

February 4, 2020

A Regular Work Session of the Danville City Council convened on February 4, 2020 at 8:22 p.m. in the Conference Room located on the Fourth Floor of the Municipal Building. Council Members present were: James B. Buckner, L.G. "Larry" Campbell Jr., Mayor Alonzo L. Jones, Dr. Gary P. Miller, Sherman M. Saunders, Fred O. Shanks, III, Adam J. Tomer, Vice Mayor J. Lee Vogler, Jr., and Madison J.R. Whittle (9).

Staff Members present were: City Manager Ken Larking, Deputy City Manager Earl B. Reynolds, Jr., City Attorney W. Clarke Whitfield Jr., and City Clerk Susan M. DeMasi.

Mayor Jones presided.

MINUTES

Upon **Motion** by Council Member Shanks and **second** by Council Member Buckner, Minutes of the Regular Work Session held on January 7, 2020 were approved as presented. Draft copies were distributed to Council Members prior to the Meeting.

WORK SESSION ITEMS

CONSIDERATION - AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGENCY DESIGNATION AGREEMENT WITH AMERICAN MUNICIPAL POWER

Council Member Shanks noted the Utility Commission recommended this item. Council had no questions and agreed to put it on an upcoming business agenda.

ECONOMIC DEVELOPMENT UPDATES

Interim Director of Economic Development Corrie Bobe noted she wanted to introduce Council to John Voorhees with Cardno. The City of Danville was awarded a \$300,000 grant from the EPA to address Brownfields within the community. Mr. Voorhees was here to give a brief overview of the grant, and the work that was being done. Mr. Voorhees explained a brownfield site was a real property, the expansion, redevelopment or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant or contaminant. A brownfield does not have to be contaminated, just the perception that it might be contaminated can make it a brownfield. One of the problems they have had for multiple decades was, under the environmental laws at the time, a potential purchaser of a property, or a developer, assumed the liability of the contamination on the site even if it occurred prior to their ownership, and even if they were not involved with the property or not responsible. This led to many sites in urban areas becoming underutilized, leading to blight and abandoned properties. To deal with that issue, Congress, in 2002, passed the Small Business Liability Relief and Brownfields Revitalization Act. It provided new, additional liability protections for prospective purchasers, and it also established four EPA Brownfield grants. Assessment Grants of \$300,000 for a community, and \$600,000 for a coalition of communities. Clean Up grants up to \$500,000 with a 20% match; the applicant must own the property prior to the grant being awarded, and the Site Assessment Cleanup Plan was completed prior to the application. There were Revolving Loans up to \$1M, and Environmental Workforce Training Grants of about \$200,000 to train underemployed persons for jobs in the environmental sector. Mr. Voorhees noted there was a variety of funding, not only through the EPA, but the State; Virginia has one of the better programs for state funding. The Virginia Brownfield Assistance Fund has considerable funding, up to another half million for clean up sites, and has less restrictions than the EPA.

February 4, 2020

The goals of the program are to facilitate redevelopment and provide assistance to communities for assessment, clean up and reinvestment in the properties, in order to protect the environment, reduce blight and remove development pressure from greenspaces and working lands. Urban properties that had previously been used were considered riskier for acquisition or redevelopment. That moves people out toward greenspaces and agricultural properties because they were considered less risky. This evens the playing field a bit so there was more movement to help revitalize the urban corridors and reduce some of the sprawl issues. In October 2019, the City received an EPA Brownfield Assessment Grant for \$300,000 with four goals: to support community awareness and involvement; identify and characterize priority brownfield sites, determine type and degree of contamination and help clean up, and redevelopment planning. The goal was to move the properties to better use. Whenever they work with communities, one of the things they try to do was maximize the grant money; they look for sites with high redevelopment potential, significant gateway sites, natural assets or physical infrastructure.

Mr. Voorhees noted the three properties they focused on were the former Dan River Mill sites: Schoolfield, the White Mill, and the former Long Mill Site. They have recently started Phase I Site Assessments for the White Mill and the Schoolfield sites, but they have not been completed yet. Mr. Voorhees discussed the Site Characterization under the Assessment Grants; they can do Phase I ESAs (Environmental Site Assessments), lead based paint surveys, Asbestos-Containing Material (ACM) Surveys, Wetland Delineations, Historical Cultural Resource Surveys and Endangered Species Surveys. Mostly, they try to determine to what extent has the site been impacted by environmental contamination. The benefit of site assessments was that it reduced risk and uncertainty associated with the site. It also provides bona fide prospective purchaser defense to CERCLA liability, which provides liability protection to a prospective purchaser if the contamination predated their acquisition of the property. They have to go through due diligence efforts, the Phase I and Phase II Site Assessments, in order to qualify for those liability protections. It could also save potential purchasers a large expense depending on the size of the property, and lowers the barrier to get people involved and engaged with private purchasers and developers to get these properties back into a beneficial use.

Mr. Voorhees explained that the Phase I ESA was a non-invasive, non-destructive investigation that involves records reviews, interviews; looking at old maps, old photos, and speaking with people to get an idea of what operations were on the site, what kind of contaminants there might be and determine whether or not they need to go to the next step, a Phase II. A Phase II ESA includes actual sampling of soil, sediments, surface and ground water on the site; those are sent to a lab to try and determine what was there and how much; after that, they can do some clean up planning. The Assessment Grant was for assessment work, clean up and redevelopment planning, but not for clean up itself; it cannot be used for actual remediation. They can use the grant money to look at what the potential options were, what the costs might be and do an analysis looking at the variety of options. They were looking for viable clean up options for whatever the intended reuse was; for some properties in some communities, there was not a clear plan for the property. For that kind of work, the visioning and design workshops, conceptual renderings, and redevelopment plans were activities that can be funded under the grant. He noted they have a team partner working with them on this as well to complete those activities.

Mr. Whittle questioned if they were doing one with city owned properties, and Ms. Bobe explained the first three sites would be two IDA properties, the White Mill and Schoolfield; the Long Mill site was privately owned. These funds can be extended to the private sector; if Council did have suggestions on additional properties, they could extend those grant funds to them. Dr. Miller questioned how long this would take and Mr. Voorhees explained it would depend on the various activities at the sites and how in depth they need to get. Mr. Voorhees explained a Phase I ESA

February 4, 2020

was typically a month, to do the Phase II was three to four months, maybe less depending on how in depth they go; redevelopment planning was after that. Typically, these funds usually last up to two to three years before another application was done. The City cannot apply for new funding until 75% of the previous funding has been expended; usually that was in year two or three. To leverage that money, the State funding requires a match, it was a one to one funding, however, they count the money spent under the EPA grant as a match. The idea was to extend the leverage back to make the funds go further. City Attorney Clarke Whitfield noted the City takes advantage of the bona fide protective purchaser status anytime they think there could be something underground they don't know about. They will go ahead and get Phase I and Phase II testing; it was an excellent program, and has helped the City. Mr. Shanks noted the Schoolfield site was more three dimensional than the White Mill, did Mr. Voorhees think six or seven months was enough time to do the Phase I and Phase II; Mr. Voorhees noted he has not seen anything that makes him think it will take longer. Council thanked Mr. Voorhees for his presentation.

Ms. Bobe noted the Planning District was putting together their annual Comprehensive Economic Development strategy list to submit to the EDA. Mr. Larking had sent it to Council earlier, and she was here to answer questions on any particular projects. If Council agrees, staff will add this to the next business meeting for formal approval for inclusion in their final document. If the City was going to be considered for grant funding through the EDA, the projects must be listed within this document. Once the City does further planning on some of the projects, the definition of the project or the pricing may change; this listing was staff's best estimate on what these priority projects would cost. They are listed in terms of priority as well as readiness.

Council agreed to put this on an upcoming business agenda.

Mr. Campbell questioned how much money has been raised for the Riverfront park and Ms. Bobe stated she believed they are about \$4.6M away from raising the entire amount. Dr. Miller noted they learned there was \$2M in the Governor's budget for this park, if the City gets that \$2M, there are people who have said they will match it. Mr. Larking noted it was his understanding that the Governor did not put this in his budget but the General Assembly could amend the budget to include those funds. There has been progress to add that for the City of Danville, but no agreement has been made. Dr. Miller questioned what the tunnels were at Schoolfield and Ms. Bobe explained there were a number of concrete slabs still remaining on site; underneath there were tunnels that connected each of the buildings.

COMMUNICATIONS

Dr. Miller questioned the status of the traffic study for the traffic light at Updike. Mr. Larking noted the study was still ongoing, and it will factor in different data to determine the need, including accidents.

CLOSED MEETING

At 8:44 p.m., Vice Mayor Vogler **moved** that this meeting of the City Council of Danville, Virginia be recessed and that Council immediately reconvene in a Closed Meeting for the following purposes: discussion or consideration of the acquisition and/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, more specifically to consider both the acquisition of a specific parcel or parcels of real property as well as the disposition of a specific parcel or parcels of real property; and to consider an Economic Development discussion and update concerning prospective business or

February 4, 2020

industry 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 the location of a prospective new business or industry to the area and expansion of an existing business or industry.

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

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

Upon unanimous vote at 9:35 p.m., Council reconvened in open session and Vice Mayor Vogler **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 Shanks and carried by the following vote:

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

MEETING ADJOURNED AT 9:36 P.M.

APPROVED:

MAYOR

ATTEST:

CITY CLERK