May 19, 2026

A Regular Work Session of the Danville City Council convened on May 19, 2026, at 8:43 p.m. in the City Council Conference Room 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 Mayo, Dr. Gary P. Miller, Sherman M. Saunders, and J. Lee Vogler, Jr. (9).

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

Mayor Jones presided

WORK SESSION ITEMS

Meeting Minutes

Upon **Motion** by Council Member Campbell and **second** by Council Member Mayo, Minutes of the Regular Work Session held on April 21, 2026, were approved as presented. Draft copies were distributed to Council Members prior to the Meeting.

WORK SESSION ITEMS

Consideration of Changes to the Personnel System

Council had no questions on this item and agreed to put this on an upcoming agenda.

Appointments

Vice Mayor Buckner noted the Committee on Appointments met earlier that evening and made the following recommendations:

Airport Commission:	Reappoint: Appoint:	Robert Jiranek William Robinson
Architectural Review Board:	Appoint:	Miguel Castillo
Dan River ASAP	Reappoint:	Michael Sheetz
Danville CPMT	Appoint: Reappoint:	April Jones Tammy Warren
Danville Pittsylvania Community Services Board	Reappoint:	Geary Davis and Pamela Saunders
	Appoint:	Mike Mondul and Shelby Irving
Danville Utility Commission:	Appoint:	Sheila Williamson-Branch
Public Arts Commission:	Appoint:	Charles Crumpler Tina Leone

West Piedmont Rural Transportation Advisory	Reappoint:	Kenny Gillie and Chris Franks
Transportation Advisory Board	Reappoint:	Chris Franks
	Appoint:	Kitteria Mayo

<u>Discussion of the Fiscal Year 2027 Budget</u>

City Manager Ken Larking noted he wanted to call Council's attention to the first reading on the real estate tax rate. People pay a combination of the rate times the value of the home or property. Every two years, there was a reassessment; they have seen in the past two reassessments some increase to the overall real estate value. During the budget planning meetings staff mentioned the possibility of a six or seven percent increase in the total real estate value; the budget included revenue of about $1.5M that would have anticipated that increase in value. As required by state law, they advertised what was called an effective rate increase. With the reassessment of 6.4% based on 99% of properties completed, staff does anticipate that there will be an effective tax increase. Not every value increased by the same amount; it was unique to each property. To have a neutral tax rate would be about seventy-eight cents, but doing that would create an imbalance in the budget as currently presented, of about $1.48M. Mr. Larking stated he recommended, because they do have a low tax, to keep the rate as it was, keep the budget balanced as it was, but understanding that there may be some differences of thought on that. He will present some options for providing tax relief should the Council desire to do so. One suggestion was perhaps looking at the combination of some relief on vehicle taxes or vehicle rates. Also, doing some adjustments for revenues that would increase the revenues to make up for some of the gap; there were a number of options available to Council.

Vice Mayor Buckner asked Assistant City Manager Michael Adkins to provide information on what it would look like to eliminate the car tax in Danville all together, and what the impact would be on the budget. Council Member Campbell noted the city uses the casino money for projects, and has plans on what it wants to do, but he knows a lot of people were going through a lot instead of getting an increase on their check and he has not come to a decision yet.

Council Member Marshall noted one of the things they should look at was security in this building; they should ask the Chief of Police to develop a plan to make sure that not only was Council safe, but anytime staff was in this building they should make visitors go through a metal detector. Mr. Marshall stated they heard all of the good sides of the data centers, but once the data center was hot, and that money started flowing in here, there was something in K-12 called the composite index which says the richer the community was, the less the state pays; the poorer the community, the more the state pays. Mr. Marshall stated that the city was going to end up having to pay more money into K-12 than they were now. Mr. Marshall suggested for the personal property tax, they look at stair steps with maybe $5,000 off the value or $10,000 off the value but only for private vehicles, to take care of the citizens first. Mr. Marshall questioned if the city should develop a plan on how to use the funds they will be receiving from the data center, similar to the plan they have for the casino funds.

Mayor Jones noted his agreement and that they put together a committee with citizens from the community like they did with the casino plan. Mayor Jones stated he also had the same concerns with the safety of the building. Dr. Miller stated the security bothered him as well, and the escape plan needed to be reviewed. Dr. Miller noted they need to set up a community action plan, how do they spend the money, just like the casino; ask the public and have a committee. As far as the car tax, the real estate tax only benefits people that own property, it doesn't help renters; they need to help the car owners, maybe eliminating the car tax for one vehicle on private transportation, but only one car, not all the cars the citizen owns.

Council Member Vogler noted he could not justify voting for a tax increase, but liked the elimination of the $25 decal fee, and the suggestion to lower the car tax which will reach more people. Mr. Vogler asked the City Manager to provide information on what it would look like if they eliminated the $25 fee on cars, reduce the car tax by ten cents on the rate, took a penny off the real estate tax rate and raised the income eligibility cap on the senior citizens and permanently disabled, if they go up to $45,000. That way, they were providing tax relief for everyone who has a car and making tax relief available for more senior citizens and disabled; those were wide reaching things that would provide the most tax relief to the most people in the city.

Mayor Jones questioned what these changes would do to the balanced budget and Mr. Larking noted it was hard to tell how much the adjusting for seniors would be because it had to be applied for; staff doesn't think it would impact it too much. A penny decrease in real estate tax would be $350,000; the city would have to find $350,000 additional cuts, or new revenues. Mr. Larking stated he recommended an alternative to have a revenue neutral situation with a combination of elimination of the $25 fee, plus lowering the personal property tax rates by ten cents, and then some additional revenue they anticipate because of interest rates and other things; that actually creates a balanced budget. Mayor Jones noted in July, their strategic goals change and what Mr. Vogler suggested fits into those strategic goals; they added a new goal with regard to poverty. Mr. Hood noted he was glad that there were options available to look out for the citizens.

Mr. Larking noted he needed a consensus from Council on what to do next; there was a process that had to occur to lower a rate that includes a public notice for a public hearing; it was a timing issue deciding what to do and making sure the budget was balanced. If those recommendations were something Council wanted to go forward with, staff can get this ready to be voted on. Mr. Larking noted in response to Rev Campbell's request to make sure there was a balance, that because everyone's valuation was unique to their specific property, it was impossible to come with something that makes it exactly equal. The attempt here was listening to what was talked about at the council retreat, a focus on trying to help residents as much as possible, and if it was the Council's wish to provide tax relief, that reducing the burden of the vehicle tax and the $25 fee helped the most people. As far as real estate tax, Mr. Larking stated he recommended that they leave things the way they were, leaving the tax rates. Mayor Jones questioned how many Council Members would vote for it if they left the rates as is, at the next meeting, and five Council Members noted they would vote for it as is.

Mr. Vogler noted the City Manager balanced the budget lowering the car tax and removing the fee and Mr. Larking noted it was, but they would have to increase some revenue estimates in order to do that, one of which being interest earnings. It was hard to predict where they would be; in future years they could be lower, and the interest earnings revenues would be lower. They would have to compensate for that.

Mayor Jones stated what was important right now for the citizens were the items that need priority on giving the citizens a break. Mr. Larking noted whatever impacts the homeowners, property owners, or residents actually also impacts the city in its budget. When gas prices go up, the city also paid those gas prices, and the cost of delivering services go up. Mr. Larking stated he would be more concerned about the rates and the burden on the taxpayers if they had high taxes, high rates and high property values. The City generally has low tax rates, one of the lowest real estate rates in the state; their property values were lower than most cities, and the burden on citizens was not that high generally for the amount of services that people get. The same argument goes for the utility rates; when compared to those around Danville, Danville's rates were lower than surrounding communities. If they want to do the projects that they all want to do, they cannot be done without resources.

Mr. Vogler noted to forget about the one cent reduction in real estate, take that out of it. The ten cents lowering the car tax and removing that $25 fee, the City Manager has a balanced budget with that, and Mayor Jones questioned how many would support those. Mr. Marshall questioned reducing the car tax, was that for corporate and personal vehicles and Mr. Larking stated it was his understanding that was for personal property tax which affects everyone; Mr. Adkins confirmed it affects business and personal property. Mr. Marshall noted his suggestion was they look at just reducing the car tax on personal vehicles and Mr. Larking stated they were not sure they could do that; the state dictates which classes of property they can tax and did not know if they could carve out just personal vehicles.

Mayor Jones took a straw poll to eliminate the $25 decal fee and a majority of Council indicated support for this. Mayor Jones took a straw poll to lower the rate on the car tax ten cents for all vehicles and a majority of Council indicated support for this item. Mr. Vogler noted the other item was raising the eligibility cap for seniors and disabled by $5,000 for real estate tax relief for senior citizens and permanently disabled.

ECONOMIC DEVELOPMENT UPDATES

Interim Director of Economic Development and Tourism Mike Legg noted for the former Galileo School site, DPS has left the site, and the issue was what to do with the property. There were three options, they could renovate the building and try to sell it, they could demolish it and then pursue economic development on it, which they believe would probably be multifamily, or they could use it for parking. They did not think it would be used permanently for parking because of the property values, but could be temporarily. Staff recommended demolishing it and pursuing economic development. Mr. Marshall asked if there was any conversation using this space for social services and Mr. Larking explained in the past they did a study on where social services could be located and this was one of the sites under consideration. Based on that study, it was determined it was not an ideal location. The building was not worth saving, the roof was in poor condition, and Dr. Miller stated when they looked before to replace the roof it would be over $400,000; Mr. Larking stated it would now be over $1M to replace the roof. After discussion, Mayor Jones noted the recommendation was to tear it down; there were no objections from Council.

Mr. Legg noted the Masonic Temple was moving forward, getting the final construction drawings, and the IDA approved a loan to get that process down.

CLOSED MEETING

At 9:30 p.m., Vice Mayor Buckner **moved** that this meeting of the City Council of the City of Danville, Virginia be recessed and that Council immediately reconvene in a Closed Meeting for the following purposes: Discussion, consideration or interview of prospective candidates for employment, assignment, appointment, promotion, performance, salaries, disciplining of specific public employees or appointees as permitted by Subsection (A) (1) of Section 2.2-3711 of the Code of Virginia, 1950, as amended and more specifically to consider the performance reviews of the City Manager, the City Attorney and City Clerk and the discussion or consideration of the acquisition or disposition of real property for a public purpose where discussion in an open meeting would adversely impact the bargaining position of the City as permitted by Subsection

(A)(3) of Section 2.2-3711 of the Code of Virginia, 1950, as amended and more specifically to consider discussion regarding the sale and/or potential purchase of a specific parcel of property for use by the City of Danville and/or specific parcels of property for prospective recreational, industrial, commercial, and mixed use projects looking to locate to the City and parking facilities, and an Economic Development discussion and update concerning prospective businesses or industries where no previous announcement has been made and/or the expansion of an existing business or industry where no previous announcement has been made as permitted by Subsection (A)(5) of Section 2.2-3711 of the Code of Virginia, 1950, as amended and more specifically to consider an update on multiple prospective commercial, mixed use, hospitality, and industrial projects considering locating within the City and/or locating within the region in cooperation with the City's regional partners, and Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body as permitted by Subsection (A) (7) of Section 2.2-3711 of the Code of Virginia, 1950 as amended.

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)

Upon unanimous vote at 9:47 p.m., Council reconvened in open session and Vice Mayor Buckner **moved** for adoption of the following Resolution:

CERTIFICATE OF CLOSED MEETING

WHEREAS, the Council convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.1-344.1 of the Code of Virginia, 1950, as amended, requires a Certification by the Council that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Council hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements of Virginia Law under Section 2.2-3711 were heard, discussed or considered, and (ii) only such public business matters as were identified in the Motion by which the Closed Meeting was convened were heard, discussed or considered by the Committee.

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)

MEETING ADJOURNED AT 9:49 P.M.

May 19, 2026

APPROVED:

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MAYOR

ATTEST:

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CITY CLERK