



DANVILLE CITY COUNCIL WORK SESSION AGENDA

MUNICIPAL BUILDING

May 4, 2021

7:30 P.M.

MEETING CALLED TO ORDER

MINUTES

- A. Consideration of Approval of Minutes from Regular Work Session held on April 6, 2021.
Council Letter Number CL - 2532.

WORK SESSION ITEMS

- A. Consideration of Approving the Transfer of Real Property from the IDA at 500 Main Street.
Council Letter Number CL - 2528.

PROGRAM UPDATE

ECONOMIC DEVELOPMENT UPDATE

COMMUNICATIONS FROM

- A. City Manager
- B. Deputy City Manager
- C. City Attorney
- D. City Clerk
- E. Roll Call

CLOSED MEETING

As Permitted by Subsection (A)(3) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for discussion or consideration of the acquisition of real property or of the disposition of publicly held real property; and

As Permitted by Subsection (A)(5) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for discussion concerning a prospective business or industry related to economic development.

- A. Motion to Convene in Closed Meeting
- B. Motion to Reconvene in Open Meeting
- C. Motion to Certify Closed Meeting

ADJOURNMENT

Council Letter

City of Danville, Virginia



CL-2532

Meeting Minutes A.

Work Session Meeting

Meeting Date: 05/04/2021

Subject: Consideration of Approval of Meeting Minutes

From: Susan M. DeMasi, City Clerk

COUNCIL ACTION

Work Session Meeting: 05/04/2021

SUMMARY

Consideration of Approval of Minutes from Regular Work Session held on April 6, 2021.

Council Letter Number CL - 2532.

Attachments

Meeting Minutes

April 6, 2021

A Regular Work Session of the Danville City Council convened on April 6, 2021 at 8:30 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building. Council Members present were: James B. Buckner, Bryant Hood, Mayor Alonzo Jones, Barry P. Mayo, Vice Mayor Gary P. Miller, Sherman M. Saunders, J. Lee Vogler, Jr. and Madison J.R. Whittle (8). L.G. "Larry" Campbell Jr. was absent (1).

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 Alonzo L. Jones presided.

MINUTES

Upon **Motion** by Council Member Buckner and second by Council Member Whittle, Minutes of the Regular Work Session held on March 2, 2021 were approved as presented. Draft copies were distributed to Council Members prior to the Meeting.

WORK SESSION ITEMS

CONSIDERATION OF RELEASING CITY HELD LIENS ON PARCEL #22118 ON PARK AVENUE

Council Members had no questions regarding this Agenda item and agreed to put it on an upcoming business agenda.

DISCUSSION OF THE TRANSFER OF REAL PROPERTY FROM THE IDA TO THE CITY OF DANVILLE

Council Members had no questions regarding this Agenda item and agreed to put it on an upcoming business agenda.

DISCUSSION OF THE CITY MANAGER'S PROPOSED BUDGET FOR FISCAL YEAR 2022

City Manager Ken Larking noted the budget team was available to answer any questions Council may have on the budget. Council Member Miller noted under Budget Highlights, the amount for the track was \$2.4M. Council had allocated about \$1.5M to reserve, was the City going to give the schools the additional funds, and Mr. Larking noted they were.

Dr. Miller questioned Recovered Costs – Credit Card Charges - increased costs associated with the use of credit cards in customer accounting; it looks like the City lost money. Dr. Miller noted it also says, cost increases reflected in the increased recovery from Utilities. In 2021 it was \$265,000, the next year it was \$390,000, was that the cost to the City for using credit cards. Mr. Larking explained a few years ago City Council approved the no cost to use a credit card to pay a utility bill; that cost was absorbed by the Utility Departments. The City anticipated all the costs that were associated with delivering service and part of the cost was to pay the fee necessary for the credit card transactions. It has been factored into the City's cost of providing utilities to all the customers. The reason why there were more credit card transactions was probably due to the pandemic; people were more comfortable paying for things online than they used to be. Every year, more people were going to adopt that way of paying for utility bills and that will be a cost that the Utility Department was going to have to bear because of the decision not to pass that cost along to the customer.

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Dr. Miller noted regarding the Schools, they were able to keep anything they don't spend. If they get the positions in excess of what they need and don't fill them, they still keep the amount of money for those budgeted positions. Mr. Larking stated it was his understanding based on the capital improvement plan that was submitted to him, basically, any money that was carried over was going toward all the capital improvement projects that were needed, that have been left undone for many years and they were trying to catch up. Dr. Miller noted there were some positions they were asking for such as social workers, it was very, very hard to find one social worker, much less eight or ten and was concerned they were aiming high.

Council Member Vogler noted he would be strongly opposed to the return of that credit card fee, and asked for an update on the kiosk at the Financial Building. Mr. Larking noted the kiosk was installed several months ago and citizens were able to pay by credit card in person at the kiosk. Mr. Vogler stated because of the pandemic, citizens may not know it was there and Director of Finance Michael Adkins explained it was communicated to the citizens when it was first introduced. Currently, the City was averaging thirty transactions per month on the kiosk and it may be down because there was less foot traffic because of the pandemic. Mr. Vogler noted they had discussed in the past pushing on line and credit card pay hoping to get more people opting to go paperless on the utility bills which would save money on postage and printing, were there any numbers on how that has gone. Mr. Adkins stated he did not have that readily available, but they were always offering the paperless billing option to customers.

Mr. Vogler stated regarding the school funding, he was glad Council was not being asked to put in any additional funding, but the schools were adding positions in their budget he believed were being covered through CARES Act funds and some other carryover money. It won't be there next year, Council would have to pick up the difference next year, as they were using one-time funding for things. Mr. Larking noted he has not had a conversation with the superintendent about those funds, it was his understanding that the carry forward was going for capital projects. The recent stimulus funds they received has a four-year window of spending, four years of being able to use those funds. Mr. Vogler stated he would like more detail, because looking at the breakdown of things they were adding, that will be an increased cost. He does not know how they add personnel without it being covered somehow. He does want to get more clarity about what that looks like in the next few years. Other than yet, the budget overall looked great and thanked the budget team.

Budget Director Cynthia Thomasson noted if there were no major concerns regarding the budget, staff can go forward now and advertise it. Council had no objections to advertising the budget.

ECONOMIC DEVELOPMENT UPDATES

Director of Economic Development Corrie Bobe noted Council had asked about the next steps with Lou's Antiques Building; they moved to a new location several months ago. As part of that announcement, staff sent out a survey to the public for them to provide input on how they would like to see that property redeveloped. People have shared they want a little bit of everything on that site and staff thought they would take it a step further with public engagement. They will try to find funding, whether through the Virginia Main Street Program or another source, in order to conduct a feasibility study on that particular site, or further the exploration of how they can repurpose the site. They will seek proposals from multiple architects to guide the City through the process and request they provide three renderings incorporating the responses that were provided from the public on how they can reuse that site. Once the concepts were created, they would like them to hold sessions to receive input from the public on what they like or don't like from the renderings or if there were components they would prefer. That will help guide a final rendering and concept for that site; staff can then put a budget toward those improvements and

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determine whether or not it was a public project to pursue or if they need to go through an RFQ process to engage the private sector in redeveloping the site.

Ms. Bobe noted they wanted to follow up on a conversation had during the Council retreat related to casino revenues. Council Member Vogler had recommended they look into how to provide additional assistance to those located within commercial corridors outside the River District. Staff has begun the process of evaluating it, and reviewed a map showcasing which commercial corridors staff was going to look at. Based on that information, they will work with their GIS department to pull all the specific parcel numbers and addresses. The City Manager has recently engaged someone interested in an internship, so they will engage the intern to evaluate the occupancy and vacancy of each of those properties as well as their condition. They can then formulate the appropriate programs or means of assistance that can be provided to those areas based off existing conditions and needs. Mr. Vogler noted they all know how successful the River District has been in the last several years; now the City has an opportunity to take lessons from that and apply it to these areas that have been left behind. Mr. Vogler stated he was really excited about this and asked that Council be kept posted.

COMMUNICATIONS

City Attorney Clarke Whitfield noted he was able to get his mother the Johnson & Johnson vaccine at Stonewall Recreation on Saturday. The organization running that clinic were very efficient and helpful with a lot of the people who were elderly and not particularly mobile. He would like to find out who they were so he could write them a thank you note, they were very kind to everyone. Mr. Larking stated he did pass along the note to the people who were running it, it was part of VDEM, one of their mobile clinics.

Mr. Whittle questioned Director of Utilities Jason Grey on the new battery storage, where do the batteries go. Mr. Grey noted the Battery Storage Project was approved for the warehouse site on Industrial Avenue; the footprint needed was 90 feet by 60 feet and they were Lithium Ion batteries. Mr. Grey noted a lot of utilities were starting to employ them; he saw the City of Wilson, North Carolina issued an RFP for a 100 MW of batteries; Danville was doing 10 MW. Mr. Whittle questioned if they have enough to flatten a peak and Mr. Grey noted it would flatten by 10 MWs and the solar and hydro would help as well. As the technology improves and as the City becomes more adapted to it, he could see more battery projects in the future.

CLOSED MEETING

At 8:40 p.m., Vice Mayor Miller **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 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 and more specifically to consider: a discussion regarding the purchase of a specific parcel of property for use by prospective industrial clients as well as mixed use projects looking to locate to the City; and, an economic development discussion and update concerning a prospective business or 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 an update on multiple prospective businesses, mixed use and industrial projects considering locating in the City and region; and, consultation with legal counsel retained by a public body regarding specific legal matters requiring the

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provision of legal advice by such counsel, as permitted by Subsection (A)(8) of Section 2.2-3711 of the Code of Virginia, 1986 as amended.

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

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

Upon unanimous vote at 10:04 p.m., Council reconvened in open session and Vice Mayor Miller **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 Buckner and carried by the following vote:

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

MEETING ADJOURNED AT 10:05 P.M.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

Council Letter

City of Danville, Virginia



CL-2528

Work Session A.

Work Session Meeting

Meeting Date: 05/04/2021

Subject: Consideration of Accepting the Transfer of Real Property from the IDA located at 500 Main Street

From: Kelvin Perry, Project Manager

COUNCIL ACTION

Work Session Meeting: 05/04/2021

SUMMARY

This item is a request filed by the Danville Office of Economic Development on behalf of the Industrial Development Authority of Danville (IDA) to transfer the real property located at 500 Main Street, also referenced as City Parcel ID #22901, to include all personal property that may be located on property.

BACKGROUND

The Danville Industrial Development Authority currently owns the real property located at 500 Main Street, also referenced as Parcel # 22901. Situated in the heart of the River District, this property is located on the corner of Main Street and N. Union Street. The property is currently a vacant lot and was formerly the location of the Downtowner Motor Inn, which was removed from the property approximately 10 years ago as part of the city blight program. It is also where the "HOME" sign is currently displayed. Upon approval of this transfer, the lot will be managed by the City's Parks and Recreation Department.

RECOMMENDATION

Staff recommends the approval of the transfer of this property from the Industrial Development Authority to the City of Danville.

Attachments

Resolution

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. _____ . _____

A RESOLUTION APPROVING AND AUTHORIZING THE ACCEPTANCE OF REAL PROPERTY IDENTIFIED AS PARCEL 22901 FROM THE INDUSTRIAL DEVELOPMENT AUTHORITY OF DANVILLE, VIRGINIA TO THE CITY OF DANVILLE, VIRGINIA

WHEREAS, Parcel 22901 is owned by the Industrial Development Authority of Danville, Virginia (IDA); and

WHEREAS, it is the intent of the IDA to transfer ownership of said parcel 22901 to the City of Danville, Virginia to be used by the city as a public park located at 500 Main Street on the corner of Main Street and N. Union Street as evidenced by a duly approved resolution dated April 13, 2021; and

WHEREAS, said gift is conditional on the City's agreeing to return the land to the IDA should an appropriate industrial, business, or commercial use be identified for Parcel 22901.

NOW THEREFORE, BE IT RESOLVED, by the Council of the City of Danville, Virginia, that the donation of Parcel 22901 from the Industrial Development Authority of Danville, Virginia, is hereby accepted by the City of Danville, Virginia; and

BE IT FURTHER RESOLVED, that the City Manager be, and is hereby, authorized to sign such deed and execute on behalf of the City any required agreements related thereto in order to facilitate the above referenced donation.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

CITY ATTORNEY