

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA
Council Chambers – Municipal Building
7:00 pm Closed Session 7:30 pm regular session
Tuesday, July 14, 2015

7:00—Closed Session

- A. 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.

7:30—Regular Session

Invocation & Pledge to the American Flag- Council Member Jennifer Bowles

1. Consider approval of minutes from June 16, 2015 and June 30, 2015 Council meetings. (2 mins)
2. Present a Proclamation honoring Mike Smith, Director of Public Relations for the Martinsville Speedway.
3. Conduct a public hearing regarding the proposed boundary and incentives for a new Martinsville-Henry County Joint Enterprise Zone. (15 mins)
4. Hear an update from Dr. Noel Boaz regarding the ICSM/CHSM Medical School project and progress related to the TROF Grant. (15 mins)
5. Consider approval of amended Transportation Safety Commission requested bylaws. (10 mins)
6. Conduct a public input session regarding water supply fluoridation in the City of Martinsville. (60 mins)
7. Consider approval of consent agenda. (2 mins)

8. 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.

9. Comments by members of City Council. (5 minutes)
10. Comments by City Manager. (5 minutes)

Meeting Date: July 14, 2015

Item No: 1.

Department: Clerk of Council

Issue: Consider approval of minutes of City Council meetings June 16, 2015 and June 30, 2015 meetings.

Summary: None

Attachments: June 16, 2015 meeting
June 30, 2015 meeting

Recommendations: Motion to approve minutes as presented.

June 16, 2015

The regular meeting of the Council of the City of Martinsville, Virginia was held on June 16, 2015 in Council Chambers, Municipal Building at 7:30pm, Closed Session beginning at 6:30pm with Mayor Danny Turner presiding. Council members present: Mayor Danny Turner, Vice Mayor Jennifer Bowles, Council Member Gene Teague, Council Member Sharon Brooks Hodge and Council Member Mark Stroud. Staff members present included: City Manager Leon Towarnicki, City Attorney Eric Monday, Assistant City Manager Wayne Knox, Karen Roberts and Police Chief Sean Dunn.

Mayor Turner called the meeting to order and advised Council will go into Closed Session. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon motion by Vice Mayor Bowles, seconded by Council Member Hodge with the following recorded 5-0 roll-call vote: Mayor Turner, aye; Vice Mayor Bowles, aye; Council Member Hodge, aye; Council Member Teague, aye; Council Member Stroud, 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) Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the government unit would be adversely affected, as authorized by Subsection 6. D) Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body, as authorized by Subsection 29. Coming out of closed session at 7:30pm, Mayor Turner indicated closed session was in recess and would reconvene upon conclusion of the regular Council meeting.

Council returned to Open Session at 7:30pm.

Invocation and Pledge to the American Flag-Council Member Gene Teague.

Consider approval of minutes: Motion made by Vice Mayor Bowles to approve minutes for May 12, 2015, May 26, 2015 and June 8, 2015 Council

June 16, 2015

meetings, motion seconded by Council Member Teague, motion passed with 5-0 vote, all in favor.

Approval of agreement continuing management of West Piedmont Business Development Center under the Martinsville-Henry County Chamber of

Commerce's Partnership for Economic Growth: City Manager Towarnicki gave a brief explanation of the formation of the partnership between the City and C-PEG regarding operation of the Incubator, noting operation of the West Piedmont Business Development Center have gone extremely well since 2014 under C-PEG's direction. Council Member Teague gave a brief history of the incubator and Amanda Witt of the Chamber of Commerce also stated that things are going well. They are at 93% occupancy at this time with first and third floors full and no more office space available. City Manager Towarnicki reviewed a revised Memorandum of Understanding for continued management of the Incubator under C-PEG's direction with an initial one year term from July 1, 2015 through June 30, 2016, with 4 successive automatic one-year renewals. Either party (City or C-PEG) can terminate the agreement with a minimum of 90 days written notice prior to the expiration of each annual term. A signed copy of the MOU will be kept on file in the City Manager's office.

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING, (the "MOU") made and entered into this the _____ day of _____, 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 (through the Martinsville Industrial Development Authority) currently owns the property located at 22 East Church Street, Martinsville, VA, said property acquired for the purpose of development and operation of a business incubator (the "Incubator"); and,

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

WHEREAS, recognizing the value and importance of the Incubator as a resource for the community to promote, stimulate, encourage, assist, and provide educational opportunities for new or developing business owners or entrepreneurs, and also recognizing a close parallel to current operations of the Chamber and C-PEG related to small business, the City and C-PEG executed a Memorandum of Understanding for C-PEG's management of the Incubator for an initial period from April 1, 2014 through June 30, 2015, during which time C-PEG had done an outstanding job; and,

WHEREAS, the City and C-PEG mutually desire to extend C-PEG's management responsibility for continued operations of the Incubator under the guidance and direction of current Chamber leadership and C-PEG Board of Directors;

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 and Renewals—The term of this MOU shall cover a one (1) year period from July 1, 2015 through June 30, 2016 and will automatically renew for four (4) successive one year periods beginning July 1, 2016, extending through June 30, 2020. Either party may cancel/opt out of automatic renewal with a minimum of 90 days written notice prior to the expiration of any annual term.
2. The Incubator will continue to be operated under the name of West Piedmont Business Development Center, with operations to remain at the current facility at 22 East Church Street, Martinsville, VA, with general business hours from 8 am until 5 pm.
3. Management of WPBDC will be by C-PEG under the guidance of the Board of Directors of C-PEG.
4. The City will commit to the level of funding and support currently provided to the WPBDC in the City's FY16 budget (subject to City Council approval) including an annual financial contribution, and

use of the building including electricity, water, and sewer, and garbage services. Additionally as building owner, the City will be responsible for major maintenance such as HVAC, roof, structure, major repairs, etc.

5. C-PEG will be responsible for routine daily maintenance related to operations such as general cleaning, trash removal, replacement of bulbs, elevator inspections, carpet cleaning, fire extinguisher maintenance, service checks, etc.
6. C-PEG will provide staff presence in the building related to functions associated with a business incubator environment. C-PEG will have the ability to market, design and implement training and related programs for business tenants, and utilize the space in the building for business incubator-type activities and events.
7. C-PEG, at its discretion, will be responsible for day to day management of the facility including (but not limited to) staffing, marketing, recruitment of tenants, development of tenant lease agreements/terms of occupancy, cooperation with other entities to the extent beneficial (EDC, Harvest, SCORE, etc.). Lease payments by tenants for occupancy/use of space will be made to C-PEG.
8. C-PEG will present reports periodically to the governing bodies of both Martinsville and Henry County regarding operations.
9. C-PEG will handle all financials including billing, payables, receivables, i.e. the City will not have responsibility related to being fiscal agent.
10. The City will maintain one seat 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

June 16, 2015

A motion was made by Council Member Hodge, seconded by Vice-Mayor Bowles, to approve the MOU as presented and to authorize the City Manager to execute the agreement. Motion passed 5-0 with all voting in favor.

Memorandum of Understanding (MOU) with the Martinsville-Henry County Chamber of Commerce's Partnership for Economic Growth for certain services related to expansion of efforts involving small business development in the City of Martinsville: City Manager Towarnicki provided background information regarding Council's discussion from the March strategic planning session and the desire expressed by Council to enhance and expand efforts related to small business development. It was noted Council initially requested the Martinsville-Henry County EDC to consider reallocating \$60,000 of the \$279,500 City EDC funding for contracting with C-PEG for this purpose and after the EDC Board declined, Council voted during budget deliberations to reduce EDC funding from \$279,500 to \$219,500, and to contract directly with C-PEG for the desired services. A draft Memorandum of Understanding has been developed based upon Council discussions related to small business development efforts, and City Manager Towarnicki reviewed the document, specifically the tasks included under the scope of work.

DRAFT – 06/12/15

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING, (the "MOU") made and entered into this day of _____, 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 and retail 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 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/MINNET, 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. 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.

Table of Contents

- I. Administration and Enforcement
- II. Definitions
- III. General Provisions
- IV. Site Plan Regulations
- V. Nonconformity
- VI. Sign Regulations
- VII. Zoning Amendments
- VIII. Special Use Permits
- IX. R-E Estate Residential District *(formerly R-16)*
- X. R-N Neighborhood Residential District *(formerly R-9)*
- XI. R-C City Residential District *(formerly R-6)*
- XII. R-T Transitional Residential District *(formerly P-1, P-2, RP-1)*
- XIII. C-N Neighborhood Commercial District *(formerly C-1, C-1A)*
- XIV. C-UB Uptown Business District *(formerly C-2)*
- XV. C-C Corridor Commercial District *(formerly C-3)*
- XVI. ED-MA Economic Development District – Medical & Academic *(new district)*
- XVII. ED-G Economic Development District – General *(formerly M-1)*
- XVIII. ED-I Economic Development District – Intensive *(formerly M-2)*
- XIX. TND-O Traditional Neighborhood Development Overlay District
- XX. EC-O Entrance Corridor Overlay District
- XXI. HP-O Historic Preservation Overlay District
- XXII. Landscape Standards
- XXIII. Off-Street Parking and Loading
- XXIV. Proffers
- XXV. Board of Zoning Appeals

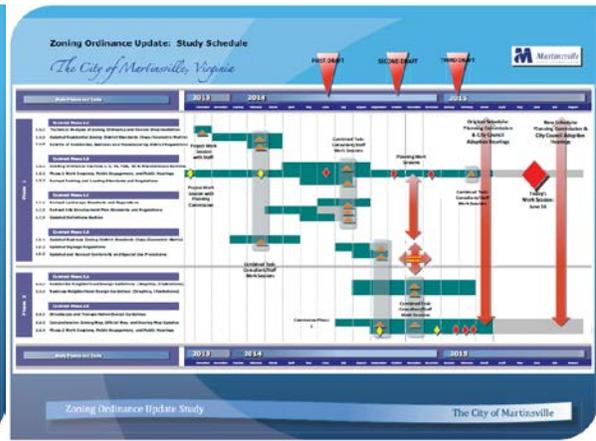
Table of Contents

Zoning Ordinance Update Study

The City of Martinsville

Presentation to City Council | June 16, 2015

Zoning Ordinance Update Study | The City of Martinsville



October, 2013: Project Commenced
October – December, 2013: Work Sessions
January – May, 2014: Draft Working Papers
June, 2014: First Draft of Ordinance
October, 2014: Second Draft of Ordinance
February, 2015: Third Draft of Ordinance
June, 2015: Additional Revisions

Zoning Ordinance Update Study | The City of Martinsville

Why an Updated Zoning Ordinance?

Major Concerns

- ◆ Inconsistent with the Comprehensive Plan recommendations
- ◆ Confusing organization
- ◆ Unclear administrative procedures
- ◆ Differences between some districts unclear
- ◆ Some districts out-of-step with existing uses
- ◆ Zoning districts incompatible with current development trends
- ◆ Lack of flexibility
- ◆ No provisions for residential cluster development
- ◆ Definitions out-of-date or incomplete
- ◆ Site plan, landscape, parking & sign standards incomplete

Zoning Ordinance Update Study | The City of Martinsville

Urban Development Areas Flexibility with TND-O District



- Creative Standards for**
 - New Development
 - Redevelopment
- City Emphasis**
 - Commercial
 - Industrial
 - Corridors
- Guidelines for**
 - Mix of Uses
 - Density
 - Landscaping
 - Parking

Zoning Ordinance Update Study The City of Martinsville

Entrance Corridor Overlay



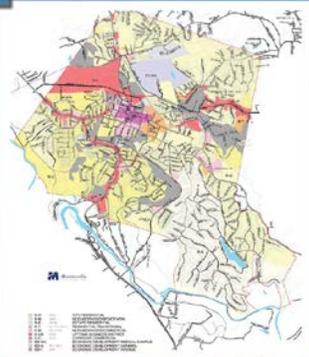
Commonwealth Boulevard Characteristics:

1. > 50% underdeveloped.
2. Redevelopment potential.
3. New development potential.
4. Owner interest.
5. Transportation capacity.
6. ROW opportunities.

- Select Priority Corridors**
- Guidelines for Development**
 1. ROW Improvements
 2. Transportation Access
 3. Site Landscaping
 4. Design Review Process
- Corridor Master Plans**

Zoning Ordinance Update Study The City of Martinsville

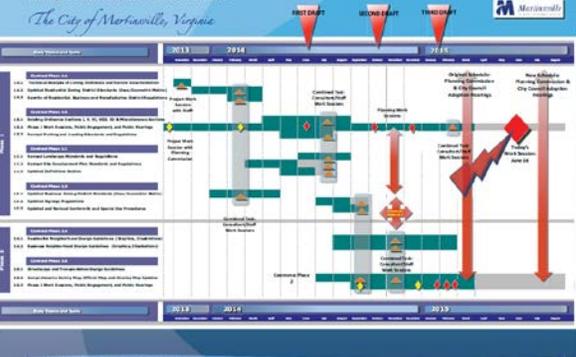
Official Zoning Map



- ◆ Updates to reflect modern uses
- ◆ Corrects errors & inconsistencies
- ◆ Adopts conventional nomenclature & district colors

Zoning Ordinance Update Study The City of Martinsville

Zoning Ordinance Update: Study Schedule



Zoning Ordinance Update Study The City of Martinsville

Next Steps for the City

- Complete Work Sessions with Staff & Commission
- Schedule Public Hearings for Zoning Ordinance Adoption
- Advertise Planning Commission Meetings
- Conduct Planning Commission Meeting
- City Council Work Sessions
- City Council Public Hearing for Zoning Ordinance Approval
- Continue Work on Subdivision Ordinance revisions

Zoning Ordinance Update Study The City of Martinsville



Zoning Ordinance Update Study The City of Martinsville

Following the presentation Council members asked questions – Council Member Hodge in regard to multi-family in residential zones, and Council Member Teague regarding a rental certification overlay.

Approval of consent agenda: Council Member Teague made a motion to approve the consent agenda and Council Member Stroud seconded the motion. Council Members voted 5-0 in favor to approve the consent agenda.

BUDGET ADDITIONS FOR 6/16/15				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY15				
General Fund:				
01101917	442402	Categorical Other State - Confiscated Assets - C Atty		134
01221082	506105	Comm Atty - Conf Assets State	134	
01101917	442401	Categorical Other State - Confiscated Assets - Police		193
01311085	506078	Police Dept - Conf Assets State	193	
		Asset Forfeiture Proceeds		
01101917	442601	Categorical Other State - EMS Four For Life		1,239
01322105	506114	EMS - Four For Life	1,239	
		Additional funding received		
01100909	490104	Advance/Recovered Costs		1,910
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	1,390	
01331108	502100	Sheriff/Corrections - Social Security	86	
01331108	502110	Sheriff/Corrections - Medicare	20	
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	278	
01331110	506200	Sheriff/Annex - Prisoner Allowance	136	
		Reimbursement from Henry County for litter pickup-May		
01100909	490104	Advance/Recovered Costs		2,000
01123035	501300	Comm. of Revenue - Part-time/Temporary Wages	2,000	
		Funds from NCI for summer intern		
Total General Fund:			5,476	5,476
Capital Reserve Fund:				
16102926	436430	Categorical Federal - SCAAP Funds		2,012
16577367	508085	Physical Plant Expansion - Sheriff/Jail	2,012	
		Emergency Generator installation		
Total Capital Reserve Fund:			2,012	2,012

Business from the Floor:

Joe Martin, East Church St – expressed appreciation to Council for moving in a direction to assist small business groups, he also requested a public hearing on fluoridation and provided research on reasons to oppose fluoridation.

Patrick H. Wright, 1201 Spruce St – requested confirmation on safety of toothpaste and City fluoridation usage on the sewer system.

Jim Ennis, 1216 Knollwood Place –encouraged Council to make information public on zoning ordinance revisions, in addition he felt it would be important for the public to be made aware of the fluoridation concerns presented during the Council meeting and he feels this information should be published.

Ural Harris, 217 Stewart St – members of the planning commission would have been further along planning the zoning ordinance had they been meeting more often. He submitted a FOI request on June 5 but has not received a response. He submitted another request to City Manager Towarnicki asking him to respond soon.

June 16, 2015

Naomi Hodge-Muse, Martinsville-Henry County NAACP – stated she has received calls from City residents who have expressed concerns about the City School Board. She stated that all City schools are failing or on the edge. She says the school system has not recruited employees of color and school staff and administration does not mirror the student body of the schools. Ms. Muse expressed concern that four employees lost their job due to a \$75,000 budget cut. She asked that Council intervene and look at the school board and their processes.

Eric Monday – shared highlights from Virginia Living Magazine Best in Virginia, of 96 categories - 26 first place winners, 17 second place and 9 third place winners were from Martinsville and Henry County and in some categories Martinsville and Henry County has multiple place holders including all three places in the realtor category.

Comments by members of City Council:

Council Member Stroud thanked everyone for their sympathy during his mother's recent death.

Council Member Teague offered condolences to Council Member Stroud and also, best wishes to Sheriff Draper regarding his recent injury.

Council Member Hodge, no comments

Vice Mayor Bowles reiterated that contact information for Council members is public and asks that the public contact them as needed.

Mayor Turner congratulated the Martinsville High School Boys Soccer team for placing second in the state championship, also congratulated the Martinsville High School Girls Tennis team for winning Regional Championship. He asked City Manager Towarnicki to recognize these teams at the next Council Meeting.

Stroud commented on UVA's baseball team in college world series.

Comments by City Manager: City Manager Towarnicki mentioned the fluoridation topic will be on Council's July 14th agenda. He has notified the local Health Department and Dr. Crabtree of this schedule.

Mayor Turner recessed the public session of the meeting and reconvened closed session at 9:10pm.

At the conclusion of the Closed Session, each member of Council certified that (1) only public business matters exempt from opening meeting requirements were discussed in said Closed Session and (2) only those business matters identified in

June 16, 2015

the motion convening the Closed Session were heard, discussed, or considered during the Session. A motion was made by Vice Mayor Bowles and seconded by Council Member Stroud with the following 5-0 roll-call recorded vote: Teague, aye; Stroud, aye; Turner, aye; Bowles, aye; Hodge, aye;.

A motion was made by Council Member Stroud to reappoint Nancy Baker to the Patrick Henry Community College Board, motion was seconded by Council Member Teague, approved by 5-0 vote.

A motion was made by Council Member Hodge and seconded by Council Member Stroud to reappoint Tonya Jones to Pittsylvania County Community Action, Inc. Board, approved by 5-0 vote.

School Board seats:

Mrs. Carolyn McCraw - a motion was made to appoint Mrs. McCraw to the School Board by Council Member Teague, seconded by Council Member Stroud; Teague, aye; Stroud, aye; Hodge, nay; Bowles, nay; Hodge, nay.

Ms. Artis Law - a motion was made to appoint Ms. Law to the School Board by Council Member Stroud, seconded by Council Member Hodge; Turner, aye; Stroud, aye; Teague, nay; Bowles, nay; Hodge; nay.

Mrs. Joan Montgomery - a motion was made to appoint Mrs. Montgomery by Council Member Hodge, seconded by Vice Mayor Bowles; Teague, aye; Hodge, aye; Bowles, aye; Turner, nay; Stroud, nay.

Mr. Lawrence Mitchell - a motion was made to appoint Mr. Mitchell by Council Member Hodge, seconded by Vice Mayor Bowles; Hodge, aye; Turner, aye; Bowles, aye; Teague, nay; Stroud, nay.

Mr. Lawrence Mitchell and Mrs. Joan Montgomery were appointed to the School Board, each receiving 3 votes.

There being no further business, Council Member Hodge made a motion to adjourn the meeting at 11:50pm, Vice Mayor Bowles seconded the motion, and Council Members voted 5-0 all in favor.

Leon Towarnicki
Deputy Clerk of Council

Danny Turner
Mayor

June 30, 2015

The regular meeting of the Council of the City of Martinsville, Virginia was held on June 30, 2015 in Council Chambers, Municipal Building at 7:30pm. Council Members present include: Mayor Danny Turner, Council Member Gene Teague, Council Member Mark Stroud and Council Member Sharon Brooks Hodge. Absent: Vice Mayor Jennifer Bowles. Staff present included: City Manager Leon Towarnicki, City Attorney Eric Monday, Karen Roberts, Susan McCulloch, Linda Conover, Police Chief Sean Dunn, and Assistant City Manager Wayne Knox.

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

Recognition of Brenda Prillaman, retired Clerk of Council and Executive Assistant to the City Manager. Council Member Gene Teague read a proclamation honoring Ms. Prillaman and thanked her for her many years of service.

Comments from outgoing School Board Chairman Robert Williams – Mr. Williams stated he wanted to address concerns and dispel rumors that exist in the community. As school board members, they have three major responsibilities including 1) to prepare with the superintendent and her staff a budget for the school system and to vigorously advocate for that budget for which they feel meets the needs of the school system, 2) to review, create and review policy for the school system, and 3) to hire and terminate, if necessary, the superintendent. Mr. Williams stated that the school board, same as City Council at times has to make decisions that others don't agree with. Secondly, he stated that there was a rumor circulating about the number of students who graduated Martinsville High School but were not eligible. He explained that 125 students graduated at Martinsville High School during May ceremonies, 3 more students graduated from regional programs, 10 students did not meet graduation requirements but the board is working with those students over the summer to help them meet those requirements and will be offering a summer graduation ceremony. He emphasized that statements claiming there were 70 students that failed to meet graduation requirements was incorrect. He stated that losing teachers is a concern and recruiting teachers is difficult. The school board has set aside money for hiring in difficult areas like math, engineering and minority hiring and the board has implemented a plan with school staff and citizens to address recruiting of minority teachers. A competitive salary and healthcare coverage costs put the local school system at a disadvantage when hiring teachers. Mr. Williams stated in regards to SOL performance testing that all City schools were accredited with warning. The staff has changed the way they were teaching to adjust to the testing. The school board monitors the progress of all City schools. Mr. Williams thanked Council for giving him the opportunity to serve on the School Board. Council Member Hodge thanked Mr. Williams for his service. She stated that she hears there is a climate of fear among teachers and lack of communication with parents and that the Board is not doing a very

June 30, 2015

good job holding the superintendent accountable. Mr. Williams commented that parents were invited to meetings but unfortunately budget decisions had to be made quickly so there was no luxury of taking the discussion to the community beforehand. Council Member Teague thanked Mr. Williams and also Ms. McCraw for their service, stating they had done the job without pay and worked countless hours. Teague said it was obvious that their hearts were always with the kids. He stated that he understands there are reasons why the scores are not where they need to be but unfortunately that's one thing people look at when moving into the community and suggested that Council needed to have this discussion with the new chairman during an upcoming strategic planning session. The School board wants to continue the dialogue with Council and they want to get out into the community more. Council Member Stroud also thanked Mr. Williams and Ms. McCraw for their service on the school board. He thanked Mr. Williams on his complete and comprehensive report and hopes that it will quell some rumors and falsehoods. Ms. McCraw spoke, reiterating that the children of Martinsville are the greatest resource this community has and thanked Council for the opportunity to serve on the School Board.

Update from Workforce Investment Board Project Administrator, Philip Wenkstern

The Workforce Investment Board's areas of funding this year is \$2.2million which is a 10% reduction from last year. When unemployment goes down, so does the funding; they expect to make it with carry over funding so they do not anticipate a reduction of services. The Governor is pushing credentials mandating 40% of budget goes through training programs including programs in local community colleges, programs with local training providing certification, on the job training, etc. Strategies are in place for this requirement so there should be no problem. WIB has a couple of new programs this year including the Job Driven National Emergency Grant of \$1.4million for those dislocated workers who have been unemployed over 12 weeks. This grant will pay for training services through community college and place them into on-the-job training programs with employers. WIB has also been awarded a Workforce Innovation Fund Grant dedicated to the working families success network model, this model is designed to provide financial literacy education to individuals who are already receiving workforce services in the workforce program. These people can be placed in the program with primary goals to improve their credit and increase their net worth and overall financial literacy so they can move out of crisis as they gain employment. WIB received a Rides Solutions grant through Department of Rail and Transportation which is intended to address transportation problems in the community. The Business Services team will be working with various employers to reduce miles on the road and introduce a rider match program online. Interested people and employers should contact WIB. WIB is now operating under new Federal Legislation; they were previously operating under the

June 30, 2015

Workforce Investment Act. Workforce Innovation Opportunity Act passed last year; they are waiting on regulations to see what impact this will have on the WIB. There has been an increased emphasis on serving the out-of-school population for those citizens not enrolled in school services. 25% of youth funding is set aside for in-school youth with remaining 75% for out-of-school youth. Mr. Wenkstern encouraged all dislocated workers to contact WIB, stating that there are several programs available to improve skills.

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 – City Manager Towarnicki stated that the final version of the MOU incorporates the three changes requested previously by Council. The C-PEG Board reviewed and approved the revised MOU during their June 24th meeting so at this point he considers the document to be in final form and asked for Council's approval. Clay Campbell addressed Council, thanking them for their confidence in C-PEG. He's been involved in C-PEG for many years and feels this is the strongest board they've had. Mr. Campbell commended Amanda Witt, stating she was energetic and very driven. Mayor Turner commented that Council and C-PEG may be looking for more places for another Incubator sight, providing easier access to direct small businesses within the City. Mr. Campbell stated that meetings would be scheduled across the state to address best practices on what C-PEG can bring back locally. Council Member Hodge asked that Mr. Campbell please pass along Council's appreciation to the board for approving the MOU and for being responsive to Council's specific concerns and for coming up with a plan to move forward. Council Member Stroud also shared his appreciation and admiration for Mr. Campbell's service on the C-PEG board. Council Member Teague stated that C-PEG had been very helpful and that few realize the positive impact C-PEG has had on the Farmers Market and the Incubator. Teague felt everyone would be pleased with the results a year from now. Council Member Teague made a motion to approve the Memorandum of Understanding with the Martinsville-Henry County Chamber of Commerce's Partnership for Economic Growth as presented, Council Member Hodge seconded the motion, and all present Council Members voted in favor to approve the revised MOU. A signed copy of the MOU will be kept on file in the City Manager's office.

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 microlan 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/ANET, 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. CPEG 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 as 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: _____

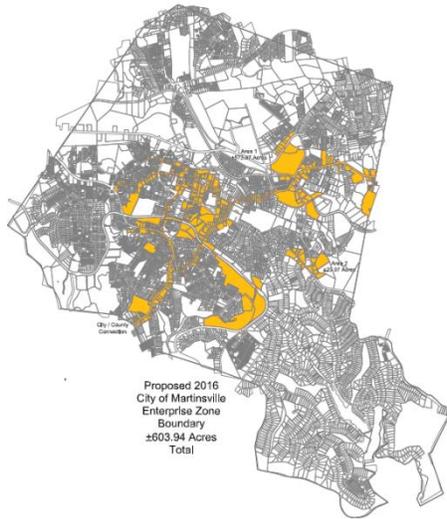
BY: _____

City Manager

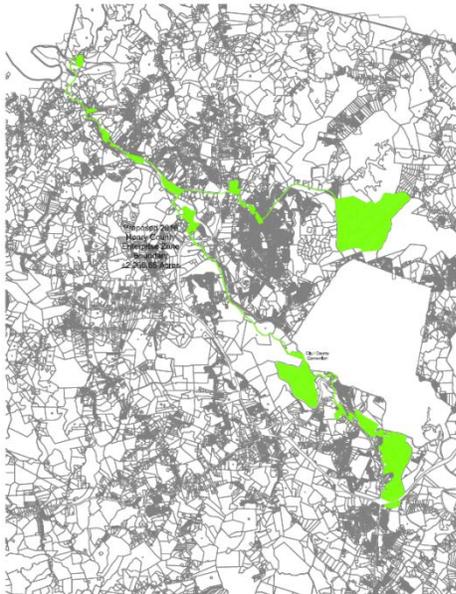
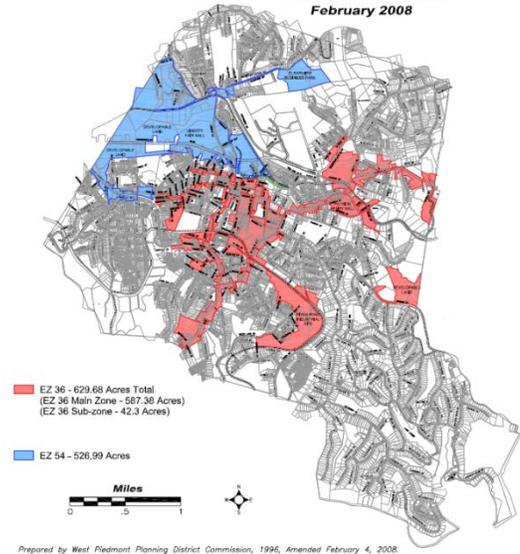
Board President

June 30, 2015

Set a public hearing regarding a boundary for a new joint enterprise zone - Susan McCulloch corrected the recommendation wording stating that it should read “a public hearing regarding the proposed Enterprise Zone boundary and incentives”. The City of Martinsville and Henry County have two joint enterprise zones – Zone 36 and Zone 54. She stated that they are not changing Zone 36; they are starting from scratch to apply for a new zone. Zone 36 will expire December 31, 2015. All Cities with expiring 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 to apply for a new zone are due August 1, 2015. Ms. McCulloch stated if they don't apply immediately, they will only have one zone but that they can apply for amendments going forward if necessary. Hodge asked what the public needs to know before attending the public hearing. McCulloch stated that they had worked with property owners and stake holders including Martinsville-Henry County Economic Development Corporation to determine which properties to include in the enterprise zone boundaries. Zone 36 is already a good zone; residential properties were removed from Zone 36 and placed in the proposed zone. There are state and local enterprise zone incentives. Local incentives would include Real Estate Tax grant, Machinery, Tools and Business Equipment IDA grant, Business Professional Occupational License Fee rebate, water fee connection and building permit fee waivers. Enterprise Zone grants include Job Creation grant and Real Property Investment grant which are for industrial, not for medical or retail. A dually advertised public hearing will be held on July 7, 2015 through the Planning Commission and the outcome will be shared with Council during the July 14th meeting. Council Member Teague shared that the enterprise zone is one of the few incentives that the City can provide and there are plenty of other locations who would like to acquire an enterprise zone if the City let's ours expire. He hopes the City will be given preferential treatment of a new enterprise zone for our area. Ms. McCulloch stated that there are only 4 zones left that are open to be applied for August 1, and up to 20 localities that could apply. Council Member Teague made a motion set a public hearing for the July 14 Council meeting regarding the proposed enterprise zone boundaries and incentives, Council Member Stroud seconded the motion, all present Council members voted in favor.



**City of Martinsville
Enterprise Zones
February 2008**



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 past 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) 403-1156
 Martinsville-Henry County Economic Development Corporation --- (276) 403-5940

June 30, 2015

Approval of consent agenda - Council Member Teague made a motion to approve the consent agenda as distributed, Council Member Stroud seconded the motion, all present members voted in favor.

BUDGET ADDITIONS FOR 6/30/15				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY15				
General Fund:				
01100909	490104	Advance/Recovered Costs		10,657
01311085	506008	Police Department - Vehicle/Equipment-Repair & 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	568	
01100909	490104	Advance/Recovered Costs Transportation Grant-March, April, May & Trip/Bingo funds		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	
Total General Fund:			47,329	47,329
Capital Reserve Fund:				
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	
Total Capital Reserve Fund:			6,800	6,800
Telecommunications Fund:				
11100906	461715	Services - Telephoner Set-up Fees Non-Taxable		30,725
11315308	503310	Telecommunication - Prof. Services - Repair & M	9,605	
11315308	508220	Telecommunication - Physical Plant Expansion Customer payment for extension for service	21,120	
Total Telecommunications Fund:			30,725	30,725
Federal Programs (Schools) Fund:				
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	
Total Federal Programs (School) Fund:			1,318,925	1,318,925

June 30, 2015

Business from the Floor

William Eggleston, 1507 Roundabout Rd – wanted to thank Council, he said many people supported having the Housing Department building moved on Fourth St but he had read in the paper that it would not be moved. He says the bus doesn't go down that far and it's hard for elderly people to get around.

Mike Evans – wanted to express support and advocacy for reversion to a town. Citizens need to get involved and become informed. Mr. Evans stated that going forward, in his opinion, it's the only way Martinsville City can survive financially.

Patrick Wright, 1201 Spruce St – asked what area is considered the Piedmont and if Martinsville was included. Mayor Turner stated geographically the Piedmont is the area between the fall line and the mountains and goes through Central Virginia.

Comments by members of City Council

Council Member Stroud – Congratulations to UVA for winning the College World Series and the Capital 1 Cup, UVA is the #1 ranked college athletic program in the country. He also wanted to recognize all the fathers out there who look after their family, neighbors and the City.

Council Member Teague – the Fourth of July is time to celebrate our freedoms, he thanked those who have served and are serving and their sacrifices. He hopes everyone comes out to the Speedway for Celebration 2015.

Council Member Hodge – addressed an article in today's Martinsville Bulletin. In her opinion, the article contained misleading information regarding the upcoming public discussion of fluoridation of water. Back in December, she had the opportunity to speak to Will Boyd and he expressed concern about our water quality. He did research and then came before Council making a presentation of his findings on water quality. There were several others who came forward after that to speak about fluoridation. This was not a group of outside agitators that were publicly paid to fight for an organization, but a group of citizens that were concerned about the quality of the water. Public views should be given the same consideration as a government official and she hopes local media will grant equal space to both sides offering an unbiased view.

Mayor Turner – thanked FAHI for inviting him to the June German Ball, it was a very nice event and several people in the community were recognized. Turner recognized Tyler Millner who held a memorial service Saturday at noon for the Charleston, SC events. He was honored to attend the First Baptist Church of East Martinsville and the First Baptist Church of Martinsville memorial services. He reminded the public of the Celebration events at the Martinsville Speedway, activities are free and it's a good place to take family. Martinsville Mustang will also offer fireworks on Saturday.

June 30, 2015

Comments by City Manager - City Manager Towarnicki shared that the grand opening for the Henry Hotel project would be held Wednesday, July 29 at 11:00am.

Council Hodge made a motion to adjourn the meeting, Council Member Stroud seconded the motion and all present members voted in favor.

There being no further business, the meeting adjourned at 8:48 pm.

Karen Roberts
Clerk of Council

Danny Turner
Mayor

Meeting Date: July 14, 2015

Item No: 2.

Department: City Manager

Issue: Present a Proclamation honoring Mike Smith, Director of Public Relations for the Martinsville Speedway.

Summary: After working in the Martinsville-Henry County community in careers in journalism and media relations spanning almost 40 years, Mike Smith will be leaving and relocating out of the area. Mike Smith first began as a sports writer for the Martinsville Bulletin in 1977 and later served as Director of Public Relations for the Martinsville Speedway in 2000, a position he still holds.

The City of Martinsville and Henry County have honored Mike Smith with a joint Proclamation, briefly outlining his career, his accomplishments, and the lasting impact he has had on the community. The Proclamation will be presented and read at the Council meeting.

Attachments: Proclamation honoring Mike Smith

Recommendations: No action needed by Council



Martinsville

A CITY WITHOUT LIMITS



PROCLAMATION – HONORING MIKE SMITH

WHEREAS, service to a community and dedication to a profession are sought-after attributes; and

WHEREAS, these attributes are personified in Mike Smith, who has served the Martinsville-Henry County community for more than 38 years in his careers in journalism and public relations; and

WHEREAS, Mike Smith began his journalism career shortly after his graduation from Madison College in 1975, and worked as a sports writer with the Martinsville Bulletin from 1977 to 1979, and again from 1982 to 2000, consistently getting the story right and telling it with style; and

WHEREAS, Mike joined Martinsville Speedway in 2000 as its Director of Public Relations, and played an essential role in the Speedway's success and the success of the community from that point forward; and

WHEREAS, during that span Mike Smith never failed to do great work with a smile on his face and a determination to give the race fan and the race media the best he could give them; and

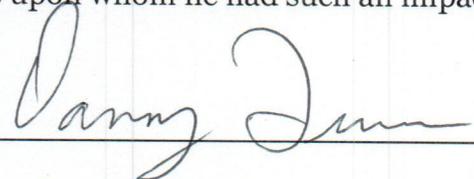
WHEREAS, Mike Smith was recognized as the 2014 recipient of the Ken Patterson Helping Others Award, for his selfless service to his industry and his peers; and

WHEREAS, Mike Smith's departure from Martinsville Speedway and the Martinsville-Henry County community saddens us, but we find comfort and inspiration in the impact he had during his tenure here:

NOW THEREFORE, on this 8th day of July 2015, the Henry County Board of Supervisors and the Martinsville City Council hereby join in proclaiming their thanks and appreciation to Mike Smith for his dedication to our community, Martinsville Speedway, and the thousands of fans and journalists upon whom he had such an impact.



H.G. Vaughn, Chairman
Henry County Board of Supervisors



Danny Turner, Mayor
City of Martinsville

Meeting Date: July 14, 2015
Item No: 3.
Department: Community Development

Issue: Conduct a public hearing regarding the proposed boundary and incentives for a new Martinsville-Henry County 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.

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. Since the advertisement of the boundary, one property owner asked that the block of 400 Broad Street and Roanoke Street, zoned M-1, to be included in the boundary.

Planning Commission held a duly advertised public hearing on July 7, 2015. No one spoke for or against the proposed boundary and incentives. Planning Commissioners voted unanimously (5-0) to approve the proposed boundary with addition and incentives and send it to Council to review.

Attachments:

Maps – Current and Proposed (4)
Enterprise Zone Incentives Chart – City and State
Resolution
Letter from Planning Commission

Recommendations: Staff recommends that Council approve the map and boundaries, along with required resolution and paperwork for the MHC Joint EZ Designation Application.

July 8, 2015

The Honorable Mayor and City Council
City of Martinsville
Martinsville, Virginia

Dear Council Members:

The Planning Commission, at its regular meeting on July 7, 2015, conducted a duly advertised Public Hearing on a request by the Community Development staff to hear input about the boundaries and incentives of a new MHC Joint Enterprise Zone in order to apply for a designation.

At the Public Hearing, it was noted that a property owner requested that the 400 Block of Broad Street be included due to plans for redevelopment and suggested that parcels on Roanoke Street across from 400 Broad Street also be included. Staff recommended these parcels be added to the boundary, since there are already surrounding parcels in the current Zone 36 and the use is zoned M-1, which is compatible to the Enterprise Zone goals for development, expansion, and retention.

No one attended to speak for or against the boundary and incentives. Following the public hearing, the Planning Commission voted unanimously (5-0) to recommend that City Council approve the boundary as revised and incentives for the proposed new Joint MHC Enterprise Zone and apply for designation.

The Planning Commission respectfully submits the above recommendation for Council's consideration.

Sincerely,

John Hale, Secretary

Wayne D. P. Knox
Community Development Director

WDPK/tr

cc: Timothy Martin, Chairperson
John Hale, Secretary



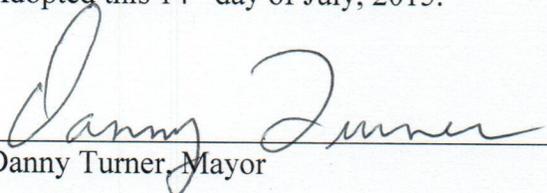
RESOLUTION

WHEREAS, The City of Martinsville is applying for the Enterprise Zone designation jointly with Henry County, Virginia to encourage economic growth within the Zone's proposed boundaries with a combination of State and Local incentives; and

WHEREAS, The Martinsville and Henry County Joint Zone 36 (Zone 1) will be expiring December 31, 2015, and the need for incentivizing new construction, expansion, and redevelopment in the City and County is still needed;

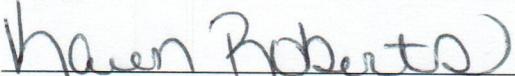
THEREFORE, BE IT RESOLVED: The Martinsville City Council authorizes its Chief Administrator (or designee) to submit all information needed to apply for a new zone designation, authorizes its Chief Administrator (or designee) to meet all program administrative and reporting requirements, as defined by the Enterprise Zone regulations, throughout the life of the zone, and confirms that each jurisdiction participating in the joint Enterprise Zone application has completed a Joint Application Agreement

Adopted this 14th day of July, 2015.



Danny Turner, Mayor

Attest:



Karen Roberts, Clerk of Council

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

VIRGINIA ENTERPRISE ZONE PROGRAM

The Virginia Enterprise Zone Program, administered by the Virginia Department of Housing and Community Development (DHCD), assists with business development and expansion in specially targeted areas throughout the state called Enterprise Zones.

Enterprise Zone Job Creation Grants

For companies creating at least four net new qualifying jobs with health benefits and paying at least twice the federal minimum wage rate*, a job grant amount of up to \$4,000 is available for each job over the four threshold jobs. Companies paying 1.75 times the federal minimum wage rate are eligible for up to \$2,500 per qualifying job over the threshold amount. In Enterprise Zones designated as high unemployment areas by DHCD, companies paying 1.5 times the federal minimum wage rate are eligible for up to \$2,500 per qualifying job over the threshold amount. Jobs with pay rates below the threshold are not eligible for the job grant.

** Note: The federal minimum wage is \$7.25 per hour*

Grants are paid in annual installments of either a maximum of \$500 or \$800 per job and are available for qualifying jobs over the threshold for a five-year grant period. Grants are calculated based on the number of full months worked during a calendar year. In cases where a position is filled or is grant eligible for only a portion of the year, the grant is prorated based on the number of full months the position was filled and/or grant eligible. This applies to cases where there is a change in the wage rate, health benefits or the federal minimum wage rate.

Businesses must qualify for the grants annually. The company makes an application for the grant in the following calendar year and funds are dispersed by mid-year. Qualifying companies may claim the grants on up to a maximum of 350 jobs per year.

Enterprise Zone Incentives are subject to annual proration if demand for the program exceeds budget levels. Job Creation Grants receive funding priority. Real Property Investment Grants are subject to proration if the grants requested exceed the remaining funding.

In order to access Enterprise Zone incentives, companies must apply to the DHCD. For additional information, please visit:

<http://www.dhcd.virginia.gov/index.php/community-partnerships-dhcd/downtown-revitalization/enterprise-zone.html>

*Please note a company may claim both EZ Job Grants and Major Business Facility Tax Credits at the same facility however not for the same jobs.

Real Property Investment Grant

Qualified zone investors (entities and individuals) investing in qualifying industrial, commercial or mixed use real property may receive a cash grant. The grant is equal to 20 percent of the excess above the minimum required investment up to a maximum of \$100,000 for companies investing \$5 million or less in qualified real property investments for the calendar year the property is placed in service in a Zone. For companies investing more than \$5,000,000, the maximum grant is equal to 20 percent of the excess above the minimum required investment up to a maximum of \$200,000.

Total grant awards may not exceed the maximums specified above within a five-year period for a specific building or facility. Investment in rehabilitation/expansion projects must equal at least \$100,000. New construction projects must invest at least \$500,000 in qualified real property investments.

Enterprise Zone Incentives are subject to annual proration if demand for the program exceeds budget levels. Job Creation Grants receive funding priority. Real Property Investment Grants are subject to proration if the grants requested exceed the remaining funding.

In order to access Enterprise Zone incentives, companies must apply to the DHCD. For additional information, please visit:

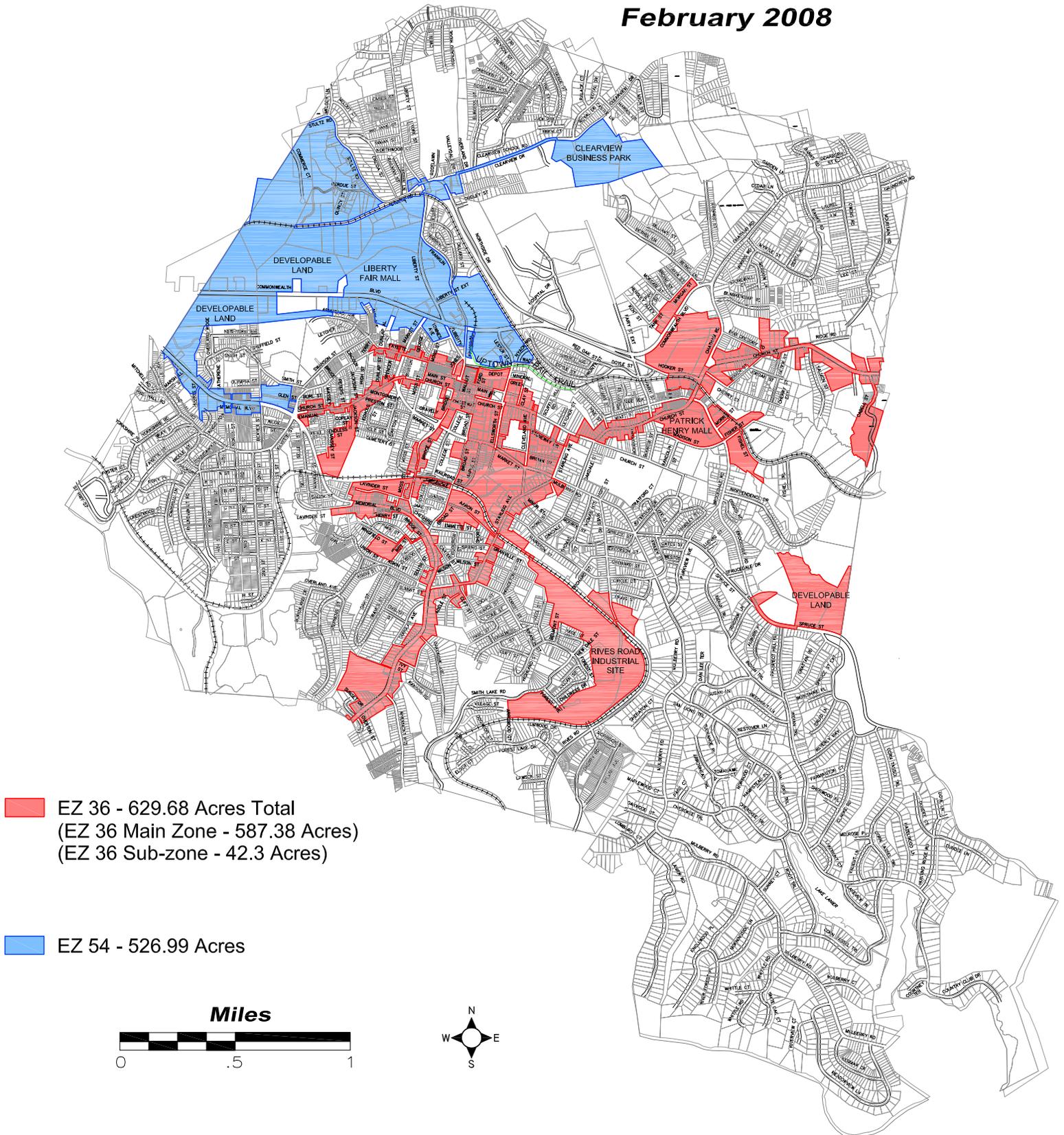
<http://www.dhcd.virginia.gov/index.php/community-partnerships-dhcd/downtown-revitalization/enterprise-zone.html>



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

City / County
Connection

City of Martinsville Enterprise Zones February 2008



Meeting Date: July 14, 2015

Item No: 4.

Department: City Manager

Issue: Hear an update from Dr. Noel Boaz regarding the ICSM/CHSM Medical School project and progress related to the TROF Grant.

Summary: Dr. Boaz will present a brief update on the status of the ICSM/CHSM Medical School project as well as information regarding work elements and expenditures related to the Tobacco Region Opportunity Fund grant awarded earlier this year.

Attachments: None

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

Date: July 14, 2015

Item No: 5.

Department: City Attorney

Issue: Consider approval of amended Transportation Safety Commission requested bylaws changes

Summary: The Transportation Safety Commission has had difficulty in getting student participation and requests those seats be eliminated. Council must change the bylaws to effect such a change.

Attachments: Letter from Commission. Amended Bylaws.

Recommendations: Approve bylaws by motion.



June 15, 2015

Mr. Eric H. Monday, Esq.
Office of the City Attorney
55 West Church Street, Suite 213
Martinsville, Virginia 24112

RE: Martinsville Transportation Safety Commission proposed amendments to bylaws

Eric,

The purpose of this letter is to fulfill the requirement shown in Article 8, Section 1 of the current bylaws, "Amendments so adopted shall not become effective until duly ratified by City Council."

The Martinsville Transportation Safety Commission has unanimously decided to make two changes to the bylaws of the Commission. These changes eliminate the requirement that two students be appointed each year to the Commission. We experience continued difficulty in obtaining student representation due to scheduling requirements, testing issues, and student workloads. Students who are appointed and are willing to serve are often absent from meetings due to school priorities. In order to continue an avenue for student input, Commission staff representative SRO Marcus Gravely of the City Police Department will advise the student body that they can bring any transportation safety issue to him and he will advise the Commission.

In the past, we have held our meetings at the high school for student convenience. We have no assigned meeting location at the high school and often meet in the student commons area during the time of student breaks. For these reasons the Commission has decided to resume our monthly meetings in Room 32 at the Municipal Building, a decision of which does not require Council approval.

Should a student or student group desire to come before the Commission, SRO Gravely would advise us and we would hold a monthly meeting at the high school in order to facilitate such request.

Attached is a copy of the current bylaws with the proposed amendments to sections 2.1 and 3.1. Once approval of City Council is obtained, I will advise Amber Fulcher, Secretary to the Commission, with the official date of the amendments and the updated bylaws will be published.

Please know that your assistance in this matter is greatly appreciated by each member of the Commission.

Sincerely,

A handwritten signature in black ink, appearing to be 'JRS', written over a white rectangular area.

John Redd "Tripp" Smith III
Chairman

Enclosure

cc: MTSC Commissioners

**BYLAWS
OF THE
MARTINSVILLE TRANSPORTATION SAFETY COMMISSION**

As Amended and Approved by the City Council:

**March 11, 1997
March 25, 2003
November 8, 2005
June 9, 2009
January 26, 2010
May 28, 2013**

**ARTICLE I
CREATION**

Section 1.1 The Martinsville Transportation Safety Commission was created by action of City Council pursuant to powers granted in Chapter 2, Section 5 of the Code of the City of Martinsville, Virginia. The Commission was created to advise the City Administration and City Council in matters pertaining to transportation and safety in the City of Martinsville.

**ARTICLE II
MEMBERSHIP**

Section 2.1 The Commission shall consist of up to nine regular members ~~and two representatives of the student body of Martinsville High School~~ appointed by the City Council.

Section 2.2 Members shall be citizens of the City of Martinsville or the County of Henry. The number of County residents approved to the Commission will be dictated by the appointments by Council. Appointments at large shall represent various geographic areas and other interests as determined by Council. No more than a combination of two employees of the City or Constitutional Offices shall serve on the Commission at any one time.

Section 2.3 The Commission shall receive full and effective staff support from the City Administration, by a person(s) to be designated by the City Manager. This support shall include serving as the secretary for the Commission, agenda development, preparation of reports and recommendations, required research, and any other services necessary to assist the Commission in its functions.

ARTICLE III
TERMS OF MEMBERS AND VACANCIES

- Section 3.1** Terms of the nine regular members shall be four years, but staggered whereby five members and then four members would be appointed. ~~Representatives of the student body of Martinsville High School shall be appointed annually and serve the Commission during the school-year.~~
- Section 3.2 All regular members shall be eligible to serve three successive terms provided they continue to satisfy the basic and respective criteria upon which they were originally appointed. They will be ineligible for reappointment for a period of one year, unless there are an insufficient number of qualified applicants to fill all vacancies.
- Section 3.3 Should mid-term vacancies occur among regular member positions, or when terms expire as provided herein, the Commission as a whole and/or as individuals shall be entitled to submit nominations for City Council's consideration in appointing replacements.

ARTICLE IV
OFFICERS

- Section 4.1 The officers shall be the Chairperson and the Vice Chairperson. The Chairperson and Vice Chairperson shall be elected for a two-year period. The Chairperson shall serve not more than two consecutive terms. In the event of a vacancy in either office, an election to fill the vacancy shall be held at the next meeting of the Commission or as soon thereafter as practicable.
- Section 4.2 The Chairperson shall cause an agenda to be prepared for each meeting and shall preside thereat. The Chairperson shall also appoint such ad hoc or standing committees from the membership of the Commission as are deemed necessary. The Chairperson shall sign correspondence, reports and recommendations on the part of the Commission and shall otherwise represent the Commission in its proper relationships with the City Council, the City Administrator, State and Federal agencies, and the public.
- Section 4.3 The Vice Chairperson shall serve in the absence of the Chairperson.
- Section 4.4 A Recording Secretary shall be provided, at the direction of the City Manager, to assist the Chairperson in development and dissemination of the agenda and in recording accurate minutes of all meetings. Minutes of each meeting shall be forwarded to Commission members with the next

regularly scheduled Commission meeting agenda and to members of City Council with the next regularly scheduled Council agenda following the monthly meeting of the Commission. All records of the Commission shall be made available to the news media and the public in a timely way by the Recording Secretary.

ARTICLE V
MEETINGS

Section 5.1 The Commission shall meet once each month, except July, at a time and day agreed on in advance by the Commission, or at the call of the Chairperson. The Chairperson may cancel any monthly meeting when it is deemed appropriate.

Section 5.2 Meetings shall convene at the appointed time, except when members are specifically notified otherwise.

ARTICLE VI
QUORUM AND ATTENDANCE

Section 6.1 No business of the Commission can be conducted at any meeting thereof without the presence of a quorum, consisting of at least three (3) regular members.

Section 6.2 Members are expected to attend all regularly scheduled meetings. Any member having missed five regularly scheduled meetings in a calendar year shall be so notified in writing by the Chairperson. The Chairperson may report such fact to the City Council, who may determine the necessity of replacing such member.

ARTICLE VII
GOALS, FUNCTIONS AND PROGRAMS

Section 7.1 The goals of the Commission shall be as follows:

- a) To serve as a forum for various community groups and interests whose concerns include safer streets and highways;
- b) To provide active leadership and to solicit increased citizen participation in all aspects of transportation safety;
- c) To consistently reduce each year the total number of transportation accidents, with special emphasis on avoidance of those accidents resulting in serious bodily injury and death.

Section 7.2 The functions of the Commission shall include, but not be limited to the following:

- a) Reviewing State and Federal highway safety standards, assessing local conditions, and determining the existence of local deficiencies as to those standards;
- b) Making recommendations to the City Council as to policy decisions to enhance transportation safety in the City by the adoption or amendment of appropriate regulatory ordinances;
- c) Making recommendations to the City Council as to major capital expenditures or necessary efforts to correct other than routine transportation safety problems or conditions;
- d) Reviewing reports, surveys and studies by the City's staff and others as to accident records, specific safety needs and programs and other activities;
- e) Making recommendations for corrective action to the City's staff and/or the State Department of Highways and Transportation concerning specifically identified locations or conditions on local streets considered to be accident prone;
- f) Working cooperatively with the City Planning Commission and the West Piedmont Planning District Commission, as required, in the development of local and regional transportation safety plans;
- g) Developing public information programs and enlisting the assistance of all local organizations (PTA/PTO's, civic clubs, etc.) in generating overall public awareness of the need for safe transportation practices and the prevention of accidents;
- h) Serving as a liaison with the State Department of Highways and Transportation and, through this relationship, to maintain the City's eligibility for grant funding whenever available from the Federal Highway Safety Act of 1966 and other such State or Federal assistance programs;
- i) Updating the appendices to these Bylaws as to membership matters and major accomplishments.

ARTICLE VIII **AMENDMENTS**

Section 8.1 These Bylaws may be amended by a two-thirds vote of the Commission in attendance, provided that a quorum is present and further provided that written notice of proposed amendments are first given to each member not less than ten days prior to the regular or called meeting at which such amendments are to be considered.

Section 8.2 Amendments so adopted shall not become effective until duly ratified by City Council.

Meeting Date: July 14, 2015

Item No: 6.

Department: City Manager

Issue: Conduct a public input session regarding water supply fluoridation in the City of Martinsville

Summary: For a number of Council meetings, comments have been expressed by concerned citizens regarding the issue of fluoridation of the City's water supply. The issue initially was brought to Council's attention at the January 13, 2015 meeting, and at the January 27, 2015 Council meeting, Dr. Mark Crabtree presented information provided by the American Dental Association in support of the practice. Concern continued to be expressed by several citizens, additional information was presented, and as part of the FY16 budget deliberations on April 28, a motion to eliminate the practice of fluoridation was proposed potentially saving the City approximately \$15,000 annually. The motion failed to pass. It was suggested, however, the issue be considered for future public discussion given the apparent community interest.

For this agenda item, the public will have an opportunity to comment on the issue. If printed materials are available, it is suggested those materials be provided to City staff, to make available to Council members prior to the meeting. Individual speakers will have a limited amount of time for presentations as determined by the Mayor and/or Council.

Attachments: None. Council has been provided with electronic copies of materials furnished prior to the meeting.

Recommendations: It is anticipated that considerable information will be presented and comments heard. It is suggested that Council members review any such materials provided, ask question if additional information or research is needed, and at Council's discretion, determine if or when a re-vote on the issue is appropriate.

Meeting Date: July 14, 2015

Item No: 7.

Department: Finance

Issue: Consider approval of consent agenda

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

General Fund: \$446 – Recovered Costs & Grant Funding

Attachments: Consent Agenda 7-14-15

Recommendations: Approve

BUDGET ADDITIONS FOR 7/14/15

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>FY15</u>				
<u>General Fund:</u>				
01100909	490801	Recovered Costs - Senior Services		446
01714212	506016	Senior Citizens - Program Supplies	237	
01714212	501300	Senior Citizens - Part-time Wages	157	
01714212	502100	Senior Citizens - Social Security	10	
01714212	502110	Senior Citizens - Medicare	2	
01714212	506049	Senior Citizens - Vehicle Fuels	40	
		Transportation Grant-June & Trip/Bingo funds		
Total General Fund:			446	446