

AGENDA--CITY COUNCIL
CITY OF MARTINSVILLE, VIRGINIA
Council Chambers – Municipal Building
7:30 p.m. – Tuesday, July 26, 2011

Invocation – Council Member Danny Turner
Pledge to the American Flag

1. [Consider approval of minutes of City Council's meetings of June 28, July 5, and July 12, 2011.](#) (2 minutes)
2. [Presentation of Proclamation regarding 2011 National Night Out.](#) (2 minutes)
3. [Hear preliminary report on Martinsville Mustangs.](#) (10 minutes)
4. [Consider setting public hearing for August 9, 2011 on a recommendation from Planning Commission to amend the zoning ordinance regarding pawn shops.](#) (5 minutes)
5. [Consider approval of recommendation to allow the benefits offered to Enterprise Zone recipients be applicable to Arts & Cultural-related businesses that locate or expand in the Arts & Cultural District that is not already covered in the Enterprise Zone.](#) (10 minutes)
6. [Consider approval of a Resolution requesting the restoration of across-the-board State reduction in aid-to-localities.](#) (10 minutes)
7. [Consider approval of Consent Agenda.](#) (2 minutes)
 - A. Accept & appropriate budget adjustments FY11 and FY12.

8. Business from the Floor

This section of the Council meeting provides citizens the opportunity to discuss matters that are not listed on the printed agenda. Since 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, state name and address;**
- (2) state the matter they wish to discuss & Council action requested;**
- (3) limit remarks to five minutes;**
- (4) refrain from making any personal references or accusations of a factually false and/or malicious nature.**

Persons who violate these guidelines will be ruled out of order by the presiding officer and asked to leave the podium. Persons who refuse to comply with the direction of the presiding officer may be removed from the chambers

9. Comments by members of City Council. (5 minutes)
10. Comments by City Manager. (5 minutes)
11. **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—Closed Meetings, the following: (10 minutes)**
 - a. **A personnel matter as authorized by Subsection 1.**

City Council will adjourn and convene as the Martinsville Redevelopment & Housing Authority

1. [Consider approval of annual HUD resolution.](#) (5 minutes)
2. [Consider setting a public hearing for August 9, 2011 and have a 30-day comment period for any additional input regarding minimum rent for recipients of assistance under the Section 8 Housing Choice Voucher Program.](#) (5 minutes)

Martinsville Redevelopment & Housing Authority will then adjourn.



City Council Agenda Summary

Meeting Date: July 26, 2011

Item No: 1.

Department: Clerk of Council

Issue: Consider approval of minutes of City Council meetings June 28, July 5, and July 12, 2011.

Summary: None

Attachments: [June 28, 2011](#)
[July 5, 2011](#)
[July 12, 2011](#)

Recommendations: Motion to approve minutes as presented

June 28, 2011

The regular meeting of the Council of the City of Martinsville, Virginia, was held on June 28, 2011, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud, Sr., and Danny Turner. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Eric Monday, Linda Conover, Dennis Bowles, Bobby Phillips, Donna Odell, Steve Draper, Cindy Dickerson, Ercell Cowan, Gary Cody, Linda Conover, Ruth Easley, Joan Ziglar, Ashby Pritchett, and Officer Martin. Also present was Power Advisory Committee member, Vince Stone.

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

On a motion by Gene Teague, seconded by Mark Stroud, with a 5-0 vote, Council approved the minutes of Council meetings April 12, April 26, April 28, May 10, May 16, May 19, and May 24, 2011 with the following amendment on May 24 minutes:execute an agreement with the schools that the appropriation was contingent upon funding of employee insurance at the same level for all city employees and all city schools employees.

Dennis Bowles briefed Council on the American Municipal Power Fremont Energy Center advising that on June 14, 2011, City Council members heard recommendations from the Power Advisory Committee, GDS Associates Inc., Blue Ridge Power Agency and staff recommending participation in the American Municipal Power Inc., Fremont Energy Center at 5.2 MW. A Public Hearing was conducted and a Resolution authorizing execution of the Power Sales Contract was approved on first reading. Mr. Bowles clarified issues regarding the step up provision and projected costs during Council discussion. Before taking the vote, the Mayor asked for any public input and one citizen, Ural Harris, 217 Stuart St., expressed his appreciation for the clarifications. A motion to adopt the resolution on second reading was made by Gene Teague, seconded by Kimble Reynolds. Danny Turner inquired about the FOIA request on subscription rates and City Attorney Eric Monday advised that the citizen would have to contact AMP directly. With the following 4-1 recorded vote: Adkins, aye; Teague, aye; Reynolds, aye; Stroud, aye; Turner, nay, Council approved the following resolution on second reading and authorized the execution of the contract with AMP:

A RESOLUTION OF THE CITY COUNCIL

TO APPROVE THE FORM AND AUTHORIZE THE EXECUTION OF A POWER SALES CONTRACT WITH AMERICAN MUNICIPAL POWER, INC. AND TAKING OTHER ACTIONS IN CONNECTION THEREWITH REGARDING PARTICIPATION IN THE AMP FREMONT ENERGY CENTER

WHEREAS, the City of Martinsville, Virginia ("hereinafter Municipality") owns and operates an electric utility system for the sale of electric power and associated energy for the benefit of its citizens and taxpayers; and

WHEREAS, in order to satisfy the electric power and energy requirements of its electric utility system, Municipality has heretofore purchased, or desires to purchase in the future, power and energy from, or arranged by, American Municipal Power, Inc. (hereinafter "AMP"), of which Municipality is a Member; and

WHEREAS, Municipality, acting individually and, along with other municipalities which own and operate electric utility systems, jointly, endeavors to arrange for reliable, reasonably priced supplies of electric power and energy for ultimate delivery to its customers; and

WHEREAS, it is efficient and economical to act jointly in such regard; and

WHEREAS, AMP is an Ohio nonprofit corporation, organized to own and operate facilities, or to provide otherwise, for the generation, transmission or distribution of electric power and energy, or any combination thereof, and to furnish technical services on a cooperative, nonprofit basis, for the mutual benefit of AMP members ("Members"), such Members, including Municipality, being, and to be, political subdivisions of their respective states that operate municipal electric utility systems in, as of the date of adoption hereof, Kentucky, Michigan, Ohio, Pennsylvania, Virginia and West Virginia; and

WHEREAS, each of the Members owns and operates its electric system for the benefit of its customers; and

WHEREAS, certain of the Members, including the Municipality, ("Participants") have determined they require additional, long-term sources of reliable intermediate electric capacity and energy at reasonable costs and has requested that AMP arrange for the same by developing or otherwise acquiring interests in certain intermediate generation facilities; and

WHEREAS, in furtherance of such purpose, AMP intends to finance, construct, operate and own up to a one hundred percent (100%), and in any case not less than an eighty percent (80%), undivided ownership interest, in the Fremont Energy Center having an expected net rated electric generating capacity of approximately six hundred seventy five (675 MW), consisting of 512 MW of base capacity and 163 MW of "duct-fired" peaking capacity, to be known collectively as the American Municipal Power Fremont Energy Center (as hereinafter defined, "AMP Fremont Energy Center"); and

WHEREAS, AMP has resolved, in accordance herewith, to develop, including, as appropriate, the financing, acquisition, construction, ownership and operation of, and arrangements for the acquisition, financing, payment and prepayment of fuel for, its ownership interest in the AMP Fremont Energy Center (the "Project") as well as other arrangements related thereto, which AMP and, in certain cases, the Participants, deem necessary to enable AMP to fulfill its obligations hereunder to sell and transmit, or otherwise make available, electric capacity and energy to the Participants pursuant to the Fremont Energy Center Power Sales Contract (hereinafter "PSC"); and

WHEREAS, in order to obtain such sources of electric capacity and energy, the Participants are willing to pay AMP for their respective rights to such electric capacity and energy and transmission service at rates that are sufficient, but only sufficient, to enable AMP to (i) recover all costs and expenses incurred with respect to, and arrangements for the acquisition, financing, payment and prepayment of fuel for, the Project as set forth herein, all other Power Sales Contract Resources obtained by AMP to supplement the Project, and related service arrangements undertaken by AMP to enable it to fulfill its obligations hereunder, and (ii) recover any other expenditures or revenues authorized hereunder.

WHEREAS, AMP has investigated both a self-build of a new natural gas combined cycle project as well as the acquisition of one of several existing natural gas combined cycle projects either operating or in various stages of construction; and

WHEREAS, because the expected in service date of the Fremont Energy Center is on or about January 1, 2012, certain Participants may need to have AMP rearrange their current power supply portfolio by selling certain already purchased power, principally for 2012 through 2015, into the market ("Buy-Out") and finance the cost of such transaction pursuant to the PSC.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MARTINSVILLE, VIRGINIA:

SECTION 1. That the PSC between Municipality and AMP, substantially in the form on file with the Clerk of City Council including Appendices thereto is approved, and the City Manager of Municipality is hereby authorized to execute and deliver such Power Sales Contract, with such changes as the City Manager may approve as neither inconsistent with this Resolution nor materially detrimental to the Municipality and report said changes to City Council, his or her execution of the PSC to be conclusive evidence of such approval.

SECTION 2. That the City Manager is hereby authorized to acquire on behalf of the Municipality, as a Participant, as defined in the PSC, Power Sales Contract Resources (hereinafter "PSCR Share"), as defined in the PSC, from AMP and to execute and deliver any and all documents necessary to become a Participant in the AMP Fremont Energy Center project pursuant to the conditions set forth herein and in the PSC and to carry out its obligations thereunder and to arrange for the Buy-Out of any excess power and energy currently under contract with AMP as the City Manager deems in the best interests of the Municipality.

SECTION 3. That it is further acknowledged and understood that because the Participants will finalize the precise PSCR Share to be acquired by each Participant electing to enter into the PSC after all such Participants execute and deliver the PSC, the City Manager in connection with the execution and delivery of the PSC, is authorized and directed to determine and acquire Municipality's PSCR Share (not taking into account the Step-Up as defined in the PSC), of up to a nominal amount of 5,200 kilowatts, after consultation with AMP and the other Participants regarding the PSCR Share available pursuant to said PSC, such PSCR Share to be set forth in Appendix A of the PSC, such determination as to such PSCR Share being conclusively evidenced by the adoption of Appendix A to the PSC, as authorized therein.

SECTION 4. That the City Manager, as a part of such officer's official duties, is hereby appointed as Municipality's representative for any meetings or determinations of the Participants or the Participants Committee pursuant to the PSC and is authorized and directed, acting for, in the name of and on behalf of this Municipality, to vote Municipality's PSCR Share with regard to any determinations regarding the AMP Fremont Energy Center project as set forth in the PSC.

SECTION 5. That the City Manager may appoint, in writing from time to time as convenient or necessary, another appropriate representative of the Municipality as his or her alternate to carry out the duties set forth in Section 4 hereof.

SECTION 6. That it is found and determined that all formal actions of City Council concerning and relating to the passage of this Resolution were taken in conformance with applicable open meetings laws and that all deliberations of this

Council and of any committees that resulted in those formal actions were in compliance with all legal requirements including any applicable open meetings requirements.

SECTION 7. If any section, subsection, paragraph, clause or provision or any part thereof of this Resolution shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Resolution shall be unaffected by such adjudication and all the remaining provisions of this Resolution shall remain in full force and effect as though such section, subsection, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not, to the extent of such invalidity, been included herein.

SECTION 8. That this Resolution shall take effect immediately.

Adopted in Martinsville, Virginia this 28th day of June, 2011.

Mayor Adkins asked Mr. Elder to put down his sign, containing a personal message, and upon his refusal, he was escorted from Council Chambers.

Donna Odell, Director of Human Resources, briefed Council on the VRS Line of Duty Act and presented a resolution for approval for the City to opt out of the Line of Duty fund with VRS. After discussion by Council, this issue is to be tabled until the next meeting so wording can be clarified as far as administrative costs. The City Attorney and Human Resources Director were directed to report back at next meeting.

Bobby Phillips presented the following information to Council on the status of the City's current ability to alert citizens of an emergency situation such as severe weather:

<p>Tornado Warnings 2008 - 2011</p> <table border="1"> <caption>NWS Blacksburg Forecast Area</caption> <thead> <tr> <th>Time Period</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>7pm-8pm</td> <td>~15%</td> </tr> <tr> <td>8pm-11pm</td> <td>~20%</td> </tr> <tr> <td>11pm-7am</td> <td>~65%</td> </tr> </tbody> </table>	Time Period	Percentage	7pm-8pm	~15%	8pm-11pm	~20%	11pm-7am	~65%	<p>Tornado Warning Challenges in Southside Virginia</p> <ul style="list-style-type: none"> • Visual Sighting based warnings <ul style="list-style-type: none"> – Time of day – Hidden in the storm – Communication delays • “Radar Indicated” based warnings <ul style="list-style-type: none"> – Short life cycle of tornado – Refresh rate of radar 	<p>Public Notification Methods</p> <ul style="list-style-type: none"> • Traditional Media – Radio / TV <ul style="list-style-type: none"> – Pros. <ul style="list-style-type: none"> • Most stations interrupt normal broadcasting to aggressively report timely and pertinent information. – Cons. <ul style="list-style-type: none"> • Over 65% of the Warnings issued occurred between 11pm and 7am when most people are not exposed to Radio / TV.
Time Period	Percentage									
7pm-8pm	~15%									
8pm-11pm	~20%									
11pm-7am	~65%									
<p>Public Notification Methods</p> <ul style="list-style-type: none"> • NOAA Weather Radio <ul style="list-style-type: none"> – Pros. <ul style="list-style-type: none"> • Fast, accurate, area specific, many have backup batteries. • Provides emergency specific information – Cons. <ul style="list-style-type: none"> • Indoor device • May require an outside antenna in commercial buildings • Proper programming and setup may be a little complicated on some. 	<p>Public Notification Methods</p> <ul style="list-style-type: none"> • Social Media <ul style="list-style-type: none"> – Pros. <ul style="list-style-type: none"> • Mobile in nature • Reaches a segment of population that other mainstream media methods fail to reach. – Cons. <ul style="list-style-type: none"> • Limited audience • Currently requires local input of information 	<p>Public Notification Methods</p> <ul style="list-style-type: none"> • Text and Smart Phone Alerts <ul style="list-style-type: none"> – Pros. <ul style="list-style-type: none"> • Portable, battery operated, can work during night time hours. – Cons. <ul style="list-style-type: none"> • Frequently during severe weather Cell Phone Towers are damaged or overwhelmed causing service disruptions. 								
<p>Public Notification Methods</p> <ul style="list-style-type: none"> • Reverse 911 <ul style="list-style-type: none"> – Pros. <ul style="list-style-type: none"> • Can focus on small area • Provides specific instructions • Verification of notification – Cons. <ul style="list-style-type: none"> • Too slow for Tornado Warnings – Local Telephone Switch only supports 500 calls /min. 	<p>Public Notification Methods</p> <ul style="list-style-type: none"> • Community Alert Sirens <ul style="list-style-type: none"> – Pros. <ul style="list-style-type: none"> • Outdoor Warning Device • Great for Communities having large outdoor populations. – Cons. <ul style="list-style-type: none"> • Should be used as an Outdoor Only Warning Device • Ongoing Maintenance Cost • Typically do not provide instruction 	<p>Tornado Deaths in 2011</p> <ul style="list-style-type: none"> • US = 518 • VA = 7 <p><i>According to information provided by the NWS, Investigation of the majority of these deaths found a lack of appropriate action was more of a factor than the lack of warning and notification.</i></p>								

<p>Existing Siren 65 W. Church St.</p> 	<p>Omni Directional Mechanical</p> <p>Tends to provide constant sound pressure at a lower pitch frequency. This provides better coverage in hilly areas having large trees.</p> 	<p>Rotating Uni-Directional Electronic</p> <p>Projects louder tone further in one direction as it rotates. A larger area is covered but the tone is not constant. Voice can be used with limited success at greater distances.</p> 
<p>Omni Directional Electronic</p> <ul style="list-style-type: none">• Provides constant sound pressure• Can provide multiple tones and voice instruction• Can be controlled in zones (good for a sports complex) 	<p>Poles & Control Cabinets</p> <p>Outdoor Warning Sirens would be mounted on Poles with a control cabinet at the base of the pole. They operate on battery power and would be activated by radio controls.</p>	<p>Poles & Control Cabinets</p> <p>Outdoor Warning Sirens would be mounted on Poles with a control cabinet at the base of the pole. They operate on battery power and would be activated by radio controls.</p>
<p>Summary</p> <ul style="list-style-type: none">• Renew emphasis on Pubic Education about Severe Weather• Refine the Capabilities of Existing Warning Systems• Seek Grant Funding to Purchase Additional Early Warning Systems	<p>After discussion, Council expressed support of a renewed effort on public education. On a motion by Mark Stroud, seconded by Gene Teague, with a 5-0 vote, Council directed Mr. Phillips and administration to explore grant opportunities for refining and enhancing our existing warning system and</p>	

bring back to Council for approval at the appropriate time.

Gary Cody, Director of Parks and Recreation, and Cari Zimmer of Activate gave a presentation regarding a proposed trail extension connecting the Dick & Willie Trail to East Church St. Activate MHC has grant funding available for the construction of a trail head and approximately 1230 feet of new trail connecting the Dick & Willie Passage west of the Pine Street access point to East Church Street, near the East Church/Church St. Extension/Oakdale intersection. The approximate ¼ mile trail extension will provide a means of access to the trail from the YMCA, Museum, Wilson Park, and other points of interest in close proximity to the intersection. Improvements will include new trail construction, paved parking, intersection crosswalk upgrades, a gazebo and landscaping at the corner of the YMCA lot, benches, signage, etc. In order to proceed with the project, acquisition of property and/or easements will be necessary.

<p>Spur Trail Extension to YMCA/VMNH/Frank Wilson Park \$95,000</p> <p>The Dick & Willie Passage extension will connect the main trail to the YMCA corner lot at the intersection of Oakdale and Church Streets. It will allow easy access to the Virginia Museum of Natural History, Frank Wilson Park, and Patrick Henry Elementary School. Sidewalks provide a route to Piedmont Arts Association. The total length of the trail extension is 1230 feet. It passes through the heart of Uptown Martinsville in a lovely wood area – the feeling is rural. Several points of interest have already been identified along the proposed trail route. They include:</p> <ul style="list-style-type: none"> - a rare tree called a Carolina Silverbell, - an unusually large Beech Tree that had a heart carved into the bark years ago, - a small stream to cross, - natural decay of wood with associated mosses and lichen, - many natural woodland ferns and wild flowers. 	<p>The cost estimate for this trail includes:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">10 foot wide paved trail to match the Dick & Willie Passage including surveying and trail preparation: Trail Length is 1230 feet, cost per foot to pave is \$32.</td> <td style="text-align: right; padding: 2px;">\$ 40,000</td> </tr> <tr> <td style="padding: 2px;">Paved Parking Area on Church Street</td> <td style="text-align: right; padding: 2px;">10,000</td> </tr> <tr> <td style="padding: 2px;">Cost of Obtaining Easements and Legally Seizing Stolbun Property including newspaper classified ads and legal fees. The city would be asked to donate the property and the owed back taxes to the project.</td> <td style="text-align: right; padding: 2px;">2,000</td> </tr> <tr> <td style="padding: 2px;">Crosswalk with Flashing Lights at the intersection of Church Street, Oakdale, and Patrick Henry Avenue</td> <td style="text-align: right; padding: 2px;">11,000</td> </tr> <tr> <td style="padding: 2px;">Gazebo and Landscaping at Crosswalk Corner on YMCA lot to include a informational kiosk and large iron flowers intermingled with living plants to create interest.</td> <td style="text-align: right; padding: 2px;">8,000</td> </tr> <tr> <td style="padding: 2px;">Iron Leaves, two large to mark the trail and three to five small to mark items of interest that will be identified with an interpretive sign. They are to be created by Ed Dolinger, the artist that created the other iron leaves for the spur trail.</td> <td style="text-align: right; padding: 2px;">10,000</td> </tr> <tr> <td style="padding: 2px;">8 to 10 Small Bronze Sculptures (bird, frog, grasshopper, butterfly, snake, etc.) for children to locate and identify along the trail, installed with iron rods and concrete to deter theft. A former Martinsville resident has been identified as a possible artisan for this project.</td> <td style="text-align: right; padding: 2px;">6,000</td> </tr> <tr> <td style="padding: 2px;">Natural Stacked Rock Bridge over the stream that passes along the trail.</td> <td style="text-align: right; padding: 2px;">2,500</td> </tr> <tr> <td style="padding: 2px;">3 Benches to match others along the passage.</td> <td style="text-align: right; padding: 2px;">1,500</td> </tr> <tr> <td style="padding: 2px;">Interpretive signs to match others along the passage.</td> <td style="text-align: right; padding: 2px;">2,000</td> </tr> <tr> <td style="padding: 2px;">Grass and Landscaping to include the addition of native trees and perennial flowers along the trail, for example; Virginia Bluebells, Woodland Daffodils, Astilbe, Maidenhair Ferns, Bleeding Heart, Japanese Anemone, Foxglove, Epididium, Dogwood and Redbud trees, etc.</td> <td style="text-align: right; padding: 2px;">2,000</td> </tr> <tr> <td style="padding: 2px;">Total Project Cost Estimate:</td> <td style="text-align: right; padding: 2px;">\$ 95,000</td> </tr> </table>	10 foot wide paved trail to match the Dick & Willie Passage including surveying and trail preparation: Trail Length is 1230 feet, cost per foot to pave is \$32.	\$ 40,000	Paved Parking Area on Church Street	10,000	Cost of Obtaining Easements and Legally Seizing Stolbun Property including newspaper classified ads and legal fees. The city would be asked to donate the property and the owed back taxes to the project.	2,000	Crosswalk with Flashing Lights at the intersection of Church Street, Oakdale, and Patrick Henry Avenue	11,000	Gazebo and Landscaping at Crosswalk Corner on YMCA lot to include a informational kiosk and large iron flowers intermingled with living plants to create interest.	8,000	Iron Leaves, two large to mark the trail and three to five small to mark items of interest that will be identified with an interpretive sign. They are to be created by Ed Dolinger, the artist that created the other iron leaves for the spur trail.	10,000	8 to 10 Small Bronze Sculptures (bird, frog, grasshopper, butterfly, snake, etc.) for children to locate and identify along the trail, installed with iron rods and concrete to deter theft. 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After discussion, a motion was made by Kimble Reynolds, seconded by, Mark Stroud, with a 5-0 vote, to authorize the City Attorney to proceed with steps necessary to acquire property and/or obtain necessary easements. It was noted that the grant has to be spent by 12/31/11 unless an extension is granted by the Harvest Foundation.

On a motion by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council approved the following consent agenda:

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
BUDGET ADDITIONS FOR 6/28/11				
<u>FY11</u>				
<u>GENERAL FUND</u>				
01100908	440402	Miscellaneous - Donations/Hooker Field		403
01725422	505508	Mustangs - Meals for Team donations to Mustangs	403	
01100909	490801	Recovered Costs - Senior Citizens		972
01714212	506016	Senior Citizens - Program Supplies receipts from trips & Bingo	972	
01100909	490801	Recovered Costs - Senior Citizens		756
01714212	501300	Senior Citizens - P/T Labor	395	
01714212	502100	Senior Citizens - Social Security	24	
01714212	502110	Senior Citizens - Medicare	6	
01714212	506008	Senior Citizens - Vehicle Maintenance Transportation Grant - April & May	332	
01100909	490134	Recovered Costs - Parks & Recreation		750
01713211	506010	Park Maintenance - Maint & Materials donations to park maint	750	
01100909	490104	Advance/Recovered Costs		3,000
01412141	501300	Engineering - P/T Labor Harvest Foundation - Summer Intern Program	3,000	
01101917	442810	Categorical Other State - Highway Projects		16,878
01413151	503140	Thorofare Construction - Prof. Service Engineering state reimbursements-Liberty St.	16,878	
01102926	443157	Categorical Federal - Safe Routes to School		15,918
01413146	503140	Street Marking - Prof. Service - Eng & Arch federal reimbursements-Safe Routes to School Grant	15,918	
Total General Fund:			38,677	38,677

Business from the floor: Pam Allen, 1005 Corn Tassel Trail, spoke about the upcoming fundraiser at the Armory for the local travel baseball team; Ural Harris, 217 Stuart St., spoke about budget issues and economic development; Sheriff Steve Draper spoke on behalf of other constitutional officers present (Pritchett, Cowan, Ziglar, Dickerson, Easley) asking that Council allow each of them to use funds leftover in their line item budgets to catch up on the back service award payments to their employees in the amount of \$14, 843. A motion was made by

June 28, 2011

Kimble Reynolds and seconded by Gene Teague, to allow the constitutional offices to use existing funding to catch up the service awards as requested in the amount of \$14, 843. He then withdrew the motion and Teague withdrew his second. Mr. Reynolds made a new motion to allow the constitutional offices as well as the Registrar, Victim Witness, and Circuit Court Judge's secretary to use funds leftover in their line item budgets to catch up on the back service award payments to their employees in the amount of \$14, 843. The motion passed on a 3-1-1 vote, with Turner voting nay and Stroud abstaining.

Comments from City Council: Turner-reminded citizens of Mustangs fireworks and Celebration at Martinsville Speedway. Reynolds-reported the first meeting of the Human Relations Advisory Committee will be held July 12. Adkins-asked the City Attorney to give a brief update on significant laws taking effect July 1 and it was noted the new laws are posted on the city's 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 Kimble Reynolds, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Reynolds, 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) A personnel matter as authorized by Subsection 1, (C) 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.

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 Kimble Reynolds, seconded by Mark Stroud, with the following recorded 5-0 vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye, Council returned to Open Session.

On a motion by Kimble Reynolds, seconded by Mark Stroud, Wayne Knox, P. O. Box 1112, Martinsville, was appointed as alternate on the West Piedmont Planning Technical Advisory Committee for an unexpired term ending 12/31/14. No other action was taken.

There being no further business, Mayor Adkins adjourned the meeting at 10:50 pm.

Clarence C. Monday, Clerk of Council

Kim E. Adkins, Mayor

July 5, 2011

A special called meeting of the Council of the City of Martinsville, Virginia, was held on July 5, 2011, in Council Chambers, Municipal Building, at 9:00 AM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud, Sr., and Danny Turner. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Steve Draper and Wayne Knox.

Mayor Adkins called the meeting to order for closed session and read the following statement: 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 Kimble Reynolds, with the following 5-0 recorded vote: Adkins, aye; Teague, aye; Reynolds, aye; Stroud, aye; and Turner, aye, Council convened in Closed Session, for the purpose of discussing the following matters: (A) A personnel matter as authorized by Subsection 1 (2) 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.

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 Gene Teague, seconded by Kimble Reynolds, with the following recorded 5-0 vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye, Council returned to Open Session.

No action taken on either item.

There being no further business, Mayor Adkins adjourned the meeting at 10:07 AM.

Clarence C. Monday, Clerk of Council

Kim E. Adkins, Mayor

July 12, 2011

The regular meeting of the Council of the City of Martinsville, Virginia, was held on July 12, 2011, in Council Chambers, Municipal Building, at 7:30 PM, with Mayor Kim Adkins presiding. Council Members present included: Mayor Kim Adkins, Vice Mayor Kimble Reynolds, Gene Teague, Mark Stroud, Sr., and Danny Turner. Staff present included: Clarence Monday, City Manager, Brenda Prillaman, Eric Monday, and Linda Conover.

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

On a motion by Gene Teague, seconded by Kimble Reynolds, with a 5-0 vote, Council approved the minutes of the June 14, 2011 Council meeting.

A proclamation honoring Jean Wilson for her years of service on the Planning Commission was presented.

Interns from the Commonwealth Attorney's office gave a presentation on Cyber Bullying to raise awareness to the rising threat against children concerning bullying via social networking, electronic communication and/or text messaging and asked for Council to be supportive of the efforts of the Martinsville Police Department and Commonwealth Attorney's office to educate the public about cyber bullying and enforcement of cyber bullying laws. Council extended appreciation for the information and directed staff to post the presentation on the city website.

Council discussed the schedule for the four FY12 City Council Neighborhood meetings and tours. Staff was directed to seek different locations for the meetings in order to reach all neighborhoods in each area. Suggestions were made and staff will coordinate the meetings and locations for September (Druid Hills/Uptown), November (Southside), February (Northside/Chatham Rd.), and April (Westside).

On a motion by Gene Teague, seconded by Danny Turner, with a 5-0 vote, Council approved the following consent agenda:

BUDGET ADDITIONS FOR 7/12/11				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY11				
GENERAL FUND				
01100909	490134	Recovered Costs - Parks & Recreation		100
01711210	506091	Parks & Recreation - Special Events/Cruise In Costs recovered from various sponsors	100	
01100908	440402	Donation/Hooker Field		186
01725422	505508	Mustangs - Meals for Team donations to Mustangs	186	
Total General Fund:			286	286
CAPITAL FUND:				
16102927	436315	Federal Grants - USDA RD Grant		30,450
16575365	508075	Motor Vehicles - Police USDA Grant - Patrol Car purchase	30,450	
Total Capital Fund:			30,450	30,450

Business from the floor: Ural Harris, 217 Stuart, commented regarding electric charges.

July 12, 2011

Comments from City Council: Stroud-appreciation to interns for presentation and thanked Mr. Harris for his comments; Reynolds-thanked Jean Wilson for service and her encouragement to others to participate on government committees, reported that Human Relations Committee held their first meeting; Turner-encouraged attendance at Mustang games.

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 5-0 recorded vote: Adkins, aye; Teague, aye; Reynolds, 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 Kimble Reynolds, seconded by Gene Teague, with the following recorded 5-0 vote: Adkins, aye; Reynolds, aye; Teague, aye; Stroud, aye; and Turner, aye, Council returned to Open Session. No action taken.

There being no further business, Mayor Adkins adjourned the meeting at 8:30 pm.

Clarence C. Monday, Clerk of Council

Kim E. Adkins, Mayor



City Council Agenda Summary

Meeting Date: July 26, 2011

Item No: 2.

Department: City Council

Issue: Presentation of proclamation regarding National Night Out.

Summary: Officer Coretha Gravely and captains of several city Neighborhood Watch Groups will be present to accept the proclamation.

Attachments: [Proclamation](#)

Recommendations: No action required



PROCLAMATION

NATIONAL NIGHT OUT August 2, 2011

WHEREAS, the National Association of Town Watch (NATW) is sponsoring a unique, nationwide crime, drug and violence prevention program on August 2, 2011 entitled “National Night Out”; and

WHEREAS, the Annual National Night Out provides a unique opportunity for the City of Martinsville to join forces with thousands of other communities across the country in promoting cooperative, police-community crime prevention efforts; and

WHEREAS, Martinsville City Council plays a vital role in assisting the Martinsville Police Department and Sheriff’s Office through joint crime, drug and violence prevention efforts in the City of Martinsville and is supporting “National Night Out 2011” locally; and

WHEREAS, it is essential that all citizens of Martinsville be aware of the importance of crime prevention programs and impact that their participation in Neighborhood Watch groups and their community can have on reducing crime, drugs and violence in Martinsville; and

WHEREAS, police-community partnerships, neighborhood safety, awareness and cooperation are important themes of the “National Night Out” and Neighborhood Watch programs; now, therefore

I, Kim E. Adkins, Mayor of the City of Martinsville, Virginia, do hereby call upon all citizens of Martinsville to join City Council and the National Association of Town Watch in supporting the “Annual National Night Out” and do hereby proclaim **Tuesday, August 2, 2011 as NATIONAL NIGHT OUT AGAINST CRIME** in the City of Martinsville.

Kim E. Adkins
Mayor



City Council Agenda Summary

Meeting Date: July 26, 2011
Item No: 3.
Department: Parks & Recreation

Issue: Hear a preliminary report on Martinsville Mustangs.

Summary: Staff will be present to give a preliminary update on the 2011 Martinsville Mustangs Baseball team. The season does not end until August 1. Additional information will be given to Council at the first meeting in August. Council will consider the Letter of Intent for the 2012 season at the August 23 meeting.

Attachments:

Recommendations:

Meeting Date: July 26, 2011
Item No: 4.
Department: Community Development

Issue: Consider setting a public hearing for August 9, 2011 on amendments to the Zoning Ordinance related to pawnshops

Summary: At present, the City of Martinsville allows pawnshops as a use permitted by right in the C-1A, C-2, C-3, M-1 and M-2 Districts. Due to concerns reported by other communities regarding the negative effects of these businesses, the Planning Commission felt that removing this use would serve to protect the public, health, safety and welfare, and to promote orderly growth of the community.

Planning Commission held a duly advertised public hearing on July 14, 2011. There was one person in attendance at the public hearing and that person did not voice opinion in favor or against the proposed amendment to the Zoning Ordinance. Planning Commission voted (3-2, with one abstention) to send this amendment to City Council for their consideration.

City staff recommends amending the Zoning Ordinance to remove pawnshops as a permitted use in all districts in which it is currently a permitted use.

Attachments: [Planning Commission Letter](#)
[Proposed Amendment to the Zoning Ordinance](#)

Recommendations: Set a public hearing for August 9, 2011 on the proposed amendment to the Zoning Ordinance.



July 15, 2011

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

RE: Amendment to the Zoning Ordinance (Pawnshops)

Dear Mayor and City Council Members:

The Planning Commission, at its meeting on July 14, 2011, 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 pawnshops.

At the public hearing it was noted that this request would remove pawnshops as a use permitted by right in the C-1A, C-2, C-3, M-1, and M-2 Districts. There was only one citizen present at the public hearing. That person voiced no opinion on the matter.

Following evidence heard at the public hearing, the Planning Commission voted (3-2, with one member abstaining) 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

E. C-1A Intermediate Commercial District.

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

61. ~~Pawnshops~~ or second hand stores

I. C-2 Central Business District.

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

61. ~~Pawnshops~~ or second hand stores

M. C-3 General Commercial District.

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

58. ~~Pawnshops~~ or second hand stores

SECTION XIII: BUSINESS AND MANUFACTURING DISTRICTS

E. M-1 Light Manufacturing District.

F. Uses permitted by right in the M-1 Light Manufacturing District.

57. ~~Pawnshops~~ or second hand stores.

I. M-2 Heavy Manufacturing District.

J. Uses permitted by right in the M-2 Heavy Manufacturing District.

All uses are allowed in the M-2 District with exception of the following:

- 25. Pawnshops.***

Meeting Date: July 26, 2011
Item No: 5.
Department: Community Development

Issue: Consider approval to allow the benefits offered to Enterprise Zone recipients be applicable to Arts & Cultural-related businesses that locate or expand in the Arts & Cultural District that is not already covered in the Enterprise Zone.

Summary: During its June 16, 2011 regular meeting, the Arts & Cultural Committee discussed potential incentives to entice new Art/Cultural-related businesses into the district. The existing local benefits for the Enterprise Zone are competitive benefits that have been in place since 2008. Entrepreneurs and property owners have indicated that they are a great help when starting operations in the Zone. The overlay for the Arts & Cultural District is almost completely within the Enterprise Zone, except for a few parcels on Market Street and Fayette Street. The members of the Arts and Cultural Committee recommend that those businesses not already covered by Enterprise Zone benefits be allowed to apply for Arts/Cultural Related benefits. Businesses would not be allowed to apply for both Enterprise Zone benefits and Arts/Cultural benefits at the same time. On July 14, 2011, Planning Commission voted 3-2 to back the recommendation and recommended it be submitted to City Council.

Attachments: [Arts & Cultural Committee Letter](#)
[Current Enterprise Zone Benefits](#)

Recommendations: Staff recommends that City Council approve allowing the benefits offered to Enterprise Zone recipients be applicable to Arts & Cultural-related businesses that locate or expand in the Arts & Cultural District that is not already covered in the Enterprise Zone. These would be called Arts & Cultural District Incentives. A public hearing would not be necessary since these local benefits are already in place in the City and are have already gone through the Public Hearing process.



July 15, 2011

Mayor Kim Adkins
City of Martinsville – City Council
City of Martinsville
PO Box 1112
Martinsville, Virginia 24114

Dear Mayor Adkins and Members of Council:

The Arts & Cultural Committee, at its regular meeting on June 16, 2011, voted unanimously (8-0), to request that Planning Commission approve and send a recommendation to City Council that the local benefits in the Enterprise Zone be extended to those wishing to open or expand Arts and Culture-related businesses in the Arts and Culture District. On July 14, 2011, Planning Commission voted 3-2 in favor of requesting that City Council offer these benefits to Arts and Cultural-related businesses as well.

The Arts & Cultural Committee discussed potential incentives to entice new Art- and Cultural-related businesses into the district. The existing local benefits for the Enterprise Zone are competitive benefits that have been in place since 2008. Entrepreneurs and property owners have indicated that these benefits are a great help when starting operations in the Zone. The overlay for the Arts & Cultural District is almost completely within the Enterprise Zone, except for a few parcels on Market Street and Fayette Street.

To galvanize and streamline the existing process, and to begin to build the incentive package for the Arts and Cultural District, the members of the Arts and Cultural Committee recommend that those businesses not already covered by Enterprise Zone benefits be allowed to apply for Arts/Cultural related businesses. Businesses would not be allowed to apply for both Enterprise Zone benefits and Arts/Cultural benefits at the same time. This is not an extension of the Enterprise Zone; these would be called Arts & Cultural District Incentives for those not in the Enterprise Zone.

The Arts and Cultural Committee respectfully submits the above recommendation for City Council's further consideration.

Yours Truly,

Dr. Mark Crabtree, Chair

Susan McCulloch
Community Planner

Attachments: Local Enterprise Zone Benefits

City of Martinsville Enterprise Zone Incentive Program

Incentive	Real Estate IDA Tax Grant	Machinery/Tools/ Business Equipment IDA Tax Grant	Building Permit Fee Waiver (Does NOT include Sign Permits!)	Water Connection Fee Waiver (Amended March 28, 2008 can not be retroactive)	Business Professional Occupation License (BPOL) Fee Rebate (Amended March 28, 2008 cannot be retroactive)
Description	Tax grant based on real property improvements assessed value	Based on machinery & tools/business equipment assessed value	Building permits fees waived for new and expanding operations	Connection charges waived for domestic and process water service	BPOL fee rebate based on gross receipts
Qualifications	Requires new investment for plant modernization, building expansion, or new operation for the purpose of creating/retaining jobs. No minimum investment required.	Requires new investment for equipment modernization, building expansion or new operations for the purpose of creating/retaining jobs. No minimum investment required.	New or expanding operation within the zone.	New or expanding operations within the zone.	New operations within the zone. Does not include a transfer of ownership of an existing business operation.
Benefits Period	Five years	Five years	Each qualified filing	Each qualified filing	Five years
Amount of Benefit	100% of increase for year 1, 50% for years 2, 3, 4 and 5.	100% of increase for year 1, 50% for years 2, 3, 4 and 5.	100% of Fees	Varies	50% of Fees
Maximum Amount	None	None	None	None	None
Required Records and Forms	Submission of Real Property Tax Grant application and paid tax receipts	Submission of Machinery/Tools/Business Equipment application and paid tax receipts	Submission of Building Permit Fee Waiver Form	Submission of Water Connection Fee Waiver	Submission of BPOL Fee Rebate Form and paid license receipts
Submission Dates	July 1	January 1	Prior to securing permit	Prior to connection	September 1
Carry Over/Refund	None	None	None	None	None

For More Information regarding the incentives shown above call the following:

Martinsville Enterprise Zone Coordinator --- (276) 403-5156

Martinsville-Henry County Economic Development Corporation --- (276) 403-5940

Meeting Date: July 26, 2011

Item No: 6.

Department: City Manager

Issue: Consider approval of a Resolution requesting the restoration of across-the-board State reduction in aid-to-localities.

Summary: To balance the State budget, the Virginia Appropriation Act contains \$60 million in across-the-board cuts to cities and counties for both FY11 and FY12, under which localities are required to either elect to take reductions in particular State aid programs or to send the State a check for the amounts determined by the Department of Planning and Budget.

Last FY, the City of Martinsville reimbursed the State \$209,050 and will submit another check to the State for \$205,954 this fiscal year.

Despite State General Fund revenue collections exceeding the forecast by \$311M in FY11, following a \$228M surplus in FY10, local governments are required to send money back to the State. While the State requires these across-the-board funding reductions, mandates remain in place for localities to provide the same level of State required services for local residents.

The Staff requests that the Council adopt the Resolution, requesting the Governor to eliminate these reductions and requests the General Assembly to support such budget amendments.

Attachments: [Resolution](#).
[Press Release](#) by Governor McDonnell announcing another year of State Revenue Surplus.

Recommendations: Motion to adopt the Resolution.



RESOLUTION

IN SUPPORT OF RESTORATION OF STATE FUNDING FOR AID TO LOCALITIES

Whereas, state financial assistance for mandated and high priority programs, including public education, health and human services, public safety and constitutional officers, is \$800 million less in FY12 than in FY09; and

Whereas, cities and counties must balance their budgets during a time in which future state assistance is unreliable, federal stimulus dollars are dwindling, and real estate assessments are declining; and

Whereas, the Virginia Appropriation Act contains \$60 million in across-the-board cuts to cities and counties for both FY11 and FY12, under which localities are required to either elect to take reductions in particular state aid programs, or to send the State a check for the amounts determined by the Department of Planning and Budget; and

Whereas, the reductions are applied to essential services, including law enforcement, jail administration, foster care and child protection services, election administration and social services; and

Whereas, the City of Martinsville does not have the authority to unilaterally decide to discontinue providing services such as election administration or to refuse to house and care for State prisoners in local jails; and

Whereas, the state budget cuts are not accompanied by any reductions in state-imposed mandates, standards and service requirements, nor do they provide any administrative flexibility for local agencies; and

Whereas, the City of Martinsville remitted \$209,050 in FY11 and will be required to remit another \$205,954 in FY12; and

Whereas, cities and counties will have provided the State with \$220 million by the close of FY12 for this “Local Aid to the State” program; and

Whereas, these reductions shift State costs to local taxpayers and artificially increases the amount of state surplus revenue; and

Whereas, State revenues have begun to recover and the State is expecting to have a revenue surplus for the second year in a row; and

Whereas, revenue collections for the City of Martinsville continue to reflect struggling national and local economies; and

Whereas, the State should not shift its share of the costs for mandates and responsibilities to local governments; now, therefore,

BE IT RESOLVED by the City Council of the City of Martinsville, Virginia, in regular session assembled July 26, 2011 that it asks Governor Bob McDonnell to submit a budget amendment to the 2012 session of the General Assembly to reverse the \$60 million-a-year reduction for the current year, FY12, and to eliminate the aid to localities reduction in the budget submitted for FY13 and FY14; and

BE IT FURTHER RESOLVED by the City Council of the City of Martinsville, Virginia that it asks the members of the General Assembly to support a budget amendment to the 2012 session of the General Assembly to reverse the \$60 million-a-year reduction for the current year, FY12, and to eliminate the aid to localities reduction in the budget submitted for FY13 and FY14.

* * * * *

Attest:

Clarence C. Monday, Clerk of Council

Date Adopted

Governor McDonnell Announces Commonwealth Posts \$311 Million Revenue Surplus for Fiscal Year 2011 *– Follows FY 2010 Revenue Surplus of \$228 Million –*

\$146.6 million to go to Rainy Day Fund; \$4.3 Million for Tornado Relief; \$32.2 Million to Water Quality Fund; After Other Obligations, Governor Will Direct Additional Funds toward Strengthening Virginia Transportation and State Retirement Systems

--Awaiting FY 2011 Spending Numbers to Calculate Total Surplus; Will be Released in August--

RICHMOND – For the second straight year, the Commonwealth of Virginia has reached the end of the fiscal calendar in the black. Governor Bob McDonnell announced today that the state concluded Fiscal Year (FY) 2011 with an approximately \$311 million surplus from general fund revenue collections and transfers. Total revenue collections rose by 5.8% in FY 2011, well ahead of the revised revenue forecast 3.5% growth. The main drivers of the revenue increase were growth in individual income tax receipts from both payroll withholding and non-withholding, key economic indicators. A comprehensive breakdown of the FY 2011 revenue surplus is attached to this press release.

The final FY 2011 surplus number will be adjusted upward in the month ahead after the addition of final tabulations of savings recognized through greater operational efficiencies and incentives to control spending throughout state government. In FY 2010 the revenue surplus for the year was \$228 million. The final FY 2010 surplus, including savings, was \$403 million. The final surplus figure for FY 2011 will be released in August. The governor made today's announcement at an afternoon press conference at the Patrick Henry Building on Capitol Square in Richmond. He was joined by Lieutenant Governor Bill Bolling and Secretary of Finance Ric Brown. It's the second fiscal year in a row that Virginia has concluded the fiscal year with a revenue surplus. This is also the first year since 2008 that there has been actual revenue growth over the previous year.

"The great challenge of our time is getting our economy back on track, putting our people back to work, and getting our fiscal houses in order at the local, state and federal levels," Governor McDonnell said. "For too long, elected officials from both parties have overpromised and overspent, and the result is the fiscal crisis we see unfolding in Washington D.C. Here in Richmond, we are committed to implementing a culture of fiscal responsibility and restraint in our state government. Working together, Republicans and Democrats have made some very tough choices. We have reduced spending, not raised taxes and focused government on its core functions. As a result, we have seen back-to-back years of revenue surpluses. The Commonwealth, like our families and businesses, is living within its means."

The governor continued, "Many factors have led to this surplus. We have budgeted conservatively and we have kept taxes low. Additionally, our targeted investments in job-creating programs in the areas of economic development, transportation and higher education, along with our strong Right to Work law, pro-business environment, and commitment to keeping litigation and regulation to a minimum, have continued to make Virginia more and more attractive to job-creating businesses. Our unemployment rate has now fallen to 6 percent, the third-lowest rate east of the Mississippi, and more Virginians are working again. As Virginians work and spend, it translates into increases in incoming revenues to the Commonwealth. State government must continue to do its part to control spending and look for new opportunities to innovate, restructure and save taxpayer dollars. We still have much work to do before we are completely out of this tough economic period, and unfortunately federal issues continue to threaten the positive advances we are making in the states. It is great to see revenue growth return to the Commonwealth after 2 years of declining general fund revenue collections. Clearly the bipartisan effort in Richmond to rein in spending and rev up the private sector is producing positive results. Despite the positive news, no one should believe Virginia's fiscal challenges are over. Virginia faces massive unfunded federal mandates of over \$10 billion in environmental, health care and mental health requirements and significant unfunded state liabilities in the unemployment insurance system and state retirement system.

Lieutenant Governor Bill Bolling added, "Needless to say, we are delighted to have closed the most current fiscal year with a \$311 million revenue surplus. This surplus, in addition to last year's budget surplus, means that we have enjoyed total budget surpluses of more than \$700 million during the first two years of our Administration. This is a very positive result, which is much better than most states in the nation. It is

a significant improvement over where we were when we took office. While we can be pleased with the success we have enjoyed in getting the Commonwealth's financial house back in order, we will continue to face significant budget pressures in the years to come, most significantly the uncertain economic environment on a national basis. Therefore, we must continue to be frugal with how we spend the taxpayer's money, and we must direct those resources we have to the state's highest priorities and to addressing some of the structural challenges we face in other areas, such as VRS. If we continue to exercise fiscal discipline and focus on creating jobs and growing our economy, I am hopeful that we will continue to experience positive economic news such as this in the future."

At today's press conference, Secretary of Finance Ric Brown detailed the sources of the surplus funds and where they will be directed. The overwhelming majority of the revenue is obligated to predetermined areas of the state budget due to the Virginia Constitution and state law which governs revenue allocation in the event of a surplus. Governor McDonnell will also direct funds to shoring up the Virginia Retirement System as part of his ongoing effort to reform and improve Virginia's pension system to ensure its long-term viability.

Disbursement of FY 2011 Revenue Surplus (All numbers are approximate and subject to revisions):

\$146.6 million: Revenue Stabilization Fund Deposit from FY2011 Surplus (Subject to Final Audit)
\$32.2 million: Water Quality Fund
\$23.0 million: Pay Transportation for its Share of the Accelerated Sales Tax
\$8.9 million: Interest on Unemployment Compensation Trust Fund Due to Federal Government
\$4.3 million: Tornado Relief
\$7.5 million: For Base Realignment and Closure (BRAC) Obligations
\$7.4 million: Supplemental Public Safety Funding for Sheriff's Offices
From Remaining Funds: Additional Contributions to the Virginia Retirement System to Help Ensure Long-Term Viability and Stability of the System and to Transportation Infrastructure

[Click here](#) to view the presentation from today's press briefing.

#



City Council Agenda Summary

Meeting Date: July 26, 2011
Item No: 7.
Department: Finance
Issue: Consider approval of Consent Agenda.

Summary:

The attachments amend the FY11 and FY12 Budgets with appropriations in the following funds:

FY11:

General Fund: \$5,919 –Recovered Costs & Grant Funding

FY12:

General Fund: \$78 - Donations

Attachments: [Spreadsheet](#)

Recommendations: Motion to approve

BUDGET ADDITIONS FOR 7/26/11

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>FY11</u>				
<u>GENERAL FUND</u>				
01100909	490801	Recovered Costs - Senior Citizens		213
01714212	506016	Senior Citizens - Program Supplies fees for trips	213	
01101917	442701	Categorical Other State-Fire Programs		4,512
01321102	506110	Fire Dept - State Fire Programs Grant appropriate full funding	4,512	
01100909	490104	Recovered Costs		1,194
01311085	505500	Police Dept - Travel DMV grant - travel reimbursement	1,194	
Total General Fund:			5,919	5,919

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>FY12</u>				
<u>GENERAL FUND</u>				
1100908	480410	Miscellaneous - Donations/Fire Department		78
01321102	505500	Fire Dept - Travel & Training designated donation through United Way	78	
Total General Fund:			78	78

Date: July 26, 2011
Item No: MRHA.1
Department: Community Development

Issue: Consider adoption of resolution regarding Section Management Assessment Program (SEMAP) certification as required by HUD.

Summary: A requirement of the Housing Choice Voucher program is an annual certification of the Section 8 Management Assessment Program. This certification includes 14 key indicators of performance from selection of applicants to family self – sufficiency programs. HUD will rate each Housing Authority on each of the 14 indicators and assign an overall performance rating of high, standard, or troubled.

Attachments: [Resolution](#)

Recommendations: Approve Resolution authorizing the Executive Director to submit the SEMAP certification as required.

MARTINSVILLE REDEVELOPMENT & HOUSING AUTHORITY

RESOLUTION

SECTION MANAGEMENT ASSESSMENT PROGRAM (SEMAP) CERTIFICATION

Whereas, 24 CFR 985.101 requires a Public Housing Agency administering a tenant – based assistance program to submit an annual SEMAP Certification within 60 days after the end of its fiscal year;

Whereas, SEMAP requires HUD to rate the performance of Public Housing agencies by assessing 14 performance indicators subject to HUD verification by an on – site confirmation review at any time;

Whereas, The Housing Authority is required to submit certification to HUD for the 14 performance indicators, and;

Whereas, The Certification must be approved by the PHA board and signed by the PHA Executive Director; now, therefore,

BE IT RESOLVED, by the Board of Commissioners of the Martinsville Redevelopment and Housing Authority,

1. That the Section 8 Management Assessment Program Certification for the Fiscal year ending June 30, 2011 shall be completed as stipulated by HUD and;

2. That the Executive Director is hereby authorized to sign and submit the certification as required.

Adopted: July 26, 2011

Kim E. Adkins, Chairperson
Martinsville Redevelopment and
Housing Authority

Date: July 26, 2011

Item No: MRHA.2

Department: Martinsville Redevelopment & Housing Authority

Issue: Consider setting a public hearing for August 9, 2011 and have a 30-day comment period for any additional public input regarding minimum rent for recipients of assistance under the Section 8 Housing Choice Voucher Program.

Summary: As a cost-saving measure in the Housing Choice Voucher Program, Title 24 of the Code of Federal Regulations allows for a Public Housing Authority (PHA) to establish a minimum rent of \$50 per month. Further, because this action is a significant amendment to our administrative plan, it is necessary that we hold a public hearing and have a required 30-day comment period for any additional public input after the Authority's approval. At present, our minimum monthly rent is \$25. The Public Hearing will need to be advertised before being held on August 9. Public comments can be made to Housing Office, 605 Fourth Street.

Attachments: [Section 10.7 \(Zero Income Status\) and 11.5, B \(Assistance and Rent Formula\) of the MRHA Administrative Plan.](#)

Recommendations: Set a public hearing for August 9 to consider approval of the requested amendment to the Administrative Plan and allow for a required 30 day comment period for additional input prior to submitting to HUD for their final approval.

ADMINISTRATIVE PLAN
SECTION 8 HOUSING CHOICE VOUCHER PROGRAM
MARTINSVILLE REDEVELOPMENT AND HOUSING AUTHORITY
2011

Sections for Council consideration July 26, 2011:

10.7 Zero Income Status

Families reporting no income will be required to execute verification forms to determine which forms of income are not received (Unemployment Compensation, TANF, SSI, Wages, etc.). The PHA may obtain a credit report if information is received that indicates the family has an unreported income source. The family shall be subject to frequent special examinations until an income source can be established.

11.5 ASSISTANCE AND RENT FORMULA

B. Minimum Rent.

The Martinsville Redevelopment and Housing Authority has set the minimum rent as \$50.00. However, if the family requests a hardship exemption, the MRHA will suspend the minimum rent for the family beginning the month following the family's hardship request. The suspension will continue until the MRHA can determine whether hardship exists and whether the hardship is of a temporary or long – term nature. During suspension, the family will not be required to pay a minimum rent and the Housing Assistance payment will be increased accordingly.

1. A hardship exists in the following circumstances:
 - a. When the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State or local assistance program;
 - b. When the family would be evicted as a result of the imposition of the minimum rent requirement;
 - c. When the income of the family has decreased because of changed circumstances, for medical costs, childcare, transportation, education, or similar items;
 - d. When the income of the family has decreased because of changed circumstances, including loss of employment;
 - e. When a death has occurred in the family.
2. No hardship. If the MRHA determines that there is no qualifying hardship, the minimum rent will be reinstated, including requiring back payment of minimum rent to the MRHA for the time of suspension.
3. Temporary hardship. If the MRHA determines that there is a qualifying hardship but that it is of a temporary nature, the minimum rent will not be imposed for a period of 90 days from the date of the family's request. At the end of the 90 – day period, the minimum rent will be imposed retroactively to the time of the suspension. The MRHA will offer a reasonable repayment agreement for any minimum rent back payment paid by the MRHA on the family's behalf during the period of suspension.
4. Long – term hardship. If the MRHA determines there is a long – term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists.
5. Appeals. The family may use the informal hearing procedure to appeal MRHA 's determination regarding the hardship. No escrow deposit will be required in order to access the informal hearing procedures.