

April 26, 2011

The regular meeting of the Council of the City of Martinsville, Virginia, was held on April 26, 2011, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Gene Teague, Mark Stroud, Sr., and Danny Turner. Vice Mayor Kimble Reynolds was absent. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Eric Monday, Leon Towarnicki, Mike Rogers, Ruth Easley, Patrick Agee, Janet Hiatt, J.R. Powell, Chad Rhoads, Eddie Cassady, Tony Turner, Mildred Spence, Bart Hampton, and Johnathan Barker.

Following the invocation by Council Member Gene Teague and Pledge to the American Flag, the Mayor welcomed everyone to the meeting.

Police Chief Mike Rogers commended everyone in the police department for their efforts in the Martinsville Police Department achieving their 4th certificate for retaining accredited status through the Virginia Law Enforcement Professional Standards' Commission. He introduced Gary Dillon, Program Manager of the Virginia Accreditation Center of the Department of Criminal Justice Services who praised the police department for their commitment to law enforcement excellence in this voluntary program noting that the Martinsville Police Department has been accredited since 1998 and has achieved re-accreditation in 2003 and 2007.

Mayor Adkins read the proclamation recognizing National Correctional Officers' Week as May 1 through May 7 and presented it to Johnathan Barker of the Martinsville Sheriff's Office.

City Manager, Clarence Monday, briefed Council on the local tax exemption requests noting that a public hearing will need to be conducted for both businesses. Under the provisions of the Exemption Ordinance enacted by council in January 2007, any entity that does not clearly fall into any exemption category granted by the Code of Virginia must request an exemption approval from the city council in the form of an exemption ordinance. In order for the exemption request to be considered by council as part of the annual budget deliberations, the requesting entity must have submitted an exemption application to the Commissioner of the Revenue by November 1, 2010. The Commissioner of the Revenue referred the application received to the City Manager along with a report of the revenue impact that any possible exemption may have. The City Manager appointed a review committee consisting of himself, Mayor Adkins, the City Commissioner of the Revenue, the City Treasurer, and the Assistant Finance Director to review the application received.

Mayor Adkins opened the public hearing regarding the tax exemption request from Theatre Works for which the review committee recommends: tax exemption for the organization's tangible personal property as the artistic and cultural benefits provided by the organization meet a

part of the goals and initiative established by City Council. These same components, which are also included in the City's Master Plan, are offered by the organization and the tax exemption is more than off-set by the artistic and cultural benefits provided to the area by the organization. The committee also recommends exempting the organization from BPOL licensure as any unrelated business taxable income generated by the organization is not likely to constitute a substantial amount of the organization's total gross revenue and would be exempt under the state BPOL guidelines. Mike Elder, 923 Childress Dr., questioned how vendors are chosen; Christine Mallard, Church St., pointed out they have no specific vendors and all citizens are welcomed. City Attorney Eric Monday pointed out the application has a revenue impact of \$1,668.11. Mayor Adkins closed the public hearing. On a motion by Gene Teague, seconded by Danny Turner, with the following 4-0 recorded vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye, (Reynolds-absent), Council approved the following (sample) ordinance as presented on first reading for Theatre Works Community Players:

ORDINANCE 2011-_____

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session held on April 26, 2011 and pursuant to Section 58.1-3651 of the Code of Virginia, that Section 21-12 of the City Code be amended to add a subsection [insert alphabetical listing] as follows:

[insert alphabetical listing]. **Taxation exemption for [name of entity]**

After convening a duly advertised public hearing and considering the factors set forth in Code of Virginia § 58.1-3651(B), the City Council of Martinsville Virginia hereby ordains the following:

1. The [name of entity], a nonprofit organization, is hereby classified and designated as a [(designate which) *religious, charitable, patriotic, historical, benevolent, cultural, or public park and playground purposes*] organization within the context of Section 6(a)(6) of Article X of the Constitution of Virginia.
2. [real and/or personal] property owned by [name of entity], and used exclusively for educational, benevolent and charitable purposes on a nonprofit basis, as set forth in subsection A. of this section, is hereby determined to be exempt from local [real and/or personal] property taxation.
3. Continuance of the exemption shall be contingent on the continued use of the property in accordance with the purpose for which the organization is classified or designated.

Mayor Adkins opened the public hearing regarding the tax exemption request from Martinsville-Henry County Historical Society for which the review committee recommends: that City Council reaffirm the state code exemption at the local level that the Martinsville-Henry Historical Society is a nonprofit entity that provides cultural, educational and historical services within a museum setting. The Code of Virginia, §58.1-3606(A)(8) exempts "property of any nonprofit corporation organized to establish and maintain a museum." The committee also recommends exempting the organization from BPOL licensure as any unrelated business taxable income generated by the organization is not likely to constitute a substantial amount of the organization's total gross revenue and would be exempt under the state BPOL guidelines. Hearing no public comment, Mayor Adkins closed the public hearing. City Attorney Eric Monday pointed out the application has a revenue impact of \$3,217.39. On a motion by Danny Turner, seconded by Mark Stroud, with the following 4-0 recorded vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye, (Reynolds-absent), Council approved the following (sample) ordinance as presented on first reading for Martinsville-Henry County Historical Society:

ORDINANCE 2011-_____

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session held on April 26, 2011 and pursuant to Section 58.1-3651 of the Code of Virginia, that Section 21-12 of the City Code be amended to add a subsection [insert alphabetical listing] as follows:

[insert alphabetical listing]. **Taxation exemption for [name of entity]**

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After convening a duly advertised public hearing and considering the factors set forth in Code of Virginia § 58.1-3651(B), the City Council of Martinsville Virginia hereby ordains the following:

1. The [*name of entity*], a nonprofit organization, is hereby classified and designated as a [**(designate which) religious, charitable, patriotic, historical, benevolent, cultural, or public park and playground purposes**] organization within the context of Section 6(a)(6) of Article X of the Constitution of Virginia.
2. [*real and/or personal*] property owned by [*name of entity*], and used exclusively for educational, benevolent and charitable purposes on a nonprofit basis, as set forth in subsection A. of this section, is hereby determined to be exempt from local [*real and/or personal*] property taxation.
3. Continuance of the exemption shall be contingent on the continued use of the property in accordance with the purpose for which the organization is classified or designated.

Ray Gibbs presented an update on plans for the Henry Hotel noting that the Phoenix Community Development Corp. hopes to find out by July 1 whether the planned redevelopment qualifies for New Markets Tax Credits. Phoenix found that the project did not qualify for the tax credits this year due to economic conditions as of the year 2000 census; redeveloping the hotel likely will require acquiring funds from as many as 15 different sources; he estimated it will take \$3.5 million to \$4.5 million to redevelop the building for mixed uses such as offices, restaurants and rental apartments. He said that there are no plans to develop low-income apartments; the New Markets credits are a significant source of funds needed for the hotel project and they anticipate getting an amount greater than \$500,000. With the 2010 census figures, the uptown census tract should meet the requirements for the credits; if the tract still does not meet the criteria, Phoenix will apply for the credits under several possible exceptions to the rules; after finding out if the hotel qualifies for New Market Credits, Phoenix can put together a team to handle the project in 60 to 90 days; planning for construction would take 60 to 90 days more, followed by construction negotiations for another 30 to 60 days. Then there would be 60 to 90 days of finalizing construction contracts and securing construction financing with construction taking about a year to complete and the building could be put to use again by 2013.

J. R. Powell, Operations Supervisor for the 911 Center, gave an update regarding the new 911 “geo-diverse” and “redundant”, IP capable, call processing equipment (CPE). The project also includes a “back-up” 911 facility located at the Piedmont Regional Criminal Justice Training Academy site. The 911 back-up facility has separate infrastructure than the 911 Center, such as public utilities, its own LP generator, abundant CentryLink and City of Martinsville fiber, communications, etc. In addition, the back-up facility’s CPE equipment is capable of being used for realistic Dispatcher entry-level training, usually called “Practicals”. The project is mostly complete, with some final tweaking and testing to be done and was paid for with a \$502,000 grant from the Virginia Wireless Services Board and required no local

matching funds. Our community is extremely fortunate to have a fairly comprehensive 911 back-up facility, supported with separate infrastructure, situated a few miles from the primary 911 Center for survivability purposes and is a fairly unique concept/model.

Leon Towarnicki briefed Council on the consideration of funding for FY12 for the Piedmont Area Regional Transit (PART) Bus System.

The Piedmont Area Regional Transit system has been in operation in Martinsville and Henry County since January 2009. The fixed-loop bus system transported 1,325 riders in March 2011, up more than 30% over March 2010. PART is funded by federal, state, and local money, and Martinsville- Henry County's share of the funding was \$13,326 (each) in FY11 as part of an overall budget of about \$234,000. However, funding from the Commonwealth's Department of Rail and Public Transportation for FY 2012 is likely to be cut by \$27,500. Taking into consideration the reduction in State funding and other PART budget adjustments, the projected local funding for FY12 is \$47,400, to be split equally (\$23,700 each) between Henry County and Martinsville. DRPT meets later this month and in lieu of a Council Resolution, a letter indicating a commitment of local funding for FY12 is requested. Staff recommends approval of funding Martinsville's share of the PART budget for FY 2012, contingent on Henry County's approval which was confirmed at their meeting today. Funding for PART is included in the budget package to be presented to Council later this month.

On a motion by Gene Teague, seconded by Mark Stroud, with a 4-0 vote, Council authorized Leon Towarnicki to send the letter to commit funds as recommended.

Item not on advertised agenda: Councilman Mark Stroud made a motion for the city manager to send out RFP's for emergency warning systems with information returned within one month. Teague wants additional information before going out for RFP and asked that data be compiled on uses and options before doing an RFP. For purpose of discussion, Teague seconded the motion. Mayor Adkins pointed out due to timing, it is not probable to have the information within a month. The City Manager will need to benchmark other localities for detailed information to find the right system which could be presented after a couple of Council meetings. J. R. Powell, of the 911 Center, spoke about the Thunder Eagle system noting that the more automated the system, the better. Teague withdrew his second of the motion until information is received and the original motion died for lack of a second. Mayor Adkins asked as a matter of order in the future that Council members bring their issues up during Business from the Floor if not on the agenda.

On a motion by Gene Teague, seconded by Mark Stroud, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 4/26/11				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY11				
GENERAL FUND				
01100909	490134	Recovered Costs - Parks & Recreation		300
01711210	506091	Parks & Recreation - Special Events/Cruise In Costs recovered from various sponsors	300	

01102926	436401	Categorical Federal - Confiscated Assets		1,396
01311085	506078	Police Dept - Federal Asset Forfeitures City's share of Vehicle Asset Forfeitures	1,396	
01100909	490104	Advanced/Recovered Costs		66,228
01413151	508234	Thorofare Construction- Utility Relocation VDOT reimb - Liberty St. Project	66,228	
01101917	442601	Categorical Other State - EMS 4 for Life		1,028
01322105	506114	Emergency Medical Services - 4 for Life Additional State Grant Funding	1,028	
Total General Fund:			68,952	68,952

Business from the floor: Mike Elder, 923 Childress Dr., asked Council to apologize to West End community regarding comments at Neighborhood meeting, Henry Hotel issues, and personal court issues.

Comments from City Council: Stroud-stated he resented Mr. Elder's comments regarding West End; Turner-proud of NCI graduation and PHCC softball tournament; Adkins welcomed any one from the West End area to come before Council if they feel the same as Mr. Elder indicated.

Comments from City Manager: the FY12 budget to be presented on Thursday and will be posted on the website.

In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Danny Turner, seconded by Mark Stroud, with the following 4-0 recorded vote: Adkins, aye; Teague, aye; Stroud, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matters: (A) Appointments to boards and commissions as authorized by Subsection 1, (B) Consultation with legal counsel and briefings by staff members, attorneys or consultants pertaining to actual or probable litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7, (C) A personnel matter 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 Danny Turner, seconded by Gene Teague, with the following recorded 4-0 vote: Adkins, aye; Teague, aye; Stroud, aye; and Turner, aye, Council returned to Open Session.

Action taken on Board appointments: on a motion by Gene Teague, seconded by Kim Adkins, Thomas Lee Salyer, 724 Circle Court, was appointed for an unspecified

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term on the Human Relations Advisory Committee; on a motion by Kim Adkins, seconded by Gene Teague, with a 4-0 vote, Bailey Gifford Penn, 1109 Chatham Rd., was appointed for an unspecified term on the Human Relations Advisory Committee. On a motion by Kim Adkins, seconded by Mark Stroud, with a 4-0 vote, Council re-appointed Lance Heater, 1015 River Forest Place, to a 3 year term ending 6/30/14 on the MHC Economic Development Board.

There being no further business, Mayor Adkins adjourned the meeting at 10:23 pm.

Clarence C. Monday
Clerk of Council

Kim E. Adkins
Mayor