

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA

Council Chambers – Municipal Building

6:30 pm CLOSED SESSION 7:30 pm regular session

Tuesday, May 27, 2014

6:30 pm --Closed Session

1. Items to be considered in Closed Session, in accordance with the Code of Virginia, Title 2.2, Chapter 37—Freedom of Information Act, Section 2.2-3711(A)—Closed Meetings, the following:
 - A. A prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community as authorized by Subsection 5.
 - B. Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body as authorized by Subsection 29.
 - C. Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the City of Martinsville would be adversely affected, as authorized by Subsection 6.
 - D. Appointments to Boards and Commissions as authorized by Subsection 1.

7:30pm-Regular Session

Invocation & Pledge to the American Flag—Mayor Kim Adkins

1. Consider approval of Council meeting minutes of March 11, 2014 and March 25, 2014 meetings. (2 mins)
2. Recognition of city employees eligible for Employee Service Awards. (5 mins)
3. Conduct a public hearing for the purpose of receiving/interviewing citizens interested in appointments for two school board positions beginning July 1, 2014 and ending June 30, 2017 to the City's School Board. (10 mins)
4. Hear an update from the Electoral Board. (20 mins)
5. Consider approval of FY15 budget ordinance 2014-U-1 on second reading. (15 mins)
6. Consider approval of amendment to the Zoning Ordinance on second reading related to land use as a temporary flexibility option as the Zoning Ordinance is being updated. (10 mins)
7. Recess Martinsville City Council and convene Martinsville Redevelopment & Housing Authority to consider adoption of resolution in recognition of Fathers' Day 2014. (5 mins)
8. Re-convene Martinsville City Council.
9. Consider approval of Pre-Contract documents related to the Northside Planning Grant. (5 mins)
10. Consider approval of consent agenda. (2 mins)
11. Business from the Floor
This section of the Council meeting provides citizens the opportunity to discuss matters, which are not listed on the printed agenda. In that the Council meetings are broadcast on Martinsville Government Television, the City Council is responsible for the content of the programming. Thus, any person wishing to bring a matter to Council's attention under this Section of the agenda should:
 - (1) come to the podium and state name and address;**
 - (2) state the matter that they wish to discuss and action they would like for Council to take;**
 - (3) limit remarks to five minutes;**
 - (4) refrain from making personal references/accusations of a factually false/malicious nature.****Persons who violate these guidelines will be ruled out of order by the presiding officer and will be asked to leave the podium. Persons who refuse to comply with the direction of the presiding officer may be removed from the chambers.**
12. Comments by members of City Council. (5 minutes)
13. Comments by City Manager. (5 minutes)



City Council Agenda Summary

Meeting Date: May 27, 2014

Item No: 1.

Department: Clerk of Council

Issue: Consider approval of minutes of City Council March 11, 2014 and March 25, 2014

Summary: None

Attachments: March 11, 2014 minutes
March 25, 2014 minutes

Recommendations: Motion to approve minutes as presented

March 11, 2014

The regular meeting of the Council of the City of Martinsville, Virginia, was held on March 11, 2014, in Council Chambers, Municipal Building, at 7:30 PM, Closed Session beginning at 7:00PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Gene Teague, Sharon Brooks Hodge, Mark Stroud and Danny Turner. Staff present included: Leon Towarnicki, City Manager, Brenda Prillaman, Eric Monday, Eddie Cassady, Wayne Knox, Linda Conover and Kenneth Draper.

Mayor Adkins called the meeting to order and advised Council will go into Closed Session. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Mark Stroud, seconded by Sharon Brooks Hodge, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Hodge, aye; Stroud, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matters: (A) A prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community as authorized by Subsection 5. (B) Appointments to Boards and Commissions as authorized by Subsection 1. At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open meeting requirements were discussed in said Closed Session; and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during Session. On a motion by Mark Stroud, seconded by Sharon Brooks Hodge, with the following recorded 5-0 vote: Adkins, aye; Teague, aye; Hodge, aye; Stroud, aye; and Turner, aye, Council returned to Open Session.

Following the invocation by Vice Mayor Teague and Pledge to the American Flag, the Mayor welcomed everyone to the meeting and announced an addendum to the agenda regarding electric rates.

Board appointment: On a motion by Mark Stroud, seconded by Sharon Brooks Hodge, with a 5-0 vote, Council appointed Walt Shaw, 1422 Church St. Ext., to the Architectural Review Board for a 3 year term ending 3/31/15.

Minutes: On a motion Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council approved the minutes of the December 10, 2013 called meeting and December 10, 2013 regular meeting.

Update from Fire Department: Chief Kenneth Draper presented an update on the fire that occurred at the former American Furniture plant on Aaron Street on March 3, 2014. All Council members expressed their appreciation to the fire department and all city personnel for the excellent job done in fighting that fire.

Transfer Housing Choice program: Wayne Knox briefed Council on the proposed change in Housing program administration. In reviewing the history of the Housing Choice Voucher Program, aka Section 8 Rental Assistance, which dates back to the 1970's, the program has always fulfilled a great need in Martinsville- Henry County and at one time covered Patrick County. The program began as a conduit for federal funds through the Virginia Housing Development Authority and around 2003 began going directly to HUD. Over recent years and as regulations changed, the cost of administering the program has increased and varying funding formulas followed. This has resulted in an operating deficit and at times just barely breaking even. As a means to contain costs, positive and encouraging discussions have occurred with our neighboring public housing authority, Danville Redevelopment & Housing Authority, to determine interests they might have in assuming management since DRHA is a larger organization. As per HUD regulations, the transfer of program administration can only be accomplished with another public housing authority and from a geographical standpoint, DRHA is the logical choice for Martinsville. Should Council desire to move forward

March 11, 2014

with the transfer, Council will need to convene as the Martinsville Redevelopment and Housing Authority and adopt the attached Resolution for the first step in the approval process from HUD. The Board of Directors for the Danville Redevelopment & Housing Authority must also officially approve such a transfer. It was noted that 65% of those being served by the Martinsville Housing office are county residents. Mr. Knox also introduced Gary Wasson and Terry Ferguson with the Danville Redevelopment Housing Authority. After lengthy Council discussion, Council asked that a public comment period on this topic be added to the March 25, 2014 Council meeting agenda and then consideration of further action.

Incubator management agreement: Leon Towarnicki briefed Council on the proposed agreement transferring management of the West Piedmont Business Development Center to the Martinsville-Henry County Chamber of Commerce Partnership for Economic Growth (C-PEG) effective April 1, 2014. As a result of financial difficulties, the Board of the West Piedmont Business Development Center (Incubator) located in Uptown Martinsville at 22 East Church Street voted in December, 2013 to terminate operations as of the end of March, 2014. Since the City is the owner of the building, City staff has managed daily operations beginning in February while options to continue the functions of the Incubator were explored. The most promising option that has emerged is a partnership with the Martinsville-Henry County Chamber of Commerce Partnership for Economic Growth (C-PEG). Continued discussions with the Chamber's Executive Director have resulted in development of an agreement to transfer management of the Incubator to C-PEG, effective April 1, 2014, with C-PEG continuing and perhaps even expanding the functions of the Incubator. On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with 5-0 vote, Council authorized the City Manager to execute the agreement:

THIS MEMORANDUM OF UNDERSTANDING, (the "MOU") made and entered into this the _____ day of _____, 2014 by and between the City of Martinsville, a municipal corporation created and existing under and by virtue of the laws of the State of Virginia (hereinafter referred to as "City"), party of the first part, and the Martinsville-Henry County Chamber of Commerce's Partnership for Economic Growth (C-PEG) party of the second part;

WITNESSETH:

THAT, WHEREAS the City (through the Martinsville Industrial Development Authority) currently owns the property located at 22 East Church Street, Martinsville, VA, said property acquired for the purpose of development and operation of a business incubator (the "Incubator"); and,

WHEREAS, since its inception, the Incubator has operated as the West Piedmont Business Development Center (WPBDC), incorporated by the Commonwealth of Virginia's State Corporation Commission as a non-stock corporation pursuant to Chapter 10, Article 10 of Title 13.1 of the Code of Virginia; and,

WHEREAS, by unanimous vote of a quorum of the duly appointed Board of Directors of WPBDC, assembled in a called meeting on December 17, 2013, a decision was made to terminate operations of the Incubator as currently organized and operating effective March 31, 2014, citing financial difficulties rendering current operations unsustainable; and,

WHEREAS, recognizing the value and importance of the Incubator as a resource for the community to promote, stimulate, encourage, assist, and provide educational opportunities for new or developing business owners or entrepreneurs, and also recognizing a close parallel to its current operations, C-PEG desires to assume responsibility for continued operations of the Incubator under the guidance and direction of current Chamber leadership and C-PEG Board of Directors;

NOW, THEREFORE, that for and in consideration of the mutual and respective covenants and agreements contained herein and made with respect to the performance of the services by C-PEG, the parties to this MOU hereby agree as follows:

1. *Term and Renewals – The term of this MOU shall cover the initial period from April 1, 2014 through June 30, 2015. This MOU may be extended for a period beyond June 30, 2015, if mutually agreed to by both parties, said MOU extension finalized prior to May 31, 2015.*

2. *The Incubator will continue to be operated under the name of West Piedmont Business Development Center, with operations to remain at the current facility at 22 East Church Street, Martinsville, VA, with general business hours from 8 am until 5 pm.*

3. *Management of WPBDC will be by C-PEG under the guidance of the Board of Directors of C-PEG.*

4. *The City will commit to the level of funding and support currently provided to the WPBDC in the City's FY14 budget (subject to City Council approval) including an annual financial contribution, and use of the building including electricity, water, and sewer. Additionally as building owner, the City will be responsible for major maintenance such as HVAC, roof, structure, major repairs, etc.*

5. *C-PEG will be responsible for routine daily maintenance related to operations such as cleaning, trash removal, replacement of bulbs, etc.*

March 11, 2014

6. C-PEG will provide staff presence in the building related to functions associated with a business incubator environment. C-PEG will have the ability to market, design and implement training and related programs for business tenants, and utilize the space in the building for business incubator-type activities and events.
7. The current West Piedmont Business Development Center Board will terminate/disband effective March 31, 2014, and appropriate filings will be prepared in accordance with State Corporation Commission guidelines to officially terminate/cease operations of the Incubator as it now exists.
8. C-PEG, at its discretion, will be responsible for management of the facility including (but not limited to) establishment of a new board (if it so chooses), staffing, marketing, recruitment of tenants, development of tenant lease agreements/terms of occupancy, cooperation with other entities to the extent beneficial (EDC, Harvest, SCORE, etc.). Lease payments by tenants for occupancy/use of space will be made to C-PEG.
9. C-PEG will present reports periodically to the governing bodies of both Martinsville and Henry County regarding operations.
10. C-PEG will handle all financials including billing, payables, receivables, i.e. the City will not have responsibility related to being fiscal agent.
11. The City will maintain a presence on C-PEG's Board to ensure the City's best interests are being met through this partnership.

IN WITNESS WHEREOF, Martinsville City Council, party of the first part, has caused this MOU to be executed in its name by its City Manager; and C-PEG, party of the second part, has caused this MOU to be executed in its name by its Board President; this the day and year first above written.

MARTINSVILLE CITY COUNCIL

BY: _____
City Manager

C-PEG
BY: _____
Board President

Authorizing expenditures with funding FY14 and FY15: In an effort to reduce the impact on the FY14 Budget, 4 major projects/purchases were funded at approximately half of the full cost in the FY14 budget, with plans to fund the remaining amount in FY15. Timing on implementation or purchase is intended to occur in such a manner so as to allow funds from both FY14 and FY15 to cover the full cost when invoiced. These projects include: Garbage Truck – Refuse Fund – FY14 Budget: \$115,000; FY15 will only need \$81,001 based on bids received.

Bucket Truck – Electric Fund – FY14 Budget: \$92,500; FY15 will require match of \$92,500.

Zoning Ordinance Update Project – General Fund – FY14 Budget: \$80,000; FY15 will require match of \$80,000.

Main Intercept Inspection Project – Sewer Fund – FY14 Budget: \$138,438; FY15 will require match of \$138,438.

Given that purchase of equipment or contracts for services for the approximate full amounts noted will require partial funding from a not-yet-approved FY15 budget, the City's auditing firm has suggested that approval of these projects or purchases be specifically granted with the understanding of the required commitment of funds by Council in FY15. After Council discussion, a motion was made by Gene Teague, seconded by Mark Stroud, with a 4-1 vote (Turner-nay), to grant approval to administration to proceed with the projects or purchases noted, with the understanding that the balance of the funds will be included in the FY15 Budget. Mr. Turner expressed his concerns if the state doesn't come up with a budget.

Addendum-Power costs update: Mr. Towarnicki presented the following update on the impact of seasonal power costs on the City's Electric Department budget: Since the January 28, 2014 Electric Utility update to Council, there have been two significant developments that will have an impact on budgeting and City electric rates going forward. As was pointed out previously, the electric rate stabilization plan has been underperforming relative to initial projections. Updated information received shortly after the Council presentation indicated, based on revised projections, the stabilization plan would most likely be depleted of funding sometime in late summer/early fall 2014. The more significant issue is the City's January 2014 purchased power bill. As City staff worked with consultants to address the stabilization plan, the City

March 11, 2014

received the January power bill which was \$2,248,197 - approximately \$1 million more than anticipated. The increase is attributed to two main issues – the necessary purchase of more power coupled with unusually high congestion costs on the PJM transmission grid. The remaining balance in the stabilization fund was credited toward that bill leaving the net cost of \$1,696,314.59 to be paid from the purchase power line item in the City’s Electric Department budget. Staff will provide a brief update to Council on this issue with a presentation of more detailed information planned for the March 25th Council meeting. After lengthy Council discussion, on a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council directed the City Manager to send letters to legislators as well as to the Federal Energy Regulatory Commission regarding the increased transmission/congestion costs.

Approval of consent agenda: On a motion by Gene Teague, seconded by Sharon Brooks Hodge, with a 5-0 vote, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 3/11/2014				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY14				
General Fund:				
01100909	490104	Advance/Recovered Costs		13,335
01812242	506067	Misc. Exp. - RADAR Transit Program	13,335	
		Reimbursements for fuel		
01101918	443404	Grants-State - VPHIB Special Initiative Program		7900
01322105	506104	EMS - Non-capital Equipment	7900	
		Grant awarded for (4) new computers for EMS data collection/reporting.		
Total General Fund:			21,235	21,235
School Fund:				
18103919	489904	Private Grant - Harvest Foundation Contribution		150,000
81621310	561120	Instruction S&W	6,000	
81621310	562100	Social Security	372	
81621310	562150	Medicare	87	
81621310	563000	Purchased Services	37,320	
81621310	563142	Professional Development	15,381	
81621310	565503	Travel	24,673	
81621310	565800	Miscellaneous	1,967	
81621310	566000	Materials & Supplies	600	
81621310	566013	Instructional Materials	3,600	
81631310	561120	Instruction S&W	4,000	
81631310	562100	Social Security	248	
81631310	562150	Medicare	58	
81631310	563000	Purchased Services	24,880	
81631310	563142	Professional Development	10,254	
81631310	565503	Travel	16,448	
81631310	565800	Miscellaneous	1,312	
81631310	566000	Materials & Supplies	400	
81631310	566013	Instructional Materials	2,400	
Total School Fund:			150,000	150,000

Business from floor: Amanda Witt and Sheriff Steve Draper encouraged citizens to participate in the Dancing for the Arts fundraiser for Piedmont Arts Association on March 22, 2014; Patrick H. Wright-1201 Spruce St., comments on where money goes for the dancing fundraiser; Ural Harris-217 Stuart St.-comments regarding urban redevelopment and AMP.

Council comments: Hodge-encouraged Section 8 Housing recipients to voice their opinions to Council and noted the recent Fast Track trade show was a great experience; Stroud-congratulated UVA for winning the championship and again commended the fire department personnel; Turner-reported MHS Band going to DC for the Patrick’s Day Parade and made a motion that a letter be sent to the governor to present a clean budget without Medicaid expansion. Mr. Turner’s motion died due to lack of a second; Teague; commented now is not the time to send a letter and we need to wait for the budget process to move forward; Adkins-asked

March 11, 2014

that the HUD programs for veterans be part of the discussion going forward with the Housing agreement and Mr. Knox reported that discussion is already occurring.

There being no further business, the meeting adjourned at 9:20pm.

Brenda Prillaman
Clerk of Council

Kim Adkins
Mayor

March 25, 2014

The regular meeting of the Council of the City of Martinsville, Virginia, was held on March 25, 2014, in Council Chambers, Municipal Building, at 7:30 PM, Closed Session beginning at 7:00PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Gene Teague, Sharon Brooks Hodge, Mark Stroud and Danny Turner. Staff present included: Leon Towarnicki, City Manager, Eric Monday, Eddie Cassady, Wayne Knox, Dennis Bowles, Cindy Barbour and Linda Conover.

Mayor Adkins called the meeting to order and advised Council will go into Closed Session. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Gene Teague, seconded by Sharon Brooks Hodge, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Hodge, aye; Stroud, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matter: (A) The condition, acquisition, use or disposition of real property as authorized by Subsection 3. At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open meeting requirements were discussed in said Closed Session; and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during Session. On a motion by Mark Stroud, seconded by Sharon Brooks Hodge, with the following recorded 5-0 vote: Adkins, aye; Teague, aye; Hodge, aye; Stroud, aye; and Turner, aye, Council returned to Open Session.

Following the invocation by Council Member Stroud and Pledge to the American Flag, the Mayor welcomed everyone to the meeting and announced an agenda change as the update from the Farmers Market is to be rescheduled.

Proclamation-Raymond Carr-Electoral Board: Mayor Adkins presented a proclamation to Raymond Carr in honor of his service on the City Electoral Board.

Proclamation Child Abuse Prevention Month: Mayor Adkins presented a proclamation to the Exchange Club recognizing Child Abuse Prevention Month.

Proclamation Sexual Assault Awareness Month-Mayor Adkins presented a proclamation to Citizens Against Family Violence recognizing Sexual Assault Awareness Month.

Adopt resolution recognizing M-HC Chamber of Commerce: At its March Board meeting, the United States Chamber of Commerce awarded the Martinsville-Henry County Chamber of Commerce with a 5- Star Accreditation for its sound policies, effective organizational procedures, and positive impact on the community. Accreditation with the U.S. Chamber of Commerce is a prestigious honor that distinguishes the high quality, expertise, and strong leadership displayed by accredited state and local chambers of commerce. To receive accreditation, a chamber must demonstrate quality programs, clear organizational procedures, and effective communications by meeting minimum standards in its operations and programs, including areas of governance, government affairs, and technology. The M-HC Chamber was one of nine chambers receiving national accreditation at the meeting, and only one of six receiving the 5-Star designation. Local and regional chambers are rated as "Accredited", or "Accredited with 3, 4, or 5 Stars". The M-HC Chamber is also only one of only five chambers in Virginia to earn this distinction and accredited chambers represent the top 3 percent of all chambers nationally. On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote, Council adopted the following resolution recognizing the Chamber of Commerce:

WHEREAS, the Martinsville-Henry County Chamber of Commerce was founded in 1959 and is located at 115 Broad Street in Martinsville, VA to serve Martinsville and Henry County businesses; and

WHEREAS, the Martinsville-Henry County Chamber of Commerce programs are designed to encourage a strong local economy by creating an environment where businesses thrive and community and commerce work together for the future of Martinsville-Henry County; and

March 25, 2014

WHEREAS, the Martinsville-Henry County Chamber of Commerce acts as a voice for businesses in the region while also providing opportunities for networking, collaboration, and increased community exposure; and
WHEREAS, at its March Board meeting, the United States Chamber of Commerce awarded a prestigious 5-Star Accreditation to the Martinsville-Henry County Chamber of Commerce for its sound policies, effective organizational procedures, and positive impact on the community; and
WHEREAS, this 5-Star Accreditation distinguishes the high quality, expertise, and strong leadership displayed by a chamber of commerce and the Martinsville-Henry County Chamber of Commerce is only one of the only five chambers in VA to earn this distinction and represents the top 3 percent of all chambers nationally;
NOW, THEREFORE BE IT RESOLVED, on this 25th day of March, 2014, the Martinsville City Council does hereby commend the leadership of the Martinsville-Henry County Chamber of Commerce on this outstanding achievement and commends the diligent work of the Chamber staff and many community volunteers in providing programs benefiting the local economy and positively influencing the entire community.

Conduct public hearing on Northside Neighborhood Revitalization Project: Wayne Knox briefed Council on the Northside Neighborhood Revitalization Project noting that a requirement of the application process is to conduct a public hearing regarding the proposed neighborhood improvements which were pointed out on maps provided to Council denoting housing characteristics/conditions and estimated costs of the improvements, both CDBG and in-kind. After Council discussion, Mayor Adkins opened the public hearing and hearing no comments, the Mayor closed the public hearing. On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote, Council adopted the following resolution authorizing City Administration to submit an application to the Department of Housing & Community Development for a Comprehensive Improvement Grant for the Northside Neighborhood:

WHEREAS, the City of Martinsville has previously participated in the Small Cities Community Development Block Grant (CDBG) program as administered by the Virginia Department of Housing Community Development (DHCD) in order to address the City's priority community development needs; and

WHEREAS, the City is eligible for and wishes to submit a 2014 Community Development Block Grant application for the Northside Neighborhood Revitalization Project for a total of \$943,904 in CDBG funds to VDHC on or by March 26, 2014; and

WHEREAS, the City of Martinsville has prioritized revitalization of the Northside neighborhood as a continuation of the City's efforts to improve housing conditions for its residents; and

WHEREAS, the City applied for and received a CDBG Planning Grant in the amount of \$30,000 from DHCD to further investigate needs, develop a proposed improvement program and budget, and identify additional funding resources to implement said program; and

WHEREAS, the City conducted public meetings; formed a Project Management Team; completed a physical needs assessment of the Project Area; conducted a Housing Occupancy Survey of the owner-occupants and tenant-occupants within the Northside Neighborhood Project Area; and completed a Preliminary Engineering Report (PER) for improvements to the drainage infrastructure and streets; and

WHEREAS, a Northside Neighborhood Revitalization Project for physical improvements has been developed by the City in cooperation with property owners and related stakeholders pursuant to requirements for funding set forth by DHCD including a report on the estimated housing rehabilitation costs within the final delineated project area; a preliminary Housing Rehabilitation Program Design; and a Preliminary Engineering Report (PER) with cost estimates for improvements to the storm water infrastructure and streets in the Project Area; and

WHEREAS, the Martinsville Redevelopment and Housing Authority will partner with the City on this project and adopt a Conservation Area under Title 36, Code of Virginia, to expedite the acquisition of vacant properties in the Northside Neighborhood; and

WHEREAS, the proposed Housing Rehabilitation Program will provide benefit for ten (10) LMI owner-occupied housing units (totaling eighteen persons) and the proposed Homeownership Creation Program will provide benefit to nine (9) households (totaling an estimated twenty LMI persons) through the acquisition, rehabilitation, and resale of currently vacant units utilizing Neighborhood Stabilization Program (NSP) funds and CDBG funds; and

WHEREAS, infrastructure improvements as identified in the PER will include improving storm drainage along Franklin Street through the installation of drop inlets, curb and gutter, and storm drain piping; improving street surfaces for Dillard Street, Ruffin Street, Franklin Street and Warren Court; and extending paved driveway access to houses along Dillard Street and Franklin Street; and

WHEREAS, the City of Martinsville has properly advertised and conducted public hearings on February 25, 2014 and March 25, 2014 which addressed the CDBG program and the CDBG project application, thereby meeting CDBG citizen participation requirements; and

WHEREAS, the residents and property owners in the Northside Neighborhood Project Area and the Management Team have requested the City to proceed with resolving the problems identified in the Northside Neighborhood Project Area and in securing necessary funding to carry out the Northside Neighborhood Revitalization Project.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Martinsville, Virginia that:

1. The City of Martinsville wishes to apply for a 2014 CDBG Community Improvement Grant in the amount of \$943,904 for the Northside Neighborhood Revitalization Project; and hereby commits \$233,000 of City funds for the installation of 650 lf of storm drain, five (5) junction manholes, 2,750 lf of curb and gutter, and two (2) drop inlets; and the resurfacing of Franklin Street, Ruffin Street, and Warren Court within the project area boundaries; for a total project cost of \$1,176,904.

2. The City hereby authorizes the City Manager, the City's chief administrative official, to execute and file all appropriate documents necessary for submission of the City of Martinsville's 2014 Community Development Block Grant application on or before March 26, 2014 and to provide such additional information as may be required by the Virginia Department of Housing and Community Development.

City Council recessed and reconvened as Martinsville Redevelopment & Housing Authority to conduct public comment period on possible transfer of Housing Choice Program: Wayne Knox briefed Council on the

March 25, 2014

possible transfer of the administration of the Housing Choice Voucher Program. The Housing Choice Voucher Program, aka Section 8 Rental Assistance, dates back to 1970's and has always fulfilled a great need in Martinsville-Henry County and at one time covered Patrick County. The program began as a conduit of federal funds through the Virginia Housing Development Authority and around 2003 started going directly to HUD. As time moved on and regulations changed, the cost of administering the program has increased and varying funding formulas followed causing an operating deficit or at times, just barely breaking even. As one of the cost-cutting actions, we have reached out to a neighboring public housing authority, Danville Redevelopment & Housing Authority, for help. As per HUD regulations, the transferring of program administration can only be accomplished with another public housing authority. The closest one adjacent to us is DRHA. With the approval of City Council sitting as the Martinsville Redevelopment and Housing Authority, the first step in the approval process from HUD will begin. The board of directors for the Danville Redevelopment & Housing Authority must also officially approve such a transfer. After discussion period, Housing Authority Chairman Adkins opened the public comment period. No public comments were made and the comment period was closed. On a motion by Gene Teague, seconded by Mark Stroud, with the following recorded vote Adkins, aye; Teague, aye; Hodge, aye; Stroud, aye; and Turner, aye, the Authority approved the following resolution authorizing staff to submit the necessary document, along with Danville Redevelopment & Housing Authority's paperwork to HUD for transferring the administration of the Housing Choice Voucher Program to DRHA:

**RESOLUTION OF THE GOVERNING BODY OF
THE MARTINSVILLE REDEVELOPMENT & HOUSING AUTHORITY**

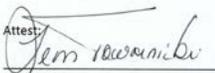
The Board of Commissioners of the Martinsville Redevelopment and Housing Authority consisting of five members, in a duly called meeting held on the 25th day of March, 2014 at which a quorum was present, **RESOLVED** as follows:

BE IT RESOLVED THAT in order to facilitate obtaining approval from the United States of America, acting by and through the United States Department of Housing and Urban Development (HUD), in the transfer of administration of the Section 8 Housing Choice Voucher Program, in the City of Martinsville and the County of Henry, the governing body does hereby adopt and abide the covenants contained in the agreements, documents, and forms required by the Department of Housing and Urban development (HUD) to be executed.

BE IT FURTHER RESOLVED that the City Manager of the City of Martinsville, acting as the Executive Director of the Martinsville Redevelopment & Housing Authority is authorized to execute on behalf of the Martinsville Redevelopment and Housing Authority the above - referenced agreements and to execute instruments as may be required in obtaining the said administrative transfer.

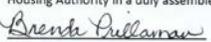
THIS RESOLUTION, along with a copy of the above - referenced documents, is hereby entered into the permanent minutes of this meeting of this Authority.

Martinsville Redevelopment & Housing Authority

Attest:  By 

CERTIFICATION

I hereby certify that the above resolution was duly adopted by the Martinsville Redevelopment & Housing Authority in a duly assembled meeting on the 25 day of March, 2014.


Clerk of Council

Martinsville Redevelopment & Housing Authority adjourned and Martinsville City Council re-convened.

Presentation on impact of seasonal power costs: Dennis Bowles presented information to Council regarding the City's purchased power bill which includes all power customers' usage.

Residential Rate Analysis							
kWh usage	Present Bill Amount			PCA	Proposed Increase		
	Cust. Chg.	first 900	over 900		Present Bill	New PCA	% increase
	\$9.74	\$0.09075	\$0.07387	0.0068		0.01215	
0		0	0	\$9.74	\$9.74	0.00%	
50		50	0	\$14.62	\$14.89	1.83%	
100		100	0	\$19.50	\$20.03	2.74%	
200		200	0	\$29.25	\$30.32	3.66%	
300		300	0	\$39.01	\$40.61	4.11%	
400		400	0	\$48.76	\$50.90	4.39%	
500		500	0	\$58.52	\$61.19	4.57%	
600		600	0	\$68.27	\$71.48	4.70%	
700		700	0	\$78.03	\$81.77	4.80%	
800		800	0	\$87.78	\$92.06	4.88%	
900		900	0	\$97.54	\$102.35	4.94%	
1000		900	100	\$105.60	\$110.95	5.07%	
1100		900	200	\$113.67	\$119.55	5.18%	
1250		900	350	\$125.77	\$132.46	5.32%	
1500		900	600	\$145.94	\$153.96	5.50%	
1750		900	850	\$166.10	\$175.47	5.64%	
2000		900	1100	\$186.27	\$196.97	5.74%	
2500		900	1600	\$226.61	\$239.98	5.90%	
3000		900	2100	\$266.94	\$282.99	6.01%	
3500		900	2600	\$307.28	\$326.00	6.09%	
4000		900	3100	\$347.61	\$369.01	6.16%	
Proposed PCA		0.01215					

Martinsville Revised Power Cost Adjustment (PCA) Calculation		
1	Billing Units April '14 - Jun '15	
2	KWH purchased (Projected)	215,052,000
3	Line Loss in % converted to decimal	0.05
4	Line Loss total	10,752,600
5		
6	KWH Sold (Projected)	204,299,400
7	Outdoor Lighting kWh	712,500
8	kWh Sold s.t. PCA for 15 Months (Projected)	203,586,900
9		
10		
11		
12		
13		
14	Wholesale power cost Apr '14 - Jun '15 (Projected)	\$16,790,349
15		
16	Power cost Recovered in base rates	
17	kWh purchased (Projected)	215,052,000
18	Rate Schedule Base (no PCA)	\$0.07006
19	Power cost in base rates	\$15,066,543
20		
21	Power Cost Above Base Rates Apr '14 - Jun '15	\$1,723,806
22	January '14 Market Energy Purchases = \$631,325 - (\$551,882)	\$79,443
23	PJM/Misc. Cost	\$470,816
24	AMPGS Sunk Cost	\$200,000
25	Total cost to be recovered	\$2,474,065
26		
27	kWh Sold s.t. PCA for 15 months	203,586,900
28	Cost to be recovered per kWh	\$0.01215
29	Current PCA factor	\$0.00680
30	PCA factor increase	\$0.00535
31		
32	Revised PCA Factor	\$0.01215

City of Martinsville	Power Cost Projection													
	Actuals						Projected (January 2014)						Total	
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14		
Energy Forecast														
Monthly Energy (@ Meter)	(MWh)	16,282	15,405	12,974	12,313	14,217	16,070	19,859	15,028	15,360	11,955	13,026	14,549	177,035
Purchased Energy														
Block Energy	(MWh)	32,665	11,929	10,256	9,549	9,872	10,486	9,675	9,578	7,898	8,990	7,387	10,541	139,165
Block Cost	(\$)	\$ 673,626	\$ 640,902	\$ 567,491	\$ 556,232	\$ 550,422	\$ 581,349	\$ 485,566	\$ 472,001	\$ 414,474	\$ 452,894	\$ 394,150	\$ 516,676	\$ 6,307,992
Prairie State Energy	(MWh)	2,134	3,480	5,129	2,001	1,399	3,711	4,036	2,940	1,733	2,873	3,741	3,858	34,835
Prairie State Demand Cost	(\$)	\$ 178,273	\$ 178,273	\$ 178,273	\$ 178,273	\$ 178,273	\$ 178,273	\$ 188,655	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,258,391
Prairie State Energy Cost	(\$)	\$ (9,204)	\$ 85,767	\$ 61,974	\$ (23,451)	\$ (84,697)	\$ 111,726	\$ 276,353	\$ 237,776	\$ 140,105	\$ 232,289	\$ 302,525	\$ 311,942	\$ 1,643,303
Prairie State Cost	(\$)	\$ 169,069	\$ 264,040	\$ 240,247	\$ 154,821	\$ 93,775	\$ 289,998	\$ 465,008	\$ 237,776	\$ 140,105	\$ 232,289	\$ 302,525	\$ 311,942	\$ 2,901,595
Fremont Energy	(MWh)	2,754	2,692	695	1,299	1,841	1,210	1,889	1,683	1,738	997	1,628	1,643	20,068
Fremont Demand Cost	(\$)	\$ 49,428	\$ 49,428	\$ 49,428	\$ 49,428	\$ 49,428	\$ 49,428	\$ 51,946	\$ 51,902	\$ 51,922	\$ 51,922	\$ 51,922	\$ 51,922	\$ 608,117
Fremont Energy Cost	(\$)	\$ 74,364	\$ 80,800	\$ 32,892	\$ 22,152	\$ 57,052	\$ 41,578	\$ 126,929	\$ 65,177	\$ 67,338	\$ 38,612	\$ 63,043	\$ 63,632	\$ 724,546
Fremont Cost	(\$)	\$ 123,793	\$ 130,227	\$ 72,318	\$ 71,559	\$ 106,478	\$ 91,001	\$ 178,875	\$ 137,099	\$ 119,260	\$ 90,535	\$ 114,965	\$ 115,554	\$ 1,332,664
SEPA Energy	(MWh)	160	154	113	89	82	87	89	97	107	102	107	170	1,355
SEPA Demand Cost	(\$)	\$ 9,104	\$ 7,600	\$ 7,248	\$ 7,504	\$ 7,520	\$ 7,776	\$ 14,768	\$ 5,534	\$ 5,534	\$ 6,116	\$ 6,116	\$ 6,116	\$ 90,395
SEPA Energy Cost	(\$)	\$ 2,886	\$ 2,598	\$ 1,300	\$ 1,408	\$ 1,465	\$ 1,506	\$ 1,838	\$ 2,353	\$ 2,589	\$ 1,491	\$ 1,562	\$ 2,485	\$ 23,682
SEPA Cost	(\$)	\$ 11,990	\$ 10,198	\$ 8,548	\$ 9,112	\$ 8,985	\$ 9,282	\$ 16,606	\$ 7,887	\$ 8,122	\$ 7,607	\$ 7,678	\$ 8,601	\$ 134,617
Landsfill Gas Energy	(MWh)	-	-	-	-	-	-	-	354	392	378	392	379	1,896
Landsfill Gas Demand Cost	(\$)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landsfill Gas Energy Cost	(\$)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landsfill Gas Cost	(\$)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
AMP Hydro Energy	(MWh)	-	-	-	-	-	-	-	-	-	-	-	-	-
AMP Hydro Demand Cost	(\$)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
AMP Hydro Energy Cost	(\$)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
AMP Hydro Cost	(\$)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Market Energy														
Net Market Purchases/Sales	(MWh)	(1,477)	(2,738)	(1,128)	(939)	1,331	632	4,170	376	3,493	(1,328)	(229)	(2,042)	122
Market Cost/(Credit)	(\$)	\$ (48,026)	\$ (82,934)	\$ (29,217)	\$ (36,429)	\$ 36,587	\$ 25,225	\$ 631,325	\$ 8,993	\$ 115,827	\$ (47,834)	\$ (11,412)	\$ (89,821)	\$ 472,262
PJM Charges/Miscellaneous Costs														
NETL	(MWh)	38,300	38,300	38,300	38,300	38,300	38,300	34,600	34,600	34,600	34,600	34,600	34,600	34,600
NITS Cost	(\$)	\$ 104,207	\$ 104,207	\$ 100,845	\$ 104,207	\$ 100,845	\$ 104,207	\$ 94,140	\$ 85,029	\$ 94,140	\$ 91,105	\$ 94,140	\$ 91,105	\$ 1,168,173
RPM Cost	(\$)	\$ 37,161	\$ 37,161	\$ 35,962	\$ 37,161	\$ 35,962	\$ 37,161	\$ 37,161	\$ 33,565	\$ 37,161	\$ 35,962	\$ 37,161	\$ 35,962	\$ 557,958
RPM Credits	(\$)	\$ (12,201)	\$ (12,169)	\$ (11,869)	\$ (12,169)	\$ (11,869)	\$ (12,169)	\$ (12,169)	\$ (10,991)	\$ (12,169)	\$ (11,869)	\$ (12,169)	\$ (12,169)	\$ (188,820)
Ancillary Cost	(\$)	\$ 56,835	\$ 35,846	\$ 40,580	\$ 43,768	\$ 53,359	\$ 39,988	\$ 323,426	\$ 67,071	\$ 55,025	\$ 54,499	\$ 58,209	\$ 42,106	\$ 675,371
ARR/FTR Revenue	(\$)	\$ (20,569)	\$ (20,569)	\$ (19,906)	\$ (20,569)	\$ (19,906)	\$ (20,569)	\$ (20,569)	\$ (18,579)	\$ (20,569)	\$ (19,906)	\$ (20,569)	\$ -	\$ (222,279)
Block Congestion Cost/(Credit)	(\$)	\$ 572	\$ 4,447	\$ 2,884	\$ 4,500	\$ 11,368	\$ 13,930	\$ 216,837	\$ 22,848	\$ 14,225	\$ 1,317	\$ 7,005	\$ 24,604	\$ 324,537
AMP Service/Dispatch Fees	(\$)	\$ 14,622	\$ 14,107	\$ 13,013	\$ 14,369	\$ 14,155	\$ 16,637	\$ 18,373	\$ 14,794	\$ 14,766	\$ 11,473	\$ 11,995	\$ 13,644	\$ 171,885
Taxes	(\$)	\$ 32,098	\$ 32,774	\$ 11,813	\$ 9,869	\$ 9,224	\$ 11,851	\$ 13,617	\$ 12,045	\$ 12,312	\$ 9,580	\$ 10,441	\$ 11,661	\$ 137,285
Summary														
Purchased Power Cost	(\$)	\$ 978,477	\$ 1,045,366	\$ 888,603	\$ 793,724	\$ 750,661	\$ 972,800	\$ 1,146,056	\$ 834,764	\$ 881,961	\$ 788,325	\$ 819,328	\$ 952,775	\$ 10,656,868
Market Cost	(\$)	\$ (48,026)	\$ (82,934)	\$ (29,217)	\$ (36,429)	\$ 36,587	\$ 25,225	\$ 631,325	\$ 8,993	\$ 115,827	\$ (47,834)	\$ (11,412)	\$ (89,821)	\$ 472,262
PJM/Miscellaneous Costs	(\$)	\$ 192,725	\$ 175,802	\$ 173,422	\$ 180,635	\$ 193,139	\$ 191,036	\$ 470,816	\$ 200,722	\$ 204,889	\$ 172,159	\$ 186,272	\$ 287,493	\$ 2,629,111
Total Cost	(\$)	\$ 1,123,176	\$ 1,138,235	\$ 1,032,789	\$ 937,930	\$ 989,386	\$ 1,189,089	\$ 2,248,197	\$ 1,044,478	\$ 1,002,677	\$ 907,650	\$ 994,187	\$ 1,150,445	\$ 13,758,240
Total Energy	(MWh)	16,282	15,405	12,974	12,313	14,217	16,070	19,859	15,028	15,360	11,953	13,026	14,549	177,035
Monthly All In Rate	(\$/MWh)	\$ 68.98	\$ 73.89	\$ 79.61	\$ 76.18	\$ 69.59	\$ 73.99	\$ 113.21	\$ 69.50	\$ 65.28	\$ 75.94	\$ 76.32	\$ 79.07	\$ 77.71

*Assumptions outlined in attached document, see pages 2-3 of 5
GOS Associates, Inc.

City of Martinsville											Power Cost Projection July 2014-June 2015																		
											Projected (January 2014)																		
Units											Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Total						
Energy Forecast																													
Monthly Energy (kWh Meter)	(MWH)	38,343	36,450	32,908	32,097	34,337	35,072	36,401	35,028	35,360	33,953	33,026	34,549	175,524															
Purchased Energy																													
Block/Load Following Energy	(MWH)	33,014	31,700	28,400	27,708	29,509	30,229	31,206	29,720	29,246	27,868	26,938	28,459	139,899															
Block/Load Following Cost	(\$)	638,467	586,159	491,472	407,616	395,314	447,930	363,294	339,650	327,721	223,739	248,759	278,545	4,646,430															
Prairie State Energy	(MWH)	4,007	4,030	3,608	2,656	3,189	3,890	4,143	2,875	2,197	2,286	2,143	2,143	13,856															
Prairie State Demand Cost	(\$)	-	-	-	-	-	-	188,886	188,886	188,886	188,886	188,886	188,886	1,133,314															
Prairie State Energy Cost	(\$)	324,056	324,274	291,717	214,809	257,874	314,576	99,195	68,221	52,509	78,676	90,193	92,316	2,218,214															
Prairie State Cost	(\$)	324,056	324,274	291,717	214,809	257,874	314,576	288,079	257,707	141,484	267,562	289,079	281,202	3,951,418															
Fremont Energy	(MWH)	1,940	1,885	935	1,740	1,718	1,682	2,235	1,861	970	1,803	1,487	1,737	39,993															
Fremont Demand Cost	(\$)	51,922	51,922	51,922	51,922	51,922	51,922	53,855	53,855	53,855	53,855	53,855	53,855	634,665															
Fremont Energy Cost	(\$)	75,146	73,001	36,202	67,388	66,564	65,161	87,888	73,183	38,126	70,893	58,463	68,284	780,506															
Fremont Cost	(\$)	127,069	124,924	88,134	119,310	118,486	117,088	141,743	127,038	91,981	124,748	112,319	122,399	1,415,664															
SEPA Energy	(MWH)	170	185	92	112	102	97	102	97	107	102	107	107	1,700															
SEPA Demand Cost	(\$)	6,116	6,116	6,116	6,116	6,116	6,116	6,116	6,116	6,116	6,116	6,116	6,116	73,392															
SEPA Energy Cost	(\$)	2,485	2,222	1,340	1,033	1,491	1,420	1,481	1,431	1,562	1,491	1,562	2,485	21,115															
SEPA Cost	(\$)	8,602	8,338	7,456	7,149	7,607	7,536	7,607	7,546	7,678	7,607	7,678	8,602	94,507															
Landfill Gas Energy	(MWH)	392	392	379	392	379	392	392	392	392	392	392	392	3,982															
Landfill Gas Demand Cost	(\$)	-	-	-	-	-	-	-	-	-	-	-	-	-															
Landfill Gas Energy Cost	(\$)	-	-	-	-	-	-	-	-	-	-	-	-	-															
Landfill Gas Cost	(\$)	-	-	-	-	-	-	-	-	-	-	-	-	-															
AMP Hydro Energy	(MWH)	-	-	-	-	-	-	499	490	299	392	555	1,813	3,982															
AMP Hydro Demand Cost	(\$)	-	-	-	-	-	-	78,190	78,190	78,190	78,190	78,190	185,735	576,676															
AMP Hydro Energy Cost	(\$)	-	-	-	-	-	-	2,508	2,285	1,524	2,887	5,434	20,717	70,717															
AMP Hydro Cost	(\$)	-	-	-	-	-	-	40,789	40,425	39,714	80,230	81,077	196,159	597,393															
Market Energy																													
Net Market Purchases/(Sales)	(MWH)	(1,183)	(3,732)	(505)	(510)	1,440	281	923	3,891	4,156	1,202	974	501	7,839															
Market Cost/(Credit)	(\$)	(59,745)	(79,401)	(27,219)	(28,094)	32,092	(8,613)	40,923	76,325	159,351	44,336	36,532	19,826	211,309															
PJM Charges/Miscellaneous Costs																													
NRG	(\$)	34,600	34,600	34,600	34,600	34,600	34,600	38,900	38,300	38,300	38,300	38,300	38,300	383,000															
NRG Cost	(\$)	97,670	97,670	94,519	97,670	94,519	97,670	108,134	97,482	108,134	104,627	108,134	104,627	1,210,968															
RPM Cost	(\$)	161,593	161,593	156,381	161,593	156,381	161,593	161,593	145,965	161,593	154,381	161,593	164,167	1,910,416															
RPM Credits	(\$)	(53,739)	(53,739)	(52,000)	(53,739)	(52,000)	(53,739)	(53,739)	(48,539)	(53,739)	(52,000)	(53,739)	(48,510)	(667,840)															
Ancillary Cost	(\$)	53,086	47,608	87,308	35,011	41,493	43,620	47,466	43,492	44,455	34,593	37,699	42,106	507,986															
ARR/FTB Revenue	(\$)	-	-	-	-	-	-	-	-	-	-	-	-	-															
Block Competition Cost/(Credit)	(\$)	24,833	29,164	7,731	(1,398)	7,193	19,943	13,979	14,911	10,077	4,820	7,350	13,095	154,561															
AMP Service/Dispatch Fees	(\$)	16,336	15,394	12,594	11,739	12,888	15,502	15,137	14,303	14,822	10,675	11,825	13,140	164,770															
Taxes	(\$)	14,702	13,185	10,346	9,696	11,491	12,080	13,145	12,945	12,312	9,580	10,441	11,661	140,685															
Summary																													
Purchased Power Cost	(\$)	1,078,192	1,024,195	838,778	789,484	779,282	887,096	882,002	809,662	748,579	703,896	737,911	885,646	10,104,713															
Market Cost	(\$)	(59,745)	(79,401)	(27,219)	(28,094)	32,092	(8,613)	40,923	76,325	159,351	44,336	36,532	19,826	211,309															
PJM/Miscellaneous Costs	(\$)	314,481	311,075	266,923	260,591	271,900	296,669	309,096	279,119	297,633	268,430	283,283	262,186	3,422,045															
Total Cost	(\$)	1,332,929	1,255,869	1,078,482	981,982	1,083,334	1,180,551	1,232,619	1,165,196	1,205,563	1,016,652	1,057,725	1,147,658	13,794,067															
Total Energy	(MWh)	18,343	16,450	12,908	12,097	14,337	15,072	16,401	15,028	15,360	13,953	13,026	14,549	175,524															
Monthly All in Rate	(\$/MWh)	72.67	76.34	82.80	81.17	75.26	77.33	75.10	77.53	78.48	69.96	81.20	80.36	78.27															

Mr. Bowles pointed out power costs are more than current rates will cover and were primarily driven by the January power bill and the last three months outdoor temperatures. There was lengthy Council discussion on power rates and having a diversified strategy. Staff recommended a power cost adjustment increase from the current .0068 cents to .01215 cents per kWh effective April 1, 2014. A motion was made by Council Member Turner to join with Danville and Bedford in requesting an itemized bill and a complete AMP audit through the Attorney General. The motion died for lack of a second.

A motion was made by Gene Teague, seconded by Sharon Brooks Hodge, with a 4-1 vote (Council Member Turner-nay), to approve the PCA (power cost adjustment) of 5.07% for 1,000 kWh to be reflected on bills rendered on or after May 1, 2014. The present PCA will increase from .0068 cents to .01215 cents per kWh, effective May 1, 2014. Mr. Bowles also pointed out that the rate stabilization fund needs future Council action by a resolution to terminate the fund.

Set public hearing regarding Zoning Ordinance: Wayne Knox briefed Council on zoning ordinance amendments. Community Development has received inquiries from potential business owners regarding newer uses of land than the City's Zoning Ordinance currently allows. One example is potentially operating a hydroponic facility within the City. At present, the City of Martinsville's Zoning Ordinance is a permissive ordinance, meaning if a specific land use is not explicitly listed as permitted by right or by special use permit in the individual district, then it is not allowed. The Zoning Ordinance is currently being reviewed in its entirety as part of the update budgeted for FY14 and FY15. A major goal of the update is to be more flexible with new businesses and new land uses. Staff submits the proposed amendment as a reasonable way to accommodate new hybrid light/industrial commercial development in the interim prior to the adoption of the new ordinance. The Planning Commission held a duly advertised public hearing on March 4, 2014. No one spoke for or against the amendment during the public hearing and the Planning Commission voted unanimously (7-0) to send this amendment to City Council for consideration. On a motion by Gene Teague,

March 25, 2014

seconded by Sharon Brooks Hodge, with a 5-0 vote, Council agreed to set the public hearing for April 22, 2014 regarding the proposed amendments to the Zoning Ordinance.

Hear Finance Report: Linda Conover, Finance Director, briefed Council with the following information: FY14 – Revenues & Expenditures through Feb. 28, 2014; Combined Balance Sheet; Projected Fund Balance Exclusive of School and Special Revenue funds, actual revenues were \$38,058,521, representing 103.9% of the anticipated \$36,621,311 through the second quarter, ending February 28th. Receiving seven months proceeds, Local Sales/Use Taxes collected through February 28th are ahead of anticipated by \$20,925, for total receipts of \$1,129,385. Utility revenues were mixed with Refuse and Electric Funds’ receipts being greater than anticipated, and MINet/Fiber Optic, Water, and Sewer Funds’ receipts being a little less than anticipated. Actual expenditures were \$42,382,816, which is greater than the anticipated amount by \$634,017. The “actual” figures include all outstanding encumbrances of \$1,105,294. As of February 28th, the current total combined Fund Balance and Net Position is \$16,091,103, a decrease from FY13 of \$5,035,174. Available cash-on-hand February 28th for City Funds was \$11,683,238. If all budgeted and re-appropriated funds for FY14 are realized and expended, the year-end Fund Balance and Net Position is projected to be \$14,616,551 – a decrease from FY13 year-end of \$6,509,726. Exclusive of Utility Funds and based upon this projection, the unassigned Fund Balance would be \$3,037,625, 9.4% of the budgeted General Fund expenditures for FY14.

Approval of consent agenda: On a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 3/25/2014				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY14				
General Fund:				
01100909	490104	Advanced/Recovered Costs		501
01125046	503600	Finance Director - Advertising	501	
		Recovered Costs for Refunding Series advertising		
01100909	490104	Advanced/Recovered Costs		500
01321102	501200	Fire Department - Overtime Wages	464	
01321102	502100	Fire Department - Social Security	29	
01321102	502110	Fire Department - Medicare	7	
		Reimbursement - Stuart Fire Dept.		
01100909	490104	Advanced/Recovered Costs		50
01100908	480410	Donations - Fire Department		200
01321102	505500	Fire Department - Travel & Training	250	
		Reimbursement/Donation for Travel/Training		
Total General Fund:			1,251	1,251
Refuse Fund:				
09100908	482806	Miscellaneous - Renewable Energy Credits		80,628
09425302	508220	Landfill - Physical Plant Expansion	80,628	
		Funds realized from the production of power		
Total Refuse Fund:			80,628	80,628
CDBG Fund:				
47102926	447061	Categorical Federal - NCI Community Improvement Grant		485,962
47833380	503140	NCI - CIG - Prof. Service - Eng. & Arch.	10,000	
47833380	503191	NIC - CIG - Contractors	475,962	
		Pass-through funding for New College		
47103919	443136	Grant - Private - Phoenix Façade Grants		8,578
47823521	506325	Uptown - Phoenix Façade Program	8,578	
		Pass-through funding for Façade Program		
47103919	443138	Grant - Private - Phoenix Paradise Planning Grant		387
47824284	503130	Paradise Planning Grant - Prof. Services-Mngmt Consult	387	
		Shared cost for Planning Grant		
Total CDBG Fund:			494,927	494,927

March 25, 2014

Review outside agency semi annual reports: Copies of semi-annual reports submitted from outside agencies that received FY14 funding were provided to Council for review and information.

Business from floor: Ural Harris, 217 Stuart St.-comments on electric rates and AMP costs. City Employee Richard Young of Cascade asked that Council investigate his constitutional rights regarding religious liberty. City Attorney Eric Monday responded this is a personnel matter and Council would be provided a confidential memo response. Five people present at the meeting spoke in support of Richard Young.

Council comments: Turner-expressed condolences on passing of Doug Chappell and commended Checkered Pig for their award; Stroud-comments on ACC scores and appreciated Mr. Young's friends speaking up for him; Hodge-Council has no control over personnel matter and commends Mr. Young for publically acknowledging his faith; Adkins-publically commended MHS basketball team for their achievements and kudos to Jeff Adkins.

City Manager comments: (1)announced Neighborhood Tour of Westside at 5:30 and Westside Neighborhood meeting at 7:30 at Housing Office on April 7, 2014 (2)asked for Council input on format of budget worksessions-Hodge asked any agency with increased funding make a presentation and Teague asked for information on MINET and Electric and Water/Sewer. (3)staff is continuing to work on scheduling a Council tour of the NCI facility.

There being no further business, the meeting adjourned at 10:35pm.

Brenda Prillaman
Clerk of Council

Kim Adkins
Mayor

Meeting Date: May 27, 2014

Item No: 2.

Department: Human Resources

Issue: Recognize City Employees who are eligible for Service Awards – April 1 through June 30, 2014

Summary: The Service Award Program is designed to build individual morale and show appreciation to the long-service employee for their faithful service to the City of Martinsville.

Attachment: Listing of City Employees who are eligible for the service award for the fourth quarter of FY 13-14.

TO BE READ BY MAYOR. NO ACTION NECESSARY.

**SERVICE AWARD RECIPIENTS
FOURTH QUARTER - FISCAL YEAR 13-14
FOR THE PERIOD OF APRIL 1 THROUGH JUNE 30, 2014**

EMPLOYEE	DEPARTMENT	YEARS
Joan Joyce	Treasurer	5
Terry Martin	Electric Department	5
Jason Biggs	Public Works	10
James Lovell	Police Department	15
Patrick Agee	Police Department	15
Robert Haynes	Police Department	15
Brenda Prillaman	City Manager's Office	20
Cindy Dickerson	Treasurer	20
Eddie Flood	Public Works	35

Date: May 27, 2014

Item No: 3.

Department: City Attorney

Issue: Conduct public hearing for consideration of citizens interested in the appointment for two three-year term positions beginning July 1, 2014 and ending June 30, 2017 to the Martinsville City School Board.

Summary: Pursuant to Code of Virginia section 22.1-29.1 a public hearing is necessary to introduce and consider names of persons interested in appointment to a vacancy on the Martinsville School Board and to receive the views of citizens within the school division. This state code section also states that no nominee or applicant whose name has not been considered at the public hearing shall be appointed as a school board member. Further, the actual appointment must be made at least seven days after the hearing; appointment will therefore be on the June 10, 2014 agenda.

Attachments: current Martinsville School Board members

Recommended Action: Conduct public hearing.

SCHOOL BOARD

SCHOOL BOARD – The School Board is declared a body corporate. In its corporate capacity, it is vested with all the powers and charged with all the duties, obligations, and responsibilities upon school boards by law. It may sue, be sued, contract, be contracted with, and in accordance with the provisions of this title, purchase, take, hold, lease, and convey school property both real and personal. The School Board has the following powers and duties: 1 – to make rules for the governance of the schools within its jurisdiction; 2 – to determine the curriculum, methods of teaching, methods of administration and governance, and the length of the school term; 3 – to employ and dismiss teachers upon the recommendation of the superintendent; 4 – to suspend or expel pupils when necessary; 5 – to establish such schools as are necessary in the judgment of the Board to so constitute a complete and efficient system; 6 – to control and manage funds made available to the Board for the purpose of conducting free public schools; 7 – examine all claims for payment and authorize payment; and 8 – to submit annually to City Council a budget request.

The Board consists of five members serving **three-year** terms appointed by City Council. **School Board members can serve a maximum of three 3-year consecutive terms.**

Meetings are held on the second Monday of each month.

Contact: Ms. Pam Heath, Superintendent, 403-5700 P. O. Box 5548, Martinsville, VA 24115.

NAME ADDRESS	INITIAL APPOINTMENT	TERM EXPIRES	FULL TERM
Rives Coleman, 603 Mulberry Rd.	6/25/13	06/30/16	1
Craig B. Dietrich, 1227 Lanier Rd.	06/14/11	06/30/14	1
J. C. Richardson, Jr., 115 Melody Court	06/14/11	06/30/14	1
Carolyn McCraw, 1724 Meadowview Lane (638-2160 H)	06/09/09	06/30/15	2
Robert Williams, 1017 Country Club Drive	06/21/06	06/30/15	3



City Council Agenda Summary

Meeting Date: May 27, 2014

Item No: 4.

Department: City Manager

Issue: Hear and update from the Martinsville Electoral Board.

Summary: Representatives of the Martinsville Electoral Board will be present to give this update.

Attachments:

Recommendations: for information purposes



City Council Agenda Summary

Meeting Date: May 27, 2014
Item No: 5.
Department: City Attorney

Issue: Consider approval of ordinance regarding FY2014-2015 Budget, on second reading, establishing the City's budget and tax rates for FY15.

Summary: Attached is the summary of the 2014-15 Budget in Ordinance Form.

Attachment: Ordinance

Recommendations: Motion to adopt ordinance on second reading with a roll call vote.

CITY OF MARTINSVILLE, VIRGINIA
ORDINANCE NO. 2014-U-1
The Budget for Fiscal 2014-2015

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session assembled May 27, 2014, that the following sums of money be and hereby are appropriated—by specified Fund—for the City’s fiscal year ending June 30, 2015, from the following Fund sources of estimated revenue:

SUMMARY STATEMENT OF BUDGET ESTIMATES
2014-2015

Fund	Projected Revenues	Budgeted Expenditures	Changes in Fund Balance
General	\$ 28,586,727	\$ 29,889,342	\$(1,302,615)
Meals Tax	\$ 2,066,792	\$ 2,066,792	-
Capital Reserve	\$ 1,101,757	\$ 1,121,757	\$ (20,000)
Refuse	\$ 2,337,000	\$ 2,337,000	-
MiNet/Fiber	\$ 775,206	\$ 775,206	-
Water	\$ 3,547,500	\$ 3,847,500	\$ (300,000)
Sewer	\$ 4,310,012	\$ 4,310,012	-
Electric	\$ 18,668,308	\$ 19,468,308	\$ (800,000)
Cafeteria*	\$ 1,507,795	\$ 1,707,795	\$ (200,000)
Schools**	\$ 21,857,801	\$ 21,857,801	-
CDBG	\$ 26,966	\$ 200	\$ 26,766
Housing	<u>\$ 1,944,525</u>	<u>\$ 1,944,450</u>	<u>\$ 75</u>
Totals	<u>\$ 86,730,389</u>	<u>\$ 89,326,163</u>	<u>\$ (2,595,774)</u>

*Cafeteria – Estimated; actual unavailable at time of publication.

**Schools – As adopted by School Board.

Tax Rates (unchanged):

Real Estate: \$1.0621 per \$100 assessed value
Personal Property: \$2.30 per \$100 assessed value
Machinery & Tools: \$1.85 per \$100 assessed value

BE IT FURTHER ORDAINED by the Council that this Ordinance shall be effective on and after July 1, 2014.

Attest:

Brenda Prillaman, Clerk of Council

Date Adopted

Date Effective

Meeting Date: May 27, 2014
Item No: 6.
Department: Community Development

Issue: Consider approval of amendments to the Zoning Ordinance, on second reading, related to land use as a temporary flexibility option as the Zoning Ordinance is being updated.

Summary: Community Development has received inquiries from potential business owners regarding newer uses of land than the City's Zoning Ordinance currently allows. One example is potentially operating a hydroponic facility within the City. At present, the City of Martinsville's Zoning Ordinance is a permissive ordinance, meaning if a specific land use is not explicitly listed as permitted by right or by special use permit in the individual district, then it is not allowed. The Zoning Ordinance is currently being reviewed in its entirety as part of the update budgeted for FY '14 and FY '15. A major goal of the update is to be more flexible with new businesses and new land uses. Staff submits the proposed amendment as a reasonable way to accommodate new hybrid light/industrial commercial development in the interim prior to the adoption of the new ordinance.

Planning Commission held a duly advertised public hearing on March 4, 2014. No one spoke for or against the amendment during the public hearing. Planning Commission voted unanimously (7-0) to send this amendment to City Council for their consideration.

This was approved by City Council on first reading at your May 13, 2014 meeting.

Attachments: Planning Commission Letter
Proposed Amendment to the Zoning Ordinance

Recommendations: Motion to approve the proposed amendment to the Zoning Ordinance on second reading with a roll call vote.



March 11, 2014

Mayor Kim Adkins
Members of City Council
City of Martinsville
P. O. Box 1112
Martinsville, VA 24114

RE: Amendment to the Zoning Ordinance

Dear Mayor and City Council Members:

The Planning Commission, at its meeting on March 4, 2014, conducted a duly advertised Public Hearing on a request by the City of Martinsville, for a proposed amendment to the Martinsville Zoning Ordinance related to land use.

At the public hearing, it was noted that the amendment would make land use more flexible to new forms of business in the Commercial and Business districts. This amendment will work in the interim prior to the adoption of the new Zoning Ordinance.

There was no opposition to the amendment and no one from the public was present at the hearing. The Planning Commission voted (7-0) to recommend the proposed amendment to City Council. The Planning Commission respectfully submits the recommendation for further consideration.

Yours Truly,

James A. Crigger, Sr., Secretary

Wayne D. P. Knox

Director of Community Development

WDPK

Cc: Timothy D. Martin, Chairperson
James A. Crigger, Sr., Secretary

PROPOSED AMENDMENTS – ZONING ORDINANCE

(~~Strikethrough~~ indicates deletion; **italicized bold** indicates addition)

SECTION XII: COMMERCIAL DISTRICTS

B. Uses permitted by right in the C-1 District.

- 54. Establishments (not to exceed a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental performance standards (with no outdoor storage, loading, or displays, and further, excepting those uses which are specifically prohibited by this section or those uses which require a special use permit).**

C. Uses permitted by special use permit in the C-1 District.

- 8. Establishments (exceeding a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental standards (with limited outdoor storage, loading, or displays as determined by special use conditions, and, further, except those uses which are specifically prohibited by this ordinance).**

F. Uses permitted by right in the C-1A District.

- 67. Establishments (not to exceed a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental performance standards (with no outdoor storage, loading, or displays, and further, excepting those uses which are specifically prohibited by this section or those uses which require a special use permit).**

G. Uses permitted by special use permit in the C-1A District.

- 8. Establishments (exceeding a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing,**

assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental standards (with limited outdoor storage, loading, or displays as determined by special use conditions, and, further, except those uses which are specifically prohibited by this ordinance).

J. Uses permitted by right in the C-2 District.

72. *Establishments (not to exceed a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental performance standards (with no outdoor storage, loading, or displays, and further, excepting those uses which are specifically prohibited by this section or those uses which require a special use permit).*

K. Uses permitted by special use permit in the C-2 District.

8. *Establishments (exceeding a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental standards (with limited outdoor storage, loading, or displays as determined by special use conditions, and, further, except those uses which are specifically prohibited by this ordinance).*

N. Uses permitted by right in the C-3 District.

83. *Establishments (not to exceed a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental performance standards (with no outdoor storage, loading, or displays, and further, excepting those uses which are specifically prohibited by this section or those uses which require a special use permit).*

O. Uses permitted by special use permit in the C-3 District.

8. *Establishments (exceeding a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair,*

distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental standards (with limited outdoor storage, loading, or displays as determined by special use conditions, and, further, except those uses which are specifically prohibited by this ordinance)

SECTION XIII: BUSINESS AND MANUFACTURING DISTRICTS

B. Uses permitted by right in the B-1 District.

- 12.** *Establishments (not to exceed a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental performance standards (with no outdoor storage, loading, or displays, and further, excepting those uses which are specifically prohibited by this section or those uses which require a special use permit).*

C. Uses permitted by special use permit in the B-1 District.

- 4.** *Establishments (exceeding a ground floor footprint of 10,000 square feet gross floor area) for manufacturing, production, processing, assembly, compounding, cleaning, servicing, storage, testing, repair, distribution and sale of materials, goods, products, food, or beverages which conform to federal, state and local environmental standards (with limited outdoor storage, loading, or displays as determined by special use conditions, and, further, except those uses which are specifically prohibited by this ordinance)*

Adopted _____

Attest:

Clerk of Council



City Council Agenda Summary

Meeting Date: May27, 2014

Item No:

Department: Martinsville Redevelopment & Housing Authority

Issue: Consider adoption of a resolution in recognition of Fathers' Day Initiative – June 7, 2014

Summary: Once again the Martinsville Redevelopment & Housing Authority is participating in HUD's Fathers' Day Initiative. This is the fourth year of this initiative. MRHA in cooperation with several other local sponsors, is conducting a weekend of events.

Attachments: Resolution
Men of Standard Flyer

Recommendations: Motion to adopt resolution.

FATHER'S DAY INITIATIVE
OF THE
MARTINSVILLE REDEVELOPMENT & HOUSING AUTHORITY

WHEREAS, the Martinsville Redevelopment and Housing Authority, in cooperation with the Department of Housing & Urban Development, strives to promote the principles of Responsible Fatherhood, by encouraging all fathers to take full responsibility for themselves , their wife or life partner, and their children; and

WHEREAS, the blessing of children brings with it, the duty to train them, encourage them, protect them and provide for them; and

WHEREAS, the Martinsville Redevelopment and Housing Authority believes all fathers should strive to be a model of civility, respectfulness, faithfulness, and integrity; now therefore,

BE IT RESLOVED by the Martinsville Redevelopment & Housing Authority Board of Commissioners that, on this 27th day of May, 2014, in recognition of Fathers' Day 2014, it does hereby pledge to work with its citizens in pursuit of the shared goal and responsibility for ensuring that all children have an environment which includes a strong father.

Attest:

Kim Adkins, Chairman

May 27, 2014
Date Adopted

Men of Standard



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June 7, 2014

What: Fatherhood Celebration

8am-10am- Fatherhood Breakfast and Panel

Discussion Soul Winners Church

704 E Church St. Martinsville, Va.

10am-12am: March Uptown to City Municipal Building and make Happy Video for Uptown Martinsville. It will end at 55 West Church Street so men can be sworn in on the court house steps to be better men, fathers, leaders, etc...

12-5:00pm: Family Fun Day, Live music, Free massages, body art, inflatables, Stem Van, father son father daughter 2 on2 basketball game, strong man competition, free blood pressures checks

COST: Canned Goods to go to Grace Network

More info: (276)790-7268

Sponsors: Martinsville Redevelopment and Housing, Nelson Ford, Give Back Foundation, Soul Winners Church, D-Truth, Strengthening Families, Contact, Citizens Against Family Violence, Community Fellowship, FAHI, Martin Luther King jr. Planning Council, Good News Prison Ministry, Biscuitville, Walmart, Chic Fil A, Dominoes, Star News, MURA, SHINE Systems, Grace Network, Applebees, Texas Steakhouse, Taco Bell, Arbys, Yamatoes,

Meeting Date: May 27, 2014

Item No: 9.

Department: Community Development

Issue: Consider approval of required Pre- Contract documents related to Northside Planning Grant.

Summary: A requirement of the application process is to adopt several items prior to the actual awarding of an actual block grant for the improvements in the Northside neighborhood.

Additional documents will require approval in the future once the City has been successful in being awarding the block grant

Attachments: Local Business & Employment Plan;
Non – Discrimination Policy;
Grievance Procedure;
Anti – Displacement Plan;
Fair Housing Certification

Recommendations: Motion to approve required documents.

1. The City of Martinsville designates as its Section 3 Business and Employment Project Area the City of Martinsville.
2. The City of Martinsville, its contractors, and designated third parties shall in utilizing Community Development Block Grant (CDBG) funds utilize businesses and lower income residents of the city in carrying out all activities, to the greatest extent feasible.
3. In awarding contracts for construction, non-construction, materials, and supplies, the City of Martinsville, its contractors, and designated third parties shall take the following steps to utilize businesses which are located in or owned in substantial part by persons residing in the County:
 - (a) The City of Martinsville shall identify the contracts required to conduct the CDBG activities.
 - (b) The City of Martinsville shall identify through various and appropriate sources including:

The Martinsville Bulletin Newspaper

the business concerns within the city which are likely to provide construction contracts, non-construction contracts, materials, and services which will be utilized in the activities funded through the CDBG.
 - (c) The identified contractors and suppliers shall be included on bid lists used to obtain bids, quotes or proposals for work or procurement contracts which utilize CDBG funds.
 - (d) To the greatest extent feasible the identified business and any other project area business concerns shall be utilized in activities which are funded with CDBG funds.
4. The City of Martinsville and its contractors and subcontractors shall take the following steps to encourage the hiring of lower income persons residing in the city:
 - (a) The City of Martinsville in consultation with its contractors (including design professionals) shall ascertain the types and number of positions for both trainees and employees which are likely to be used to conduct CDBG activities.

- (b) The City of Martinsville shall advertise through the following sources

The Martinsville Bulletin Newspaper

the availability of such positions with the information on how to apply.

- (c) The City of Martinsville, its contractors, and subcontractors shall be required to maintain a record of inquiries and applications by project area residents who respond to advertisements, and shall maintain a record of the status of such inquires and applications.
- (d) To the greatest extent feasible, the City of Martinsville, its contractors, and subcontractors shall hire lower income project area residents in filling training and employment positions necessary for implementing activities funded by the Community Development Block Grant (CDBG).
5. In order to document compliance with the above affirmative actions and Section 3 of the Housing and Community Development Act of 1974, as amended, the City of Martinsville shall keep, and obtain from its contractors and subcontractors, Registers of Contractors, Subcontractors and Suppliers and Registers of Assigned Employees for all activities funded by the CDBG. Such listings shall be completed and shall be verified by site visits and employee interviews, crosschecking of payroll reports and invoices, and through audits if necessary.

NON-DISCRIMINATION POLICY

The City of Martinsville or any employee thereof will not discriminate against an employee or applicant for employment because of race, age, handicap, creed, religion, color, sex, or national origin. Administrative and Personnel officials will take affirmative action to insure that this policy shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; rates of pay or other forms of compensation; and selection for training.

Duly adopted at the regular meeting of the Martinsville City Council on _____, 2014.

Signature of Authorized Official

SECTION 504 GRIEVANCE PROCEDURE CITY OF MARTINSVILLE, VIRGINIA

The City of Martinsville has adopted an internal grievance procedure providing for the prompt and equitable resolution of complaints alleging any action prohibited by the Department of Housing and Urban Development's (HUD) 24 CFR 8.53(b) implementing Section 504 of the Rehabilitation Act of 1973, as amended (29 USC 794). Section 504 states, in part, that "no otherwise qualified handicapped individual...shall solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving federal financial assistance..."

Complaints should be addressed to: Wayne Knox, Director of Community Development, PO Box 1112, 55 W. Church Street, Martinsville, Virginia 24112, (276) 403-5169, wknnox@ci.martinsville.va.us who has been designated to coordinate Section 504 compliance efforts.

1. A complaint should be filed in writing or verbally containing the name and address of the person filing it, and briefly describe the alleged violation of the regulations.
2. A complaint should be filed within 30 days after the complainant becomes aware of the alleged violation. (Processing of allegations of discrimination occurring before this grievance procedure was in place will be considered on a case-by-case basis).
3. An investigation, as may be appropriate, shall follow a filing of a complaint. Mr. Wayne Knox (Compliance Officer) will conduct the investigation. These rules contemplate informal but thorough investigations, affording all interested persons and their representatives, if any, an opportunity to submit evidence relevant to a complaint. Under 24 CFR 8.53 (b), the City of Martinsville need not process complaints from applicants for employment or from applicants for admission to housing.
4. A written determination as to the validity of the complaint and description of resolution, if any, shall be issued by Mr. Wayne Knox (Compliance Officer), and a copy forwarded to the complainant no later than 30 days after its filing.
5. The Section 504 Compliance Officer shall maintain the files and records of the City of Martinsville relating to the complaints filed.
6. The complainant can request a reconsideration of the case in instances where he or she is dissatisfied with the resolution. The request for reconsideration should be made within 30 days to Mr. Wayne Knox (Compliance Officer).
7. The right of a person to a prompt and equitable resolution of the complaint filed hereunder shall not be impaired by the person's pursuit of other remedies such as the filing of a Section 504 complaint with the Department of Housing and Urban Development. Utilization of this grievance procedure is not a prerequisite to the pursuit of other remedies.
8. These rules shall be construed to protect the substantive rights of interested persons, to meet appropriate due process standards, and to assure that the City of Martinsville complies with Section 504 and the HUD regulations.

RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

All Grantees must commit to minimizing project-related displacement and the hardships it imposes. The statutory and regulatory requirements of this commitment assure that individuals who are displaced or relocated because of project activity are fairly and fully compensated, and LMI dwelling units demolished or converted to non-LMI dwelling uses are replaced. Prior to signing a contract with DHCD, the Grantee must formally adopt, make public, and certify to DHCD that it is following a Residential Anti-Displacement and Relocation Assistance Plan. The Grantee must also certify that it will minimize displacement of persons as a result of assisted activities.

1. Regardless of whether displacement or conversion to non-LMI residential use is planned as part of the project, the plan must include, at a minimum, the following:
 - a. Provision for one-for-one replacement of any LMI dwelling units demolished or converted to any other use as a result of this project;
 - b. Provision for relocation benefits to any households displaced as a result of this project;
 - c. A description of the proposed assisted activity;
 - d. Steps the jurisdiction will take to minimize the displacement of persons from their homes;
 - e. The complaint and appeals process; and
 - f. An adopted housing standard defining an unoccupiable or uninhabitable house as a dwelling unit that does not meet local building codes and cannot be rehabilitated to meet code for \$25,000 or less.
2. Projects including displacement, relocation, conversion or demolition must include all information listed above, as well as the following elements in their Anti-Displacement and Relocation Assistance Plan:
 - a. The location (mapped) and size (by number of bedrooms) of each dwelling unit that will be demolished or converted to a use other than as an LMI dwelling unit as a direct result of the assisted activity;
 - b. A time schedule for the commencement and completion of the demolition or conversion;

- c. The location (mapped) and size of units (by number of bedrooms) that will be provided as replacement dwelling units;
- d. The source of funding and a time schedule for the provision of replacement dwelling units;
- e. The policy that any fixed moving expense and dislocation allowance will be based upon the current Federal Home Administration payment schedule;
- f. The basis for concluding that each replacement dwelling unit will remain an LMI dwelling unit for at least 10 years from the date of initial occupancy; and
- g. Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units is consistent with the housing needs of LMI households in the jurisdiction.

One-For-One Replacement Rule

Projects including housing demolition or conversion must adhere to the "one-for-one replacement" rule: All occupied and vacant occupiable LMI dwelling units demolished or converted to *any use* other than as LMI dwelling units as a result of an assisted project activity must be replaced with LMI dwelling units. This is not required if Grantee can document that there are available units available to LMI in the community.

The key elements of this rule are:

1. Replacement LMI units may be provided by any government agency or private developer.
2. Replacement units must be located within the Grantee's jurisdiction, and to the extent feasible and consistent with other statutory priorities, the units shall be located in the same neighborhoods as the units replaced.
3. Replacement units must be comparable in size and number to those units demolished or converted so that at least the same number of individuals can be housed in the replacement units. Replacement units must not be smaller than those they replace, e.g., demolition of one 2-bedroom unit and construction of two 1-bedroom units.
4. Replacement units must be in standard condition.
5. Replacement units may include vacant units that have been raised to standard condition provided that:
 - a. No person was displaced from the unit as a result of an assisted project activity, and

- b. The unit was vacant for at least three (3) months before execution of the agreement between the Grantee and the property owner.
6. Replacement units must initially be made available for occupancy during the period beginning one (1) year prior to the Grantee's completion and submission of a Residential Anti-Displacement and Relocation Assistance Plan to DHCD and DHCD's approval of such a Plan and ending three (3) years after the commencement of the demolition or conversion.
7. Replacement units must be designed to remain as LMI dwelling units for at least ten (10) years from the date of initial occupancy. Replacement units may include public housing or existing housing receiving Section 8 assistance under the *Housing Act of 1937*.

Under certain narrowly defined circumstances, a Grantee may request and be granted a waiver, by HUD, of the one-for-one replacement rule. For more information on waiver requirements, contact your DHCD Community Development Specialist.

These elements point to the necessity of having complete information on the current housing stock and market in the locality. This information must be available for use and incorporated in drafting the Plan, prior to contracting with DHCD.

RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN CERTIFICATION

The City of Martinsville will replace all occupied and vacant occupiable low/moderate-income dwelling units demolished or converted to a use other than as low/moderate income dwelling unit as a direct result of activities assisted with funds provided under the *Housing and Community Development Act of 1974*, as amended. All replacement housing will be provided within three (3) years of the commencement of the demolition or rehabilitation relating to conversion.

Before obligating or expending funds that will directly result in such demolition or conversion, the City of Martinsville will make public and advise the state that it is undertaking such an activity and will submit to the state, in writing, information that identifies:

1. A description of the proposed assisted activity;
2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low/moderate-income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units;
6. The basis for concluding that each replacement dwelling unit will remain a low/moderate-income dwelling unit for at least 10 years from the date of initial occupancy; and
7. Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units is consistent with the housing needs of low- and moderate-income households in the jurisdiction.

The City of Martinsville will provide relocation assistance to each low/moderate – income household displaced by the demolition of housing or by the direct result of assisted activities. Such assistance shall be that provided under Section 104 (d) of the *Housing and Community Development Act of 1974*, as amended, or the *Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970*, as amended.

The City of Martinsville's FY 2014 project includes the following activities:

- Housing Rehabilitation
- Substantial Reconstruction
- Property Acquisition
- Demolition and Clearance
- Storm Drainage and Roadway Improvements

The activities as planned will not cause any displacement from or conversion of occupiable structures. As planned, the project calls for the use of existing right-of-way or easements to be purchased or the utilization of tracts of land that do not contain housing. The City of Martinsville will work with the grant management staff, engineers, project area residents, and the Department of Housing and Community Development to insure that any changes in project activities do not cause any displacement from or conversion of occupiable structures.

In all cases, an occupiable structure will be defined as a dwelling that meets local building codes or a dwelling that can be rehabilitated to meet code for \$25,000 or less.

Signature of Authorized Official

Date

Fair Housing Certification
Compliance with Title VIII of the Civil Rights Act of 1968

WHEREAS, the City of Martinsville has submitted an application for Community Development Block Grant funding, and if awarded, will accept these federal funds authorized under the Housing and Community Development Act of 1974, as amended, and

WHEREAS, recipients of funding under the Act are required to take action to affirmatively further fair housing;

THEREFORE, the City of Martinsville agrees to take at least one action to affirmatively further fair housing each grant year during the life of its project funded with Community Development Block Grant funds. The action taken will be selected from a list provided by the Virginia Department of Housing and Community Development.

Signature of Authorized Official

Date



City Council Agenda Summary

Meeting Date: May 27, 2014
Item No: 10.
Department: Finance
Issue: Consider approval of consent agenda.

Summary:

The attachments amend the FY14 Budget with appropriations in the following funds:

FY14:

General Fund: \$200,965 – Grant Funding; Asset Forfeitures; Reimbursements

Attachments: Spreadsheet

Recommendations: Motion to approve

BUDGET ADDITIONS FOR 5/27/2014

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>FY14</u>				
<u>General Fund:</u>				
01101917	442601	Categorical Other State - EMS 4 for Life Grant		1,604
01322105	506114	EMS - 4 for Life Grant Additional Grant Funding	1,604	
01101917	442402	Categorical Other State - Confiscated Assets - C Atty		1,260
01221082	506105	Comm Atty - Conf Assets State	1,260	
01101917	442401	Categorical Other State - Confiscated Assets - Police		4,900
01311085	506078	Police Dept - Conf Assets State Asset Forfeiture Proceeds	4,900	
01101917	442810	Categorical State Other - Highway Projects		159,828
01413151	503193	Thorofare Construction - Inspection Service	5,909	
01413151	508220	Thorofare Construction - Physical Plant Expansion Liberty St project reimbursement	153,919	
011001918	443405	Grants - State - DEQ - Stormwater Prog #15743		33,373
01812246	503136	Stormwater Program - Prof Services - Consultant	33,000	
01812246	506010	Stormwater Program - Supplies Stormwater Program Development, Phase II	373	
Total General Fund:			200,965	200,965