

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA  
Council Chambers – Municipal Building  
**7:30 pm regular session**  
**Tuesday, May 10, 2016**

**7:30—Regular Session**

Invocation & Pledge to the American Flag- Council Member Teague

1. Consider approval of minutes of the April 18, 19 and 21, 2016 Work Sessions, April 25, 2016 Neighborhood Meeting and April 26, 2016 Meeting. (2 mins)
2. Consider presentation of a Proclamation regarding National Police Week 2016 and Peace Officers' Memorial Day. (5 mins)
3. Consider recognizing the month of May, 2016 as GBS/CIDP (Guillian-Barre Syndrome and Chronis Inflammatory Demyelinating Polyneuropathy (CIDP) awareness month. (5 mins)
4. Consider recognizing the Martinsville-Henry County chapter of National Society of Black Engineers (NSBE). (5 mins)
5. Hear an update from Amanda Witt of the M-HC Chamber of Commerce regarding activities related to the City/C-PEG Small Business Development contract (15 mins)
6. Consider setting public hearing for Council's May 24, 2016 meeting for the purpose of receiving names of citizens interested in an appointment for one 3-year term on the Martinsville City School Board, beginning July 1, 2016 and ending June 30, 2019. (5 mins)
7. Consider approval of FY17 budget on second reading. (15 mins)
8. Consider granting a tax exemption to a local non-profit and adopting an ordinance on first reading (15 mins)
9. Consider approval of consent agenda (2 mins)
10. Comments by members of City Council. (5 minutes)
11. Comments by City Manager. (5 minutes)

12. Business from the Floor (*not televised*)

**This section of the Council meeting provides citizens the opportunity to discuss matters, which are not listed on the printed agenda. 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.**

**Meeting Date:** May 10, 2016

**Item No:** 1.

**Department:** Clerk of Council

**Issue:** Consider approval of minutes from April 18, 19 and 21, 2016 Work Sessions, April 25, 2016 Neighborhood Meeting and April 26, 2016 Council Meeting Council Meeting.

**Summary:** None

**Attachments:** April 18, 2016 Work Session minutes  
April 19, 2016 Work Session minutes  
April 21, 2016 Work Session minutes  
April 25, 2016 Neighborhood Meeting minutes  
April 26, 2016 Council Meeting minutes

**Recommendations:** Motion to approve minutes as presented.

April 18, 2016

A special meeting of the Council of the City of Martinsville, Virginia, was held on April 18, 2016, in Council Chambers, Municipal Building, at 6:30PM, to conduct a budget worksession with Mayor Turner presiding. Council Members present included: Mayor Turner, Vice Mayor Jennifer Bowles, Council Member Gene Teague, Council Member Sharon Brooks Hodge, and Council Member Mark Stroud. Staff present included: City Manager Leon Towarnicki, Clerk of Council Karen Roberts, Assistant City Manager Wayne Knox, City Attorney Eric Monday, Finance Director Linda Conover, and Utilities Director Durwin Joyce.

Mayor Turner and acting school board chairman Craig Dietrich opened the meeting.

Discussion with Martinsville City Schools/School Board regarding the proposed FY17 Budget, and School budget request: City Manager Leon Towarnicki summarized the budget planning to date, detailing the proposed budget cuts affecting the school board. Dietrich and school Superintendent Pamela Heath summarized a handout provided to those in attendance.

Review of Electric Department Budget and Proposed Rate Increase: City Manager Towarnicki and Utilities Director Durwin Joyce detailed the budget proposal related to budget cuts and rate increase. City Attorney Monday explained the research done on AMP Ohio contracts and what would be required for the City to get out of those contracts.

Electric Budget and Capital: Towarnicki and Joyce summarized a handout provided to Council Members.

Towarnicki explained the agenda for the next two work sessions and asked if Council Members had any suggestions or preferences to let him know.

There being no further business, Council Member Hodge made a motion to adjourn the meeting, Council Member Stroud seconded the motion with all Council Members in favor. The meeting adjourned at 8:57pm.

---

Karen Roberts, Clerk of Council

---

Danny Turner, Mayor

April 19, 2016

A special meeting of the Council of the City of Martinsville, Virginia, was held on April 19, 2016, in Council Chambers, Municipal Building, at 6:00PM, to conduct a budget work session with Mayor Turner presiding. Council Members present included: Vice Mayor Jennifer Bowles, Council Member Gene Teague, Council Member Sharon Brooks Hodge, and Council Member Mark Stroud. Staff present included: City Manager Leon Towarnicki, Clerk of Council Karen Roberts, Assistant City Manager Wayne Knox, City Attorney Eric Monday, Finance Director Linda Conover, Public Works Director Jeff Joyce, Director Water Resources Andy Lash, Telecommunications Director Mike Scaffidi, Fleet Manager Lane Shively, City Engineer Chris Morris, Commissioner of Revenue Ruth Easley, Fire Chief Ted Anderson, Senior Services Coordinator Betsy Pace, Police Chief Sean Dunn, Human Resources Director Dave Brahmstadt, and Treasurer Cindy Dickerson. Mayor Turner arrived at 6:08pm

Vice Mayor Bowles opened the meeting. City Manager Towarnicki welcomed everyone to the meeting and explained the agenda for the night and what to expect from the department heads.

Ted Anderson, Fire Chief – impact of 5% reduction: Chief Anderson explained budget cuts and how those cuts affected the Inspections department, Fire department staffing, travel and training funds, and property demolition procedures.

Sean Dunn, Police Chief – impact of 5% reduction: Chief Dunn explained budget cuts and how those cuts affected personnel costs, group medical insurance, equipment and supplies and vehicle fuel costs.

Betsy Pace, Senior Services Director and Teresa Fontaine, Director of Southern Area Agency on Aging on impact of not funding the Martinsville Senior Services program: City Manager Towarnicki explained how the suggestion to eliminate funding for the Senior Services program came about. Ms. Pace explained how the cut would affect the services offered to the community with emphasis on the transportation services for City seniors. Ms. Fontaine described the effects on the Southern Area Agency on Aging if the Senior Center budget was eliminated and what options would change or be eliminated that are currently being offered to seniors now. Jeff Joyce elaborated on the part time positions and additional services that would be affected if funding was cut. Brooks Jones explained how the Senior Center only provides transportation to citizens who do not have Medicaid and have no other means of transportation. Council Member Teague asked Pace and Joyce to come back to Council with costs to run the transportation option only. Council Members all agreed

April 19, 2016

that they would like to continue to provide funding for the Senior Center and have asked for suggestions on how to make it work.

Review of Water/Sewer budgets, proposed rate increase: Towarnicki explained the water and sewer rate increase suggestion. Andy Lash explained that the work crews are being more proactive to issues rather than reactive to problems. Towarnicki explained the purpose behind the rate increases is to build the fund balances back to where they need to be. He pointed out that even with the rate increases that Martinsville will still be way under the state average for water and sewer rates. Towarnicki detailed the water and sewer budget proposal.

Review of outside agency budgets specifically 911, EDC, PART and others as needed: Ricky Walker of the Henry County Sheriff's Department thanked Council for their previous support and how that organization benefits. Towarnicki explained the 911 center contribution. Hodge said she is in support of EDC budget reduction. She feels the new funding is what the City should have been paying all along but does not agree with the terms. Mayor Turner says that the EDC's obligation should be in the City's best interest. Towarnicki detailed the EDC agreement and explained the possibility to qualify for a third transit PART bus. Hodge asked why the 5% budget reduction was not applied to outside agencies; she felt that it's a matter of principle since all other departments are affected. She also questioned the dental clinic being added back into the budget and feels that other City entities should support the clinic instead of City Council.

Review of Departmental budgets: Council Member Teague questioned consulting fee for the Zoning ordinance and Council Member Hodge had questions about the Parks and Recreation park maintenance budget.

There being no further business, Council Member Teague made a motion to adjourn the meeting, Council Member Hodge seconded the motion with all Council Members in favor. The meeting adjourned at 9:20pm.

---

Karen Roberts, Clerk of Council

---

Danny Turner, Mayor

April 21, 2016

A special meeting of the Council of the City of Martinsville, Virginia, was held on April 21, 2016, in Council Chambers, Municipal Building, at 6:00PM, to conduct a budget worksession with Mayor Turner presiding. Council Members present included: Mayor Danny Turner, Vice Mayor Jennifer Bowles, Council Member Gene Teague, Council Member Sharon Brooks Hodge, and Council Member Mark Stroud. Staff present included: City Manager Leon Towarnicki, Clerk of Council Karen Roberts, Assistant City Manager Wayne Knox, City Attorney Eric Monday, Finance Director Linda Conover, Public Works Director Jeff Joyce, Telecommunications Director Mike Scaffidi, Fleet Manager Lane Shively, City Engineer Chris Morris, Commissioner of Revenue Ruth Easley, Sheriff Steve Draper and Fire Chief Ted Anderson.

Mayor Turner opened the meeting.

PHCC has requested an opportunity to address Council - Jack Hanbury, VP of Finance and Administration at Patrick Henry Community College shared a PowerPoint to update Council on a major project involving the Motorsports and Workforce Development Center that is funded in part from City contributions.

Review capital needs, funding, and discussion on proposed meals tax increase - City Manager Towarnicki described the list of items that were cut because of budget restraints specifically the Sheriff's Department needs such as the intercom system. Council Member Teague asked Mike Scaffidi to weigh out options to correct this problem with the City fiber optic and telecom system. Council Member Hodge asked about a joint venture with the County to assist with Sheriff Department needs. Sheriff Steve Draper explained the intercom/security system and the repairs needed at the City Farm.

Towarnicki described items that will remain on the capital list. Towarnicki stated that the 0.5% increase in meals tax would increase the revenue, assuming there is no interest in increasing the meals tax then Council would need to rethink those items on the capital list. Council Member Teague made a motion to remove the 0.5% meal tax increase off the table. Council Member Stroud seconded the motion with all Council Members voting in favor.

Jeff Joyce detailed the cost of continuing the transportation portion of the Senior Center and maintaining the building if the Senior Center is moved or eliminated. Towarnicki detailed proposed cuts and revenue from other departments that could be used to fund the Senior Center. Teague made a motion to restore funds to the Senior Center. Hodge seconded the motion with all Council Members voting in favor.

April 21, 2016

Hodge made a motion to change EDC funding to keep the same agreement but change to per capita funding. Turner seconded motion. Council Members voted: with Turner, Hodge, and Stroud voting aye in favor of the motion, Bowles and Teague voting nay against the motion.

Hodge made a motion to not fund the dental clinic. No second was made so the motion dies.

Bowles made a motion to fund \$100k for the schools to hire assistant principals to assist in discipline problems. Hodge pointed out if the money was awarded that Council could not dictate how it's used specifically. Stroud seconded the motion. City Attorney Eric Monday reported a disclosure had been signed by Council Member Mark Stroud stating he can vote impartially. Mr. Stroud is a retiree of the city sheriff's office and his spouse works for city schools. Council Members voted: Bowles and Stroud voting aye in favor of the motion; Turner, Teague and Hodge voting nay against the motion.

Stroud made a motion to reinstate \$100k for the Fire department for part-time employees. Bowles seconded the motion. Fire Chief Ted Anderson explained the time involved in training, hazard pay and liability and added expenses for the City. Bowles retracted her second so motion dies on the table. Council agreed that if the Fire Department needs funds midyear, Anderson can come back to Council and ask for an appropriation.

Hodge asked about departments who may have received market rate adjustments already this year. Towarnicki & Finance Director Linda Conover said to their knowledge, no departments received market rate adjustments. Towarnicki stated that some market adjustments would be necessary to maintain experienced employees.

There being no further business, Council Member Teague made a motion to adjourn the meeting, Council Member Bowles seconded the motion with all Council Members in favor. The meeting adjourned at 8:05pm.

---

Karen Roberts, Clerk of Council

---

Danny Turner, Mayor

April 25, 2016

Martinsville City Council toured the Southside area on April 25, 2016 beginning at 5:00pm. Those present for the tour were Council Member Teague, Mayor Turner, and Council Member Hodge. Vice Mayor Bowles and Council Member Stroud were absent from the tour. Staff present included City Manager Leon Towarnicki, Property Maintenance Deputy Fire Marshall Andy Powers, Property Maintenance Inspector Mark Price, Assistant City Manager Wayne Knox, Fire Chief Ted Anderson, and Officer Coretha Gravely. Mickie Powell of the Martinsville Bulletin was also present for the tour.

The Southside Neighborhood Meeting was held at Fuller Memorial Church, 1204 Askin Street, Martinsville, VA at 7:30 PM, with Mayor Danny Turner presiding and Council Members present including: Council Member Teague and Council Member Hodge. Staff present: City Manager Leon Towarnicki, Clerk of Council Karen Roberts, Assistant City Manager Wayne Knox, City Attorney Eric Monday, Police Chief Sean Dunn, Police Captain Rob Fincher, Officer Coretha Gravely, Inspector Andy Powers, Inspector Mark Price, and Fire Chief Ted Anderson.

Mayor Turner called the meeting to order.

Officer Gravely thanked everyone for attending and invited Pastor Fred Hardin to offer a prayer.

Andy Powers summarized the neighborhood tour, describing 101 Sellers Street emergency order for demolition, water tanks on Bethel Lane that are being removed and provided an update on the property nuisance report. Powers introduced Mark Price and invited those in attendance to talk to him after the meeting. He detailed Forest Street issues, sewer line work, and posted notices on Southside. City Manager Towarnicki said that installation of new meters would begin within two months.

Officer Gravely introduced Donna Byrd, thanking her for all of her contributions to the church and the neighborhood. Mayor Turner said it's important in a community when the citizens go above and beyond to show they care.

Annie Martin, 1005 Paul Street complained about property at 1006 Paul Street, stating no one is taking care of it & asked that the inspector take a look at it.

Richard Toler, Forest Street asked what was being done about speeding on Forest Street and acknowledged additional patrol.

Joel Mitchell, neighborhood block captain on Forest Street also expressed concern of speeding, no stop sign at Princeton and Forest and no traffic signal at Market and Moss Street.

Sonny Farmer, 705 Pace Street voiced concern about speeding and asked why residential streets are 30mph and asked if the speed limit could be lowered and enforced. Mayor Turner asked City Attorney Monday about the state requirements, Monday explained the City could set the limit at whatever they want.

Linda Lawry, Graves Street thanked the Police Department for their work on Graves Street and expressed concern about the guardrail being removed for loggers at Stone Dynamics.

April 25, 2016

Wilhelmina Roberts, 1010 Paul Street expressed concern about speeders on Paul Street. She said traffic coming off of Paul Street does not stop. She said the street is not being kept clean and she says there is a house in the area that homeless people are using.

Mayor Turner stated that at the last meeting there was concern of 4-wheelers making noise at all hours and asked Chief Dunn if that had been resolved. Residents said this was still a problem.

Dale Handy, Graves Street complained about a drone that a neighbor brings out late at night and possible privacy invasion. City Attorney Monday said there are no local regulations on drone operation but the owner does need to register the drone with the department of aviation, stating he will follow up on those regulations.

Toler said he had seen a resident with a green laser pointed in the sky.

Mitchell said off Market Street towards the Police Department needs a stop light installed to prevent future accidents.

Handy complained about debris at back of Stone Dynamics property being an eye sore. Monday said the City would follow up on the debris that is being dumped.

Resident stated at the back of her residence there are discarded cars. Powers confirmed that residents cannot park uninsured, untagged vehicles in the city and he will follow up.

Martin asked if there are any activities provided for the youth through the summer. Mitchell and Toler expressed interest and concern on this as well. Towarnicki said there are activities offered through the YMCA and other organizations but the City sometimes has difficulty keeping the children involved and participating. Residents expressed concern on youth and the education they are receiving and the activities to keep them out of trouble. They feel there should be grants or other resources to fund activities for the youth. Teague said the YMCA does have activities for families that cannot afford a membership. Towarnicki said that the Parks and Recreation department is still very active but over the past decade, the participation has dropped to the point that some activities are cancelled due to participation. Turner said that maybe the City should reassess programs available to the local youth. Officer Gravely shared several programs that she has worked with for the youth also. Melanie Soulos, 513 Forest Street also commented on programs offered by the Library for area youth.

There being no further business, Council Member Hodge made a motion to adjourn the meeting at 8:25pm, Council Member Teague seconded the motion, all Council Members voted in favor.

---

Karen Roberts  
Clerk of Council

---

Danny Turner  
Mayor

April 26, 2016

The regular meeting of the Council of the City of Martinsville, Virginia, was held on April 26, 2016, in Council Chambers, Municipal Building, at 7:30 PM with Mayor Danny Turner presiding. Council Members present included: Danny Turner, Jennifer Bowles, Gene Teague, Mark Stroud and Sharon Brooks Hodge. Staff present included: City Manager Leon Towarnicki, Assistant City Manager Wayne Knox, Clerk of Council Karen Roberts, Finance Director Linda Conover, Commissioner of Revenue Ruth Easley, Public Works Director Jeff Joyce, Senior Services Coordinator Betsy Pace, IT Director Esther Artis, Fire Chief Ted Anderson, Telecommunications Director Mike Scaffidi, Sheriff Steve Draper, Deputy Fire Marshall Andy Powers, and Police Chief Sean Dunn.

Mayor Turner called the meeting to order and advised Council would go into Closed Session beginning at 7:00 PM. In accordance with Section 2.1-344 (A) of the Code of Virginia (1950, and as amended) and upon a motion by Council Member Hodge, seconded by Council Member Stroud, with the following 5-0 recorded vote: Council Member Hodge, aye; Vice Mayor Bowles, aye; Council Member Stroud, aye; Council Member Teague, aye; and Mayor Turner, aye. Council convened in Closed Session for the purpose of discussing the following matters: (A) Appointments to boards and commissions as authorized by Subsection 1. and (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. At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open meeting requirements were discussed in said Closed Session; and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during the Session. On a motion by Hodge, seconded by Bowles, with the following 5-0 recorded vote in favor to return to Open Session: Council Member Stroud, aye; Mayor Turner, aye; Council Member Teague, aye; Vice Mayor Bowles, aye; Council Member Hodge, aye.

Stroud made a motion to recommend to Judge Carter Greer that Richard Howell be appointed to the Board of Zoning Appeals for an unexpired term ending September 22, 2019. Hodge seconded the motion with all Council Members voting in favor.

Teague made a motion to appoint Ashby Pritchett, Elizabeth Moore, Walt Shaw and Mary Brown to the Architectural Review Board for a term ending March 31, 2018. Bowles seconded the motion with all Council Members voting in favor.

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

Consider presentation of a proclamation recognizing Friday, April 29, 2016 as National Arbor Day – Vice Mayor Bowles read the proclamation and presented it to Wayne Knox. Mr. Knox accepted the proclamation on behalf of the Tree Board of the City of Martinsville.



### PROCLAMATION

**WHEREAS**, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

**WHEREAS**, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and

**WHEREAS**, Arbor Day is now observed throughout the nation and the world; and

**WHEREAS**, trees can reduce the erosion of our precious topsoil by wind and water, lower our heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife; and

**WHEREAS**, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products; and

**WHEREAS**, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and

**WHEREAS**, trees, wherever they are planted, are a source of joy and spiritual renewal; now, therefore

I, Danny Turner, Mayor of the City of Martinsville, do hereby proclaim April 29, 2016 as

#### ARBOR DAY

in the City of Martinsville, and I urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands, and

**FURTHER**, I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

\_\_\_\_\_  
Danny Turner  
Mayor

Presentation of proclamation regarding National Correctional Officers and Employees week – Council Member Stroud read the proclamation and presented it to Sheriff Steve Draper. Sheriff Draper thanked Council Members and invited them to the dinners on May 3 and 4, 2016 being held for those officers and employees.



## PROCLAMATION

### National Correctional Officers and Employees Week

WHEREAS, one of the primary goals for the City of Martinsville is to provide its citizens with an effective judicial system that concentrates on quality for all of our citizens; and

WHEREAS, the City of Martinsville's dedicated correctional officers are essential to the success of our judicial process, and our correctional officers' work includes daily exposure to a hostile environment with many of the most dangerous individuals in our society; and

WHEREAS, Correctional Officers contribute daily to the protection of our citizens by housing dangerous felons in a humane environment, often at great risk to the officers' own protection; and

WHEREAS, the City of Martinsville is pleased to join with officials and distinguished correctional officers across America to recognize the achievements of these dedicated individuals. We are indebted to the International Association of Correctional Officers for continuing to emphasize the accomplishments of correctional officers worldwide; now, therefore

FOR THESE SIGNIFICANT REASONS, I, Danny Turner, Mayor of the City of Martinsville, Virginia, do hereby proclaim May 1-May 7, 2016,

**"NATIONAL CORRECTIONAL OFFICERS AND EMPLOYEES WEEK"**

in the City of Martinsville and commend this observance to all of our citizens.

\_\_\_\_\_  
Danny Turner  
Mayor

Consider approval of minutes of the April 12, 2016 Council Meeting - on a motion by Bowles, seconded by Stroud, with a 5-0 Council vote in favor to approve, the minutes were approved as presented.

Conduct a public hearing on FY17 Budget and consider approval of FY17 Budget Ordinance on first reading - City Manager Towarnicki highlighted the proposed budget and the steps to prepare that, budget cuts for various departments, funding for the Senior Center, School funding, Dental Clinic funding, Fire Department funding, Meals tax, etc. Stroud stated that he voted in error at the previous work session. Stroud made a motion to revisit the funding cut for the EDC, Teague seconded the motion. Hodge stated that the per capita is the funding level she felt the City should be paying all along and that they should not give up a seat. Turner said the Council should have some opinion of who would take that seat. Bowles understands the concerns and feels that losing the seats does not change the voting power. Turner says that it is unfortunate that an African American woman is on the board and that would be the seat that is eliminated. Council Members voted to reconsider funding the EDC at \$100,000 and to give up one EDC seat: Stroud, aye; Bowles, aye; Teague, aye; Turner, nay; and Hodge, nay.

Mayor Turner opened the floor to public comments.

April 26, 2016

Ural Harris, 217 Stewart Street – stated he does not agree with budget decisions and that some of the departments being cut are the most important to the community. He thanked Hodge for her support of the Senior Center. He does not agree with EDC funding decision.

Mary Ann Ferris, 931 Myrtle Rd – said thank you for not eliminating Senior Services and she uses the programs and the transportation. She asked what would happen after this year and if the services would still be available. Hodge said her hope is to partner with other agencies over the next year so there can be a transition and services will not be lost. Bowles asked the City Manager to explore options using the PART bus to aid in senior transportation.

Dr. Craig Deitrich, 1227 Lanier Road and member of school board – stated that the reduction of the school board budget is a painful cut.

Teresa Fontaine, Director of Southern Area Agency on Aging – thanked Council for the restoration of the Senior Center and shared additional information on the senior population.

Joe Martin, 617 E. Church Street – asked how much funding is going towards the Senior Center. Towarnicki said it would be around \$200,000. Martin referred to his idea from the previous year to save money that could be returned to the school board.

Gloria Hylton, 402 Second Street – she stated that she is glad the Senior Center funding was restored. She expressed concern of the reduction of the Police and Fire Departments and felt that the meals tax should be reconsidered to provide funding where needed.

Mayor Turner closed the public hearing. City Attorney Monday explained that Council Member Stroud and Vice Mayor Bowles had signed a disclosure and both could objectively participate in budget discussions and vote. Teague made a motion to adopt the budget as amended on first reading. Bowles seconded the motion. Stroud asked about the loan to repair the sewer line and the requirement to have the ability to raise the revenue to repay that loan and if the water/sewer rate increase is adjustable. Towarnicki explained it includes a revenue bond so the revenue from water and sewer serves as a guarantee of repayment. There must be sufficient revenue to satisfy conditions of the loan. Stroud mentioned that a sludge press would decrease the cost of sludge disposal at the landfill. Teague thanked those departments who had budget cuts including the school board, fire, police and sheriff departments and the seven individuals who will no longer have a position with the City. He emphasized that the budget is painful but the City is not broke. Teague thanked City Manager Towarnicki and Linda Conover in Finance for their hours invested. Roll Call vote: Bowles, aye; Turner, aye; Stroud, aye; Hodge, aye; Teague, aye.

**CITY OF MARTINSVILLE, VIRGINIA**  
**ORDINANCE No. 2016-U-**  
**The Budget for Fiscal 2016-2017**

**BE IT ORDAINED** by the Council of the City of Martinsville, Virginia, in regular session assembled April 26, 2016, that the following sums of money be and hereby are appropriated – by specified Fund – for the City’s fiscal year ending June 30, 2017, from the following Fund sources of estimated revenue:

**SUMMARY STATEMENT OF BUDGET ESTIMATES**  
2016-2017

| Fund               | Projected Revenues   | Budgeted Expenditures | Changes in Fund Balance |
|--------------------|----------------------|-----------------------|-------------------------|
| General            | \$ 27,987,161        | \$ 30,127,382         | \$(2,140,221)           |
| Meals Tax          | \$ 2,188,373         | \$ 2,588,373          | \$( 400,000)            |
| Capital Reserve    | \$ 995,018           | \$ 1,031,217          | \$( 36,199)             |
| Refuse             | \$ 2,205,000         | \$ 2,430,000          | \$( 225,000)            |
| Telecommunications | \$ 1,666,425         | \$ 1,336,014          | \$ 330,411              |
| Water              | \$ 3,591,000         | \$ 2,794,357          | \$ 796,643              |
| Sewer              | \$ 4,250,312         | \$ 3,954,277          | \$ 296,035              |
| Electric           | \$ 19,924,740        | \$ 20,373,740         | \$( 449,000)            |
| Cafeteria*         | \$ 1,464,085         | \$ 1,464,085          | \$ -                    |
| Schools**          | \$ 22,993,338        | \$ 22,993,338         | \$ -                    |
| CD/BO              | \$ 17,000            | \$ 2,550              | \$ 14,450               |
| <b>Totals</b>      | <b>\$ 87,247,802</b> | <b>\$ 89,126,333</b>  | <b>\$( 1,878,531)</b>   |

\*Cafeteria – As estimated by school personnel.  
\*\*Schools – As recommended by City Manager.

**Tax Rates (unchanged):**  
Real Estate: \$1.0621 per \$100 assessed value  
Personal Property: \$2.30 per \$100 assessed value  
Machinery & Tools: \$1.85 per \$100 assessed value

**Proposed for Electric:**  
Average Increase 4.97%

**Proposed for Water:**  
\$3 per month

**Proposed for Sewer:**  
\$3 per month

**BE IT FURTHER ORDAINED** by the Council that this Ordinance shall be effective on and after July 1, 2016.

\*\*\*\*\*

Attest:

\_\_\_\_\_  
Karen Roberts, Clerk of Council

Date Adopted \_\_\_\_\_ Date Effective \_\_\_\_\_

Hear overview of April 25, 2016 Southside area Neighborhood tour and meeting – City Manager Towarnicki summarized the Southside Neighborhood meeting, detailing locations visited. The meeting at Fuller Memorial Church included an update from the Property Maintenance department and touched on concerns related to speeding, stop signs and stoplights, questions on meter replacement, all-terrain vehicle comments, and guardrail removal concern. There were concerns brought up about laser beams and flying drones. Comments were made about possible dumping locations and lack of youth activities. Visitmartinsville.com forwarded a list of activities for youth. Towarnicki also described several camps that are being held for youth in the area through the school system. He also mentioned church and the sports complex activities that are available. Teague suggested getting the RADAR bus involved to see if the bus could alter the route to accommodate citizens wanting to attend some activities.

Conduct a public hearing required under the exemption ordinance enacted in January 2007 for an organization requesting local tax exemption and consider granting the requested exemption – Commissioner of Revenue Ruth Easley summarized the exemption request that is done once a year. There was only one organization that requested the exemption. A committee was formed and met, providing a report and recommendation not to provide exemption of this organization. Hodge shared her reasoning why it would be a disservice to

April 26, 2016

reject this exemption. James Hagwood, representative of the Community Development Corporation of Martinsville-Henry County, Inc. described how the organization does not make profit and their plans for the properties they currently own. Teague says he supports the organization, but not necessarily the tax exemption. Wayne Knox said the two properties were purchased through a grant and form contributions from board members. His opinion is this CDC has the opportunity to grow and be beneficial to the City and the Westend. The best way to support the mission of the organization is through contributions. Hodge asked if Council could consider the exemption with specific thresholds. Monday explained that that Council would not have that authority but they may possibly include an annual “sunset” provision in the ordinance. Easley explained that by including provisions they are dictating how the organization is run and the purpose of the ordinance is so Council would not go through this consideration each year. Hodge made a motion to grant the exemption, Bowles requested additional time to consider the request. Teague asked if Council would consider adding this organization to the budget as a funded outside agency rather than approving the tax exemption ordinance. Monday said that decision would need to be made at the next meeting since the budget was already approved on first reading. Mayor Turner opened the public hearing with no one approaching the podium. Council requested this request be tabled until the next meeting

Exemption Definitions

As Defined by Va. Courts

**Benevolent** – Philanthropic; humane; having a desire or purpose to do good to men; intended for conferring benefits, rather than for gain or profit. (Manassas Lodge No. 1380, Loyal Order of Moose, Inc. v. County of Prince William, 218 Va. 220, 237 S.E. 2d 102 (1977))

**Charitable** – Liberal in benefactions to the poor; beneficent. (City of Richmond v. United Givers Fund of Richmond, Henrico & Chesterfield, Inc., 205 Va. 432, 137 S.E. 2d 876 (1964))

NOTE: A charitable organization should be organized and conducted to perform some service of public good or welfare based on the above mentioned court cases.

As Defined by Va. Constitution Article X §6

**Educational Exemption** – Limited to institution of learning operated not for profit, provided the property is used for literary, scientific, or educational purposes or purposes incidental thereto.

As Defined by Webster's New Collegiate Dictionary

**Cultural** – Of or relating to enlightenment and excellence of taste acquired by intellectual and aesthetic training; acquaintance with and taste in fine arts, humanities, and broad aspects of science as distinguished from vocational and technical skills.

**Educational** – The field of study that deals mainly with methods of teaching and learning in schools.

**Historical** – Of or relating to a branch of knowledge that records and explains past events.

**Museum** – An institution devoted to the procurement, care, study, and display of objects of lasting interest or value; a place where objects are exhibited.

**Patriotic** – Befitting or characteristic of a patriot (one who loves his country and zealously supports its authority and interests.)

**ORDINANCE 2016-\_\_\_\_\_**

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session held on April 26, 2016 and pursuant to Section 58.1-3651 of the Code of Virginia, that Section 21-12 of the City Code be amended to add a subsection *O* as follows:

*(o) Taxation exemption for Community Development Corporation of Martinsville-Henry County, Inc.*

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

1. The *Community Development Corporation of Martinsville-Henry County, Inc.*, a nonprofit organization, is hereby classified and designated as a *charitable* organization within the context of Section 6(a)(6) of Article X of the Constitution of Virginia.

2. *Real property* owned by *Community Development Corporation of Martinsville-Henry County, Inc.*, and used exclusively for educational, benevolent and charitable purposes on a nonprofit basis, as set forth in subsection A. of this section, is hereby determined to be exempt from local *real* property taxation.

3. Continuance of the exemption shall be contingent on the continued use of the property in accordance with the purpose for which the organization is classified or designated.

Attest:

\_\_\_\_\_  
Karen Roberts,  
Clerk of Council

\_\_\_\_\_  
Date Adopted

\_\_\_\_\_  
Date Effective

|   |   |
|---|---|
| <p style="text-align: center;"><b>EXEMPTION CRITERIA TO CONSIDER</b></p> <p>Pursuant to Code of Virginia §58.1-3651, the local governing body shall consider the following questions before granting an exemption from local taxation to any nonprofit organizations:</p> <ol style="list-style-type: none"> <li>1. Whether the organization is exempt from taxation pursuant to § 501 (c) of the Internal Revenue Code of 1954;</li> <li>2. Whether a current annual alcoholic beverage license for serving alcoholic beverages has been issued by the Virginia Alcoholic Beverage Control Board to such organization, for use on such property;</li> <li>3. Whether any director, officer, or employee of the organization is paid compensation in excess of a reasonable allowance for salaries or other compensation for personal services which such director, officer, or employee actually renders;</li> <li>4. Whether any part of the net earnings of such organization inures to the benefit of any individual, and whether any significant portion of the service provided by such organization is generated by funds received from donations, contributions, or local, state or federal grants. As used in this subsection, donations shall include the providing of personal services or the contribution of in-kind or other material services;</li> <li>5. Whether the organization provides services for the common good of the public;</li> <li>6. Whether a substantial part of the activities of the organization involves carrying on propaganda, or otherwise attempting to influence legislation and whether the organization participates in, or intervenes in, any political campaign on behalf of any candidate for public office;</li> <li>7. The revenue impact to the locality and its taxpayers of exempting the property; and</li> <li>8. Any other criteria, facts and circumstances that the governing body deems pertinent to the adoption of such ordinance.</li> </ol> | <p style="text-align: center;"><b>Other Exemption Criteria Not Specifically Identified in Code of Virginia §58.1-3651</b></p> <p>The City Council should consider the following criteria, facts and circumstances as may be pertinent:</p> <ol style="list-style-type: none"> <li>(a) Whether the organization is current on all its obligations to the City;</li> <li>(b) Whether the organization is in compliance with all City ordinances and regulations, including (but not limited to) building, subdivision and zoning ordinances;</li> <li>(c) Whether the property for which the exemption is sought relates to the purposes for which the organization was created and tends to directly promote those purposes;</li> <li>(d) Whether the service(s) provided by the organization are services the City would provide if the requesting organization did not do so;</li> <li>(e) Whether the organization meets a general public need for which the benefits derived by the community at-large are equivalent to or exceed the City's loss in revenue from taxes on the entity's real and personal property;</li> <li>(f) Whether the service(s) provided by the organization meet an established priority of the City Council; and</li> <li>(g) Any other criteria, facts and circumstances that the Council may deem appropriate and pertinent.</li> </ol> |
|---|---|

|   |  |
|---|--|
| <div style="text-align: center;">  <p><b>Exemption Review Committee Report</b><br/>April 4, 2016</p> </div> <p><b>Applicant:</b> Community Development Corporation of Martinsville-Henry County, Inc.</p> <p><b>Organization Mission Statement:</b> To serve as a community development organization with a focus for revitalizing and rebuilding Martinsville's West End community, thereby fostering the creation and attraction of new business, retaining and expanding jobs and assisting in the retention and expansion of existing businesses in Martinsville and Henry County.</p> <p><b>Answers to Review Criteria:</b></p> <ol style="list-style-type: none"> <li>1. The organization has been granted IRS 501 (c) (3) designation</li> <li>2. The organization does not have an annual special events ABC license</li> <li>3. The organization's application indicates that there are no employees and the officers do not receive salaries.</li> <li>4. Net earnings of the organization do not inure to the benefit of any individual, however, exact funding sources could not be discerned due to the newness of the entity.</li> <li>5. The organization's stated purpose is to focus on "revitalizing and rebuilding Martinsville's West End Community thereby fostering the creation and attraction of new business, retaining and expanding jobs and assisting in the retention and expansion of existing businesses in Martinsville and Henry County."</li> <li>6. No substantial part of the organization's activities is to influence legislation or campaign on behalf of a political candidate.</li> <li>7. Real Estate Tax Revenue Impact: \$721.16 is the current annual tax assessment for the 2 properties owned by the organization.</li> <li>8. The organization does not meet a general public need that exceeds the City's loss in revenue from taxes. Similar rehabilitation projects are currently performed by other private individuals that are not tax exempt. And also by Habitat for Humanity a non-profit entity.</li> </ol> <p><b>Additional Review Criteria:</b></p> <ol style="list-style-type: none"> <li>a. The organization has unpaid real estate tax liability</li> </ol> | <ol style="list-style-type: none"> <li>b. The organization has not obtained building permits for any of the rehabilitation work, but depending on the nature of the work, they may not need one. The organization has not stated that the property use would change from the current residential zoning so they are compliant with current subdivision and zoning ordinances.</li> <li>c. The properties for which the exemption is sought potentially relate to the purposes for which the organization was created. If any property is leased and becomes income producing any exemption granted could be lost pursuant to Code of Virginia §58.1-3603.</li> <li>d. The City is providing some property rehabilitation through grant programs administered through the Martinsville Redevelopment and Housing Authority.</li> <li>e. The organization is providing services that are currently being provided by private investors or through the Martinsville Redevelopment and Housing Authority</li> <li>f. The organization does provide a service that meets an established priority of City Council, but the same kind of service is also provided by private investors, Habitat for Humanity, and the Martinsville Redevelopment and Housing Authority.</li> <li>g. Other criteria to consider: No other criteria was considered by the committee.</li> </ol> <p><b>Fiscal Impact:</b></p> <p>The organization currently owns 2 properties: 508 Fayette Street and 610 Fayette Street. Current annual tax on 508 Fayette Street is \$403.60. Current annual tax on 610 Fayette Street is \$317.57. Total annual real estate tax for both properties is \$721.17.</p> <p>The organization has not reported owning any business personal property in the City of Martinsville.</p> <p><b>Review Committee Recommendation:</b></p> <p>The Review Committee does not recommend exemption at this time for the following reasons:</p> <ol style="list-style-type: none"> <li>(1) The organization indicated that the property at 508 Fayette St. will be rented when the property is rehabilitated as a source to fund their ongoing projects. If exempt property becomes a source of income it loses its exempt status pursuant to Code of Virginia §58.1-3603.</li> <li>(2) There is a concern of fairness and equity to other private investors who are essentially doing the same kind of rehabilitation and do not benefit from tax exemption.</li> <li>(3) The organization has not paid the current tax liability on the two properties that they have acquired since August 2015.</li> </ol> |
|---|--|

Consider approval of consent agenda - A motion was made by Bowles and seconded by Hodge to approve the consent agenda as presented, all Council Members voted in favor.

| BUDGET ADDITIONS FOR 04/26/16 |        |   |                |                |
|-------------------------------|--------|---|----------------|----------------|
| ORG                           | OBJECT | DESCRIPTION   | DEBIT          | CREDIT         |
| <b>FY16</b>                   |        |   |                |                |
| <b>General Fund:</b>          |        |   |                |                |
| 01100909                      | 490104 | Advance/Recovered Costs                                 |                | 2,108          |
| 01331108                      | 501300 | Sheriff/Corrections - Part-time & Temporary Wages       | 1,590          |                |
| 01331108                      | 502100 | Sheriff/Corrections - Social Security                   | 99             |                |
| 01331108                      | 502110 | Sheriff/Corrections - Medicare                          | 23             |                |
| 01331108                      | 506008 | Sheriff/Corrections - Vehicle Equipment & Maint.        | 318            |                |
| 01331110                      | 506200 | Sheriff/Annex - Prisoner Allowance                      | 78             |                |
|                               |        | Reimbursement from Henry County for litter pickup-March |                |                |
| 01101917                      | 442402 | Categorical Other State - Confiscated Assets - C Atty   |                | 229            |
| 01221082                      | 506105 | Comm Atty - Conf Assets State                           | 229            |                |
| 01101917                      | 442401 | Categorical Other State - Confiscated Assets - Police   |                | 229            |
| 01311085                      | 506078 | Police Dept - Conf Assets State                         | 229            |                |
|                               |        | State Asset Forfeiture Proceeds                         |                |                |
| 01100908                      | 480406 | Miscellaneous Revenues - Donations/Recreation           |                | 300            |
| 01711210                      | 506007 | Recreation - Equipment & Supplies                       | 300            |                |
|                               |        | Team Sponsor donations                                  |                |                |
| 01100909                      | 490801 | Recovered Costs - Senior Services                       |                | 1,901          |
| 01100908                      | 480420 | Donations/Senior Citizens                               |                | 1,800          |
| 01714212                      | 501300 | Senior Citizens - Part-time Wages                       | 1,204          |                |
| 01714212                      | 502100 | Senior Citizens - Social Security                       | 75             |                |
| 01714212                      | 502110 | Senior Citizens - Medicare                              | 17             |                |
| 01714212                      | 506049 | Senior Citizens - Vehicle Fuels                         | 605            |                |
| 01714212                      | 506016 | Senior Citizens - Program Supplies                      | 1,800          |                |
|                               |        | Transportation Grant - Jan.-March; Donations            |                |                |
| 01100909                      | 490139 | Recovered Costs - CIT Program                           |                | 25,314         |
| 01311085                      | 501215 | Police Dept - O/T - CIT Program                         | 1,161          |                |
| 01311085                      | 502100 | Police Dept - Social Security                           | 72             |                |
| 01311085                      | 502110 | Police Dept - Medicare                                  | 17             |                |
| 01331108                      | 501215 | Sheriff - Corrections - O/T - CIT Program               | 22,354         |                |
| 01331108                      | 502100 | Sheriff - Corrections - Social Security                 | 1,386          |                |
| 01331108                      | 502110 | Sheriff - Corrections - Medicare                        | 324            |                |
|                               |        | Reimbursements for Crisis Intervention Program          |                |                |
| <b>Total General Fund:</b>    |        |   | <b>31,881</b>  | <b>31,881</b>  |
| <b>Sewer Fund:</b>            |        |   |                |                |
| 13103936                      | 407700 | Indebtedness - VRA Loan Proceeds                        |                | 747,924        |
| 13551326                      | 508224 | Wastewater Maintenance - SRI Project - Phys. Plant Exp  | 747,924        |                |
|                               |        | VRA Reimbursement #1                                    |                |                |
| <b>Total Sewer Fund:</b>      |        |   | <b>747,924</b> | <b>747,924</b> |

Comments by members of City Council – Stroud said he is grateful that a local child missing the night before was found safely. Hodge said that she is glad that Council was able to pass budget in majority agreement. Bowles wished her grandfather a happy birthday. She explained National College signing day and said she would be celebrating at Martinsville High School on Wednesday April 26, 2016 with an increase in students who will be enrolling. She stated that 72% of MHS seniors had applied to colleges. Turner stated he was not happy with the EDC decision.

Comments by City Manager – Towarnicki stated the budget was not an easy decision and he thanked Ms. Conover, Mr. Knox and other department heads for their cooperation. This budget was challenging and they will begin working on FY18 budget within a month of finalizing FY17. Looking ahead, the next year budget will be another challenge.

City Attorney Monday said that Carlisle school ranked high again on the Business Insider school surveys.

Business from the Floor (not televised) – Ural Harris, 217 Stewart St – stated that he finds the budget disturbing because Council cut some of the most important departments. He expressed concerns about the City Electric portfolio and would like Council to find a way out of the electric deal. Ms. Hylton, stated in February Council recognized African American Council Members. She asked if the church could display the plaque in Mr. Hobson’s honor.

April 26, 2016

She asked if additional money is found in the budget that it be reinstated to the Police department. Turner asked City Manager if Mr. Hobson's picture could be copied and provided to the church. Joe Martin, 617 E. Church St said he supports Teague's opinions on the CDC support and the Westend does need special attention through this organization.

There being no further business, a motion was made by Teague to adjourn the meeting, seconded by Hodge with all Council Members voting in favor. The meeting adjourned at 9:35pm.

---

Karen Roberts  
Clerk of Council

---

Danny Turner  
Mayor



## **City Council Agenda Summary**

**Meeting Date:** May 10, 2016

**Item No:** 2.

**Department:** City Council

**Issue:** Consider presentation of a Proclamation regarding National Police Week 2016 and Peace Officers' Memorial Day.

**Summary:** Martinsville City Police Department representatives will be present to accept the Proclamation

**Attachments:** Proclamation

**Recommendations:** Mayor to read the Proclamation and present to Police Department representatives. No formal action by Council is necessary.



**PROCLAMATION**

**NATIONAL POLICE WEEK 2016**

**And**

**PEACE OFFICERS' MEMORIAL DAY**

WHEREAS, the Congress and President of the United States have designated May 15 as Peace Officers' Memorial Day, and the week in which it falls as National Police Week; and

Whereas, the men and women of the Police Department and the Sheriff's Department of the City of Martinsville are instrumental in creating peace of mind to all the citizenry through their many efforts to enhance public safety; and

Whereas, it is incumbent on all our citizens to recognize, know and understand the duties, responsibilities, hazards, dedication, and sacrifices of the men and women of the Police Department and the Sheriff's Department of the City of Martinsville, and it is also incumbent upon each law enforcement officer to serve the people by safeguarding life and property, by protecting against violence and disorder, and by protecting the innocent against deception and the weak against oppression; and

Whereas, the Police and Sheriff Departments of the City of Martinsville are professional organizations that remain abreast in the latest scientific applications of criminalistics;

Whereas, I call upon all citizens of the City of Martinsville to observe May 15th as Peace Officers' Memorial Day to honor those men and women who, through their dedicated service and courageous deeds, have lost their lives or been disabled in the performance of their duties. I especially want to recognize Martinsville Policeman George F. Carter, who lost his life in the performance of his duty on June 14, 1919 while he was attempting to apprehend gamblers. I would also like to recognize Martinsville Police Officer Jonathan Bowling who lost his life on January 26, 2005 while fighting in Iraq during Operation Iraqi Freedom.

Now, therefore, I, Danny Turner, Mayor of Martinsville, call upon all citizens of the City of Martinsville and upon all patriotic, civic and educational organizations to observe the week of May 15 through May 21, 2016, as National Police Week with appropriate ceremonies in which all our people may join in recognizing the women and men, both past and present, who by their faithful and loyal service and devotion to their charge have rendered a dedicated service to our community and the citizens within it, and in performing these duties have established an enduring reputation for preserving the rights and security of all the citizens of Martinsville.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Martinsville to be affixed.

---

Danny Turner  
Mayor

**Date:** May 10, 2016

**Item No:** 3.

**Department:** City Council

**Issue:** Consider recognizing the month of May, 2016 as GBS/CIDP (Guillian-Barre Syndrome) and Chronis Inflammatory Demyelinating Polyneuropathy (CIDP) awareness month.

**Summary:** The month of May has been designated as GBS/CIDP awareness month for the purpose of educating the public and focusing attention on the disorders known as Guillian-Barre Syndrome (GBS) and Chronic Inflammatory Demyelinating Polyneuropathy (CIDP). The GBS/CIDP Foundation International is asking local officials for their support.

Within the surrounding area there are approximately 432 people that are afflicted with one of these syndromes or variants of GBS/CIDP. In the state of Virginia there are over 1,032 diagnosed with one of the syndromes mentioned. Once afflicted, the effects of these syndromes are debilitating and can last a lifetime. The Foundation offers a support group that provides emotional support to patients and their families. This includes hospital visits, distribution of literature, organizing support group meetings and providing assistance during a very difficult time . In support of this effort, the City has been requested to designate May as GBS/CIDP Awareness Month.

**Attachments:** Proclamation recognizing May as GBS/CIDP Awareness Month.

**Recommendations:** No action needed



## **Proclamation**

### **RECOGNIZING THE MONTH OF MAY, 2016 AS GBS/CIDP AWARENESS MONTH**

**WHEREAS** , the Month of May , has been designated as " GBS and CIDP Awareness Month " to educate the public and to focus attention on Guillian-Barre' Syndrome (GBS ) and Chronis inflammatory Demyelinating Polyneuropathy ( CIDP ) , rare, paralyzing and potentially Catastrophic disorders of the peripheral nerves ; and

**WHEREAS** , the cause of GBS and CIDP is unknown . The length of the illness is unpredictable . It is characterized by rapid onset of weakness and often , paralysis of the legs , arms , breathing muscles and face . Usually months of hospital care are required with patients and families facing an uncertain future , not knowing if and when recovery will occur . Some may face long-term disabilities of varying degrees . GBS or CIDP can develop in any person at any age , regardless of gender or ethnic background ; and

**WHEREAS** , in 1980 , the Guillian-Barre Foundation International (now the GBS/CIDP Foundation International ) , was founded to provide a support network to patients and their families through the national office headquartered in Philadelphia and its 174 chapters with more than 35,000 members throughout the United States , Canada , Asia , Europe , Australia , South America , and South Africa ; and

**WHEREAS** , Rick Forney is the Liaison for the local area chapter serving as the link between patients , physicians , nurses , and families .The Foundation provides educational materials including a comprehensive booklet , " GBS , an Overview for the Layperson , " and newsletters as well as funding medical research and conducting symposia ; and

**WHEREAS** , the Foundations Medical Advisory Board includes prominent neurologists active in GBS and CIDP research , leading physicians in rehabilitation medicine , and physicians who , themselves , have had the disorder ;

**NOW , THEREFORE** , I Danny Turner, Mayor of the City of Martinsville, Virginia, , DO HEREBY PROCLAIM the month of May as

**" GBS/CIDP AWARENESS MONTH "**

in the City of Martinsville and I encourage all the citizens to recognize the importance of raising awareness of GBS and CIDP .

---

Danny Turner, Mayor

**Date:** May 10, 2016

**Item No:** 4.

**Department:** City Council

**Issue:** Consider recognizing the Martinsville-Henry County chapter of National Society of Black Engineers (NSBE).

**Summary:** The Martinsville-Henry County chapter of National Society of Black Engineers (NSBE) was recently recognized as Chapter of the Year at the NSBE National Convention at the end of March, in Boston. Additionally, Martinsville High School student Bryan Rucker was honored as NSBE Male Student of Year, the 5<sup>th</sup> local student of the year in 17 years the chapter has been in existence.

M-HC NSBE Chapter Director Helen Howell and M-HC NSBE members will attend Council's meeting on May 10 to talk about their program and accomplishments.

**Attachments:** Proclamation recognizing M-HC National Society of Black Engineers

**Recommendations:** No action needed



## **Proclamation**

### **HONORING THE MARTINSVILLE –HENRY COUNTY CHAPTER OF NATIONAL SOCIETY OF BLACK ENGINEERS (NSBE)**

**WHEREAS**, the Martinsville-Henry County Chapter of National Society of Black Engineers (NSBE) has been in existence since 1999 and during that time has helped encourage hundreds of local students to succeed personally, academically, and professionally; and

**WHEREAS**, the mission of M-HC NSBE is *“To increase the number of culturally responsible Black engineers who excel academically, succeed professionally and positively impact the community”*; and

**WHEREAS**, Helen Howell founded the local chapter and has served as its Director for the past seventeen years; and

**WHEREAS**, during that time, the local NSBE Chapter has accumulated numerous awards and recognitions, the most recent of which is the National Chapter of the Year along with local Martinsville High School student Bryan Rucker being named Male Student of the Year;

**NOW, THEREFORE**, on this 10<sup>th</sup> day of May, 2016, I, Danny Turner, Mayor, and members of Martinsville City Council do hereby proclaim and acknowledge with great pride, the success and achievements of the Martinsville-Henry County Chapter of National Society of Black Engineers; offer our congratulations on the most recent achievement of being named National Chapter of the Year as well as congratulations to Bryan Rucker named as Male Student of the Year; offer our thanks and appreciation to Helen Howell for her continued guidance and leadership of M-HC NSBE, and offer our best wishes for the continued success of the Chapter as well as students who participate in this program.

---

Danny Turner, Mayor

**Date:** May 10, 2016

**Item No:** 5.

**Department:** City Manager

**Issue:** Hear an update from Amanda Witt of the M-HC Chamber of Commerce regarding activities related to the City/C-PEG Small Business Development contract.

**Summary:** Information will be provided regarding activities completed or currently underway related to the City/C-PEG Small Business Development contract, West Piedmont Business Development Center (incubator), and the Startup Martinsville project.

**Attachments:** None

**Recommendations:** No action needed - presented for information purposes only.

**Meeting Date:** May 10, 2016

**Item No:** 6.

**Department:** City Manager

**Issue:** Consider setting a public hearing for Council's May 24, 2016 meeting for the purpose of receiving names of citizens interested in an appointment for one 3-year term on the Martinsville City School Board, beginning July 1, 2016 and ending June 30, 2019.

**Summary:** Only those citizens whose names are brought up during the Public Hearing can be considered for appointment, and appointments cannot be made until seven days after the Public Hearing. Citizens may appear in person, stating their name, address, and interest in the position; or their name, address, and interest may be offered by another individual. Council typically conducts interviews with candidates after this meeting, with the appointment to be announced at one of the June Council meetings.

**Attachments:** Martinsville School Board current listing.

**Recommendations:** Set the Public Hearing for May 24, 2016 and interview applicants in closed session after the May 24 Council meeting.

## SCHOOL BOARD

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

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

Meetings are held on the second Monday of each month.

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

| Name & Address                                       | Initial Appointment | Term Expires | Full Term |
|--|---------------------|--------------|-----------|
| Rives Coleman, 603 Mulberry Rd.                      | 6/25/13             | 6/30/16      | 1         |
| Craig B. Dietrich, 1227 Lanier Rd. (reapptd 6/10/14) | 6/14/11             | 6/30/17      | 2         |
| Victor Correa, 1242 Sam Lions Tr.                    | 6/10/14             | 6/30/17      | 1         |
| Lawrence Mitchell, 700 Second St.                    | 6/16/15             | 6/30/18      | 1         |
| Joan Montgomery, 807 Corn Tassel Tr.                 | 6/16/15             | 6/30/18      | 1         |

11/03/15

NOTE: If a Board or Commission does not specify number of terms a person can serve, then the number of terms defaults to three terms per a policy adopted by City Council December 11, 1990. (per city attorney 4/26/11) Two exceptions (1) if no one is interested (2) no one qualified has applied, then the person holding the position can serve another term if Council chooses.



## City Council Agenda Summary

**Date:** May 10, 2016

**Item No:** 7.

**Department:** City Manager

**Issue:** Consider approval of the FY17 Budget Ordinance on second reading.

**Summary:** Attached is a current summary of the FY17 Budget in ordinance form, with all changes made by Council included.

**Attachments:** FY17 Budget Ordinance

**Recommendations:** Approval on second reading, with roll call vote.

**CITY OF MARTINSVILLE, VIRGINIA**  
**ORDINANCE No. 2016-U-**  
**The Budget for Fiscal 2016-2017**

**BE IT ORDAINED** by the Council of the City of Martinsville, Virginia, in regular session assembled May 10, 2016, that the following sums of money be and hereby are appropriated – by specified Fund – for the City’s fiscal year ending June 30, 2017, from the following Fund sources of estimated revenue:

SUMMARY STATEMENT OF BUDGET ESTIMATES  
2016-2017

| Fund               | Projected Revenues   | Budgeted Expenditures | Changes in Fund Balance |
|--------------------|----------------------|-----------------------|-------------------------|
| General            | \$ 28,101,916        | \$ 30,242,137         | \$(2,140,221)           |
| Meals Tax          | \$ 2,068,373         | \$ 2,468,373          | \$ (400,000)            |
| Capital Reserve    | \$ 895,018           | \$ 931,517            | \$ (36,499)             |
| Refuse             | \$ 2,205,000         | \$ 2,430,000          | \$ (225,000)            |
| Telecommunications | \$ 1,666,425         | \$ 1,416,014          | \$ 250,411              |
| Water              | \$ 3,591,000         | \$ 2,764,857          | \$ 826,143              |
| Sewer              | \$ 4,230,512         | \$ 3,974,277          | \$ 256,235              |
| Electric           | \$ 19,924,740        | \$ 20,374,740         | \$ (450,000)            |
| Cafeteria*         | \$ 1,464,085         | \$ 1,464,085          | \$ -                    |
| Schools**          | \$ 22,993,538        | \$ 22,993,538         | \$ -                    |
| CDBG               | \$ 17,080            | \$ 2,550              | \$ 14,530               |
| <b>Totals</b>      | <b>\$ 87,157,687</b> | <b>\$ 89,062,088</b>  | <b>\$ (1,904,401)</b>   |

\*Cafeteria – As estimated by school personnel.  
\*\*Schools – As recommended by City Manager.

**Tax Rates (unchanged):**

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

**Proposed for Electric:**

Average Increase 4.97%

**Proposed for Water:**

\$3 per month

**Proposed for Sewer:**

\$3 per month

**BE IT FURTHER ORDAINED** by the Council that this Ordinance shall be effective on and after July 1, 2016.

\* \* \* \* \*

Attest:

\_\_\_\_\_  
Karen Roberts, Clerk of Council

\_\_\_\_\_  
Date Adopted

\_\_\_\_\_  
Date Effective

**Meeting Date:** May 10, 2016  
**Item No:** 8.  
**Department:** City Manager, Commissioner of the Revenue  
**Issue:** Consider granting a tax exemption to a local non-profit and adopting an ordinance on first reading

**Summary:** Under the provisions of the Exemption Ordinance enacted by council in January 2007, any entity that does not clearly fall into any exemption category granted by the Code of Virginia must request an exemption approval from the city council in the form of an exemption ordinance. In order for the exemption request to be considered by council as part of the annual budget deliberations, the requesting entity must have submitted an exemption application to the Commissioner of the Revenue by November 1, 2015. After notification by the Commissioner of the Revenue that an organization submitted an application for determination for local tax exemption, the City Manager appointed a review committee consisting of himself, Vice-Mayor Bowles, the City Commissioner of the Revenue, the City Treasurer, and an accountant from the Finance Department to review the application received. Community Development Corporation of Martinsville-Henry County Inc. is the only organization that submitted an application for a local exemption designation. A public hearing on the exemption request was held on April 26, 2016. Action on the request was deferred until the May 10, 2016 City Council meeting.

**Attachments:** Review Committee Recommendation  
Exemption Definitions  
Review Criteria  
Draft Sample Ordinance

## Exemption Definitions

### As Defined by Va. Courts

**Benevolent** – Philanthropic; humane; having a desire or purpose to do good to men; intended for conferring benefits, rather than for gain or profit. (Manassas Lodge No. 1380, Loyal Order of Moose, Inc. v. County of Prince William, 218 Va. 220, 237 S.E. 2d 102 (1977))

**Charitable** – Liberal in benefactions to the poor; beneficent. (City of Richmond v. United Givers Fund of Richmond, Henrico & Chesterfield, Inc., 205 Va. 432, 137 S.E. 2d 876 (1964))

NOTE: A charitable organization should be organized and conducted to perform some service of public good or welfare based on the above mentioned court cases.

### As Defined by Va. Constitution Article X §6

**Educational Exemption** – Limited to institution of learning operated not for profit, provided the property is used for literary, scientific, or educational purposes or purposes incidental thereto.

### As Defined by Webster's New Collegiate Dictionary

**Cultural** – Of or relating to enlightenment and excellence of taste acquired by intellectual and aesthetic training; acquaintance with and taste in fine arts, humanities, and broad aspects of science as distinguished from vocational and technical skills.

**Educational** – The field of study that deals mainly with methods of teaching and learning in schools.

**Historical** – Of or relating to a branch of knowledge that records and explains past events.

**Museum** – An institution devoted to the procurement, care, study, and display of objects of lasting interest or value; a place where objects are exhibited.

**Patriotic** – Befitting or characteristic of a patriot (one who loves his country and zealously supports its authority and interests.)



**Exemption Review Committee Report  
April 4, 2016**

**Applicant:** Community Development Corporation of Martinsville-Henry County, Inc.

**Organization Mission Statement:** To serve as a community development organization with a focus for revitalizing and rebuilding Martinsville's West End community, thereby fostering the creation and attraction of new business, retaining and expanding jobs and assisting in the retention and expansion of existing businesses in Martinsville and Henry County.

**Answers to Review Criteria:**

1. The organization has been granted IRS 501 (c ) (3) designation
2. The organization does not have an annual special events ABC license
3. The organization's application indicates that there are no employees and the officers do not receive salaries.
4. Net earnings of the organization do not inure to the benefit of any individual, however, exact funding sources could not be discerned due to the newness of the entity.
5. The organization's stated purpose is to focus on "revitalizing and rebuilding Martinsville's West End Community thereby fostering the creation and attraction of new business, retaining and expanding jobs and assisting in the retention and expansion of existing businesses in Martinsville and Henry County."
6. No substantial part of the organization's activities is to influence legislation or campaign on behalf of a political candidate.
7. Real Estate Tax Revenue Impact: \$721.16 is the current annual tax assessment for the 2 properties owned by the organization.
8. The organization does not meet a general public need that exceeds the City's loss in revenue from taxes. Simialr rehabilitation projects are currently performed by other private individuals that are not tax exempt. And also by Habitat for Humanity a non-profit entity.

**Additional Review Criteria:**

- a. The organization has unpaid real estate tax liability

- b. The organization has not obtained building permits for any of the rehabilitation work, but depending on the nature of the work, they may not need one. The organization has not stated that the property use would change from the current residential zoning so they are compliant with current subdivision and zoning ordinances.
- c. The properties for which the exemption is sought potentially relate to the purposes for which the organization was created. If any property is leased and becomes income producing any exemption granted could be lost pursuant to Code of Virginia §58.1-3603.
- d. The City is providing some property rehabilitation through grant programs administered through the Martinsville Redevelopment and Housing Authority.
- e. The organization is providing services that are currently being provided by private investors or through the Martinsville Redevelopment and Housing Authority
- f. The organization does provide a service that meets an established priority of City Council, but the same kind of service is also provided by private investors, Habitat for Humanity, and the Martinsville Redevelopment and Housing Authority.
- g. Other criteria to consider: No other criteria was considered by the committee.

**Fiscal Impact:**

The organization currently owns 2 properties: 508 Fayette Street and 610 Fayette Street. Current annual tax on 508 Fayette Street is \$403.60. Current annual tax on 610 Fayette Street is \$317.57. Total annual real estate tax for both properties is \$721.17.

The organization has not reported owning any business personal property in the City of Martinsville.

**Review Committee Recommendation:**

The Review Committee does not recommend exemption at this time for the following reasons:

- (1) The organization indicated that the property at 508 Fayette St. will be rented when the property is rehabilitated as a source to fund their ongoing projects. If exempt property becomes a source of income it loses its exempt status pursuant to Code of Virginia §58.1-3603.
- (2) There is a concern of fairness and equity to other private investors who are essentially doing the same kind of rehabilitation and do not benefit from tax exemption.
- (3) The organization has not paid the current tax liability on the two properties that they have acquired since August 2015.

## **EXEMPTION CRITERIA TO CONSIDER**

Pursuant to Code of Virginia §58.1-3651, the local governing body shall consider the following questions before granting an exemption from local taxation to any nonprofit organizations:

1. Whether the organization is exempt from taxation pursuant to § 501 (c) of the Internal Revenue Code of 1954;
2. Whether a current annual alcoholic beverage license for serving alcoholic beverages has been issued by the Virginia Alcoholic Beverage Control Board to such organization, for use on such property;
3. Whether any director, officer, or employee of the organization is paid compensation in excess of a reasonable allowance for salaries or other compensation for personal services which such director, officer, or employee actually renders;
4. Whether any part of the net earnings of such organization inures to the benefit of any individual, and whether any significant portion of the service provided by such organization is generated by funds received from donations, contributions, or local, state or federal grants. As used in this subsection, donations shall include the providing of personal services or the contribution of in-kind or other material services;
5. Whether the organization provides services for the common good of the public;
6. Whether a substantial part of the activities of the organization involves carrying on propaganda, or otherwise attempting to influence legislation and whether the organization participates in, or intervenes in, any political campaign on behalf of any candidate for public office;
7. The revenue impact to the locality and its taxpayers of exempting the property; and
8. Any other criteria, facts and circumstances that the governing body deems pertinent to the adoption of such ordinance.

## **Other Exemption Criteria Not Specifically Identified in Code of Virginia §58.1-3651**

The City Council should consider the following criteria, facts and circumstances as may be pertinent:

- (a) Whether the organization is current on all its obligations to the City;
- (b) Whether the organization is in compliance with all City ordinances and regulations, including (but not limited to) building, subdivision and zoning ordinances;
- (c) Whether the property for which the exemption is sought relates to the purposes for which the organization was created and tends to directly promote those purposes;
- (d) Whether the service(s) provided by the organization are services the City would provide if the requesting organization did not do so;
- (e) Whether the organization meets a general public need for which the benefits derived by the community at-large are equivalent to or exceed the City's loss in revenue from taxes on the entity's real and personal property;
- (f) Whether the service(s) provided by the organization meet an established priority of the City Council; and
- (g) Any other criteria, facts and circumstances that the Council may deem appropriate and pertinent.

## ORDINANCE 2016-\_\_\_\_\_

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session held on April 26, 2016 and pursuant to Section 58.1-3651 of the Code of Virginia, that Section 21-12 of the City Code be amended to add a subsection **O** as follows:

**(o). Taxation exemption for *Community Development Corporation of Martinsville-Henry County, Inc.***

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

1. The ***Community Development Corporation of Martinsville-Henry County, Inc.***, a nonprofit organization, is hereby classified and designated as a ***charitable*** organization within the context of Section 6(a)(6) of Article X of the Constitution of Virginia.
2. ***Real property*** owned by ***Community Development Corporation of Martinsville-Henry County, Inc.***, and used exclusively for educational, benevolent and charitable purposes on a nonprofit basis, as set forth in subsection A. of this section, is hereby determined to be exempt from local ***real*** property taxation.
3. Continuance of the exemption shall be contingent on the continued use of the property in accordance with the purpose for which the organization is classified or designated.

**Attest:**

---

**Karen Roberts,  
Clerk of Council**

---

**Date Adopted**

---

**Date Effective**



## City Council Agenda Summary

**Meeting Date:** May 10, 2016  
**Item No:** 9.  
**Department:** Finance  
**Issue:** Appropriation Approvals

**Summary:**

The attachment amends the FY16 Budget with appropriations in the following funds:

|                          |    |   |
|--------------------------|----|---|
| <u>General:</u>          | \$ | 10,716 – Recovered Costs; Donations; Reimbursements |
| <u>School Operating:</u> | \$ | 62,500 – State Grant                                |
| <u>Sewer:</u>            | \$ | 562,921 – VRA Reimbursement                         |
| <u>Water:</u>            | \$ | 423,029 – AMI Project Reimbursement                 |
| <u>Electric:</u>         | \$ | 250,157 – AMI Project Reimbursement                 |

**Attachments:**

Consent Agenda 5-10-16

**Recommendations:** Approve

**BUDGET ADDITIONS FOR 05/10/16**

| <b>ORG</b>                           | <b>OBJECT</b> | <b>DESCRIPTION</b>  | <b>DEBIT</b>   | <b>CREDIT</b>  |
|--------------------------------------|---------------|---|----------------|----------------|
| <b><u>FY16</u></b>                   |               |   |                |                |
| <b><u>General Fund:</u></b>          |               |   |                |                |
| 01100909                             | 490137        | Recovered Costs - Public Safety   |                | 8,491          |
| 01331108                             | 501200        | Sheriff/Corrections - Overtime  | 7,177          |                |
| 01331108                             | 502100        | Sheriff/Corrections - Social Security   | 445            |                |
| 01331108                             | 502110        | Sheriff/Corrections - Medicare  | 104            |                |
| 01311085                             | 501200        | Police Department - Overtime  | 710            |                |
| 01311085                             | 502100        | Police Department - Social Security   | 44             |                |
| 01311085                             | 502110        | Police Department - Medicare<br>Off Duty Security reimbursements  | 11             |                |
| 01100908                             | 480406        | Miscellaneous Revenues - Donations/Recreation   |                | 550            |
| 01711210                             | 506007        | Recreation - Equipment & Supplies<br>Team Sponsor donations   | 550            |                |
| 01100909                             | 490104        | Advance/Recovered Costs   |                | 1,675          |
| 01321102                             | 506130        | Fire Dept. - Repair & Maint.-Burn Building<br>Reimbursements for training supplies                              | 1,675          |                |
| <b>Total General Fund:</b>           |               |   | <b>10,716</b>  | <b>10,716</b>  |
| <b><u>School Operating Fund:</u></b> |               |   |                |                |
| 18101917                             | 404002        | Categorical Other State - Other State Funds   |                | 62,500         |
| 66101100                             | 561120        | Non-remedial Summer Programs - Instructional S & W  | 26,248         |                |
| 66101100                             | 562100        | Non-remedial Summer Programs - Social Security  | 1,627          |                |
| 66101100                             | 562150        | Non-remedial Summer Programs - Medicare   | 381            |                |
| 66101100                             | 565800        | Non-remedial Summer Programs - Miscellaneous  | 480            |                |
| 66101100                             | 564000        | Non-remedial Summer Programs - Internal Services  | 3,300          |                |
| 66101100                             | 566000        | Non-remedial Summer Programs - Materials & Supplies   | 8,964          |                |
| 66101100                             | 566013        | Non-remedial Summer Programs - Instructional Mater/Supp.<br>Additional funding for non-remedial summer programs | 21,500         |                |
| <b>Total School Operating Fund:</b>  |               |   | <b>62,500</b>  | <b>62,500</b>  |
| <b><u>Sewer Fund:</u></b>            |               |   |                |                |
| 13103936                             | 407700        | Indebtedness - VRA Loan Proceeds  |                | 562,921        |
| 13551326                             | 508224        | Wastewater Maintenance - SRI Project - Phys. Plant Exp.<br>VRA Reimbursement #1                                 | 562,921        |                |
| <b>Total Sewer Fund:</b>             |               |   | <b>562,921</b> | <b>562,921</b> |
| <b><u>Water Fund:</u></b>            |               |   |                |                |
| 12103936                             | 407701        | Indebtedness - Loan Proceeds  |                | 423,029        |
| 12543313                             | 508223        | AMI Project - Physical Plant Expansion<br>AMI Project Reimbursement Requisition #1                              | 423,029        |                |
| <b>Total Water Fund:</b>             |               |   | <b>423,029</b> | <b>423,029</b> |
| <b><u>Electric Fund:</u></b>         |               |   |                |                |
| 14103936                             | 407701        | Indebtedness - Loan Proceeds  |                | 250,157        |
| 14563338                             | 508223        | AMI Project - Physical Plant Expansion<br>AMI Project Reimbursement Requisition #1                              | 250,157        |                |
| <b>Total Electric Fund:</b>          |               |   | <b>250,157</b> | <b>250,157</b> |