Virginia, who exhibited exemplary valor in the face of danger. Corporal Hawkins, Officer Neighbors, Detective Lieutenant John Dixon, Detective Sargent Richard P. Wright, and Detective Jordan T. Land, received this award for an event that happened on February 10, 2023. Chief Booth reviewed the incident and the actions of the officers involved in the shots fired event.

Mayor Jones and Council thanked the Police Department for all that they do.

MEETING MINUTES

Upon **Motion** by Council Member Buckner and **second** by Council Member Campbell Minutes from the Regular Council Meeting held on August 15, 2023 were approved as presented. Draft copies of the Minutes had been distributed prior to the meeting.

NEW BUSINESS

REVIEW OF GENERAL FUND FINANCIALS AS OF AUGUST 31, 2023

City of Danville Chief Financial Officer Michael Adkins reviewed the financial results through the end of August, two months into the new fiscal year, and 17% of the year complete, noting revenues were performing well compared to budget. The next billing and collection cycle for property taxes will be in November, and were due December 5; he will have more to comment on later this year about that. Delinquent collection of real estate taxes were performing very well; the City has already collected 26% of budget for that line item. Local driven consumer taxes continue to run slightly ahead of budget and an increase over last year of a little over \$1M. Half of that increase was related to the direct payment received from Caesars for July activity, but the other half was growth in mainly three areas: sales tax, meals tax, and lodging. Sales tax through August was \$2M, 18% of budget and up about \$250,000 over last year at that time. Meals tax was also \$2M, 19% of the budget and up about \$170,000 over last year, and lodging taxes were \$545,000 for the first two months, 22% of budget, up about \$100,000 over last year. Occupancy rates for May, June and July were the highest three months the City has had. When they developed the budget last December, they had an idea of how high the interest rates would go; they have increased more, interest income has performed at \$809,000 for the first two months, 45% of the budget for this year, and up \$714,000 over last year. This will continue to help the City with any unexpected expenditures. As far as other revenue items, although there were some timing differences, all of the Federal and State revenues were on track and he had no concerns. For Expenditures, after adjusting for some timing differences, the Departmental Spending was at 15.8% or just under 16%, trailing budget just a little. Increases over last year were primarily due to the implementation of the pay study and merit based increases, as was expected and budgeted for. For Non-Departmental expenses, primarily group health insurance and debt service, both of those were tracking with budget. Last year, the health insurance claims ran ahead of budget; they were not seeing that this year yet. Health Insurance right now was at 16% of budget, one percent behind where they would expect that to be.

In summary, Fiscal Year 2024 was off to a good start. Mr. Adkins noted the auditors from Brown, Edwards were here for the next two weeks doing their field work on site; everything was on schedule there and no concerns. Also, the next parcel auction of abandoned parcels will occur in Chambers on Thursday, October 12th starting at 1:00 p.m. Council Member Whittle questioned the interest the City was getting, that was off the \$35M and Mr. Adkins noted that was correct; the City invests that in various ways such as CDs and other municipal bonds. Council Member Vogler noted the City was running ahead of where they were last year in multiple revenue streams and asked what the collective amount was, and Mr. Adkins noted for the first two months related to the consumer driven taxes, it was about \$500,000 in comparison to last year. In comparison to budget it was few hundred thousand. If the trend continues, Mr. Adkins stated he believed those budget items will exceed expectations by \$1M or 1.5M if that trend continues throughout the rest of the fiscal year. Council Member Saunders commended Mr. Adkins and his staff for the work they do, and Mr. Adkins noted it takes a tremendous team to do the work they do and will note Mr. Saunders's comments to them.

CONSIDERATION OF A RESOLUTION OF OFFICIAL INTENT TO REIMBURSE EXPENDITURES WITH PROCEEDS OF A BORROWING

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

RESOLUTION NO. 2023-09.09

September 19, 2023

RESOLUTION OF OFFICIAL INTENT TO REIMBURSE EXPENDITURES WITH PROCEEDS OF A BORROWING

The Motion was **seconded** by Council Member Mayo.

Council Member Whittle questioned this item, and Mr. Adkins explained the budget that was adopted intends to issue bonds for certain capital projects. As the City will not issue those bonds until the spring, if any spending occurs between now and then, it enables the City to take the bond proceeds and basically reimburse itself. The City fronts the expenses of these projects until the bonds were issued and then can reimburse themselves with those proceeds.

The **Motion** was carried by the following vote:

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

CONSIDERATION OF A RESOLUTION AUTHORIZING AN AMENDMENT TO THE CITY ENTERPRISE ZONE #1

Mayor Jones opened the floor for a Public Hearing regarding an Amendment to Enterprise Zone #1. Notice of the Public Hearing was published in the *Danville Register & Bee* on September 9, 2023 and September 16, 2023. No one present desired to be heard and the Public Hearing was closed.

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

RESOLUTION NO. 2023-09.10

A RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT TO THE VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AN ENTERPRISE ZONE AMENDMENT APPLICATION FOR THE CITY ENTERPRISE ZONE 1.

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

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

CONSIDERATION OF RESOLUTIONS OF SUPPORT TO THE VIRGINIA DEPARTMENT OF TRANSPORTATION REVENUE SHARING APPLICATIONS

1. CONSIDERATION OF A RESOLUTION ENDORSING A VIRGINIA DEPARTMENT OF TRANSPORTATION REVENUE SHARING APPLICATION FOR FUNDING FOR RICHMOND BOULEVARD PEDESTRIAN ACCESS PROJECT

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

RESOLUTION NO. 2023-09.11

September 19, 2023

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANVILLE, VIRGINIA ENDORSING A VIRGINIA DEPARTMENT OF TRANSPORTATION REVENUE SHARING APPLICATION FOR FUNDING FOR RICHMOND BOULEVARD PEDESTRIAN ACCESS PROJECT.

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

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

2. CONSIDERATION OF A RESOLUTION ENDORSING A VIRGINIA DEPARTMENT OF TRANSPORTATION REVENUE SHARING APPLICATION FOR FUNDING FOR REPLACEMENT OF STRUCTURE 1816 ON RIVERSIDE DRIVE OVER APPLE BRANCH

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

RESOLUTION NO. 2023-09.12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANVILLE, VIRGINIA ENDORSING A VIRGINIA DEPARTMENT OF TRANSPORTATION REVENUE SHARING APPLICATION FOR FUNDING FOR REPLACEMENT OF STRUCTURE 1816 ON RIVERSIDE DRIVE OVER APPLE BRANCH.

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

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

3. CONSIDERATION OF A RESOLUTION ENDORSING A VIRGINIA DEPARTMENT OF TRANSPORTATION REVENUE SHARING APPLICATION FOR FUNDING FOR BROADNAX STREET AND BETTS STREET IMPROVEMENT PROJECT

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

RESOLUTION NO. 2023-09.13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANVILLE, VIRGINIA ENDORSING A VIRGINIA DEPARTMENT OF TRANSPORTATION REVENUE SHARING APPLICATION FOR FUNDING FOR BROADNAX STREET AND BETTS STREET IMPROVEMENT PROJECT.

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

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

**BUDGET APPROPRIATION – CONSIDERATION OF AMENDING THE FISCAL YEAR 2024
BUDGET APPROPRIATION ORDINANCE FOR FEDERAL AND STATE AVIATION CAPITAL
FUNDING**

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

ORDINANCE NO. 2023-09.08

AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR FEDERAL AND STATE AVIATION CAPITAL GRANT FUNDING TO COMPLETE THE REHABILITATION OF THE SOUTH RAMP AT THE DANVILLE REGIONAL AIRPORT PLUS ADDITIONAL STATE AVIATION FUNDING RELATED TO THE REPLACEMENT OF THE TERMINAL BUILDING ROOF IN THE AMOUNT OF \$3,753,439 AND FOR THE LOCAL SHARE IN THE AMOUNT OF \$116,939 TO BE PROVIDED BY A TRANSFER FROM THE GENERAL FUND SUPPORT OF SPECIAL GRANTS FUND AND APPROPRIATING THE SAME.

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

**BUDGET APPROPRIATION – CONSIDERATION OF AMENDING THE FISCAL YEAR 2024
BUDGET APPROPRIATION ORDINANCE FOR OLDER AMERICANS ACT GRANT FUNDING
IN THE AMOUNT OF \$476,635**

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

ORDINANCE NO. 2023-09.09

AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET APPROPRIATION ORDINANCE BY INCREASING CERTAIN REVENUES TO PROVIDE FOR TITLE III-B GRANT FUNDS AND LOCAL SHARE FOR SENIOR CITIZEN TRANSPORTATION SERVICES AND APPROPRIATING THE SAME.

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

**BUDGET APPROPRIATION – CONSIDERATION OF AMENDING THE FISCAL YEAR 2024
BUDGET APPROPRIATION ORDINANCE FOR AIRPORT MAINTENANCE PROGRAM IN THE
AMOUNT OF \$50,000**

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

ORDINANCE NO. 2023-09.10

AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR STATE DEPARTMENT OF AVIATION MAINTENANCE GRANT FUNDS RELATED TO THE MAINTENANCE OF CERTAIN AIRPORT PROPERTIES IN THE AMOUNT OF \$40,000 AND FOR THE LOCAL SHARE IN THE AMOUNT OF \$10,000 FOR A TOTAL APPROPRIATION OF \$50,000 AND APPROPRIATING THE SAME.

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

CONSIDERATION OF CANCELING THE OCTOBER 3, 2023 CITY COUNCIL MEETING

Vice Mayor Miller **moved** for adoption of a Resolution entitled:

RESOLUTION NO. 2023-09.14

RESOLUTION CANCELING THE REGULAR MEETING OF DANVILLE CITY COUNCIL SCHEDULED FOR TUESDAY, OCTOBER 3, 2023, AND SCHEDULING A SPECIAL MEETING OF CITY COUNCIL ON THURSDAY, OCTOBER 5, 2023.

The Motion was **seconded** by Council Member Buckner.

City Manager Ken Larking explained that Tuesday, October 3, 2023 was Danville's National Night Out; typically their National Night Outs were in August, but it was a very warm time of the year, so the City recognizes National Night Out in October. The kick off will be in the Westmoreland community and will start around five o'clock. Mr. Larking encouraged citizens to get out and get to know their neighbors; City staff members and City Council members will be out in the communities meeting people, talking about issues and hearing about concerns. That was why the City Council meeting was being moved to October 5, 2023. Vice Mayor Miller noted National Night Out has been going on since 1984, Danville was going to keep the tradition going, and discussed activities including Council Members dancing.

The **Motion** was carried by the following vote:

VOTE: 8-0-1
AYE: Buckner, Campbell, Hood, Jones, Mayo,
Miller, Saunders, and Vogler (8)
NAY: Whittle (1)

CODE CHANGE – CONSIDERATION OF AMENDING DANVILLE CITY CODE SECTION 23-7 AND 23-8 RELATED TO SOLICITATION

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

ORDINANCE NO. 2023-09.11

AN ORDINANCE REPEALING AND REORDAINING IN ITS ENTIRETY SECTION 7, ENTITLED "PROHIBITION AGAINST CERTAIN FORMS OF AGGRESSIVE SOLICITATION" AND SECTION 8, ENTITLED "SOLICITATION ON CENTER MEDIAN OR SIDE OF STREET PROHIBITED" OF CHAPTER 23, ENTITLED "OFFENSES - MISCELLANEOUS", OF THE CODE OF THE CITY OF DANVILLE, VIRGINIA, 1986, AS AMENDED.

The Motion was **seconded** by Council Member Saunders.

Council Member Campbell asked for clarification for citizens and Mr. Larking explained that there were certain aspects of the current ordinance that have to be rewritten because of court cases that have occurred; some have risen to the level of the Supreme Court. In addition, the purpose of this was to protect public safety, because there were places in the City where it was not safe to do some of those activities. They want to make sure that they have the ability to guide some safe behaviors

when there was a possibility of what they were doing could be dangerous. Assistant City Attorney Ryan Dodson explained there have been several court cases that apply to Virginia out of the 4th Circuit, that occurred after the last time this ordinance was passed. Some of what was in the current ordinance was not good under Federal law right now; the City was bringing it into compliance so it can be enforced.

Council Member Saunders noted that in the summary it reference ensuring people's civil rights and safety in terms of the Constitution, and asked what that meant. Mr. Dodson explained the Federal court cases were specifically about Freedom of Speech. Panhandling was a form of free speech, so a lot of the laws were overly restrictive under the Constitution according to the Federal Court. Staff included that to make sure the City was not restricting people from panhandling in places where they have a right to be, like certain sidewalks. This was targeted specifically at the dangerous traffic medians that were narrow or had high rates of speed. Staff looked at minimum distance from the road, the grade to make sure it was safe to stand on, the surface area, and the speed limit and rate of traffic. The existing law says it cannot be done in all center medians; the Federal Court said localities cannot be that strict, there must be reasons why, so staff came up with a list of reasons working with the Department of Public Works based on actual safety criteria.

Council Member Vogler noted that a large number of citizens have been asking Council to look into this and address it; it may not solve all the issues the City has been having but it was a step that City needed to take. Aggressive panhandling has been happening in the City, a number of business owners and citizens were concerned about it and safety concerns. Mr. Vogler stated he was glad staff looked into this and maybe some other things that could be discussed in the future. Council Member Campbell asked if they were in the wrong location would they be arrested and Mr. Dodson noted they would not. As written, it requires the police to first ask them to leave if they were in a place they were not supposed to be; this was a recommendation from a Supreme Court case on what to do when regulating sidewalk activity. The goal wasn't to punish people, but to get them in a safe location. If they have been asked to leave and return, that proved intent to break the law.

The Motion **passed** with the following vote:

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

CONSIDERATION OF APPROVING A POLICY ON COLLECTIVE BARGAINING

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

RESOLUTION NO. 2023-09.15

A RESOLUTION OF THE CITY OF DANVILLE, VIRGINIA REGARDING CITY EMPLOYEE-MANAGEMENT RELATIONS AND COLLECTIVE BARGAINING.

The Motion was **seconded** by Council Member Buckner.

Mayor Jones requested the City Attorney to explain what Council was voting on with this item and City Attorney Clarke Whitfield explained they were voting on what would be the City of Danville's collective bargaining policy. It prohibits any elected or appointed official, employee or appointee of the City to recognize any labor union or any other employee association.

Council Member Saunders stated he believed they were being asked to reinforce the policy where there would be no collective bargaining in the City of Danville, and Mr. Whitfield noted that was correct. Mr. Saunders noted Virginia was a right to work state and having a right to petition the government, how does that fare with the collective bargaining and not getting people to advocate on their behalf. Mr. Whitfield explained they would certainly be allowed at any time to petition the Council if they had other demands; the policy also requires the City Manager's office and administration to work with employees as best they can, and it does preserve the management rights of the City Manager. Mr. Saunders noted setting a policy that says there will be no collective bargaining, it seems like the City was trying to get ahead of a problem, but that could cause a problem. Mr. Whitfield noted the way the law works was if the employee groups were to get together and be able to tell Council that a majority of them want to have collective bargaining, then the City has 120 days from that date to decide what they were going to do, whether they were going to allow them to collectively bargain or not; this gets ahead of all that. Mr. Whitfield stated this policy preserves the status quo. Mr. Saunders questioned if it preserves the status quo why does the City need another policy and Mr. Whitfield explained employees can force the Council into a situation where they will be required to either approve or disapprove of a policy.

Mr. Larking noted it was really a statement of policy to say that the City won't recognize an employee group for the purpose of collective bargaining; it was the way they do things now, so this was just making that affirmative statement that that was the way the City Council intends to continue. The City has had situations where employee groups and people representing employee groups have come to City Council on multiple occasions asking for the City to do something, and nothing has happened. This was letting people know this was the policy of the City of Danville, they can come and ask, but the City Council has already made a statement that they will not do collective bargaining. That was the recommendation.

Council Member Vogler questioned the City Attorney that the City has never had collective bargaining and Mr. Whitfield noted that was correct and until 2021, it was not legal. Mr. Vogler noted this item essentially formalized the system that the City has had in place, it does not change anything in the current system, or with the grievance process, or change anything about the City's current process and Mr. Whitfield noted that was correct.

Council Member Campbell stated a City employee talked to him about this and some employees were worried that if they do complain, that the performance they were graded on could be deteriorated. Mr. Larking noted the City has policies that allow employees to complain anonymously about things, a whistleblower administrative policy and procedure, where any employee can make a complaint about their supervisor or anyone in the city. Mr. Whitfield noted this policy requires the City Manager to develop, promote and maintain written policies and procedures consistent with the law that encourages a positive work place.

Vice Mayor Miller questioned what changed in 2021, why was the City doing this and Mr. Whitfield explained the General Assembly in 2021 adopted a law that allowed collective bargaining for public employees. Up until that point, that had never been done. The law says, that if a majority of an employee work group comes to City Council and asks for collective bargaining, then Council, within one hundred and twenty days has to make a decision. Staff did not want to put Council in a situation where all of a sudden they only had a couple months to decide what they were going to do. This sets the policy and hopefully prevents that from happening. Dr. Miller noted it was very intimidating for one person to go before the City Manager and that was why some people would like to have a representative to speak for them or with them. Dr. Miller noted he had a hard time voting at this point to not allow collective bargaining; he believed it was an inherent right of an employee.

Mr. Vogler asked the City Manager if collective bargaining were implemented in the City, what was the estimated cost to fund that implementation. Mr. Larking explained if collective bargaining were allowed, there would likely be multiple employee groups, that each would negotiate the terms of their employment. There would have to be systems in place to monitor and keep track of the various policies that apply to each employee group, and there would have to be someone to negotiate the terms of those collective bargaining contracts. There would have to be multiple systems in IT, Finance and Human Resources. There would have to be employees that would administer collective bargaining in each of those departments, and someone in charge of negotiating the contracts with the employee groups. All of that comes at a cost and that was before even talking about if the collective bargaining agreement called for certain types of provisions to occur; there might be a cost to that as well. Staff estimated about \$1M a year in additional costs to the City to implement collective bargaining. There have been other cities in Virginia that have adopted collective bargaining and those costs ranged from \$1M to \$2M annually just to administer collective bargaining.

The **Motion** was carried by the following vote:

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

COMMUNICATIONS FROM VISITORS

Mayor Jones recognized Pernell Valentine, 625 Piney Forest Road, Suite 108, who spoke to Council noting for the last four years he has not been treated with the utmost respect by Danville Public Schools, stating he wanted to be heard. Mayor Jones noted the City Attorney, and the Attorney for the School Board will meet with Mr. Valentine.

COMMUNICATIONS

Mayor Jones noted there have been, all over the country, people calling in bomb threats and other threats to the school systems, and asked the City Attorney to share with the public, the consequences of calling in false threats. Mr. Whitfield noted he looked into two types of threats that have been seen in Virginia: one was the general threat of violence, that someone was going to do something at the school, or to school children, other than a bomb threat, and that was a Class 6 felony that has a jail sentence of up to five years. Bomb threats were a Class 5 felony; in Virginia, if the person was close enough to age eighteen, they can be treated as an adult, they would no longer get the protection of the juvenile system, and could receive a sentence of up to ten years in jail and a \$2,500 fine.

Mayor Jones asked Council Member Saunders to send a message to the young people in the City, and Mr. Saunders noted he did not know how to respond to that; it was a very serious matter and does not know why people have the audacity to take things lightly. They were not only threatening others, but they were also endangering themselves; people can retaliate and it was not something they wanted in their school system. The parents or guardians of these children need to have this conversation with them. Mayor Jones noted Education was Council's number one priority and they will not tolerate this.

Mr. Larking reminded Council about the invitation from Robert David for September 25th for a round table meet and great with St. Lucia County, Florida; they were coming to Danville to look at

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the implementation of Danville's comprehensive gang model and speak with staff. Mr. Larking noted there was a Project Imagine graduation on September 20th at 5:00 p.m. at their office on Bridge Street.

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

Council Member Mayo noted with schools around the nation, citizens have to continue to talk to their children. Mr. Mayo thanked the students from Tunstall High School for attending, and encouraged them to talk to each other. Mr. Mayo noted he was looking forward to National Night Out, touring around the different neighborhoods and meeting with citizens.

Vice Mayor Miller noted National Night Out was October 3rd, and it was one of Council's favorite nights. Last week the Westmoreland Neighborhood Association met, and they were looking for reassurance that when Chief Booth leaves, his policies will continue; Deputy Chief Wiles was in attendance and those policies will continue. Dr. Miller acknowledged Tyrell Payne in attendance, noting he was the medical student coordinator at the hospital, with 23-25 students. Last week Council had a trolley ride around Almagro; they were there to hear what the citizens wanted, and listen to their ideas. One request was for a covered bus shelter, right now there was a bench on Betts and Epps Street.

Council Member Saunders noted with regard to Almagro, he appreciated what the City was doing in terms of revitalizing the neighborhood. People were pleased to see the roads paved and staff there asking questions, putting together plans, and thanked the City Manager and staff for what they were trying to do. Mr. Saunders noted some funding has become available to help repair the Oak Hill Cemetery. Mr. Saunders noted to the Loyal Baptist Church family, Council was praying for them, were sorry about the fire at their church, and special thanks to the Fire Department for their response to that fire. Mr. Saunders encouraged parents and guardians to talk to their children about violence and negative behavior.

Council Member Vogler noted he had a great time at the event at Oak Hill Cemetery, the City Manager did a fantastic job giving the presentation and looks forward to the improvements there, and other improvements in other neighborhoods in the City, working to spread out the success the City has had in the downtown area in the last several years. Mr. Vogler gave a shout out to the teachers, staff and students at Forest Hills Elementary School; the recent numbers that came out show that Forest Hills performed better than 61% of schools across Virginia, and other schools were showing improvement. Mr. Vogler encouraged parents to be involved with their children in the schools; if parents don't make their children's school work important in their life, how can the child make it important in their life.

Council Member Whittle noted he had a great day at the Salvation Army with the Mayor at the ribbon cutting, watching them finish up their new park. Mr. Whittle discussed a recent trip to Boston, and talked about listening to different viewpoints and ideas, stating hate was a cancer. Mr. Whittle noted to the City Clerk an error on a vote on a previous meeting's minutes.

Council Member Buckner thanked everyone attending tonight and thanked all the City employees; Council could not do what they do without them; the City runs because of them, and thanked them for their dedication and the citizens they serve. Mr. Buckner invited citizens to tune into 104.5 the Dan and listen to the GW Eagles as they take on Staunton River Golden Eagles.

Council Member Campbell noted it was an interesting meeting; climate change was real and noted he would love to see more emphasis that Danville would be a climate change city.

September 19, 2023

Council Member Hood noted he was glad to hear that Schoolfield Elementary was accredited as well, and also Galileo. Mr. Hood noted youth need to understand consequences; once they think of the consequences on the other side of what they do, they could work with their actions instead of going out and creating these types of problems. Mr. Hood recognized Bankers Entertainment who brought a VH-1 TV Series cast to the area to do a concert this past Saturday, and thanked all those people who volunteer and take time out of their schedules to help out.

Mayor Jones recognized the residents from Almagro and thanked them for being at the meeting tonight, and the students from Tunstall. To the Loyal Baptist Family, he was there on Friday, and to see how the church members gathered, and the firefighters tried their best to save that church; they worked tirelessly. The police department had the father daughter dance, now they will have the mother and son dance. Mayor Jones discussed the threat made to George Washington High School and the negative posts from people on Facebook against the schools; these posts were not coming from the kids, but from the adults. When kids see that negativity, they think if the adults can do it, they can too. Council has made education their number one priority, they were standing behind the schools, and encouraged students to stop the negativity.

Meeting was adjourned at 8:27 pm.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

Council Letter City of Danville, Virginia



CL - 868

CONSENT AGENDA B.

City Council REGULAR MEETING

Meeting Date: October 17, 2023

Subject: Consideration of Amending or Establishing Rental Fees for a New Corporate Hangar.

From: Marc Adelman, Director of Transportation Services

COUNCIL ACTION

An Ordinance Amending and Establishing Monthly Rental Fees for a New Hangar Located at the Danville Regional Airport Effective November 1, 2023.

FINAL ADOPTION

SUMMARY

A new corporate hangar will be available for rent at the Danville Regional Airport effective November 1, 2023. The new hangar is 60' x 54' and is located in the t-hangar building area on the south side of the airfield. The Danville Regional Airport Commission recommended that the monthly rental fee for the new hangar should be \$1000 per month.

BACKGROUND

Local funding was appropriated this fiscal year to construct a 60' x 54' hangar. This is the first hangar that has been constructed at the airport in over twenty years. The hangar is similar in size to other corporate hangars located on the field and the recommended monthly hangar rental fee is \$1000 per month, which is also comparable to other hangar rental fees.

The proposed \$1000 monthly rental fee is based on the cost of construction for the new hangar, amenities included in similar sized hangars located on the field and, the rental cost per square foot for different hangar facilities.

RECOMMENDATION

It is recommended that City Council approve the attached ordinance that amends and establishes monthly rental fees for a new hangar located at the Danville Regional Airport.

Attachments

1. Ordinance
-

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2023-_____ - _____

AN ORDINANCE AMENDING AND ESTABLISHING MONTHLY RENTAL FEES FOR A NEW HANGAR LOCATED AT THE DANVILLE REGIONAL AIRPORT EFFECTIVE NOVEMBER 1, 2023.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia that on and after November 1, 2023, respectively, the charges for renting a new 60' x 54' hangar at the Danville Regional Airport be, and are hereby, authorized and approved as follows:

CONFERENCE ROOM RENTAL FEES	CURRENT	PROPOSED
Two hour minimum	\$50.00	
Each additional hour	\$25.00	
Five hours or more	\$125.00	
Food and beverage clean up fee	\$25.00	

HANGAR RENTAL FEES	CURRENT PER MONTH	PROPOSED
80' x 80' Corporate Hangar	\$1,248.00	
65' x 60' Corporate Hangar	\$888.00	
60' x 54' Corporate Hangar	N/A	\$1,000.00
55' x 51' Clear Span Hangar	\$505.00	
T-hangars (new units)	\$210.00	
T-hangars (older units)	\$125.00	
Tie-downs	\$40.00	

CLOSED RUNWAY RENTAL FEE	CURRENT
\$400 per day (non-aviation related)	\$400.00
\$250 per day (aviation related)	\$250.00

AND BE IT FURTHER ORDAINED that all other charges, not hereby amended, shall continue in full force and effect unless and until hereafter amended or repealed.

Approved:

Mayor

Attest:

City Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

Council Letter City of Danville, Virginia



CL - 917

APPOINTMENTS A.

City Council REGULAR MEETING

Meeting Date: October 17, 2023

Subject: Consideration of Appointments to Boards and Commissions.

From: Susan DeMasi, City Clerk

COUNCIL ACTION

1. A Resolution Reappointing Larry Toomer to the Danville Redevelopment and Housing Authority.
2. A Resolution Reappointing Adam Jones to the River District Design Commission.
3. A Resolution Reappointing R.J. Lackey to the River District Design Commission.

Attachments

1. Resolutions
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2023 – ____ . ____

**A RESOLUTION REAPPOINTING LARRY TOOMER AS A MEMBER OF THE
DANVILLE REDEVELOPMENT AND HOUSING AUTHORITY.**

BE IT RESOLVED by the Council of the City of Danville, Virginia, that Larry Toomer be, and he is hereby reappointed as a member of the Danville Redevelopment and Housing Authority for a four-year term commencing November 1, 2023 and ending October 31, 2027.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2023 – ____.

A RESOLUTION REAPPOINTING ADAM JONES AS A MEMBER OF THE RIVER DISTRICT DESIGN COMMISSION.

BE IT RESOLVED by the Council of the City of Danville, Virginia, that Adam Jones be, and he is hereby reappointed as a member of the River District Design Commission for a four-year term commencing November 1, 2023 and ending October 31, 2027.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2023 – ____.

A RESOLUTION REAPPOINTING R.J. LACKEY AS A MEMBER OF THE RIVER DISTRICT DESIGN COMMISSION.

BE IT RESOLVED by the Council of the City of Danville, Virginia, that R.J. Lackey be, and he is hereby reappointed as a member of the River District Design Commission for a four-year term commencing November 1, 2023 and ending October 31, 2027.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

Council Letter

City of Danville, Virginia



CL - 698

NEW BUSINESS A.

City Council REGULAR MEETING

Meeting Date: October 17, 2023

Subject: Review of General Fund Financials as of September 30, 2023.

From: Michael Adkins, Chief Financial Officer

COUNCIL ACTION

A brief presentation will be given on the General Fund financial results through September 30, 2023. Financial Statements are included.

Attachments

1. Financial Statements
-



To: Ken F. Larking, City Manager

From: Michael L. Adkins, Chief Financial Officer

Date: October 10, 2023

Subject: Summary of Preliminary General Fund Financial Results for September 30, 2023

After completing the first quarter of the new fiscal year, revenues are tracking well with budget and ahead of the previous year. As of September 30, General Fund revenues were \$23,631,185. This represents 17% of our FY 2024 budget. Last year at this time, we had collected \$21,779,580 or 18% of budget. The increase over the prior year is primarily from growth in local taxes, as well as an increase in interest earnings stemmed from a rise in interest rates.

We continue to see steady performance in the collection of delinquent real estate taxes with \$356,253 realized in the first three months of this fiscal year. This accounts for nearly 40% of the current year budget. Tax bills for FY 2024 will be mailed in November and we will begin realizing collection of current real estate and personal property taxes at that time. Local taxes collected through September 30, were \$9,114,975, or 22.7% of budget. This exceeds FY 2023 collections by \$1.8 million. A little over half, or \$1 million of this increase is directly related to casino payments. The remaining increase is found in other sources of local taxes.

Regarding local taxes, sales tax collections through September amounted to \$3,126,382, or 27.4% of budget, an increase of \$318,275 over the prior year. Meals taxes collected for the first quarter of the fiscal year amounted to \$3,049,278 or 28% of budget, an increase of \$322,681 from last year. Business Licenses realized at the end of September were \$528,498, an increase of \$60,842 from the prior year. Lodging taxes received as of September 30, were \$854,473 or about 35% of budget, an increase of \$173,363 from the prior year. All other revenue categories were close to or exceeded the prior year and are tracking well with budget at this point.

Expenditures through September 30 were \$47,457,904 or 31.6% of budget. This is an overall increase of \$13.2 million when compared to September 30, 2022 – mostly stemming from transfers Danville Public Schools as the actual spending of funds encumbered at June 30 and carry over funding has occurred in the first quarter of FY 2024. Departmental spending for the first quarter of the fiscal year amounted to \$21.5 million or 24.5% of budget, an increase of \$2.7 million over the prior year. The increase in departmental spending is primarily attributed to an increase in salaries and benefits

over the prior year as well as timing differences for contributions to other entities (i.e. IDA, Business Development Agencies).

Fund expenditures exceeded revenues by \$23,826,719. After considering the increased in transfers to Schools, this is typical for the start of the fiscal year in the General Fund because the timing of the revenue recognition is not matched to expenditures. At this point, the General Fund is performing well compared to the current budget.

CITY OF DANVILLE, VIRGINIA

GENERAL FUND REPORT

25% OF YEAR LAPSED AS OF SEPTEMBER 30, 2023

PRE-CLOSING FIGURES - SUBJECT TO CHANGE - UNAUDITED

	Budgets & Appropriations For Current Year	Actual Revenues & Expenditures For Year-to-Date	Percent Realized/Expended This Year	Encumbrances	Balance to be Realized/Expended	Actual Revenues & Expenditures At This Date Last Year
REVENUES:						
Property Taxes	\$ 38,347,010	\$ 2,302,653	6.00%		\$ 36,044,357	\$ 2,194,566
Other Local Taxes	40,230,430	9,114,975	22.66%		31,115,455	7,266,673
License Permits & Privilege Fees	424,040	226,189	53.34%		197,851	193,390
Fines & Forfeitures	277,760	55,888	20.12%		221,872	61,725
Revenue From Use Money & Property	1,969,170	903,283	45.87%		1,065,887	456,920
Charges For Services	3,140,340	852,131	27.13%		2,288,209	806,386
Miscellaneous Revenue	25,100	89,984	358.50%		(64,884)	92,210
Recovered Cost	8,897,070	1,546,209	17.38%		7,350,861	2,017,217
Non-Categorical Aid	13,382,620	965,505	7.21%		12,417,115	1,437,875
Shared Expenses (Categ. Aid State)	6,021,050	1,362,983	22.64%		4,658,067	1,297,855
Categorical Aid (State)	10,223,090	2,314,386	22.64%		7,908,705	2,077,513
Emergency Services (Federal)	27,020	-	0.00%		27,020	-
Categorical Aid (Federal)	-	-			-	-
Transfers From Utilities	15,588,000	3,897,000	25.00%		11,691,000	3,877,249
TOTAL REVENUES	\$ 138,552,700	\$ 23,631,185	17.06%		\$ 114,921,515	\$ 21,779,580
EXPENDITURES:						
General Government Administration	\$ 14,427,298	\$ 4,597,652	31.87%	\$ 180,372	\$ 9,649,274	\$ 4,236,510
Judicial Administration	9,061,322	2,142,698	23.65%	-	6,918,624	1,967,657
Public Safety	38,816,735	8,993,995	23.17%	758,296	29,064,445	8,149,448
Public Works	5,267,922	1,116,731	21.20%	229,911	3,921,279	1,148,589
Health, Education, Welfare & Soc. Svc.	10,006,616	1,923,430	19.22%	57,975	8,025,211	1,611,470
Parks, Recreation & Cultural	6,330,734	1,386,775	21.91%	82,896	4,861,064	1,136,921
Community Development	3,842,522	1,322,976	34.43%	35,632	2,483,914	516,944
Non-Departmental	18,701,500	5,039,778	26.95%	-	13,661,722	5,383,765
Transfer to Schools - Operating	36,633,907	20,276,355	55.35%	-	16,357,552	9,945,415
Transfer to Capital Projects	1,015,000	-	0.00%	-	1,015,000	165,000
Transfer to Other Funds	6,270,780	657,513	10.49%	-	5,613,267	280
TOTAL EXPENDITURES	\$ 150,374,337	\$ 47,457,904	31.56%	\$ 1,345,082	\$ 101,571,352	\$ 34,261,999
Revenue over(under) Expenditures		\$ (23,826,719)				\$ (12,482,419)
FUND BALANCE:						
Beginning Fund Balance 07/01/2023		\$ 55,064,111				\$ 46,401,528
Revenue over(under) Expenditures		(23,826,719)				(12,482,419)
Ending Fund Balance 09/30/2023		\$ 31,237,392				\$ 33,919,110
Composition of Fund Balance:						
Reserved for Encumbrances/Designated Funds		\$ 5,840,132				\$ 27,927,181
Unassigned		25,397,260				5,991,928
TOTAL FUND BALANCE 09/30/2023		\$ 31,237,392				\$ 33,919,110

City of Danville, Virginia
Summary of Other Local Tax Revenues - PRE-CLOSING - UNAUDITED
For the period ending September 30, 2023

Description	Current Budget	Revenue Realized	Percentage Realized	Prior Year Budget	Prior Year Realized	Percentage Prior Year
Sales Tax	\$ 11,400,000	\$ 3,126,382	27.42%	\$ 10,962,050	\$ 2,808,107	25.62%
Business Licenses	6,800,000	528,498	7.77%	5,430,000	467,656	8.61%
Meals Tax	10,867,220	3,049,278	28.06%	9,500,000	2,726,598	28.70%
Utility Taxes	930,000	197,726	21.26%	930,000	222,864	23.96%
Vehicle License Fees	1,000,000	138,797	13.88%	1,000,000	144,245	14.42%
Bank Stock Tax	1,000,000	-	0.00%	1,000,000	-	0.00%
Recordation Tax	270,000	88,331	32.72%	270,000	108,343	40.13%
Hotel Motel Tax	2,467,230	854,473	34.63%	2,025,080	681,110	33.63%
Daily Property Rental Tax	15,980	5,389	33.72%	12,370	5,700	46.08%
Motor Vehicle Tax	200,000	62,334	31.17%	200,000	57,770	28.88%
DMV Fees	280,000	37,742	13.48%	250,000	44,281	17.71%
Caesars Min Fee	5,000,000	1,026,026	20.52%	-	-	0.00%
TOTAL	\$ 40,230,430	\$ 9,114,975	22.66%	\$ 31,579,500	\$ 7,266,673	23.01%

**CITY OF DANVILLE, VIRGINIA
GENERAL FUND
COMPOSITION OF FUND BALANCE
PRELIMINARY - AS OF SEPTEMBER 30, 2023**

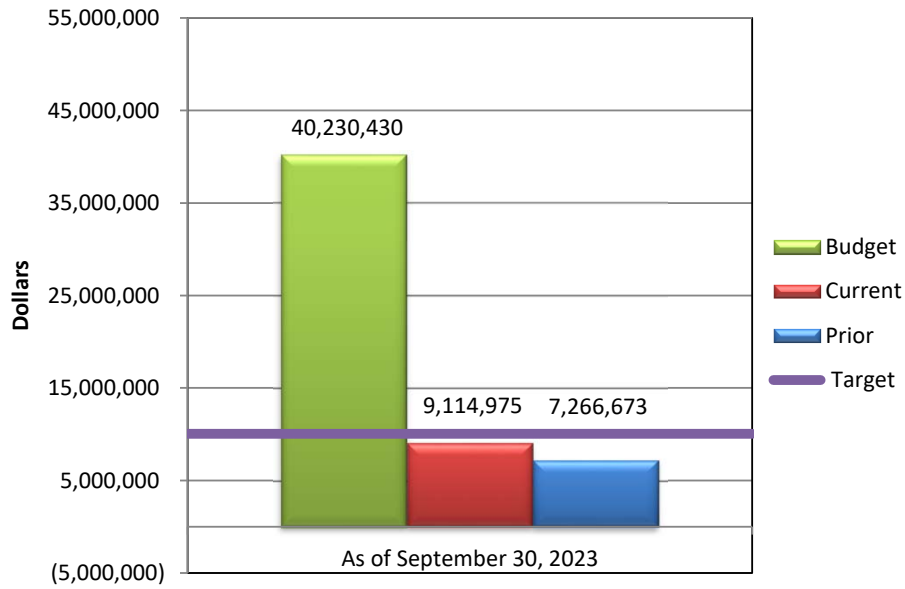
Beginning Total Fund Balance, July 1, 2023	55,064,111.17
Add: General Fund Revenues	23,631,184.57
Deduct: General Fund Expenditures	<u>(47,457,903.73)</u>
Ending Total Fund Balance, September 30, 2023	<u><u>31,237,392.01</u></u>

Composition of Fund Balance:

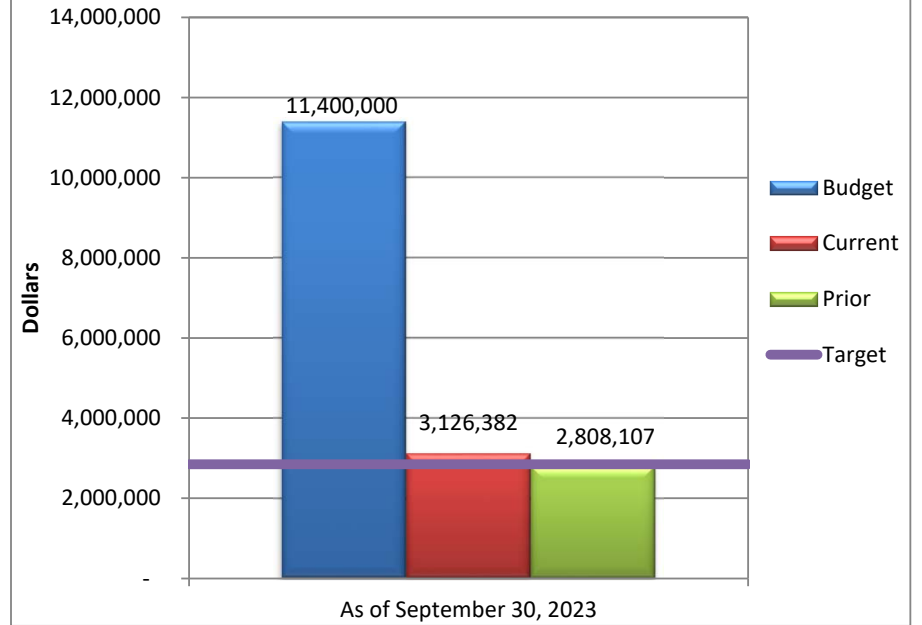
Restricted for Commonwealth Attorney	92,172.53
Restricted for Police Department	40,351.66
Restricted for Fire Department	132,802.75
Committed for Sheriff's Department	9,808.73
Committed to Schools	796,363.72
Committed to Budget Stabilization	3,000,000.00
Assigned to Sheriff's Department	16,184.17
Assigned to Community Development	61,860.99
Assigned for Encumbrances	1,345,081.60
Nonspendable (Inventory and Prepaids)	345,505.48
UNASSIGNED	<u>25,397,260.38</u>
Total Fund Balance, September 30, 2023	<u><u>31,237,392.01</u></u>

Unassigned fund balance from above	25,397,260.38
Unassigned Minimum per policy (20% of General Fund Operating Revenues) based on FY 2024 budget	<u>27,710,540.00</u>
Current surplus (deficit) over (under) minimum	(2,313,279.62)

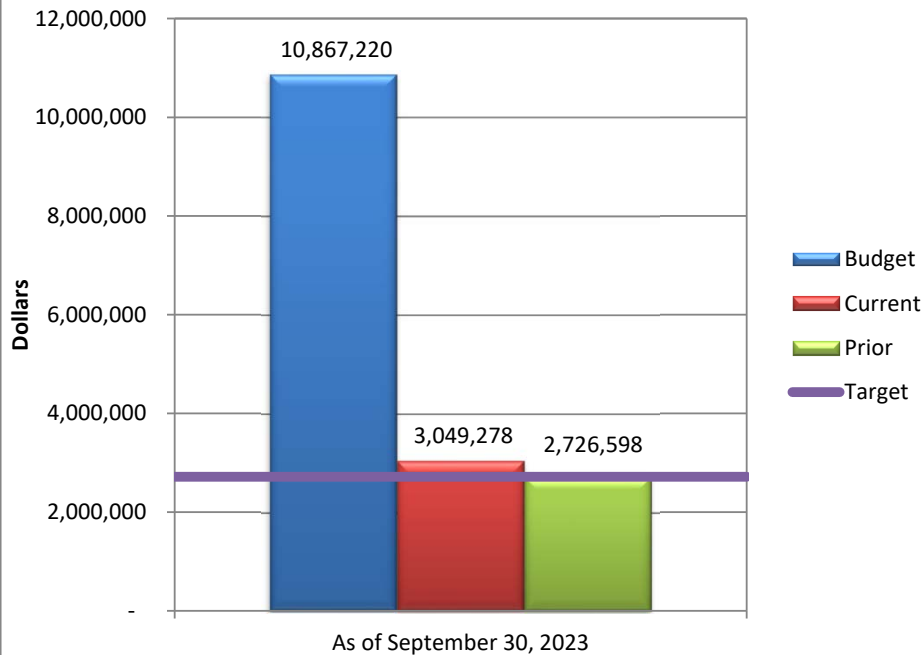
Local Taxes



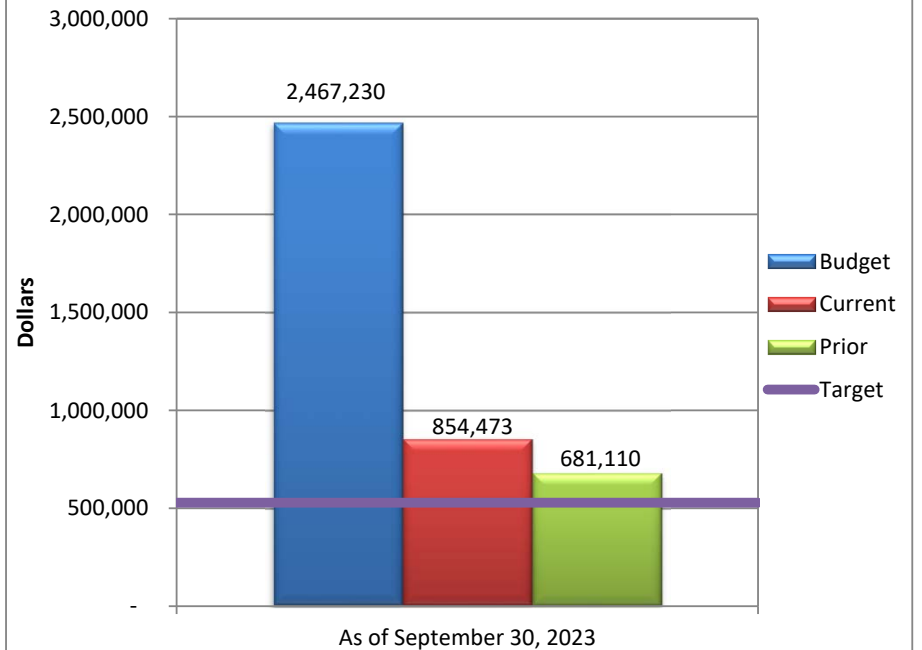
Sales Tax

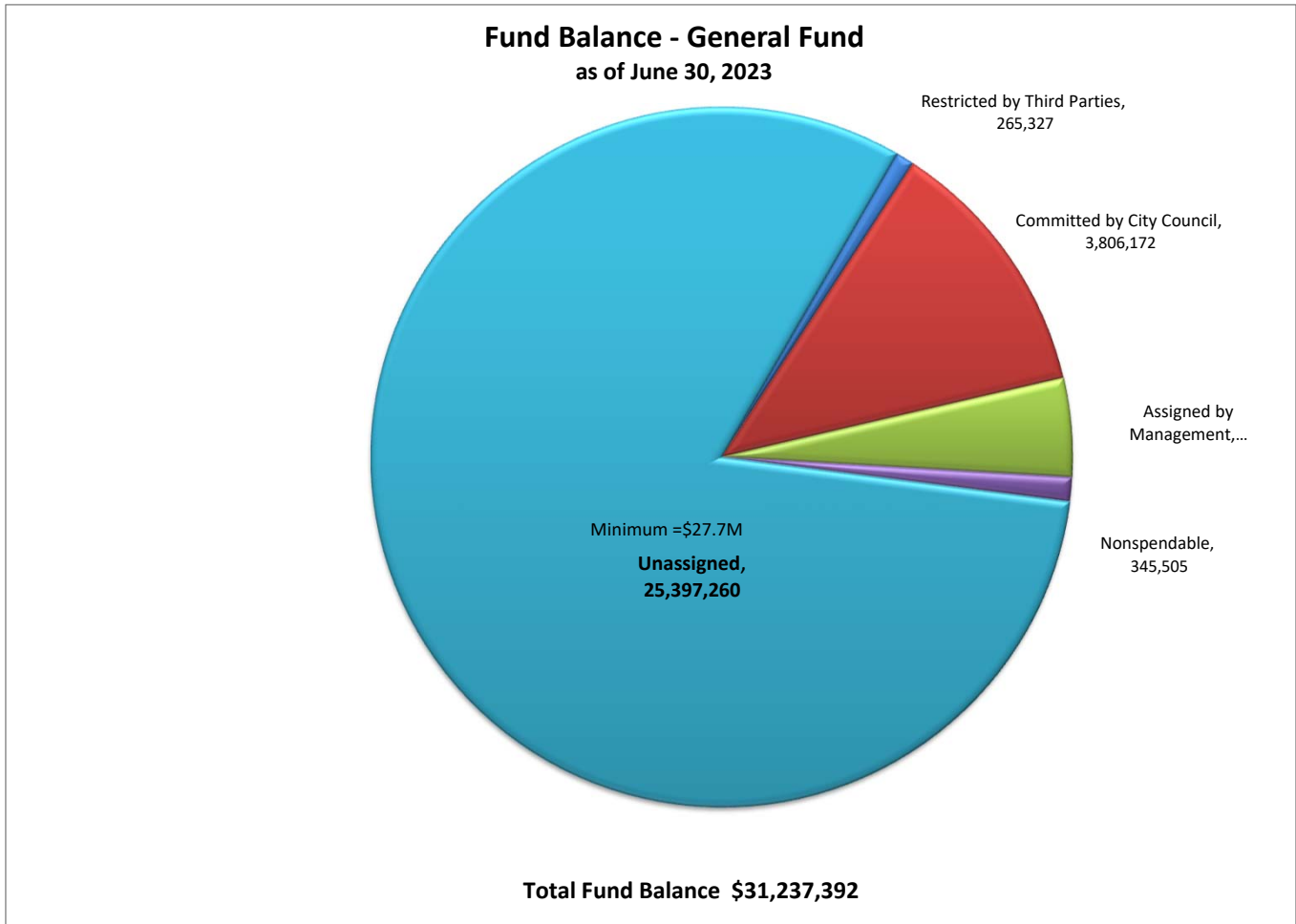
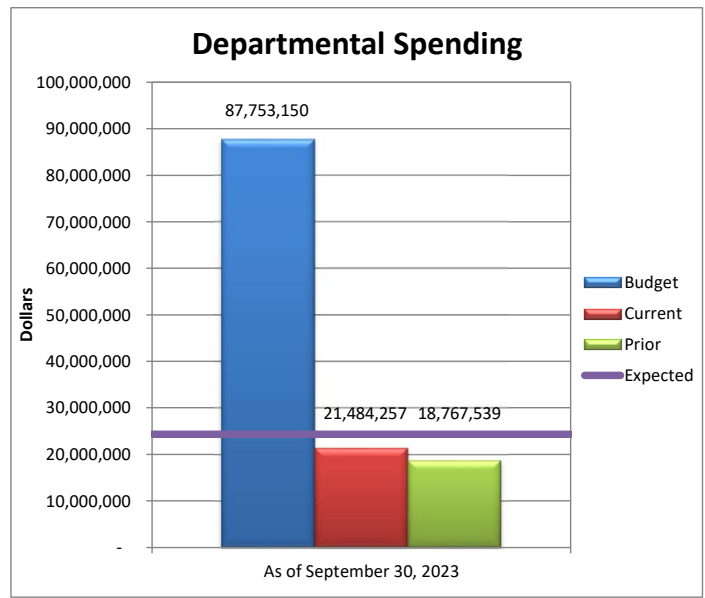
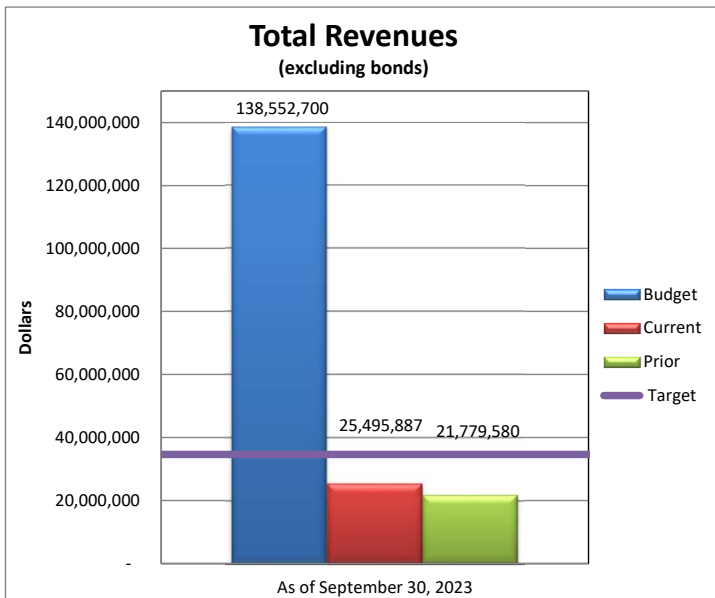


Meals Tax



Lodging Tax





Council Letter

City of Danville, Virginia



CL - 883

NEW BUSINESS B.

City Council REGULAR MEETING

Meeting Date: October 17, 2023

Subject: Consideration of Approval of the Acceptance of Parcel No. 01944 on Riverside Drive in Exchange for Release of Liens.

From: Christopher (Ryan) Dodson, Assistant City Attorney

COUNCIL ACTION

A Resolution Approving and Authorizing the Acceptance of Real Property Identified as Parcel No. 01944 for Right-of-Way Improvements Along Riverside Drive.

SUMMARY

City Staff is seeking approval from City Council to acquire ownership of a parcel of land identified as Parcel No. 01944 on Riverside Drive in exchange for the release and satisfaction of all nuisance abatement liens and associated costs, and tax delinquencies affecting the property, to facilitate road safety improvements upon the parcel.

BACKGROUND

The City currently holds approximately \$30,500 in delinquent taxes, nuisance abatement liens, and associated collection costs, and interest affecting one (1) parcel located on Riverside Drive. The liens and costs greatly exceed the market value of the parcel. The present owner of the parcel is incapacitated and unable to pay for the delinquencies based on current assets. City staff is interested in acquiring ownership of the parcel directly, in order to facilitate safety improvements to protect the road from grading and related issues. The conservator of the owner is willing to sign a deed transferring ownership of the parcel to the City in satisfaction of the delinquencies and associated costs.

RECOMMENDATION

City staff recommends accepting ownership of Parcel No. 01944 on Riverside Drive in exchange for releasing all existing City-held liens, taxes, and associated collection costs, and interest, affecting the Parcel, contingent upon the actual transfer of the Parcel to City ownership.

Attachments

1. Resolution
 2. Deed of Bargain and Sale
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2023-____.____

A RESOLUTION APPROVING AND AUTHORIZING THE ACCEPTANCE OF REAL PROPERTY IDENTIFIED AS PARCEL #01944 FOR RIGHT-OF-WAY IMPROVEMENTS ALONG RIVERSIDE DRIVE.

WHEREAS, The City of Danville intends to grade and make improvements upon the Parcel #01944 along Riverside Drive to ensure safe conditions for travelers near the right-of-way; and

WHEREAS, the owner of Parcel #01944 desires to convey the Parcel to the City to facilitate this project in exchange for the satisfaction and release of approximately \$30,223.88 in liens and associated costs directly assessed against Parcel #01944;

NOW THEREFORE, BE IT RESOLVED, by the City Council of Danville, Virginia that the conveyance of Parcel #01944 in exchange for the satisfaction and release of those City liens and associated costs, penalties, interest, and collection fees assessed against Parcel #01944 is hereby accepted by the City of Danville, Virginia, provided such conveyance actually occurs.

BE IT FURTHER RESOLVED, by the City Council of Danville, Virginia hereby accepted authorizes the City Manager, Ken Larking, to execute on behalf of the City any and all documents as may be necessary to effect the transfer of Parcel #01944 on Riverside Drive to the City.

Approved:

Mayor

Attest:

City Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

Prepared by and return to:
C. Ryan Dodson, Esq. (VSB #90680)
City of Danville
P.O. Box 3300
Danville, VA 24543

*This deed is exempt
from Grantee's tax
pursuant to Va. Code §
58.1-811(A)(3).*

Tax Map/Parcel ID # 01944
Consideration: \$30,711.66
Title Insurance: None

THIS DEED OF BARGAIN AND SALE made this the ____ day of _____,
2023, by and between **HELEN IRELAND MEETZE, one and the same as Helen
Lucille Ireland Meetze, by James Michael Meetze, Conservator of the Estate of Helen
Lucille Ireland Meetze, GRANTOR**, and the **CITY OF DANVILLE, VIRGINIA, a
municipal corporation, GRANTEE**,

W I T N E S S E T H:

THAT, for and in consideration of Thirty Thousand Seven Hundred and Eleven
Dollars and sixty-six Cents (\$30,711.66), and other good and valuable consideration, the
receipt of which is hereby acknowledged, the Grantor does hereby give and grant, with
general warranty and English covenants of title, unto the Grantee, in fee simple absolute,
all that certain parcel of land, together with improvements thereon and appurtenances
thereto belonging, situate in the City of Danville, Virginia, and more particularly described
as follows:

TAX PIN # 01944 – RIVERSIDE DRIVE, DANVILLE, VIRGINIA

BEGINNING at an iron in the southwestern margin of Riverside Drive, corner
between Lots U & T as shown on the map hereinafter referred to; thence along the
line of Lot U, S. 44° 22' W 81.87 feet to an iron in the margin of a 20-foot alley;
thence along said alley N. 64° 26' W. 68 feet to an iron at the corner of Lot S;
thence along the line of Lot S. N. 44° 02' E. 103.32 feet to an iron in the margin
of line of Riverside Drive; thence along Riverside Drive S. 46° 03' E. 65 feet to
the point of beginning; being Lot T as shown on Subdivision No. of Dan River
Mills, Inc., dated March 17, 1955, and recorded in the Clerk's Office of the Circuit
Court of the City of Danville, Virginia in Deed Book 292, at Page 334; being

further composed of parts of Lots 37 and 35 on Map of A. M. Keen recorded in the aforesaid Clerk's Office in Deed Book K, at Page 286.

BEING IN FACT, the same property conveyed to Helen Ireland Meetze from Mary A. Derossett, Hillard Derossett, James M. Alderson, Jr., and Thomas E. Alderson, by that deed dated March 5, 1991, recorded in the aforesaid Clerk's Office in Deed Book 856, at Page 198, to which map and deed reference is here made for a more particular description of the property herein conveyed. Helen Ireland Meetze is the same person as Helen Lucille Ireland Meetze. James Michael Meetze qualified as Conservator of the Estate of Helen Lucille Ireland Meetze as evidenced by the Certificate of Qualification of record in the aforesaid Clerk's Office as part of Court File No. 23-250.

This conveyance is made subject to all easements, rights of way and restrictive covenants now of record or affecting said property.

This conveyance having been accepted by the City Council of Danville, Virginia by Resolution No. 2023-_____ adopted on _____, 2023, pursuant to a public hearing held in accordance with Va. Code § 15.2-1800.

(Remainder of this page intentionally left blank)

WITNESS the following signatures and seals:

_____(Seal)
HELEN IRELAND MEETZE

BY: _____(Seal)
**JAMES MICHAEL MEETZE, Conservator of
the Estate of Helen Ireland Meetze,
Grantor**

COMMONWEALTH OF VIRGINIA
CITY OF DANVILLE, to-wit:

The foregoing Deed was acknowledged before me this the ____ day of
_____, 2023, by James Michael Meetze, in his capacity as Conservator
of the Estate of Helen Ireland Meetze.

BY: _____
NOTARY PUBLIC

My commission expires: _____

Notary registration number: _____

BY: _____(Seal)
KEN LARKING
City Manager
Grantee

COMMONWEALTH OF VIRGINIA
CITY OF DANVILLE, to-wit:

The foregoing Deed was acknowledged before me this the ____ day of _____, 2023, by **Ken Larking**, in his capacity as City Manager of the City of Danville, Virginia.

BY: _____
NOTARY PUBLIC

My commission expires: _____

Notary registration number: _____

Council Letter City of Danville, Virginia



CL - 865

NEW BUSINESS C.

City Council REGULAR MEETING

Meeting Date: October 17, 2023

Subject: Consideration of Authorizing and Approving the Execution of a Support Agreement By and Between the City of Danville, Virginia and the Virginia Small Business Financing Authority.

From: Corrie Bobe, Director of Economic Development and Tourism

COUNCIL ACTION

A Resolution of the Council of the City of Danville, Virginia Approving and Authorizing a Support Agreement.

SUMMARY

Staff is recommending the approval of a Support Agreement between the City of Danville, Virginia and the Virginia Small Business Financing Authority for the refinancing and consolidation of two existing loans with the Danville Industrial Development Authority.

BACKGROUND

The Industrial Development Authority of Danville, Virginia has two existing loans with Virginia Community Capital (VCC) and the Virginia Small Business Financing Authority (VSBFA) related to the purchase and up-fit of 500 Cane Creek Parkway with a combined outstanding balance of \$1,360,504. VSBFA has proposed to consolidate both loans into one through this refinancing process. The new loan will total the remaining balance of the two existing loans and will have a fixed interest rate of 5.5% with a maturity date being ten years from the date of the note. The loan will also be secured by a first deed of trust on the property.

RECOMMENDATION

Staff recommends approval of the Support Agreement with the Virginia Small Business Financing Authority.

Attachments

1. Resolution
 2. Moral Obligation
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2023-_____._____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE,
VIRGINIA APPROVING AND AUTHORIZING A SUPPORT AGREEMENT.

WHEREAS, the City Council of Danville, Virginia (the "City Council") has determined that it is in the best interests of the City of Danville, Virginia (the "City") to lend its assistance to the Industrial Development Authority of the City of Danville, Virginia (the "Authority") in the issuance of the Authority's promissory note in the original principal amount of up to \$1,360,504 due and payable in full in approximately ten (10) years (the "Note") in order to refinance the Authority's indebtedness to the Virginia Small Business Financing Authority ("VSBFA") and to Virginia Community Capital (the "Existing Indebtedness") incurred in connection of acquisition, construction and up fit of a 40,000 square foot building located at 500 Cane Creek Parkway, Ringgold, Virginia (Pittsylvania County) (the "Project"), by the pledging of the City's moral obligation to pay amounts due on the Note that are not paid when due by the Authority; and

WHEREAS, the proceeds of the Note and the loan evidenced thereby (the "Loan") are to be used (i) to refinance such Existing Indebtedness and (ii) to pay the costs of issuance of the Note, all to accomplish certain purposes of the Virginia Industrial Development and Revenue Bond Act (the "Act"); and

WHEREAS, there has been presented to the City Council a plan for the financing of the Existing Indebtedness involving the issuance of the Note by the Authority and the pledge of the moral obligation of the City, which would not create debt of the City for purposes of the Virginia Constitution and would promote industry and increase commerce in the City and the Commonwealth of Virginia; and

WHEREAS, the Authority has received a proposal from the VSBFA for purchase of the Note, pursuant to a Loan Agreement between the Authority and VSBFA

providing for the purchase of the Note and the loan of the monies from the sale of the Note to pay the Existing Indebtedness (the "Loan Agreement"), payment of which Note is secured by a lien on and security interest in the Project granted pursuant to a Deed of Trust and Assignment of Leases between the Authority and VSBFA (the "Security Documents"), and in connection therewith, VSBFA has requested a moral obligation support agreement be entered into between the Authority and the City; and

WHEREAS, there has been presented to this meeting a draft of a Support Agreement between the City and the Authority to undertake a non-binding obligation to appropriate from time to time monies in connection with payments due on the Note (the "Support Agreement").

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DANVILLE, VIRGINIA:

1. The following plan for financing the Existing Indebtedness is hereby approved. The Authority and the Lessee will be requested to issue the Note in the maximum amount of \$1,360,504 and to use the proceeds therefrom to finance the repayment of the Existing Indebtedness and pay costs of issuance. The Authority and the Lessee will sell the Note to VSBFA and agree to repay the same pursuant to the Loan Agreement. The obligation of the City to make any payments under the Support Agreement will be subject to the City Council making appropriations for such purpose from time to time. It is expected that the Note will be secured by the Security Documents, the Loan Agreement, and the Support Agreement. It is hereby found and determined that the above-described plan is in the public interest, will benefit the inhabitants of the City, will increase commerce and will promote the safety, health, welfare, convenience and prosperity of the City and its citizens.

2. The City Manager, the Chairman or Vice Chairman of the City Council, any of whom may act, is hereby authorized and directed to execute and deliver the Support Agreement. The City Manager, the Chairman or Vice-Chairman of the City Council, any of whom may act, is hereby authorized and directed to acknowledge and consent, as necessary, to the provisions of the Support Agreement and any other agreements, instruments, certificates or other documents required to be executed by the City in connection with the issuance of the Note, and to designate and confirm the final provisions and other terms of the Note.

3. The Support Agreement shall be in substantially the form submitted to this meeting, which is hereby approved, with such completions, omissions, insertions, and changes as may be approved by the officer executing it, his execution to constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes.

4. The City Council, while recognizing that it is not empowered to make any binding commitment to make appropriations beyond the current fiscal year, hereby states its intent to make annual appropriations in future fiscal years in amounts sufficient to make all payments due under the Note pursuant to the Support Agreement to the extent such payments are not made when due by the Authority and hereby recommends that future City Councils do likewise during the term of the Note.

5. All other acts of the City Manager, Chairman or Vice-Chairman of the City Council and other officers of the City that are in conformity with the purposes and intent of this resolution and in furtherance of the plan of financing, the issuance and sale of the Note and the financing of the Equipment are hereby approved, ratified and confirmed.

6. Nothing in this Resolution or the Support Agreement, the Note or any related documents shall constitute a debt or a pledge of the faith and credit or the taxing power of the City with respect to any sums which are or may become payable under the Support Agreement. All obligations of the City and the City Council under the Support Agreement are subject to and dependent upon annual appropriation of funds by the City Council, and the City Council shall have no legally binding obligation under this resolution or in the Support Agreement to make any such appropriation or the payments provided for in the Support Agreement, the Support Agreement being a statement only of the present intent of the City Council.

7. This resolution shall take effect immediately.

PASSED AND ADOPTED this _____ day of _____, 2023.

Approved:

Mayor

Attest:

City Clerk

Approved as to Form and
Legal Sufficiency:

City Attorney

The Resolution set forth above was adopted during an open meeting at a regular meeting of the City Council of the City of Danville, Virginia, held on _____ 2023, all in accordance with law, by the following votes:

AYES: _____

NAYS: _____

ABSENT: _____

ABSTENTIONS: _____

City Clerk
City Council
City of Danville, Virginia

SUPPORT AGREEMENT OF THE CITY OF DANVILLE, VIRGINIA

THIS SUPPORT AGREEMENT, dated as of the ____ day of _____, 2023, by and between the City Council of the **City of Danville, Virginia**, a political subdivision of the Commonwealth of Virginia (**the “City”**) and the **Industrial Development Authority of City of Danville, Virginia**, a public body corporate of the Commonwealth of Virginia (**the “Authority”**), recites and provides as follows.

RECITALS

1. The Authority was created under the Industrial Development and Revenue Bond Act (§15.2-4900 *et seq.*) of the *Code of Virginia*, 1950, as amended, to promote industry and develop trade.

2. In order to induce the Virginia Small Business Financing Authority (**“VSBFA”**) to refinance existing indebtedness owing to VSBFA and to Virginia Community Capital incurred in connection of acquisition, construction and up fit of a 40,000 square foot building located at 500 Cane Creek Parkway, Ringgold, Virginia (**the “Project”**), the Authority has obtained a commitment from VSBFA to lend up to \$1,360,504.00 (**the “Loan”**) to the Authority pursuant to a loan agreement (**the “Loan Agreement”**), and as part of that commitment and as part of the security for the Loan, the VSBFA has required the City to enter into this Support Agreement (**this “Agreement”**).

3. The Loan is to be evidenced by a promissory note (**the “Note”**) executed by the Authority and held by the VSBFA.

AGREEMENT

NOW, THEREFORE, for and in consideration of the premises, the promises and mutual benefits to be derived by the parties from entering into this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows.

1. The Authority has acquired an ownership interest in the Project. In the event the Authority is unable to fulfill its debt service obligations to the VSBFA under the Note and the Loan Agreement, the Authority shall request an appropriation from the City to the Authority sufficient to allow the Authority to make current payments on the Note (**the “Deficiency Amount”**) to protect and maintain the Authority’s interest in the Project.

2. No later than May 15 of each year, beginning May 15, 2024, the Authority shall notify the City Manager of the City (**the “City Manager”**) of the Deficiency Amount, if any, which the Authority desires the City to pay to the Authority in accordance with Section 1 above during the City’s fiscal year beginning the following July 1.

3. The City Manager shall include such Deficiency Amount requested pursuant to Section 2 above in his budget submitted to the City Council of the City (**the “City Council”**) for the following fiscal year as an amount to be appropriated to or on behalf of the Authority. The City Manager shall deliver to the Executive Director of the Authority within ten days after the adoption of the City’s budget for each fiscal year, but not later than July 15 of each year, a certificate stating whether the City Council has appropriated to or on behalf of the Authority the Deficiency Amount requested.

4. If at any time the Authority believes there is a Deficiency Amount, the Authority shall notify the City Manager of the amount of the Deficiency Amount and the City Administrator shall request a supplemental appropriation from the City Council in the amount necessary to make such payment.

5. The City Manager shall present each request for appropriation pursuant to paragraph 4 above to the City Council, and the City Council shall consider such request, at the City Council next regularly scheduled meeting at which it is possible to satisfy any applicable notification requirement. Not later than three (3) business days after such meeting, the City Manager shall notify the Authority as to whether the amount so requested was appropriated. If the City Council shall fail to make any such appropriation, the City Manager shall add the amount of such requested appropriation to the amount requested from the Authority and reported to the City by the City Manager for the City’s next fiscal year.

6. The City Council hereby undertakes a non-binding moral obligation to appropriate such amounts as may be requested from time to time pursuant to paragraphs 3, 4 and 5 above, to the fullest degree and in such manner as is consistent with the Constitution and laws of the Commonwealth of Virginia. The City Council, while recognizing that it is not empowered to make any binding commitment to make such appropriations in future fiscal years, hereby states its intent to make such appropriations in future fiscal years, and hereby recommends that future City Councils do likewise.

7. For and in consideration of VSBFA making the Loan to the Authority and the Company, and to further secure the repayment of the Note and the Loan, the Authority hereby assigns, grants and conveys to VSBFA all of its right, title and interest, now existing or hereafter arising, in and to all moneys received from the City pursuant to the provisions of this Agreement. The Authority and the City shall make, execute and deliver any papers, instruments and documents that may be required by VSBFA to effectuate the purpose intended by this assignment. The Authority waives any right, legal or equitable, now existing or hereafter arising, to offset against, attach, levy upon, enjoin or otherwise delay the payment of such moneys hereby assigned on account of any claim or obligation between the Authority and the City.

8. If any clause, provision, or paragraph of this Agreement shall be held illegal or invalid by a court, the illegality or invalidity of such clause, provision, or paragraph shall not affect any of the remaining clauses, provisions, or paragraphs hereof, and this Agreement shall be construed and enforced as if such illegal or invalid clause, provision, or paragraph had not been contained herein. In case any question should arise as to whether any provision contained herein shall be in violation of law, then such provision shall be construed to the agreement of the parties

hereto to the fullest extent permitted by law.

9. The City shall provide the VSBFA with the City's audited annual financial statements when available.

10. Nothing herein contained is or shall be deemed to be a lending of the credit of the City to the Authority or to any other person or entity, and nothing herein contained is or shall be deemed to be a pledge of the faith and credit or the taxing power of the City, nor shall anything herein contained legally bind or obligate the City Council to appropriate funds for the purposes described herein.

11. Any notices or requests required to be given hereunder shall be deemed given if sent by registered or certified mail, postage prepaid, addressed (i) if to the City, to City Manager's Office, PO Box 3300 Danville, Virginia 24543 and (ii) if to the Authority, City Attorney's Office PO Box 3300 Danville, Virginia 24543, Attention: Chairman. Any party may designate any other address for notices or requests by giving notice.

12. It is the intent of the parties hereto that this Agreement shall be governed by the laws of the Commonwealth of Virginia. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute but one and the same instrument.

[Signature page to follow]

IN WITNESS WHEREOF, the City and the Authority have caused this Agreement to be executed in their names and on their behalves as of the date first above written.

CITY OF DANVILLE, VIRGINIA

By: _____
City Manager

**INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF DANVILLE, VIRGINIA**

By: _____
Chairman

Attest:

Secretary, Industrial Development Authority
of the City of Danville, Virginia

The undersigned authorized representative of VSBFA has executed this Agreement on its behalf as of the date first written above for the sole purpose of accepting the assignment to it made therein.

**VIRGINIA SMALL BUSINESS
FINANCING AUTHORITY**

By: _____
Name:
Title: