

June 4, 2024

The Regular June meeting of the Danville City Council was held on June 4, 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). *Mr. Whittle entered the meeting at 7:02 p.m. and Mr. Vogler entered the meeting at 7:03 p.m.*

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 Campbell gave the Invocation followed by the Pledge of Allegiance.

ANNOUNCEMENTS AND SPECIAL PRESENTATIONS

Proclamation: Business Appreciation Week

Presented to: Corrie Bobe, Director of Economic Development and Tourism

MEETING MINUTES

Upon **Motion** by Council Member Whittle and **second** by Council Member Campbell, Minutes from Regular Council Meeting held on April 2, 2024, were approved as presented. Draft copies of the minutes had been distributed prior to the meeting.

OLD BUSINESS

Consideration of a Real Estate Tax Decrease

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

ORDINANCE NO. 2024-05.17

AN ORDINANCE AMENDING AND REORDAINING SECTIONS 37-27, 37-28 AND 37-29 OF THE DANVILLE CITY CODE THEREBY DECREASING THE REAL ESTATE TAX FROM EIGHTY-FOUR (84) CENTS ON EVERY ONE HUNDRED DOLLARS TO EIGHTY-THREE (83) CENTS ON EVERY ONE HUNDRED DOLLARS OF ASSESSED VALUE EFFECTIVE JULY 1, 2024.

The Motion was **seconded** by Council Member Vogler 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)

Consideration of an Ordinance to Authorize Bonds for Electric Distribution Expansion

Vice Mayor Miller **moved** for adoption of an Ordinance entitled:

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ORDINANCE NO. 2024-05.18

AN ORDINANCE AUTHORIZING THE ISSUANCE OF BONDS OF THE CITY OF DANVILLE, VIRGINIA, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$25,000,000 TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF VARIOUS CAPITAL PROJECTS.

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

VOTE: 7-0-1-1
AYE: Campbell, Hood, Jones, Mayo, Miller,
Saunders, and Vogler (7)
NAY: Whittle (1)
ABSENT: Buckner (1)

NEW BUSINESS

REVIEW OF GENERAL FUND FINANCIALS AS OF APRIL 30, 2024

Chief Financial Officer Michael Adkins began review of the General Fund Financials as of April which marks the tenth month of the fiscal year or 83% complete. Mr. Adkins noted since they were so close to the end of the fiscal year and tomorrow was the due date for property tax payments, he would give the most current information they have, as of today.

Under property taxes, the current real estate tax budget was \$19M, as of today they have collected \$17.6M, almost 93% of budget, and \$1.4M remaining to collect to meet budget. That was very doable; tomorrow was the due date, they get a lot of payments on the due dates, wire transfers from mortgage companies for escrowed taxes, and any mail that was received over the next couple weeks was most likely postmarked by the due date and will be accepted as a timely payment. Delinquent real estate was budgeted at \$900,000; as of today they have collected \$926,000, and were slightly ahead of budget. Personal property was budgeted at \$15.5M; as of today they were at \$15M or about 97% of budget; that additional \$500,000 will certainly be collected over the next week so. Delinquent personal property taxes were doing very well this year; the budget was \$1.2M and as of today they have collected \$1.5M which exceeded budget by almost \$300,000.

The local consumer driven taxes have done very well this year; sales tax received during the month of May was \$1.2M and the third highest one-month collection of sales tax the city has had. At this point they have collected a total of \$10M out of the \$12M budget and still have three months of retail activity; they will meet budget and exceed it a little. For Meals tax, they received \$1.1M for the month of May for April sales of prepared meals, which was the highest they have collected in one month. That revenue category was also at \$10M, the budget was \$11.3M, with a few months to collect, and they will exceed budget. Lodging tax received was \$2.6M and the budget was \$2.5M, with a few months to collect; they usually collect about \$200,000 to \$250,000 per month and will exceed budget. Business licenses received were \$7.6M and the budget was \$7.4M, a couple hundred thousand over budget; that was winding down at this point. Most of the business licenses were due in March, there were several businesses that pay quarterly and most of those have been received at this time. Investment income and interest earnings have performed much better with interest rate increases; the adjusted budget was \$3.5M for this year, they should finish the end of June at a little more than \$4M and will exceed budget. State and Federal revenues were on track with budget.

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On the expenditure side, Departmental Spending was at 80% at the end of April, and that was 83% of the year complete, trailing budget at about 3%. They usually see it at about 2-3% and hopefully that will stay through the remaining month of June. Non-departmental expenses were primarily debt service and group health insurance; debt service was a known expense and on budget. Group health insurance was running ahead of budget at about 10% and that translates to about \$1M, but the increased interest earnings will more than cover that; they have increased that budgetary line item for next year. Mr. Adkins stated he does anticipate being able to add to the Unrestricted Fund Balance at the end of the year but does not know how much yet. There were a lot of year-end adjustments and accruals to make before they know for sure. The budget proposed for next year, which was approximately \$156M for the general fund, to meet their 20% minimum fund balance would require at least \$33M in the reserved fund balance. Last year, they ended at \$37M so the city was in a good position, but not quite as high above the mark as they usually were, so adding something this fiscal year would help keep a cushion above the minimum. Mr. Adkins noted in a couple of weeks he will give the May report and will have more current information on the real estate and personal property collections turned out for this year.

Council Member Campbell asked when assessments were done on real estate and how those numbers were adjusted. Mr. Adkins stated they were completed every two years on the odd year; the City was just finishing. The state requires every year, the real estate division to turn in sales that occur in the City; that compared sales prices to what it was assessed at. The state requires them to be between 70% and 120% of assessment. Typically, the City comes in in the high eighties; the assessed values were usually 85% of fair market value.

Reverend Campbell noted with Airbnb, that was dealing with resident and hotels and Mr. Adkins noted an Airbnb would be taxed real estate, and treated as a hotel in that they would have lodging taxes as well. Lodging tax was a function of the Commissioner of Revenue, and Real Estate was the Finance Department. Council Member Whittle stated on the assessments, the City takes prior sales and meet between 80% and 120% of those and Mr. Adkins explained every year they were required to report a qualifying sale of any real estate. They look at the total sales and the total assessments of the properties that sold and that has to be reported to the state to make sure their assessments were in line with reality.

CONSIDERATION OF ELECTRONIC PARTICIPATION IN CITY COUNCIL MEETINGS FROM REMOTE LOCATIONS POLICY

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

RESOLUTION NO. 2024-06.01

A RESOLUTION ESTABLISHING A POLICY FOR ELECTRONIC PARTICIPATION IN CITY COUNCIL MEETINGS FROM REMOTE LOCATIONS BY THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA.

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

Council Member Saunders asked if there was a way to police this since Council does discuss sensitive information, and if there was a remote location, they don't know how many people were on the line, as well as closed meetings. City Attorney Clarke Whitfield stated that they could do a Skype and can make sure only one person was able to remotely come in. Each council member would have to sequester themselves for closed meetings; open meetings would not matter. Mr. Larking stated that similar circumstances happen during RIFA meetings where the attorney asks the individual on the Zoom call to certify that they were by themselves; they certify they were by

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themselves or wearing headphones where no one else can hear. Council Member Vogler asked if other localities were doing this, and Mr. Whitfield stated there were other localities doing this, but a policy has to be in place prior to doing it and other certifications have to be done at the beginning of the meeting as well. As of July 1st, Council has to recertify and readopt the policy every year.

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

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

CONSIDERATION OF A SPECIAL USE PERMIT APPLICATION FILED BY PANGEA ASIAN FUSION TO ALLOW COMMERCIAL RECREATION FACILITIES AT 112 WESTOVER DRIVE

Mayor Jones opened the floor for a Public Hearing regarding a Special Use Permit at 112 Westover Drive. Notice of the Public Hearing was published in the *Danville Register & Bee* on May 21, 2024, and May 28, 2024.

Mayor Jones recognized Daisy May, 2411 South Boston Highway, a manager at Pangea who spoke to Council stating the owner wanted to include entertainment at the establishment.

Mayor Jones recognized Jolene (no last name), the owner of Pangea, who spoke to Council about why she was applying for a special use permit to entertain customers and celebrate important events and holidays. She spoke about safety, parking, and security at her establishment.

No one further desired to be heard and the public hearing was closed.

Vice Mayor Miller **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2024-06.01

AN ORDINANCE GRANTING SPECIAL USE PERMIT APPLICATION PZ24-00160, FILED BY PANGEA ASIAN FUSION, REQUESTING A SPECIAL USE PERMIT TO OPERATE AN INDOOR COMMERCIAL RECREATION FACILITY AT PARCEL 51416 (112 WESTOVER DRIVE) IN ACCORDANCE WITH ARTICLE 3.M. SECTION C ITEM 4.

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

Mayor Jones thanked them for their presentation; hearing they have strong security was important, and questioned if there will be coverage to keep underaged people from drinking. Ms. May stated the first time they used wrist bands to differentiate the 18-year-olds from the 21-year-old and ups. If this special permit was granted, only individuals over the age of 21 will be allowed inside. Council Member Whittle asked how the hours of operation would be affected, and Mr. Whitfield stated they had to go through the ABC process and special permits from Council for events. Council Member Vogler stated the primary reason for this special use permit was so they can charge for these events. Council Member Saunders asked about alcohol issues happening off premises, and Mr. Whitfield stated that anyone off premises becomes a police matter.

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

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

CONSIDERATION OF A SPECIAL USE PERMIT APPLICATION FILED BY FRED LEGGETT, JR., TO ALLOW AN ACCESSORY BUILDING WITHOUT A PRIMARY BUILDING

Mayor Jones opened the floor for a Public Hearing regarding a Special Use Permit at Parcel 71320. Notice of the Public Hearing was published in the *Danville Register & Bee* on May 21, 2024, and May 28, 2024.

Mayor Jones recognized Cabell Barrow, 600 West Main Street, an attorney representing the applicant for a special use permit for a reconfiguration of the lots around and comprising the home where Mr. Leggett lives on Lake Heron Drive. The special use permit was being sought out of concern for estate planning where he hoped to carve off his home so one day it could potentially be conveyed to his family.

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. 2024-06.02

AN ORDINANCE GRANTING SPECIAL USE PERMIT APPLICATION PZ24-00179, FILED BY FRED LEGGETT, JR, REQUESTING A SPECIAL USE PERMIT TO ALLOW AN ACCESSORY BUILDING WITHOUT A PRIMARY BUILDING AT PARCEL 71320 (LAKE HERON DRIVE) IN ACCORDANCE WITH ARTICLE 3.C. SECTION C ITEM 23.

The Motion was **seconded** by Council Member Whittle and carried 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 APPROVING AND AUTHORIZING THE SALE OF PARCELS 26470 AND 26471 TO THE INDUSTRIAL DEVELOPMENT AUTHORITY

Mayor Jones opened the floor for a Public Hearing regarding the Sale of Parcels to the Industrial Development Authority. Notice of the Public Hearing was published in the *Danville Register & Bee* on May 28, 2024. No one present desired to be heard and the public hearing was closed.

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

RESOLUTION NO. 2024-06.02

A RESOLUTION AUTHORIZING AND APPROVING THE CITY MANAGER TO CONVEY, BY DEED OF BARGAIN AND SALE, THE EXISTING LOTS LOCATED ON LYNN STREET,

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IDENTIFIED AS PARCEL IDS 26470 AND 26471 TO THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA.

The Motion was **seconded** by Council Member Mayo and carried 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 AUTHORIZING AND APPROVING AMENDMENT #2 TO THE LEASE AGREEMENT AT 530 MAIN STREET

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

RESOLUTION NO. 2024-06.03

A RESOLUTION AUTHORIZING AND APPROVING THE RENEWAL OF THE LEASE AGREEMENT AT 530 MAIN STREET FOR USE BY THE CITY'S REGISTRAR.

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

CONSIDERATION OF FEE CHANGES EFFECTIVE JULY 1, 2024

Mayor Jones opened the floor for a Public Hearing regarding Fee Changes. Notice of the Public Hearing was published in the *Danville Register & Bee* on April 30, 2024, and May 7, 2024.

Mayor Jones recognized Charles Haynsworth III, 548 West Main Street, spoke in opposition to short-term rental fees.

Mayor Jones recognized Katherine Wall, 127 Fairway Drive, who asked if the citizens were paying for fee increases for items four and five.

Mayor Jones recognized Martha Ray, 131 Canterbury Road, spoke in opposition to short-term rental fees being included in a vote that also included public work and utility fees. She questioned how the fees were calculated.

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

Mr. Larking noted the citizen's questions were on items 4 and 5; Number 4 was related to sanitation fees. In the City, residents pay a monthly sanitation fee on their utility bill that goes to cover the cost of providing trash, yard waste and bulk item collections, recycling drop off areas throughout the city, and street sweeping and various other activities in that fund. It was operating at a deficit currently. Last year, it was increased by one dollar per month to cover that cost and it was

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proposed to increase one more dollar this year in order to make sure that fund was self-supporting. The residents will be paying that one dollar per month increase on their utility bill.

With respect to Number 5, cemetery fees will be paid for by anybody who was using that service; that was in order to make that fund self-supporting. The City maintains cemeteries in perpetuity; in order to mow them and keep them in good shape, they need to generate revenue for the purpose of maintaining them. Right now, there was not enough revenue generated from the fees. Council Member Vogler reviewed various inspection costs for other localities, how Danville was higher and noted the \$250 fee proposed for the City's budget seemed excessive to him. Council Member Whittle asked if the rental fees in the inspection district were higher, and Mr. Larking stated he will get those numbers back to him before the next meeting.

Upon **Motion** by Vice Mayor Miller and **second** by Council Member Mayo, an Ordinance entitled:

ORDINANCE NO. 2024-06.03

AN ORDINANCE AMENDING, ESTABLISHING AND INCREASING CERTAIN COMMUNITY DEVELOPMENT PLANNING AND ZONING FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2024, EXCEPT WHERE OTHERWISE STATED.

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

Upon **Motion** by Vice Mayor Miller and **second** by Council Member Mayo, an Ordinance entitled:

ORDINANCE NO. 2024-06.04

AN ORDINANCE AMENDING, ESTABLISHING AND INCREASING CERTAIN COMMUNITY DEVELOPMENT DEPARTMENT INSPECTION FEES OF THE CITY OF DANVILLE, EFFECTIVE JULY 1, 2024.

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

Upon **Motion** by Vice Mayor Miller and **second** by Council Member Mayo, an Ordinance entitled:

ORDINANCE NO. 2024-06.05

AN ORDINANCE AMENDING, ESTABLISHING AND INCREASING CERTAIN PUBLIC WORKS DEPARTMENT SANITATION FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2024.

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

Upon **Motion** by Vice Mayor Miller and **second** by Council Member Mayo, an Ordinance entitled:

ORDINANCE NO. 2024-06.06

AN ORDINANCE AMENDING, ESTABLISHING AND INCREASING CERTAIN PUBLIC WORKS DEPARTMENT CEMETERY FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2024.

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

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CONSIDERATION OF THE CITY OF DANVILLE BUDGET, CSP, AND BUDGET APPROPRIATION ORDINANCE

Mayor Jones opened the floor for a Public Hearing regarding the City of Danville Budgets, CSP and Budget Appropriation Ordinance. Notice of the Public Hearing was published in the *Danville Register & Bee* on May 28, 2024.

Mayor Jones recognized Katherine Wall, 127 Fairway Drive, who asked on No. 2, what were the various funds that the money was going into. Mr. Larking stated that there were multiple funds within the City of Danville, not just the general fund, but utility, cemetery, sanitation, that do different types of activities, those were the various funds of the City.

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

Upon **Motion** by Vice Mayor Miller and **second** by Council Member Mayo, a Resolution entitled:

RESOLUTION NO. 2024-06.04

A RESOLUTION APPROVING THE BUDGETS OF THE VARIOUS FUNDS OF THE CITY OF DANVILLE FOR THE FISCAL YEAR ENDING JUNE 30, 2025.

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

Upon **Motion** by Vice Mayor Miller and **second** by Council Member Mayo, a Resolution entitled:

RESOLUTION NO. 2024-06.05

A RESOLUTION APPROVING THE FISCAL YEAR 2025 CAPITAL AND SPECIAL PROJECTS PLAN FOR THE CITY OF DANVILLE, VIRGINIA.

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

Upon **Motion** by Vice Mayor Miller and **second** by Council Member Mayo, an Ordinance entitled:

ORDINANCE NO. 2024-06.07

BUDGET APPROPRIATION ORDINANCE FOR FISCAL YEAR 2025.

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

COMMUNICATIONS FROM VISITORS

Mayor Jones recognized Gary Uitto, 110 Ginger Drive, who spoke about the Saturday morning tutoring program in Danville City schools. He asked various questions regarding the success of the program, SOL scores, criteria for attending the program, school accreditation and state funding of the program.

COMMUNICATIONS

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

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City Manager Ken Larking informed Council and citizens that the City was once again selected as an All-America City finalist this year. The City has a team of individuals going to Denver, CO to compete against other finalists to possibly be named an All-America City for 2024. Some of the projects that were being highlighted were PLAN Danville, Parks & Recreation's Heart to Park initiative, the Danville Police Department's Grass Roots Empowerment and Action Training Program and their various community engagement efforts, and Danville Public Schools' student representative on the school board. The City has done quite a bit between the City and the School System to make sure the citizens were engaged in various processes of City government and civic life, and believed they make a strong case to be named an All-America City. Citizens can tune in to the event, it will be streamed live on River City TV Facebook page on Saturday, June 8 at 11:40 a.m., and the awards will be announced live on Sunday, June 9 at 8:00 p.m.

City Attorney Clarke Whitfield congratulated the City Manager for receiving his 10-year service award, Deputy City Attorney Alan Spencer for receiving his 15-year service award, Kimberly Gibson for receiving her 30-year service award, and Amanda Paez for receiving her 15 year service award.

Council Member Hood congratulated those who have already graduated, those who were graduating and to all school staff for the work they have done throughout the school year. Mr. Hood encouraged young people to continue to learn and explore this summer through camps and tutoring programs, gave a shout out to his granddaughter for her math awards, and others at the Schoolfield graduation.

Council Member Mayo congratulated all graduates, and sent his prayers to Council Member Buckner for his surgery recovery. Mr. Mayo stated he will be hosting a basketball camp this summer for the Boys and Girls Club June 24 – June 27; it was a free event.

Vice Mayor Miller sent good wishes to Council Member Buckner and noted the opening of the 3rd Avenue Splash Pad, the City's first. Dr. Miller spoke about SOSI's one year anniversary and that he passed out brochures for Danville at every rest stop between here and Nashville, TN. Dr. Miller discussed the residency program at SOVAH Health, and about Roshan Patel who was a Danville native, working for the Smithsonian as the chief photographer.

Council Member Saunders thanked Council Member Campbell's fraternity for the recognition received last Saturday night, the Congressman John Lewis Goodfellow Award, it was unexpected and surprising, and the recognition was appreciated. Mr. Saunders discussed the virtual meetings and some experiences years ago with virtual meetings.

Council Member Vogler noted that a lot of city parks were going through revitalization, assessments and looking at fixing them up for the next generation. The citizens at White Rock reached out to him, there was some assessment work or work that was supposed to be done at the park sometime this year. Mr. Vogler stated he did not think anything has happened yet and the residents were wondering where the City was on the timeline for that.

Council Member Whittle mentioned the Pinnacle Award received by DCC, and Mayor Jones noted Dr. Wallace was in his second year at DCC, and he and his leadership team have done a great job. DCC was awarded the Pinnacle Award by the Chamber of Commerce; it was a well-deserved award.

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Council Member Campbell noted his best wishes to Council Member Buckner, and to all the graduates, good luck and congratulations. Reverend Campbell stated Danville was an All-America City; they have a great team in the City and were moving forward.

Mayor Jones thanked Mr. Uitto for speaking tonight. Danville Public Schools was Council's priority and hoped parents take advantage of summer school and other programs offered. Council Member Buckner was at the food truck rodeo this past Saturday; that was an event that he has helped put on for years. Mayor Jones commended Renee Burton for the work that PLAN Danville has done in the community. If citizens have not had an opportunity to voice their concerns, ideas, or comments to PLAN Danville, they still have time to do so. The 3rd Avenue splash pad has been a huge success and looked forward to the opening of the other splash pads.

The meeting was adjourned at 8:20 pm.

APPROVED:

s/Alonzo L. Jones
MAYOR

ATTEST:

s/Susan M. DeMasi, CMC
CITY CLERK