

AGENDA--CITY COUNCIL -- CITY OF MARTINSVILLE, VIRGINIA
Council Chambers – Municipal Building
7:00 pm Closed Session **7:30 pm Regular Session**
Tuesday March 10, 2020

7:00 pm - Closed Session

Items to be considered in Closed Session, in accordance with the Code of Virginia, Title 2.2, Chapter 37—Freedom of Information Act, Section 2.2-3711(A)—Closed Meetings, the following:

- 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.

7:30 pm - Regular Session

Pledge to the American Flag and Invocation by Council Member Woods

1. Conduct a public hearing regarding a Community Development Block Grant application for the Pine Hall Road area. (10 mins)
2. Consider information related to a solar energy project for the City of Martinsville. (15 mins)
3. Consider adoption of a resolution in support of plans by a newly-formed group, Uptown Partnership, to reapply for a Virginia Main Street designation. (15 mins)
4. Consider adoption of a resolution authorizing a public hearing and approving related actions regarding potential financing of the Beaver Creek Reservoir spillway repair project. (10 mins)
5. Consider authorizing the City Treasurer to issue a refund resulting from amended bank franchise tax returns for tax years 2012, 2013 and 2014. (10 mins)
6. Read and present a proclamation acknowledging the month of March as Red Cross Month. (5 mins)
7. Read a Proclamation acknowledging March 2020 as Women’s History Month. (5 mins)
8. Consider approval of consent agenda (2 mins)
9. 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. 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.**
10. Comments by members of City Council. (5 minutes)
11. Comments by City Manager and City Attorney. (5 minutes)

Date: March 10, 2020

Item No: 1.

Department: Community Development

Issue: Conduct a public hearing regarding a Community Development Block Grant application for the Pine Hall Road area.

Summary: In 2018 and early 2019, planning was completed in an effort to obtain funding for a revitalization project in the Pine Hall Road area of the City. This is an area that has not had any focused revitalization efforts. An application for CDGB funding was submitted to DHCD in early 2019, but that application was unsuccessful.

The purpose of this proposed project is to address blighting influences, assist property owners in rehabbing their respective residences, and also to engage the residents of the Pine Hall Road area in the improvement of their neighborhood, and the City is pursuing a second CDBG application for this project. Council conducted the first of two required public hearings on this project on October 8, 2019, and set the date for the second required hearing at the February 11, 2020 Council meeting.

Attachments: None

Recommendation: Conduct the public hearing and approve (motion and second, voice vote) the submission of the application to DHCD for a Community Development Block Grant for the Pine Hall Road project area.

Date: March 10, 2020

Item No: 2.

Department: Electric

Issue: Consider information related to a solar energy project for the City of Martinsville.

Summary: For many months, City staff along with the City's electric power supply consultant, GDS Associates, Inc. have investigated opportunities regarding a solar project as a means to supplement the City's power supply needs. A local project potentially eliminates costly issues regarding capacity and power transmission, and consequently, potentially provides a cost effective source for some of the City's power needs.

Much effort has gone into identifying potential sites for such a project and obtaining quotes that can be developed into a long-term power purchase agreement. Information will be presented at the meeting regarding the process to date, and details of a potential project will be provided.

Attachments: None, information will be presented at the meeting.

Recommendations: Approve project concept and authorize staff to proceed with development of a draft power purchase agreement (motion, second, voice vote) that will be brought back to Council at a later date, for approval.



City Council Agenda Summary

Date: March 10, 2020

Item No: 3.

Department: Community Development

Issue: Consider adoption of a resolution in support of plans by a newly-formed group, Uptown Partnership, to reapply for a Virginia Main Street designation.

Summary: Over the past several months, a group of individuals with a common interest in helping to revitalize and promote the Martinsville business district (a.k.a. Uptown) have met regularly to discuss various ideas and objectives. Studies have shown that at the core of most successful communities is a vibrant and thriving downtown area and the newly-formed group, officially called “Uptown Partnership”, is working diligently to put in place a concerted effort in that regard.

Representatives from Uptown Partnership will present information about their organization along with plans to reapply for a Virginia Main Street designation.

Attachments: Resolution. Additional information will be presented at the meeting.

Recommendations: Approve (motion, second, voice vote)

Council Members
Kathy Lawson, Mayor
Chad Martin, Vice-Mayor
Jennifer Bowles
Danny Turner
Jim Woods



City Manager
Leon E. Towarnicki
City Attorney
Eric H. Monday
Clerk of Council
Karen Roberts

RESOLUTION

In Support of Preparation and Submittal of Application for the Virginia Main Street Program

WHEREAS, the City of Martinsville has identified Uptown revitalization as a priority need based on the physical and economic blight caused by the deteriorating and dilapidated condition of commercial structures in the Uptown district; the high vacancy rate of Uptown properties; the lack of commercial, retail, entertainment, and public amenities that support a vibrant Uptown; and the lack of suitable residential options available to support the economic development goals of the Martinsville and Henry County region, and;

WHEREAS the City of Martinsville is an active participant and supporter of regional economic development, marketing and tourism, and;

WHEREAS, Uptown Partnership has been formed to drive the successful revitalization of the Uptown District, and this organization will hire a director; and

WHEREAS, the Uptown Partnership will work with the City, community residents, Uptown residents, local businesses and property owners to develop an improvement plan for the beautification of Uptown, including façade improvements, traffic and pedestrian flow, and a program to connect private investors/developers with appropriate development opportunities, and

WHEREAS, Uptown Partnership has held several public input sessions to ensure that the greater community is supportive of a vibrant business district filled with high-quality, residential, entertainment and cultural spaces that meet the diverse needs of the greater Martinsville Henry County region; and

WHEREAS, the City will consider during its annual budget process, a request from Uptown Partnership for allocation of resources to support start-up and operation of the organization; and

WHEREAS, the stakeholders, property owners, and the City Council have endorsed efforts to proceed with addressing issues related to the physical appearance and vacancy rates of the Uptown District, and securing the necessary funding to support the Uptown revitalization initiative;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Martinsville, Virginia assembled this 10th day of March, 2020, that:

1. The City is supportive of Uptown Partnership's intent to apply for a 2020 Virginia Main Street Designation for the Uptown Business District, and
2. The City Manager, the City's chief administrative official, is hereby authorized to support the execution and filing of all appropriate documents necessary for the timely submission of the Virginia Main Street Program Application on or before March 31, 2020.

Kathy Lawson, Mayor

Attest:

Karen Roberts, Clerk of Council

Date: March 10, 2020

Item No: 4.

Department: Finance

Issue: Consider adoption of a resolution authorizing a public hearing and approving related actions regarding potential financing of the Beaver Creek Reservoir spillway repair project.

Summary: The City was recently made aware of approval of a financing arrangement through the Virginia Clean Water Revolving Loan Fund for the Beaver Creek Reservoir spillway repair project. The financing arrangement will be administered through Virginia Resource Authority.

As in the past, the City will be working with the law firm of Sands Anderson for assistance with the financing process along with the various forms and documents that will need to be executed, and some matters related to this process will be presented at future Council meetings. The attached authorizing resolution for Council's consideration grants Council's approval for staff to take actions necessary to move this process forward.

Attachments: Resolution

Recommendations: Approval (motion, second, roll-call vote)

Council Members
Kathy Lawson, Mayor
Chad Martin, Vice-Mayor
Jennifer Bowles
Danny Turner
Jim Woods



City Manager
Leon E. Towarnicki
City Attorney
Eric H. Monday
Clerk of Council
Karen Roberts

RESOLUTION AUTHORIZING PUBLIC HEARING AND APPROVING RELATED ACTIONS RELATED TO POTENTIAL FINANCING

WHEREAS, the City Council (**the "City Council"** of the City of Martinsville, Virginia (**the "City"**) is considering financing the acquisition, construction and equipping of repairs and renovations to the spillway at the City's Beaver Creek Reservoir Dam, all for municipal purposes (**together, the "Project"**) through the issuance of the City's bonds in the anticipated maximum principal amount of approximately \$2,000,000 (**the "Bonds"**);

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

1. The City Manager, Finance Director, City Attorney, bond counsel to the City and all other officers, employees and agents of the City are hereby authorized and directed to take such further action deemed necessary or desirable to facilitate consideration of the proposed Bonds, involving a pledge of water and sewer revenues, of a general obligation of the City, or of both, as may be required, including but not limited to the publication and broadcasting of notice of a public hearing as required by law.
2. All actions of the City Manager, Finance Director, City Attorney, bond counsel, financial advisor and all other officers, employees and agents of the City in furtherance of the issuance of the Bonds, including applications for one or more loans from the Virginia Clean Water Revolving Loan Fund or Virginia Water Facilities Revolving Loan Fund, are hereby approved and ratified.
3. This Resolution shall take effect immediately.

CERTIFICATE

The Members of the Council voted as follows on the foregoing Resolution:

	Aye	Nay	Abstain	Absent
Kathy Lawson, Mayor				
Chad Martin, Vice-Mayor				
Jennifer Bowles, Councilmember				
Danny Turner, Councilmember				
Jim Woods, Councilmember				

Adopted this 10th day of March, 2020.

The undersigned Clerk of the City Council of the City of Martinsville, Virginia hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the City Council held on March 10, 2020, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly called meeting and that, during the consideration of the foregoing Resolution, a quorum was present, and that such Resolution has not been repealed, revoked, rescinded or amended.

Dated this _____ day of _____, 2020.

Clerk, City Council of
City of Martinsville, Virginia

Date: March 10, 2020

Item No: 5.

Department: Commissioner of the Revenue, Treasurer

Issue: Consider authorizing the City Treasurer to issue a refund resulting from amended bank franchise tax returns for tax years 2012, 2013 and 2014.

Summary: In March 2015, a local bank notified the Commissioner of the Revenue of the intent to file amended bank franchise tax returns to the Virginia Department of Taxation for tax years 2012, 2013 and 2014 in an effort to mitigate a sizable increase in the bank's tax liability for tax year 2015. The City Manager and Finance Director were notified of the amended returns and advised by the Commissioner of the Revenue that a sizable refund may be forthcoming after the Virginia Department of Taxation completed the review of the amended returns.

The Virginia Department of Taxation notified Virginia Commissioners of the Revenue in early March 2020 that they had completed the audit of the amended returns filed by the bank and notified each locality of the associated refund for each year as a result of the amended returns for 2012, 2013 and 2014.

Local bank franchise tax is calculated on a percentage of the Virginia bank franchise tax. Affected localities were made aware of the amended returns and their allocated percentage of the refund. In October 2014, another bank had successfully amended prior years' bank franchise tax returns and had hoped to reach an agreement with all localities regarding interest calculation on the refund. The bank was advised by the Virginia Department of Taxation that the interest calculation from the localities would have to be agreed upon individually as each locality has differing ordinances that addresses the interest calculation. The Department of Taxation could not enter into an agreement on behalf of any Virginia locality.

The City of Martinsville's Bank Franchise Tax does not require interest calculation on late payments of the bank franchise tax. Consequently, interest would not be paid on any refunds of this tax. The City's allocated portion of the refund for all years is \$84,066. The Code of Virginia authorizes the City Treasurer to issue

refunds up to \$2,500 without prior authorization of City Council. Because the refund amount is over this limit City Council must authorize the City Treasurer to issue the refund.

Attachments: None

Recommendations: Authorize City Treasurer to issue refund to the bank within 30 days with no calculated interest. (motion, second, voice vote)



City Council Agenda Summary

Date: March 10, 2020

Item No: 6.

Department: City Council

Issue: Read and present a proclamation acknowledging the month of March as Red Cross Month.

Summary: The proclamation recognizes the month of March as Red Cross Month. A representative of American Red Cross will be present to accept the proclamation.

Attachments: Proclamation

Recommendations: No action by Council needed - the Mayor will read and present the proclamation.



PROCLAMATION

RECOGNIZING THE MONTH OF MARCH AS AMERICAN RED CROSS MONTH

WHEREAS, March is American Red Cross Month - a special time to recognize and thank our heroes - those who volunteer and give of their time to help their neighbor, donate blood, take life-saving courses, or provide financial donations to support an organization whose mission is to help those in need; and

WHEREAS, in our community, Red Cross works tirelessly through its employees and volunteers to help when disaster strikes, when someone needs lifesaving skills or the comfort of a helping hand; and

WHEREAS, across the country, the American Red Cross responds to thousands of disasters a year; provides services to military members, veterans and civilians; collects and distributes about 40 percent of the nation's blood supply; and trains millions of people in first aid, water safety and other life-saving skills every year; and

WHEREAS, our community depends on the American Red Cross, which relies on donations of time, money and blood to fulfill its humanitarian mission, and despite these challenging economic times, the American Red Cross continues to offer help and comfort to those in need,

NOW, THEREFORE, I, Kathy Lawson, Mayor, and members of Martinsville City Council, on this 10th day of March, 2020 do hereby proclaim and recognize the month of March as American Red Cross Month and acknowledge our sincere appreciation for the work Red Cross does in our community. We encourage all citizens to support this organization and its noble humanitarian mission.

Kathy Lawson, Mayor

Date: March 10, 2020

Item No: 7

Department: City Council

Issue: Read a Proclamation acknowledging March 2020 as Women's History Month.

Summary: Since 1987, the month of March has been observed as Women's History Month. A Proclamation is attached acknowledging this and bringing awareness to the significance of the contributions women have made in our society.

Attachments: Proclamation

Recommendations: No action by Council needed - the Mayor will read the Proclamation.



PROCLAMATION

RECOGNIZING MARCH 2020 AS WOMEN'S HISTORY MONTH IN THE CITY OF MARTINSVILLE

WHEREAS, American women of every race, class, and ethnic background have made historic contributions to the growth and strength of our Nation in countless recorded and unrecorded ways; and

WHEREAS, American women have played and continue to play critical economic, cultural, and social role in every sphere of the life of the Nation by constituting a significant portion of the labor force working inside and outside of the home; and

WHEREAS, American women have played a unique role throughout the history of the Nation by providing the majority of the volunteer labor force of the Nation; and

WHEREAS, American women were particularly important in the establishment of early charitable, philanthropic, and cultural institutions in our Nation; and

WHEREAS, American women of every race, class, and ethnic background served as early leaders in the forefront of every major progressive social change movement; and

WHEREAS, American women have served our country courageously in the military; and

WHEREAS, American women have been leaders, not only in securing their own rights of suffrage and equal opportunity, but also in the abolitionist movement, the emancipation movement, the industrial labor movement, the civil rights movement, and other movements, especially the peace movement, which create a more fair and just society for all; and

WHEREAS, Over time, Martinsville women have served in a variety of key leadership roles including Council Members Elizabeth Haskell, Eliza Severt, Kathy Lawson, Kim Adkins, Sharon Brooks Hodge, and Jennifer Bowles, and

WHEREAS, Despite these contributions, the role of American women in history has been consistently overlooked and undervalued, in the literature, teaching and study of American history,

NOW, THEREFORE, I, Kathy Lawson, Mayor, and members of Martinsville City Council do hereby proclaim the month of March 2020 as Women's History Month in the City of Martinsville and we urge all citizens to join in celebrating the contributions women have made to our society.

Kathy Lawson, Mayor

Meeting Date: March 10, 2020

Item No: 8.

Department: Finance

Issue: Consider approval of the consent agenda

Summary:

The attachment amends the FY20 budget with appropriations in the following funds:

General: \$ 21,621 – Grant; Donation; Forfeited Assets

Sewer: \$ 7,170 – Sale of Surplus Equipment

Capital Reserve: \$ 2,868 - Reimbursement

Attachments: Consent Agenda – 3-10-20

Recommendations: Approve.

BUDGET ADDITIONS FOR 3/10/20

ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
<u>BUDGET ADDITIONS</u>				
<u>FY2020</u>				
<u>General Fund:</u>				
01101918	443407	State Grants - DHCD Daycare Assessment		18,500
01913250	503140	General Expense - Eng & Arch	18,500	
		DHCD grant - Daycare needs/site evaluation		
01100908	480413	Misc Rev - Donations/Sheriff/Honor Guard		138
01217078	506145	Sheriff Courts - Honor Guard	138	
		Donation		
01101917	442401	Categorical Other State - Confiscated Assets - PD		2,983
01311085	506078	Police Dept - State Asset Forfeitures	2,983	
		Forfeited assets from Commonwealth		
Total General Fund:			21,621	21,621
<u>Sewer Fund:</u>				
13100905	450209	Sale of Salvage/Surplus		7,170
13550325	508201	W/W Plant - Machinery & Equipment	7,170	
		Sale of used equipment		
Total Sewer Fund:			7,170	7,170
<u>Capital Reserve Fund:</u>				
16101917	416520	Categorical Other State-Jail Construction Reimb		2,868
16577367	508085	Physical Plant Expansion - Sheriff/Jail	2,868	
		State reimbursement		
Total Capital Reserve Fund:			2,868	2,868