

May 19, 2026

The Second May meeting of the Danville City Council was held on May 19, 2026, at 7:00 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building, 427 Patton Street, Danville, Virginia. The following Council Members were present: Vice Mayor James B. Buckner, L.G. "Larry" Campbell Jr., Bryant Hood, Mayor Alonzo L. Jones, Daniel W. Marshall, Barry P. Mayo, Gary P. Miller, Sherman M. Saunders, and J. Lee Vogler, Jr. (9).

Staff Members present were: City Manager Ken Larking, Deputy City Manager Earl B. Reynolds, Jr., Assistant City Manager/CFO Michael Adkins, Assistant City Manager Briana Evans, City Attorney W. Clarke Whitfield, Jr., and City Clerk Susan M. DeMasi.

Mayor Jones presided.

INVOCATION AND PLEDGE OF ALLEGIANCE

Council Member Daniel W. Marshall gave the Invocation followed by the Pledge of Allegiance.

Mayor Jones recognized the Council Members who serve on the Danville-Pittsylvania Regional Industrial Facility Authority, Council Member Sherman Saunders, Council Member Lee Vogler and Council Member Gary Miller. Council Member Saunders, the Vice Chairman of RIFA discussed the work of the RIFA Board and staff, and the development of the Southern Virginia Megasite. Mr. Saunders thanked Council, the Board of Supervisors and the citizens of the City and region whose support has made it possible to take a long-term approach to economic development. The development agreement with STACK Infrastructure that was unanimously approved by the Board of RIFA, represents a once in a generation opportunity for Southern Virginia. It includes a planned investment of up to \$100B over time and at least 2,500 high quality jobs, with the average wage of \$80,000 annually. The project was expected to generate billions in local revenue, helping support schools, infrastructure and essential services. The Megasite was designed for exactly this type of opportunity, large-scale advanced industrial. It also builds on the recent success of Microporous. This moment reflects years of preparation and collaboration across jurisdictions. It shows what can happen when a region commits to sharing vision and staying the course. More importantly, it creates opportunities for our residents, our workforce and future generations. The work isn't done, but today we can say with confidence, this region's strategy is working. This new opportunity comes with a shared responsibility to manage the benefits and challenges the same way we made it possible to have this transformational economic development project. We must be thoughtful about making strategic investment in our community so that everyone has an opportunity to benefit from the growth that was coming to Danville. Mr. Saunders noted a special thanks to the City Manager, his staff, their regional partners in Pittsylvania County, to Mr. Marshall and the Tobacco Commission and their investment and to everyone for the progress that we have made and will continue to make in the City and the region.

City Manager Ken Larking noted he would like to echo a point that Mr. Saunders made, an announcement like this happens because the entire team and all the partners made it possible. It was also important to note that it absolutely cannot happen without City Council making tough and sometimes unpopular decisions to invest in property acquisitions, infrastructure and site development. Based on the projected timeline of this project, STACK Infrastructure at the Megasite, the community can expect local revenue of about \$2.4B over a twenty year period, which will be evenly split between the City and the County because of the partnership with Pittsylvania County. This includes the purchase of property, the full build out of all three phases, and the tax revenue that will be generated if all three phases occur. If built as planned, on average, this was about \$60M per year or roughly one and a half times what Danville expects to receive from gaming revenue and supplemental payments from Caesars in the upcoming budget.

May 19, 2026

However, the annual revenue will fluctuate significantly based on the ramp up schedule and computer equipment replacement rates; there will be ups and downs. These revenues can be used to further support schools, infrastructure, economic development, quality of life initiatives and central services. The fact that the revenue streams will fluctuate from year to year makes it important to be strategic about the investments. Mr. Larking noted he would recommend following the Investing in Danville model which was aimed at directing funding into projects that will produce long-term and sustainable benefits for our residents and the community. It is our intention to be mindful of the concerns expressed regarding this type of development. The community has sufficient water capacity to serve the project. The company will pay for any expansion to infrastructure needed to serve the project. The project is required to adhere to strict environmental standards. RIFA approved the business points on Monday that include no discretionary local incentives being offered to the company. The agreement will have clear, enforceable, performance requirements tied to jobs and investment. The agreement will include guaranteed minimum tax payments that grow as the project expands. There were a lot of reasons to be excited about the project. It was important to keep in mind that STACK Infrastructure has until June 9, 2027 to purchase the first phase of the property and that several important conditions must be met for that sale to occur. Some of those conditions were within our control such as the Local Performance Agreement which the business terms were approved by RIFA on Monday. Some are outside our control, and we will continue to do what we can to help make those outside our control a reality so that this project can move forward.

Council Members noted it was a great day for the City and the region.

CONSENT AGENDA

Mayor Jones opened the floor for a Public Hearing regarding Budget Items on the Consent Agenda. Notice of the Public Hearing was published in the *Danville Register & Bee* on May 12, 2026. No one present desired to be heard and the Public Hearing was closed.

Council Member Campbell **moved** for approval of the following Consent Agenda Items:

Approval of Minutes from the Regular Council Meeting held on April 21, 2026. Draft copies of the minutes had been distributed prior to the meeting.

Consideration of Amending the Fiscal Year 2026 Budget Appropriation Ordinance for the Recreation Enrichment Program

An Ordinance Entitled, Ordinance No. 2026-05.07, an Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2026 Budget Appropriation Ordinance to Provide for Funds in the Amount of \$69,625 for a Recreation Enrichment Program and the Local In-Kind Share of \$306,223 for a Total Appropriation of \$375,848 and Appropriation of Same.

Consideration of Amending the Fiscal Year 2026 Budget Appropriation Ordinance for a Grant from the Virginia Housing Workforce Housing Investment Program

An Ordinance Entitled, Ordinance No. 2026-05.08, an Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2026 Budget Appropriation Ordinance to Provide for a Grant from Virginia Housing in the Amount of \$2,000,000 for the Purpose of Developing 1700 West Main Street and Appropriating the Same.

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

May 19, 2026

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

OLD BUSINESS

Consideration of the Fiscal Year 2027 Danville Public Schools Budget.

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

RESOLUTION NO. 2026-05.07

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA APPROVING THE BUDGET OF THE SCHOOL BOARD OF THE CITY OF DANVILLE FOR THE FISCAL YEAR ENDING JUNE 30, 2027.

The Motion was **seconded** by Vice Mayor Buckner and carried by the following vote:

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

Consideration of Fee Changes Effective July 1, 2026

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

ORDINANCE NO. 2026-05.05

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING, ESTABLISHING AND INCREASING CERTAIN FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2026, EXCEPT WHERE OTHERWISE STATED.

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

Council Member Vogler requested three fee changes be pulled from the Ordinance and voted on separately, including a fee change eliminating the incident report fee, a fee reducing underground boring fee, and a fee reducing the land disturbance permit fee.

The **Motion** for Fee Changes, excluding those pulled by Council Member Vogler was carried by the following vote:

VOTE: 7-2
AYE: Buckner, Hood, Jones, Marshall
Mayo, Miller, and Saunders (7)
NAY: Campbell, Vogler (2)

Consideration of a Fee Change Eliminating the Incident Report Fee

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

May 19, 2026

ORDINANCE NO. 2026-05-05A

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING, ESTABLISHING AND INCREASING CERTAIN FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2026, EXCEPT WHERE OTHERWISE STATED – ELIMINATING THE INCIDENT REPORT FEE IN THE POLICE DEPARTMENT

The Motion was **seconded** by Vice Mayor Buckner and carried by the following vote:

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

Consideration of a Fee Change Reducing the Underground Borings Fee

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

ORDINANCE NO. 2026-05-05B

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING, ESTABLISHING AND INCREASING CERTAIN FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2026, EXCEPT WHERE OTHERWISE STATED – REDUCING EXCAVATION PERMIT FEES: UNDERGROUND BORINGS IN THE PUBLIC WORKS DEPARTMENT

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

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

Consideration of a Fee Change Reducing the Land Disturbance Permit Fee

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

ORDINANCE NO. 2026-05-5C

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING, ESTABLISHING AND INCREASING CERTAIN FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2026, EXCEPT WHERE OTHERWISE STATED – REDUCING THE LAND DISTURBANCE PERMIT FEE

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

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

May 19, 2026

Consideration of a Data Center Tax Increase

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

ORDINANCE NO. 2026-05.06

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING AND REORDAINING SECTION 37-37 OF THE DANVILLE CITY CODE TO INCREASE THE DATA CENTER TAX RATE FROM \$0.25 (TWENTY-FIVE CENTS) ON EVERY \$100 (ONE HUNDRED DOLLARS) OF ASSESSED VALUE TO \$1.20 (ONE DOLLAR AND TWENTY CENTS) ON EVERY \$100 (ONE HUNDRED DOLLARS) OF ASSESSED VALUE EFFECTIVE JULY 1, 2026.

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

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

NEW BUSINESS

REVIEW OF GENERAL FUND FINANCIALS AS OF APRIL 30, 2026

Assistant City Manager/Chief Financial Officer Michael Adkins gave the Financial Report through the end of April, the tenth month of the fiscal year, and of 83% of the fiscal year complete. Total Revenues collected as of the end of April were \$137M, representing 74% of budget and about where the City finds itself at the end of April. The spring bills for Property Taxes went out earlier this month and were due on June 5th, he will be able to talk more about that in the coming months. Looking at delinquent collections, real estate has already nearly met budget with about \$28,000 left to collect over the next couple of months to meet the \$1.1M budget for that item. Mr. Adkins noted he felt they will exceed that by about \$50,000 by the end of the year. With regard to Delinquent Personal Property taxes, the City already exceeded budget by \$22,000 at the end of April. As mentioned in the past, Sales Tax has been sluggish this year compared to budget, they were at 77% of budget at the end of April, about \$910,000 short of budget at this point. Retail does slow down in the winter, and looking at collections for the coming month, they did have a strong May collection which represents March retail activity, that was \$1.2M. That will help close that gap to about \$875,000 by the end of next month. Hopefully, that pattern will continue and the deficit will be a little less by the time they get to the end of the year. Meals tax was at 82% of budget, \$11.4M collected out of the \$13.9M budgeted; that should meet budget by the end of June. Lodging taxes were at 81% of budget; this was short by \$80,000 from where the City should be to meet budget, but believed they will see additional activity over the last few months of the year to close that close to budget. Business Licenses were at 79% of budget, they were still expecting one large payment from a corporate organization and that will bring the City to 92% of budget by the end of this month. They do have an additional 107 additional business licenses this year through the end of April compared to last year. As mentioned in the past, Casino revenues have been strong; currently the budget was \$37M for this fiscal year. If the May and June casino operations were the same as April, they can expect that total to be \$42.7M for the year; about a \$5.7M overage of where they were budgeted right now. Interest and Investment Income, with the Federal Reserve holding the interest rates steady for this year, has outperformed budgeted expectations. The City was at \$450,000 over budget at the end of April and expect that

May 19, 2026

line item to be about \$800,000 over budget by the end of June. That should offset the lack of sales tax this year. State and Federal revenues were on track with budgeted expectations.

On the Expenditure side, Departmental Expenses were at 76% of budget at the end of April, very much contained for the year. The other item they consistently look at every month was the group health insurance costs, that was on the Non-Departmental Expense and was currently right on target at 83% of budget. There were no concerns there.

As they approach the end of the fiscal year, they will have some additional financial information to share in the next reports.

CONSIDERATION OF THE REAL ESTATE TAX RATE

Mayor Jones opened the floor for a Public Hearing regarding the Effective Tax Rate. Notice of the Public Hearing was published in the *Danville Register & Bee* on April 14, 2026 and April 16, 2026. No one present desired to be heard and the public hearing was closed.

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

ORDINANCE NO. 2026-05.09

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AFFIRMING THE REAL ESTATE TAX RATE OF EIGHTY-THREE CENTS (\$.83) ON EVERY ONE HUNDRED DOLLARS (\$100.00) OF ASSESSED VALUE.

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

CONSIDERATION OF AUTHORIZING THE CITY MANAGER TO EXECUTE AN ELECTRIC SERVICES AGREEMENT WITH 100 CANE CREEK, LLC

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

RESOLUTION NO. 2026-05.09

RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AUTHORIZING THE CITY MANAGER TO ENTER INTO AN ELECTRIC SERVICES AGREEMENT WITH 100 CANE CREEK, LLC.

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

Director of Utilities Jason Grey explained they have been working with the new owners of the former Morgan Olsen property on increasing the electric capacity; this agreement has the terms of that. Mr. Grey introduced Mike O'Neal who was there to answer any questions Council may have about the future uses of the property.

Mr. O'Neal explained they buy buildings that need to be redeveloped and bring new companies into them. Sometimes they need an intermediary to make the building exactly what someone needs. Mr. O'Neal noted the City staff was excellent, they show up whenever the building was being shown to a potential tenant, and welcomed people to Danville. Mr. O'Neal stated he believed this building will do well and create permanent jobs.

May 19, 2026

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

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

CONSIDERATION OF AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE FOR A GO VIRGINIA GRANT FROM THE COMMONWEALTH OF VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.

Upon **Motion** by Council Member Saunders and **second** by Vice Mayor Buckner, an Ordinance entitled:

ORDINANCE NO. 2026-05.10

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR GO VIRGINIA GRANT FUNDING TO COMPLETE DATA NETWORK INSTALLATION REQUIREMENTS FOR THE AVIATION TRAINING FACILITY PROJECT AT THE DANVILLE REGIONAL AIRPORT IN THE AMOUNT OF \$92,000 AND APPROPRIATING THE SAME.

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

CONSIDERATION OF AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE FOR THE COMPREHENSIVE SERVICES ACT

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

ORDINANCE NO. 2026-05.11

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE BY APPROPRIATING COMPREHENSIVE SERVICES ACT FUNDS AND PROVIDING LOCAL MATCHING FUNDS FOR A TOTAL AMOUNT OF \$8,469,539 AND APPROPRIATING SAME.

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

CONSIDERATION OF AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE FOR A GRANT FROM THE FEDERAL AVIATION ADMINISTRATION

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

ORDINANCE NO. 2026-05.12

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR ADDITIONAL FEDERAL FUNDING TO COMPLETE ARCHITECTURAL AND CIVIL ENGINEERING SERVICES TO CONSTRUCT A HANGAR AT THE DANVILLE REGIONAL AIRPORT IN THE AMOUNT OF

May 19, 2026

\$62,871 AND FOR THE LOCAL SHARE IN THE AMOUNT OF \$3,309 FOR A TOTAL OF \$66,180 AND APPROPRIATING THE SAME.

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

COMMUNICATIONS FROM VISITORS

Mayor Jones recognized Alex Barella who addressed Council concerning his First Amendment and Civil Liberties, he would say a few words tonight. Thank you. (Mr. Barella left without further comment).

Mayor Jones recognized Stan Lawton who provided Council with handouts and addressed Council about the 2026 budget, suspension of retirement bonuses and the structural flaws of the current bonus policy.

Mayor Jones recognized John Graves with Best Friends Animal Society, who addressed Council regarding the death of a dog, Eve, and the systemic failures putting animals at risk in Danville.

COMMUNICATIONS

City Manager Ken Larking noted at Council's desk was a newsletter created by the communications team, led by Public Information Officer Arnold Hendrix and Marc Aron with River City TV. The newsletter shares things that were going on in the City and citizens can scan a QR code to get more information. There will be more newsletters coming out on a regular basis, about twice a month.

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

Vice Mayor Buckner noted he was asked to speak at the Visit Sosa anniversary at the Welcome Center last week; there was a good crowd and it was a great event. Parks and Rec and the team that put on Festival in the Park did an outstanding job; it was a great weekend. Hyperfest was at VIR this weekend, another great event and encouraged citizens to check it out next year.

Council Member Campbell noted his agreement, the Festival in the Park was a good event. Rev Campbell stated they have a healthy, caring and prosperous city.

Council Member Hood congratulated all the graduates from the past weekend, and the high school graduations coming up this week including Galileo and GWHS, congratulations to all the graduates.

Council Member Marshall noted plans have come together including the River Front Park the other plan that came together was Berry Hill; that park went through a long tough battle to even get the permits, and the best was yet to come.

Council Member Mayo noted his congratulations to the graduates and to Dr. Hairston and her entire staff.

Council Member Miller noted the newsletter was wonderful; they have been waiting for the opening of the splashpads. Dr. Miller noted he had the honor of being invited to the ROTC changing of the guard and promotion ceremony; it was an outstanding organization.

May 19, 2026

Council Member Saunders recognized Dr. Angela Hairston and Tyquan Graves and thanked them for the good things happening in the schools and the work they have done in the school system; Council appreciated that. Mr. Saunders thanked the police officers and public safety for what they do every day, and their families.

Council Member Vogler gave a shout out to the Danville Middle School baseball team; they finished the season with the most wins in the program's history and the most wins for Varsity, JV or Middle Schools since 2013.

Mayor Jones noted DCC this past Saturday graduated one of its largest classes ever. They also had 38 early college students who got their associate's degree before they received their high school diplomas. Mayor Jones noted he also attended the Northside Elementary School Pre-K graduation today and heard how the parent engagement there was larger than it has ever been before, and he looked forward to attending more graduations this week.

MEETING ADJOURNED AT 8:36 P.M.

APPROVED:

s/Alonzo L. Jones
MAYOR

ATTEST:

s/Susan M. DeMasi, CMC
CITY CLERK