

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA  
Council Chambers – Municipal Building  
**7:30 pm regular session**  
**Tuesday, June 30, 2015**

**7:30—Regular Session**

Invocation & Pledge to the American Flag-Vice Mayor Jennifer Bowles

1. Consider recognition of Brenda Prillaman, retiring Clerk of Council and Executive Assistant to the City Manager. (5 mins)
2. Hear comments from outgoing School Board Chairman Robert Williams (15 mins)
3. Hear update from Lisa Fultz of Workforce Investment Board. (10 mins)
4. Consider approval of a Memorandum of Understanding with the Martinsville-Henry County Chamber of Commerce's Partnership for Economic Growth (C-PEG) for certain services related to expansion of efforts involving small business development in the City of Martinsville. (10 mins)
5. Consider setting a public hearing for Council's July 14, 2015 meeting regarding establishing a boundary for a new joint enterprise zone. (10 mins)
6. Consider approval of consent agenda. (2 mins)
7. 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 what action they would like for Council to take;**
  - (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 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.**
8. Comments by members of City Council. (5 minutes)
9. Comments by City Manager. (5 minutes)

**Meeting Date:** June 30, 2015

**Item No:** 1.

**Department:** City Manager

**Issue:** Consider recognition of Brenda Prillaman, retiring Clerk of Council and Executive Assistant to the City Manager.

**Summary:** Brenda Prillaman, long-time Clerk of Council and Executive Assistant to the City Manager retired earlier this month. In recognition of her service to Council and the City, Council will recognize and honor Mrs. Prillaman with a Proclamation.

**Attachments:** Proclamation

**Recommendations:** The Mayor will read the Proclamation and present to Mrs. Prillaman



## **Proclamation**

### **HONORING BRENDA PRILLAMAN**

**WHEREAS**, Brenda Prillaman was employed by the City of Martinsville in June, 1994, initially as the City's Customer Service Representative and later as the Executive Assistant to the City Manager and Clerk of Council; and

**WHEREAS**, during her service to the City, Brenda Prillaman has exemplified professionalism, courtesy to others, and attention to the intricate details related to handling issues pertaining to the public, to the development of City Council agendas and meeting materials, as well as a vast array of administrative tasks and responsibilities; and

**WHEREAS**, Brenda Prillaman has chosen to retire in June, 2015 after 21 years of service to City;

**NOW, THEREFORE, BE IT RESOLVED**, on this 30<sup>th</sup> day of June, 2015, that the Martinsville City Council recognizes and commends Brenda Prillaman for her outstanding contributions to the City and to Council, and extends to her and her family our best wishes for a long and happy retirement.

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Danny Turner, Mayor

**Meeting Date:** June 30, 2015

**Item No:** 2.

**Department:** City Manager

**Issue:** Hear comments from outgoing School Board Chairman Robert Williams.

**Summary:** Outgoing School Board Chairman Robert Williams has requested an opportunity to address Council regarding Martinsville City School/School Board issues.

**Attachments:** None

**Recommendations:** None. Presentation is for information purposes and discussion.

**Meeting Date:** June 30, 2015

**Item No:** 3.

**Department:** City Council

**Issue:** Hear an update from West Piedmont Workforce Investment Board.

**Summary:** Lisa Fultz of the West Piedmont Workforce Investment Board will give this update and answer any questions.

**Attachments:** None

**Recommendations:** No action required

**Meeting Date:** June 30, 2015

**Item No:** 4.

**Department:** City Manager

**Issue:** Consider approval of a Memorandum of Understanding with the Martinsville-Henry County Chamber of Commerce's Partnership for Economic Growth (C-PEG) for certain services related to expansion of efforts involving small business development in the City of Martinsville.

**Summary:** During budget deliberations for the upcoming FY16 fiscal year, City Council expressed a desire to see additional effort put toward small business development in the City. After much discussion, Council reduced proposed FY16 EDC funding from \$279,500 to \$219,500, with the \$60,000 savings to be allocated specifically for that purpose of small business development.

City and Chamber/C-PEG staff collaborated on a draft Memorandum of Understanding presented for discussion at the June 16<sup>th</sup> Council meeting. Three suggestions were made by Council members and those comments have now been incorporated into the document and the revised MOU was approved by the CPEG Board at their June 24<sup>th</sup> meeting.

**Attachments:** City/CPEG Small Business Development Memorandum of Understanding

**Recommendations:** Staff recommends approval of the MOU as presented.

## **MEMORANDUM OF UNDERSTANDING**

**THIS MEMORANDUM OF UNDERSTANDING**, (the “MOU”) made and entered into this the 30th day of June, 2015 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 of Martinsville desires to allocate additional resources toward small business development to include (but not limited to) recruitment, marketing, expanded technical support and services, incentive programs, etc., for the purpose of expanding the City’s tax base, job creation, and increased business growth and activity in the Uptown and other commercial areas; and,

**WHEREAS**, C-PEG has agreed to contract with the City to provide those and related services for the FY16 fiscal year;

**NOW, THEREFORE**, 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– The term of this MOU shall cover a one (1) year period from July 1, 2015 through June 30, 2016. During and as part of the FY17 City budget deliberations, City Council and C-PEG will evaluate the results/success of the program and mutually agree regarding extension of the program for additional periods of time and/or any changes or modifications as may be needed in regard to the scope of work.
2. Payment – The City will compensate C-PEG for the services described in this MOU in the amount of \$60,000 for the FY16 fiscal year, payable in two installments of \$30,000 each in July, 2015 and January, 2016.
3. Council Updates - C-PEG will provide updates to City Council no less than on a quarterly basis, and more frequently if necessary to keep Council apprised of activities and efforts in regard to the execution of this MOU.
4. Scope of Work – The scope of work included under this MOU shall include at a minimum, the following:
  - a) CPEG will research the possibility of expanding the current small business incubator into different areas of the City. CPEG will also research tech, retail, and skilled trades/vocational incubators which are achieving levels of success in other communities to determine if they would be a good fit for the City of Martinsville. CPEG officials will visit top incubators to learn best practices and decide what scale they will be applicable on in Martinsville. Once the research is done, a report and recommendation will be presented to CPEG, Council, etc.

- b) CPEG will develop a comprehensive list of incentives currently available through the City, MURA, CPEG, EDC, and others; will evaluate how effective those incentives have been in fostering new and expanded small business development; will evaluate incentives offered in other communities; and will provide recommendations/suggestions regarding changes that might be beneficial. A plan will be developed outlining options to apply/layer multiple programs relative to the City and CPEG's ability to access funding streams. This information will be made available to businesses/prospective businesses, entrepreneurs, etc. in written and electronic format and a simplified online navigation process will be developed. Additional microloan funding will be sought as an additional benefit for businesses in Martinsville. CPEG will also craft an aggressive incentive package for up to 5 new businesses willing to locate in the City of Martinsville to include startup costs, utilities, telecom/MINET, staggered tax plan, etc. Incentives beyond those currently in existence will be presented for approval by the Martinsville City Council. Efforts will be directed toward targeting selected "anchor" stores or businesses to complement what currently exists.
- c) CPEG will create new activities other than those that currently exist for the Uptown area to help draw visitors/shoppers. CPEG will also discuss longer or altered hours for uptown merchants during such events. C-PEG will facilitate an uptown planning process to determine appropriate ways to target incentives to assist with the development of unused/underutilized properties. C-PEG will seek and identify new or underutilized partners through DHCD and others to assist with startup costs, develop business plan competitions, implement an entrepreneurial boot camp-type curriculum with training providers to assist businesses in taking their business from an idea to a reality. CPEG will visit Virginia Main Street communities that are realizing success to gain insight into best practices to replicate in the City of Martinsville. CPEG will also review prior retail strategy studies and make changes/additions/corrections to those studies to meet changing market conditions as well as to meet City needs and initiatives.
- d) CPEG will work diligently to reach out to small businesses within the city limits to make them aware of any opportunities to assist with business development. This includes bulk mail, phone calls, one on one meetings, email blasts as well as utilizing MGTV as a conduit to deliver these messages. CPEG will also provide data regarding city businesses, the opportunities available for them, how the information is communicated to small businesses, and how many have taken advantage of any such opportunities.
- e) CPEG and the Chamber will continue providing mentoring assistance for small businesses in both the City and the County and will develop a process to assign or match a staff contact with individual cases to assist in navigating through small business development issues. This process will move to a more intensive level with efforts geared toward development of a one-stop-shop concept for communicating from start to finish what it takes to have a successful business in our community. This includes business plan assistance, financial planning, permitting issues, legal, business licensing, zoning, efforts to identify a suitable space for start-up, parking/loading/unloading, etc. C-PEG will also continue to follow up with businesses on a regular basis.

5. Changes/Additions – During the execution of tasks related to this MOU, through frequent interaction between C-PEG, City Staff, and Council, there may be opportunities or need to refocus or redirect efforts. The City will provide assistance as needed in regard to information available through City records.
6. The City will maintain one seat on C-PEG’s Board. Additionally, two members of the former Martinsville Uptown Revitalization Association (MURA) will occupy seats on C-PEG’s Board.

**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**

**C-PEG**

BY: \_\_\_\_\_

BY: \_\_\_\_\_

City Manager

Board President

**Meeting Date:** June 30, 2015  
**Item No:** 5.  
**Department:** Community Development

**Issue:** Consider setting a public hearing for Council's July 14, 2015 meeting regarding establishing a boundary for a new joint enterprise zone.

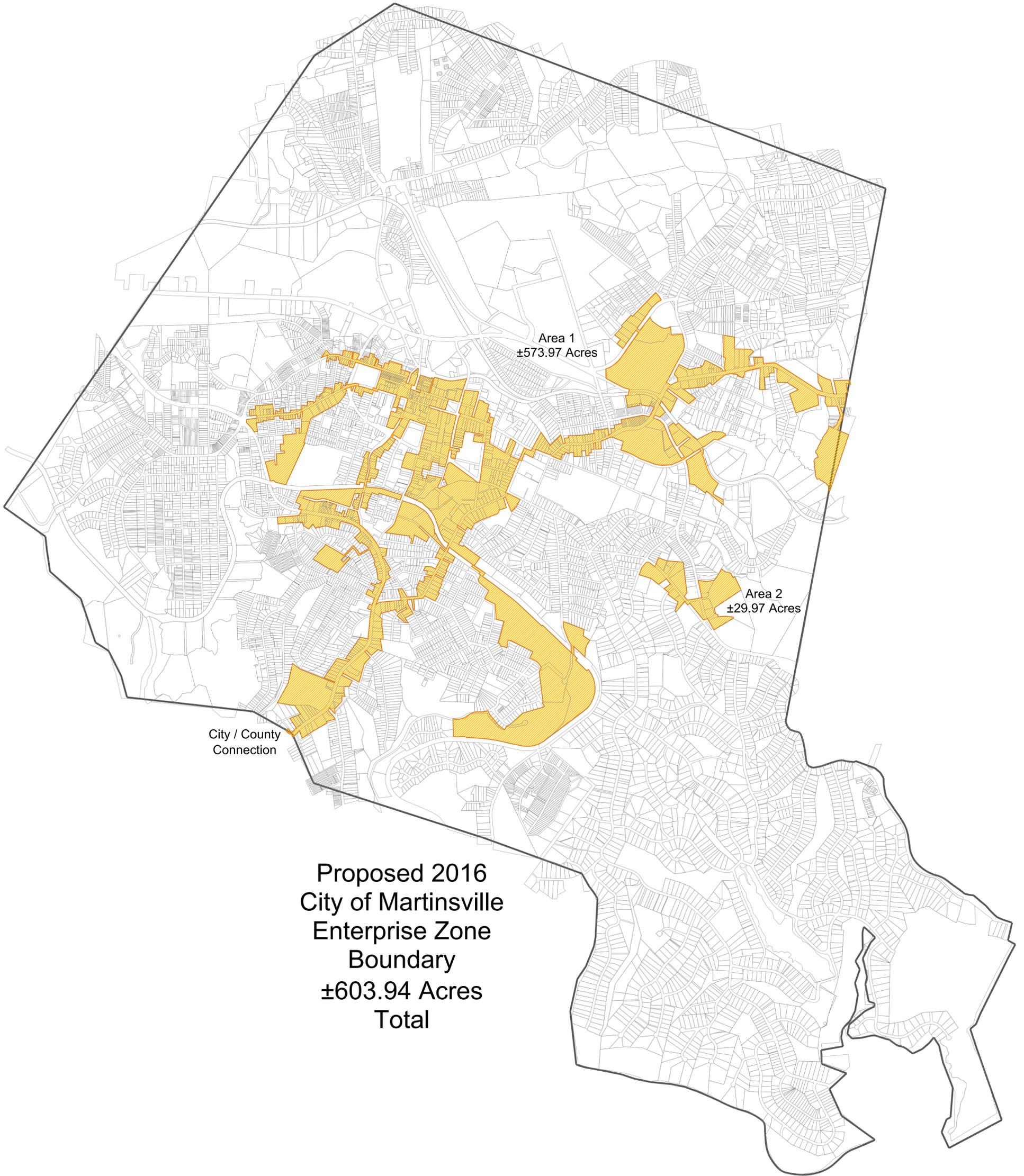
**Summary:** The City of Martinsville/Henry County Enterprise Zone 36 (Zone 1) is expiring December 31, 2015. All cities/counties with expiring enterprise zones must apply for designation in order to receive a new zone if they would like one. This is a highly competitive process and applications are due August 1, 2015.

The City staff worked with property owners and stakeholders to determine which properties to include in the Enterprise Zone Designation application. Residential properties were not included in the proposed boundary. Also, due to interest for business development in the Spruce Street area, the former Food Lion building, the former VEC building, the Druid Hills Shopping Center, the Druid Lanes building, and Brookdale Crossing and the shopping center on Brookdale Street, the parcels have been included in the new boundary as a Sub-Zone. The remainder of the proposed zone's boundary minus residential parcels is the same as what will be the former Zone 36. Incentives would remain the same for the proposed Enterprise Zone.

Due to time constraints with the application deadline and public hearing processes, this issue is being presented to Council now. Planning Commission will hold a duly advertised public hearing on July 7, 2015. Information from this hearing will be shared with Council at Council's July 14, 2015, Public Hearing.

**Attachments:**  
Maps – Proposed City and County Enterprise Zone  
Current City Enterprise Zone  
Enterprise Zone Incentives Chart

**Recommendations:** Staff recommends that a public hearing be set for July 14, 2015 regarding the proposed Enterprise Zone boundary change. A Council resolution will also be presented for adoption at the July 14 meeting required for the application.



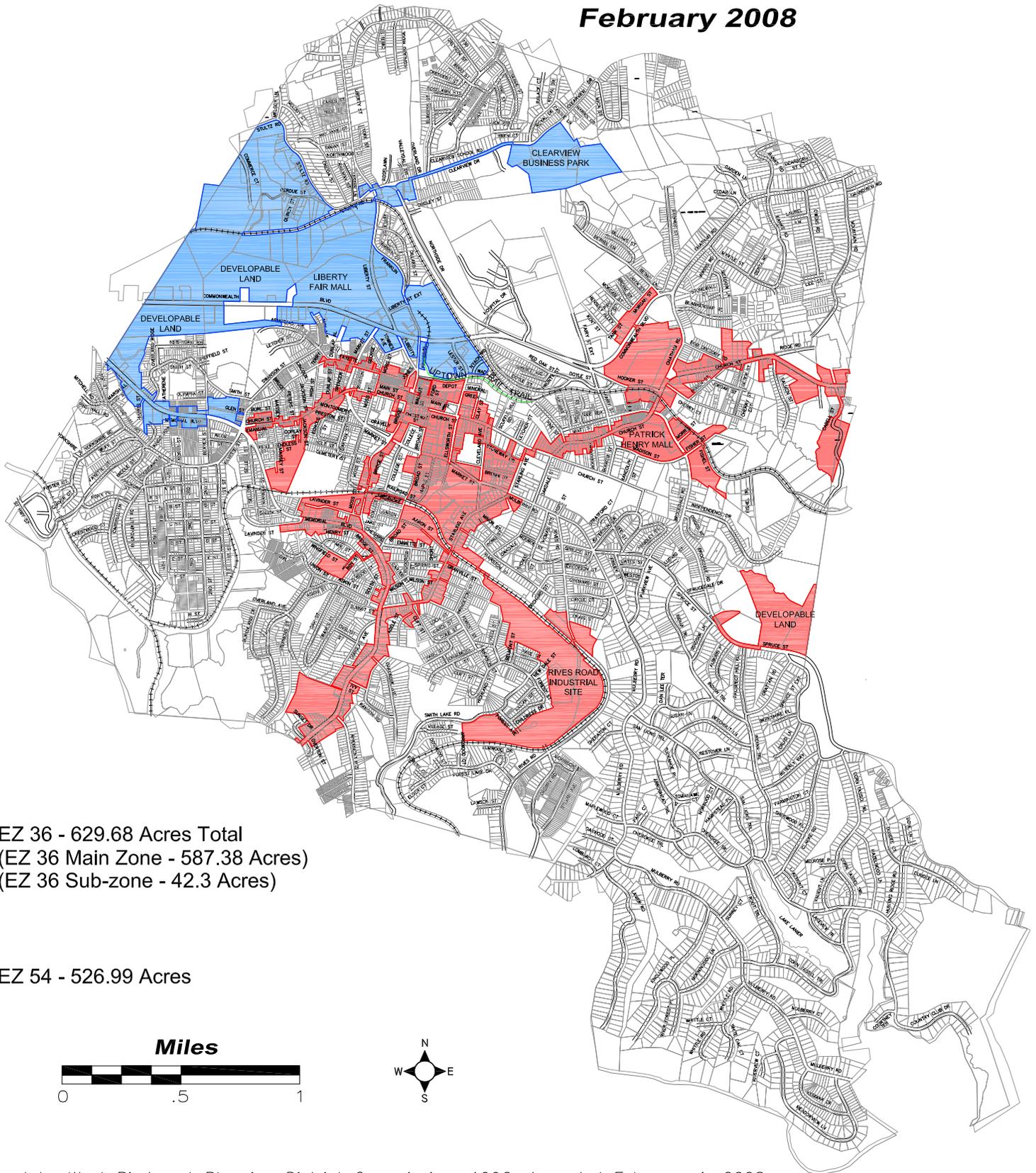
City / County  
Connection

Area 1  
±573.97 Acres

Area 2  
±29.97 Acres

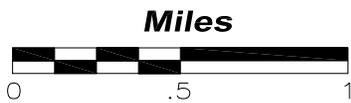
Proposed 2016  
City of Martinsville  
Enterprise Zone  
Boundary  
±603.94 Acres  
Total

# City of Martinsville Enterprise Zones February 2008



 EZ 36 - 629.68 Acres Total  
(EZ 36 Main Zone - 587.38 Acres)  
(EZ 36 Sub-zone - 42.3 Acres)

 EZ 54 - 526.99 Acres





Proposed 2016  
Henry County  
Enterprise Zone  
Boundary  
±2,986.65 Acres

City / County  
Connection

**City of Martinsville Enterprise Zone Incentive Program**

<b>Incentive</b>	<b>Real Estate IDA Tax Grant</b>	<b>Machinery/Tools/ Business Equipment IDA Tax Grant</b>	<b>Building Permit Fee Waiver (Does NOT include Sign Permits!)</b>	<b>Water Connection Fee Waiver (Amended March 28, 2008 can not be retroactive)</b>	<b>Business Professional Occupation License (BPOL) Fee Rebate (Amended March 28, 2008 cannot be retroactive)</b>
<b>Description</b>	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
<b>Qualifications</b>	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.
<b>Benefits Period</b>	Five years	Five years	Each qualified filing	Each qualified filing	Five years
<b>Amount of Benefit</b>	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
<b>Maximum Amount</b>	None	None	None	None	None
<b>Required Records and Forms</b>	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
<b>Submission Dates</b>	July 1	January 1	Prior to securing permit	Prior to connection	September 1
<b>Carry Over/Refund</b>	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:** June 30, 2015

**Item No:** 6.

**Department:** Finance

**Issue:** Consider approval of consent agenda

**Summary:**

The attachment amends the FY15 Budget with appropriations in the following funds:

General Fund: \$ 47,329 – Recovered Costs, Reimbursements,  
Grant Funding, Sale of Surplus, Insurance Claims

Capital Fund: \$ 6,800 – Insurance Claims

Telecommunications Fund:  
\$ 30,725 – Fees for Services

Federal Programs (Schools) Fund:  
\$1,318,925 – Federal Funding

**Attachments:** Consent Agenda 6-30-15

**Recommendations:** Approve

## BUDGET ADDITIONS FOR 6/30/15

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<b><u>FY15</u></b>				
<b><u>General Fund:</u></b>				
01100909	490104	Advance/Recovered Costs		10,657
01311085	506008	Police Department - Vehicle/Equipment-Repair & Maint. Insurance claim funds from patrol car loss - 2/13/15	10,657	
01101917	442401	Categorical Other State - Confiscated Assets - Police		394
01311085	506078	Police Dept - Conf Assets State Proceeds from confiscated vehicle sales	394	
01100909	490104	Advance/Recovered Costs		500
01321102	506130	Fire Dept. - Repair & Maint.-Burn Building Reimbursements for training supplies	500	
01101917	442401	Categorical Other State - Confiscated Assets - Police		3,172
01311085	506078	Police Dept - Conf Assets State Proceeds from confiscated vehicle sales	3,172	
01100909	490801	Recovered Costs - Senior Services		4,105
01714212	506016	Senior Citizens - Program Supplies	2,501	
01714212	501300	Senior Citizens - Part-time Wages	962	
01714212	502100	Senior Citizens - Social Security	60	
01714212	502110	Senior Citizens - Medicare	14	
01714212	506049	Senior Citizens - Vehicle Fuels Transportation Grant-March, April, May & Trip/Bingo funds	568	
01100909	490104	Advance/Recovered Costs		23,329
01433166	506007	Public Health Center - Facility Maint Reimbursement from Health Dept for Phone/Internet	23,329	
01101918	443312	State Grant - JAG/LLEBG		5,172
01311085	506082	Police Department - Byrne/JAG Grant Program State Grant	5,172	
<b>Total General Fund:</b>			<b>47,329</b>	<b>47,329</b>
<b><u>Capital Reserve Fund:</u></b>				
16100909	490104	Advance/Recovered Costs		6,800
16575365	508075	Motor Vehicles - Police Dept. Insurance claim funds from patrol car loss - 2/13/15	6,800	
<b>Total Capital Reserve Fund:</b>			<b>6,800</b>	<b>6,800</b>
<b><u>Telecommunications Fund:</u></b>				
11100906	461715	Services - Telephoner Set-up Fees Non-Taxable		30,725
11315308	503310	Telecommunication - Prof. Services - Repair & Maint	9,605	
11315308	508220	Telecommunication - Physical Plant Expansion Customer payment for extension for service	21,120	
<b>Total Telecommunications Fund:</b>			<b>30,725</b>	<b>30,725</b>
<b><u>Federal Programs (Schools) Fund:</u></b>				
20102926	420174	School Improvement 13		624,415
86821310	561120	Instructional S&W	15,120	
86821310	562100	Social Security	937	
86821310	562150	Medicare FICA	219	
86821310	563000	Purchased Services	584,138	
86821310	566013	Instructional Materials	24,000	
20102926	420175	School Improvement 14		606,915
86831310	561120	Instructional S&W	21,120	
18101917	562100	Social Security	1,330	
18101917	562150	Medicare FICA	327	
18101917	563000	Purchased Services	584,138	
20102926	428728	Title 4B 12		22,883
20102926	428738	Title 4B 13		14,298
20102926	428748	Title 4B 14		46,931
86901100	563000	Purchased Services	81,031	
86901100	565240	Communications	143	
86901100	565503	Travel	438	
86901100	566000	Materials & Supplies	2,500	
20102926	420172	Special Ed Math		3,483
86701100	563000	Purchased Services	2,500	
86701100	566013	Instructional Materials	983	
<b>Total Federal Programs (School) Fund:</b>			<b>1,318,925</b>	<b>1,318,925</b>