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The Second January meeting of the Danville City Council was held on January 16, 2024, at 7:00 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building. The following Council Members were present: 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 (8). James B. Buckner was absent (1).

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

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

ANNOUNCEMENTS AND SPECIAL PRESENTATIONS

Presentation: Update on the Institute for Advanced Learning and Research
By: Telly Tucker, President of IALR

Mr. Tucker introduced Dr. John Hughes, IV, who serves as the Executive Vice President for Operations at the Institute. Mr. Tucker began his update on Fiscal Year 2023 at the Institute, noting last year was a year that signified growth for the region; they served 5,116 students at the Career Choice Expo, 134 students in STEM camps this past summer and more than 14,000 across thirteen school divisions were enrolled in Major Clarity which helps them track student progress through K12 schools. The Institute was able to partner with the City on internship placement and placed 86 paid interns throughout the region as well as start eleven new registered apprenticeships with businesses as well. The GO Tech program will reach 9,000 plus students by 2024, across forty-four middle schools and divisions in Virginia. To date, they have 4,397 middle school students enrolled and served over the past year; this represents a \$20M investment. In 2023 the Institute served more than 27,600 people in their conference center, representing an indirect impact for tourism. Mr. Tucker noted he wanted to recognize the Vice President of the Institute's Conference Center, Leslie Dobbins, who announced her retirement at the end of the month. Mr. Tucker noted they have two AmeriCorp programs, one supports public health and the other was centered around support for STEM and literacy assistance with the youth. From an economic development standpoint, Linda Green and the Southern Virginia Regional Alliance team helped partner with localities including Danville, Pittsylvania County, Halifax County and Patrick County to support \$335M in new capital investment during 2023, 545 new jobs, four company expansions and five companies locating in the southern Virginia region. The Institute's research division, led by Dr. Scott Loman has engaged in 15 new NDAs with new companies that they were either partnering with, having a physical presence at the Institute, or using their labs in some way. Mr. Tucker noted their largest division, Manufacturing Advancement was the most rapidly growing division at the Institute. They opened their Center for Manufacturing Advancement and had a groundbreaking on the new regional training center for ATDM. The Center for Manufacturing Advancement now has four businesses located within it, three of which were new to southern Virginia; the wages that were being paid by those companies were more than two times the average wage for this region. Mr. Tucker noted these were examples of their continued partnerships, a few examples of how they bring value to the region in terms of supporting the City's goals and also being a collaborator and bringing together a diverse group of constituencies in support of economic transformation. Mr. Tucker asked Council to consider the Institute a partner, an ally and asset for this region and

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continue to utilize them. Council Members thanked Mr. Tucker for his presentation and the work the Institute was doing for the region.

MEETING MINUTES

Upon Motion by Council Member Vogler and second by Council Member Saunders Minutes from the Regular Council Meeting held on December 5, 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 DECEMBER 31, 2023

Chief Financial Officer Michael Adkins began the review of the General Fund Financials as of December 31, 2023 which marks 50% of the Fiscal Year 2024 complete. Revenues were just over \$66M at this point and tracking well with budget, an increase of about \$9M over last year; a little over half of that increase was casino revenue related. If the amounts received from the state and directly from Caesars were combined, that was \$4.8M in December. Interest earnings were up \$1.2M over last year and most of the remaining increase was from local consumer taxes. Sales tax was currently at \$6.3M, or 53% of budget, running a little ahead, and an increase of \$640,000 over last year. Meals tax was very similar, the City received \$6M at the end of December, 53% of budget and an increase of \$635,000 over last year. Lodging was \$1.7M the first half of the year, 69% of budget, and an increase of \$350,000 over last year. December also marked the completion of the first of two property tax collection cycles for Fiscal Year 2024. Real Estate and Personal Property combined was just over \$19M, almost exactly 50% of budget, and where they would expect to be at halfway through the year. State and Federal funding was coming in as expected with no concerns there.

With regard to Expenditures, Departmental Spending was running just under budget at 45% at the end of December. Non-Departmental expenses were primarily group health insurance; that was running slightly ahead of budget at 52%, however, the premium restructuring went into effect January 1st so there may be some effects from that going forward. Last month, the Transfer to Schools was quite a bit ahead of budget. The City was basically funding some capital expenditures that will be reimbursed by the large grant they received from the state; the City started receiving those reimbursements now. Looking at this month's report, they were back down to 50% of school funding advanced to them.

Mayor Jones questioned the delinquent real estate taxes, was there a plan to go after them and Mr. Adkins noted they were constantly doing that. If a citizen doesn't pay the first half, they get a reminder when they get the second half bill and see the balance. The bills are quickly turned over to the outside collection agency and they use all the tools that were available to them including garnishments. If something doesn't get paid for quite a while, it eventually goes through the court system, and they auction that off as abandoned property. The City had another sale this past Friday with about twenty parcels that were available, all of them were purchased, and believed the City received \$480,000 from those sales.

Mr. Vogler questioned the process to decide what gets put on an auction, how does it get to that point and Mr. Adkins noted he has reached out to the outside collection agency for more detailed explanation of at what point do they seek the court's approval for auctioning those properties. When the City first started working with TACS they would always prioritize the parcels that had the most delinquent balances to collect as much money as possible. Mr. Adkins noted he will have

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that detailed information for Mr. Vogler. Vice Mayor Miller asked what the target number was for successful percentage to collect on delinquent taxes and Mr. Adkins noted he provides a collection report once a year to Council. The City has twenty years to collect Real Estate taxes, and usually by year sixteen or seventeen, the City was at 98% or 99%. It does not cost the City anything to use the collection agency; the agency tacks on a percentage to what was owed, and the delinquent tax payer actually paid them.

Mr. Vogler noted utility payments used to be only paid in person, then citizens could pay on-line but would have to pay that 2.75% fee and so some people wouldn't do that; Council decided to get rid of that fee for the user. Taxes can be paid in person, or paid online, but must pay that 2.75% fee. Mr. Vogler noted he would like Council to consider eliminating that fee, and paying taxes the same way the utility payments were paid. Mr. Vogler noted he understood that fee had to be paid and the City would meet that cost; if the City was trying to make it easier for people to pay their taxes and encourage them to do so, this was one way to do it.

Mayor Jones questioned what happened with past due personal property taxes and Mr. Adkins noted if the personal property tax was delinquent, the City can put a DMV stop which prevents someone from renewing their license. The state also has Debt Setoff; if the City files that with the state, if a citizen was due a refund on state taxes, and they owe money to the City, the City gets that first before the citizen gets what was left of their tax refund.

PRESENTATION OF FISCAL YEAR 2023 AUDIT

Mr. Adkins introduced Matt Heatwole, a partner with Brown Edwards & Company, who oversees and reviews the City's audit. Mr. Heatwole thanked Council for the opportunity to work with the City, Mr. Adkins and Ms. Chandler in Finance for a smooth audit process. One of the main documents was the Annual Comprehensive Financial Report which goes into detail on several things, included the basic financial statements and a letter of transmittal written by Mr. Larking and Mr. Adkins. It also includes a Management and Analysis section. The City files the report with the GFOA, the Government Finance Officers Association and receives a yearly award for the presentation of that report; the City has received that award for 37 consecutive years. A copy of the certificate was in the report, and they have applied for that award for Fiscal Year 2023.

The Audit Report was included in the Financial Statements, and they issued a clean, unmodified Audit Opinion; it was the highest and best opinion the City can receive. It means based on their audit, they believe the City's financial statements, disclosures and so forth were materially correct and in accordance with accounting principles of the U.S. Two other reports they issued were a report on internal controls and compliance issues, and another related to the federal expenditures the City expends each year; that was also an unmodified or clean audit opinion.

Two other letters were issued, one was Comments on Internal Controls and the other, Suggestions for Consideration. They were issued as a tool for management if they come across internal control best practices they think would benefit the City. Also included in that letter were updates to accounting standards which were always changing. The final letter was a letter addressed to City Council called Required Communications with those Charged with Governance. The purpose of that was to discuss any significant audit issues that arose as a part of the audit. It goes into detail on some estimates inherent in the Financial Statements and corrected misstatements; uncorrected misstatements were disclosed for Council to review. Attached to that was a Management Representation letter, a final piece of the audit where they obtain specific representations from management; it was important to include it in that letter.

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Council Member Whittle asked if they found any discrepancies and Mr. Heatwole noted they did not find any they would call material. Any adjustments they may have come from a numbers perspective, were disclosed in the Required Communications and discussed with management as they come across those.

CONSIDERATION OF AUTHORIZING AND APPROVING THE RELEASE OF NUISANCE ABATEMENT LIENS AFFECTING PARCEL #23531 ON HUGHES STREET

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

RESOLUTION NO. 2024-01.02

A RESOLUTION APPROVING AND AUTHORIZING THE RELEASE OF CITY-HELD LIENS AGAINST REAL PROPERTY IDENTIFIED AS PARCEL #23531 (HUGHES STREET), TO FACILITATE ITS DONATION TO THE DANVILLE NEIGHBORHOOD DEVELOPMENT CORPORATION.

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

VOTE: 7-0-1-1
AYE: Campbell, Jones, Mayo, Miller,
Saunders, Vogler, and Whittle (7)
NAY: None (0)
ABSENT: Buckner (1)
ABSTAIN: Hood (1)

CONSIDERATION OF AUTHORIZING AND APPROVING THE RELEASE OF NUISANCE ABATEMENT LIENS AFFECTING PARCELS ON GROVE STREET, COLOUHOON STREET, LEE STREET, AND STOKES STREET

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

RESOLUTION NO. 2024-01.03

A RESOLUTION APPROVING AND AUTHORIZING THE RELEASE OF CITY-HELD LIENS AGAINST REAL PROPERTY IDENTIFIED AS PARCELS #20616, #20675, #20745, #22133, AND #23408, TO FACILITATE THEIR DONATION TO THE DANVILLE REDEVELOPMENT AND HOUSING AUTHORITY.

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

Council Member Whittle asked for an explanation and Assistant City Attorney Ryan Dodson explained that three of these lots have large tax delinquencies due to demolition costs for unsafe structures; the owners do not have sufficient funds to cover the cost. The other option might be to go to auction which would take a few years. Because of the difficulty of this, the City will look to see if they can use the property, or the Housing Authority or the Neighborhood Development Corporation can use the property. There were lots on Grove and Stokes Street that can be used in the future by the City's partners. The two lots on Colquhoun Street were not actually tax delinquent but the property owner was throwing those in to compensate for the fact that the City was writing off larger amounts.

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

VOTE: 6-0-2-1
AYE: Campbell, Mayo, Miller,
Saunders, Vogler, and Whittle (6)
NAY: None (0)
ABSTAIN: Hood, Jones (2)
ABSENT: Buckner (1)

**CONSIDERATION OF A REZONING APPLICATION FILED BY J. CUBAS HOLDINGS, LLC,
REQUESTING TO REZONE PARCELS ON JENNY LANE FROM T-R THRESHOLD
RESIDENTIAL TO S-R SUBURBAN RESIDENTIAL**

Mayor Jones opened the floor for a Public Hearing regarding a Rezoning Application on Jenny Lane. Notice of the Public Hearing was published in the *Danville Register & Bee* on January 2, 2024 and January 9, 2024.

Mayor Jones recognized the applicant, Joe Cubas, who noted there were two properties on Jenny Lane, one was 46 acres, one was 55 acres. Both of these were zoned TR-Residential which basically provides for two units per acre, single family detached homes. Their request was to rezone it to SR Suburban Residential which was three units per acre. After listening to neighbors and members of the community they decided to withdraw the RV park from the 46 acre parcel and put in homes like they were going to do on the 55 acre property. Mr. Cubas stated he knew there were several issues that needed to be worked through and was more than willing to do so. This was just the rezoning request from two units per acre to three. They still have to bring in their Engineers, draw up the site plans for submission, get permits, hire local general contractors and then from there will hire subcontractors to do all the trades that comprise the actual construction.

Mayor Jones recognized Wade Murphy who stated at the Planning Commission meeting, the approval was with the understanding that there would be a traffic impact analysis because of the number of cars being added to the traffic on Jenny Lane.

Mayor Jones recognized Donna Pruitt, 600 Jenny Lane, who spoke to Council about a traffic impact study being conducted as mentioned by the Planning Commission; it would be a different study than for the RV park because it was a different scenario. She was also concerned about the construction traffic during this multiyear process, how would that be handled on the roads. Ms. Pruitt asked if the sewer would go to the existing homes on the road once they start running that, and that there was a deaf child in the area and wanted to know who to contact to have a sign put up in the community to slow the traffic down if possible.

No one further desired to be heard and the Public Hearing was closed.

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

ORDINANCE NO. 2024-01.07

AN ORDINANCE REZONING FROM T-R THRESHOLD RESIDENTIAL ZONING DISTRICT TO S-R SUBURBAN RESIDENTIAL ZONING DISTRICT PARCEL IDS 75941, 77419, 77420, 77421, AND 77422 (JENNY LANE).

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

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Mayor Jones questioned the City Manager regarding the traffic impact study, sewer and a sign. Mr. Larking stated for this type of rezoning, a traffic impact analysis was not required. Director of Planning Renee Burton stated that was correct; there were still a lot of unknowns, and they were not sure of the total yield. As Mr. Cubas stated, engineering needed to be done and there were a lot of things to be figured out before a total yield could be determined. Mr. Larking explained for the subdivision to be approved there would need to be public sewer serving the property. The City would have to examine the layout, where the sewer tap would be, what would be required to get the sewer there and make a determination. The Public Works director prefers, and best practice was, to have gravity sewer serving customers because pumping sewer has multiple issues. Mr. Larking noted he will talk with the Public Works Director about the sign request.

Council Member Vogler asked if staff recommended this be approved and was this unanimously approved by the Planning Commission, and Ms. Burton stated it was. Mr. Vogler noted that for at least a year the Council and staff have acknowledged that Danville needs more housing and have asked for housing projects to handle the growth in Danville. Mr. Vogler noted for himself, this was a yes vote. Council Member Saunders asked Mr. Cubas if he said some property may be added later and Mr. Cubas stated additional property would not be added for this subdivision, just these two properties. Council Member Campbell asked how many acres were there in total, and Mr. Cubas stated that one property was 46, and the other was 55 acres but not all the property can be developed. Rev. Campbell asked if Mr. Cubas was talking about roughly 300 homes, and Mr. Cubas explained that due to roads and other structures being built, there cannot be 300 homes built in this development. Mr. Larking noted there will be streets, stormwater and other needs, and parts of the acreage cannot be developed. It was unlikely for three hundred homes to be built. Council Member Hood asked if this would be continuous construction, and Mr. Cubas stated this will be done in phases and should be continuous construction, however, it will depend on sales. Mr. Vogler asked if there was a price range for these homes, and Mr. Cubas stated these homes will stay between the \$300,000 to \$350,000 range.

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

VOTE: 8-0-1
AYE: Campbell, Hood, Jones, Mayo, Miller,
Saunders, Vogler, and Whittle (8)
NAY: None (0)
ABSENT: Buckner (1)

CONSIDERATION OF A REZONING APPLICATION FILED BY J. CUBAS HOLDINGS, LLC, REQUESTING TO REZONE PARCEL 78052 ON JENNY LANE FROM T-R THRESHOLD RESIDENTIAL TO S-R SUBURBAN RESIDENTIAL

Mayor Jones opened the floor for a Public Hearing regarding a Rezoning Application on Jenny Lane. Notice of the Public Hearing was published in the *Danville Register & Bee* on January 2, 2024 and January 9, 2024.

Mayor Jones recognized Donna Pruitt, 600 Jenny Lane; Ms. Pruitt noted she had not stated her opposition previously to three units instead of two, and also her concern was regarding the traffic.

Mayor Jones recognized Wade Murphy who noted from the Planning Commission meeting, they heard there would be a traffic impact analysis done. Hearing tonight it was not necessary was different from what they heard before.

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No one further desired to be heard and the Public Hearing was closed.

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

ORDINANCE NO. 2024-01.08

CONSIDERATION OF A REZONING APPLICATION FILED BY J. CUBAS HOLDINGS, LLC, REQUESTING TO REZONE PARCEL 78052 ON JENNY LANE FROM T-R THRESHOLD RESIDENTIAL TO S-R SUBURBAN RESIDENTIAL.

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

VOTE: 8-0-1
AYE: Campbell, Hood, Jones, Mayo, Miller,
Saunders, Vogler, and Whittle (8)
NAY: None (0)
ABSENT: Buckner (1)

COMMUNICATIONS FROM VISITORS

Mayor Jones recognized Steve Barrow who spoke about the community garden he was considering starting on Colquhoun Street. Anyone interested can come to Hammerhill Computers at 185 Wilson Street to sign up.

COMMUNICATIONS

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

Vice Mayor Miller spoke about the cyber security program at DCC and how much these attacks cost cities to fix. Dr. Miller noted Sunday, Averett sponsored a dinner, Dr. Hairston was the keynote speaker, and she did not disappoint. She talked about the City schools and what was going on. Dr. Miller noted Cherrystone had a sold-out breakfast on Monday morning with 450 people; it was a very moving event.

Council Member Vogler discussed a people first budget, lowering taxes and fees, different ideas that the Council Members have, and looking out for citizens. Mr. Vogler noted how smoothly Council works through a process, respectfully rather than like some other elected bodies. Eliminating the online fee may be what needed to be done to make it easier for people to pay things online; Richmond was eliminating the fee for citizens to pay their taxes.

Council Member Whittle thanked Mr. Tucker for his presentation and what the Institute does for the City, and to Mr. Cubas for the project that his group was starting. Mr. Whittle stated if the City could get a 5%/net 10 days on paying taxes on time, it might make things a little less painful. When discussing the budget, if the Governor does remove state vehicle tax, it was a \$3.5M deficit for the City, and Mr. Adkins noted it was roughly \$19M. Mr. Whittle noted he received a nice note from citizens about an employee Antionette Harris providing excellent customer service, and was glad to see the auction bring in over \$400k.

Council Member Campbell discussed the climate change workshops being held every Friday in February from 9:30 am to 11:30 am at 206 N Union Street in the Plan Danville office; this was a

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project that every citizen can participate in. In reference to City contracts, Rev. Campbell questioned if there was a certain percentage of contracts that were given to minorities, and Mr. Larking stated he would get back to Reverend Campbell with those numbers.

Council Member Hood commented on his visits to the schools with Tyrell Payne at GW, Westwood, and Bonner; it was a great time. On Sunday, he joined SCLC for the MLK candlelight march and had the opportunity to walk with the new police chief; they had a great turnout. Mr. Hood noted he was involved in the PIT count which was coming up February 24th through HUD, with the West Piedmont Housing Coalition, DRHA and other stakeholders; they will be doing a Point in Time count where volunteers and citizens go out in the community from 6 pm to 6 am looking for people who were homeless, collecting data, and providing resources to those individuals.

Council Member Whittle noted regarding the PIT count, if there was a card that they can give the people to give them information on resources and Mr. Hood noted they provide information to those they encounter on how to get in contact with different resources.

Council Member Mayo thanked Mr. Boston and everyone for coming out tonight and noted the ribbon cutting at Hughes Home was phenomenal with Council attending, and thanked Mr. Tucker and Dr. Hughes for coming to Council. Mr. Mayo encouraged Mr. Barrow to keep doing what he was doing in the Five-Fork Area. The MLK breakfast and the weekend in general was great with a lot of events going on this weekend.

Mayor Jones reminded everyone that Danville Public Schools will be closed tomorrow, and asked Mr. Boston to come up and receive a proper welcome to Danville. Mr. Boston greeted everyone with "laissez le bon temps rouler" which was Creole for "let the good times roll". He was looking to bring in a safe place for adults to come and enjoy themselves while tasting great Cajun cuisine; they were opening at the former Grizzly Hatchet House.

Mayor Jones commented on the phenomenal job at the MLK event, and thanked Mr. Tucker and Dr. Hughes for the amazing job they do at the Institute. Mayor Jones noted Dr. Miller had commented on Dr. Hairston's amazing job at the Sunday dinner; her presentation on hurt people and risky behaviors touched him. There were three communities in Danville that they needed to tackle, and as a community they need to look out for their young people. Mayor Jones asked citizens to continue to pray for their teachers.

ADJOURNED: 8:54 p.m.

APPROVED:

s/Alonzo L. Jones
MAYOR

ATTEST:

s/Susan M. DeMasi, CMC
CITY CLERK