

MINUTES OF A REGULAR MEETING OF VINTON TOWN COUNCIL HELD AT 7:00 P.M. ON TUESDAY, APRIL 7, 2020, AT THE VINTON WAR MEMORIAL LOCATED AT 814 WASHINGTON AVENUE, VINTON, VIRGINIA

MEMBERS PRESENT: Bradley E. Grose, Mayor
Keith N. Liles, Vice Mayor
Sabrina McCarty
Janet Scheid
Michael W. Stovall

STAFF PRESENT: Barry W. Thompson, Town Manager
Susan N. Johnson, Executive Assistant/Town Clerk
Jeremy Carroll, Town Attorney
Pete Peters, Assistant Town Manager/Director of Economic Development
Anne Cantrell, Finance Director/Treasurer

The Mayor called the regular meeting to order at 7:00 p.m. The Town Clerk called the roll with Council Member McCarty, Council Member Scheid, Council Member Stovall, Vice Mayor Liles and Mayor Grose present.

Roll call

After a Moment of Silence, Vice Mayor Liles led the Pledge of Allegiance to the U.S. Flag.

Under requests to postpone, add to or change the order of agenda items, the Town Manager requested to add under Section K, Town Manager, Section 2, Items Requiring Action, Item (e) Consider adoption of an Ordinance amending Chapter 86, Taxation, Article II, Property Taxes, Division 3, Personal Property Taxes, Section 86-57, Penalty and interest on delinquencies of the Vinton Town Code.

Council Member Scheid made a motion to approve the addition of the new item to the agenda; the motion was seconded by Vice Mayor Liles and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

Approved the addition of new item to the agenda

Under upcoming community events, Council Member McCarty reminded everyone to check on their elderly friends and neighbors and assist them during the time of the COVID-19 Pandemic.

Vice Mayor Liles made a motion to approve the Consent Agenda as presented; the motion was seconded by Council Member McCarty and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

Approved minutes of the Council Strategic Planning Retreat of February 21, 2020 and the Regular Council Meeting of March 3, 2020; adopted Resolution No. 2348 to remove the budget for the original Glade Creek Greenway Project and appropriate an updated budget amount for the local and grant funding for the Glade Creek Greenway Phase 2A Project

The next item on the agenda was the consideration of public comments regarding the Town of Vinton's intention to apply for a Community Development Block Grant (CDBG) for a local community development and housing rehabilitation project. The Mayor opened the Public Hearing at 7:08 p.m.

Public Hearing Opened

Pete Peters first commented that Council was briefed at the February 18, 2020 Public Hearing on the \$1.5 million block grant application to the DHCD for a comprehensive neighborhood redevelopment program for the Cleveland neighborhood. The Program is expected to include five improvement activities and leverage five different sources of funding to complete an estimated \$2.8 million of improvements in the neighborhood. Mr. Peters next reviewed a PowerPoint presentation, which was a part of the agenda package and is on file in the Town Clerk's Office as a part of the permanent record. As part of the presentation, Mr. Peters referred to a handout that was given to Council that provided a listing of the properties that would be included with the grant application.

Council Member Scheid asked if there would be an opportunity for other properties to be included in the program. Mr. Peters responded that specific activities have to be budgeted for the grant application and eight properties were identified for rehabilitation. Due to the amount of time between the applications and actually receiving the funds, some individuals can change their mind. This is voluntary and although they signed a commitment letter, there is no contractual obligation that they have to continue. We have been told that once we start some of the improvement projects, other individuals will be contacting the Town wanting to participate. The budget for these eight houses is an estimate. Once they are put out to bid and if

the bids come in lower than our original estimates, we would have additional funds to do a minor improvement project on another property.

Council Member Stovall asked why West Cleveland was chosen for the project and Mr. Peters responded that everyone on Cleveland Avenue was given the opportunity to apply and these are the properties that expressed interest in participating in the Program. Once the boundary is established that neighborhood can only receive the funds one time. The plan is to use this model to repeat the Program in Midway and then Jefferson.

Council Member McCarty asked why would someone not want to participate. Mr. Peters responded there are certain restrictions. For example, if you sell the property or do other improvements, you have to pay back all or a portion of the grant funds. Council Member McCarty next asked what do they look at to determine if individuals qualify. Mr. Peters responded there is a single threshold and a family threshold and it is based on income and ability to pay over time. The seven individuals who own their properties easily qualify and they would be paying back as low as \$20 a month and the rest would be forgiven. With regard to the one property that is tenant-occupied, the landlord will use these funds to make needed improvements without having to increase the rent for the tenant.

In closing, Mr. Peters expressed appreciation to Council and Town staff who have been working on the project since its beginning over two years ago along with Janet Jonas, our consultant.

There were no public comments.

After additional comments from the Mayor and Council, the Mayor closed the Public Hearing at 7:26 p.m.

Council Member Stovall made a motion to adopt the Resolution as presented; the motion was seconded by Council Member Scheid and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

Public Hearing Closed

Adopted Resolution No. 2349 authorizing the Town Manager to submit a 2020 CDBG Grant Application as presented to Council and any other necessary documents

The next item on the agenda was the consideration of public comments regarding the proposed conveyance of approximately 1.154 acres of real property located at 350 Gus Nicks Boulevard, Vinton, Virginia, known as Gish Mill to Gish Mill Davii, LLC., identified as Tax Map ID 060.11-04.00-0000 and 060.11-04-23.00-000 in the Town of Vinton and 3410617 in the City of Roanoke, upon certain terms and conditions. The Mayor opened the Public Hearing at 7:27 p.m.

Public Hearing Opened

Pete Peters commented that this item relates to a Contract between the Town and Gish Mill Davii, LLC for the sale and eventual rehabilitation of the Town's founding structure, Gish's Mill which dates back to the 1770's. Since the Town acquired the Mill in November of 2015 staff has been working on several fronts with the primary goal being to preserve and rehabilitate the structure while putting it back to its commercial use.

The Town has studied the environmental and structural integrity and historic aspects of the property as well as presented concepts for its potential use to both the public and Council. A Request for Proposal was issued which resulted in a proposal from David Hill and his business partner, David Trinkle.

Mr. Peters next reviewed some of the terms of the Contract, which is similar and is similar and consistent with the agreements for the redevelopment of Roland E. Cook and Billy Byrd. The building and primary structure is 15,000 square feet and 200 years old. The Town has agreed to convey the property for \$10; however, the Town's investment of \$125,000 will be used as a match for two historic grants that will fund over \$2 million worth of renovations.

The developers propose to develop the property as a mixed-use project to include a restaurant, retail and hospitality component, which would be over \$2 million worth of improvements to the site and eventually generate in excess of 42 jobs. The Contract does contain a nine-month due diligence clause with the ability to add extensions if necessary. The aspects of the due diligence include historic designation, pursuit of rehabilitation grants for finalizing design elements to include the floodway and historic designation

and securing some additional grants and private financing. The Town would not close on the property until all of the aspects of the due diligence are completed and we have a safe and secure project for the Town's investment.

Mr. Peters next presented a PowerPoint presentation, which was a part of the agenda package and is on file in the Town Clerk's Office as a part of the permanent record.

David Hill commented that the project would be a steeper climb than other projects he had worked on in the Town. The timing was exactly right both with the leadership that was currently in the Town and the condition of the building. They are going to take the next nine months to cooperatively go through this with Council and Town staff. Mr. Hill further commented that a lot of the planning, design and testing that has to be done can go on even under these unusual circumstances during the COVID-19 Pandemic. They are going to give it everything they have to try and make it a great project and will keep Council informed of the progress and the challenges.

There were no public comments.

The Mayor commented this was a very exciting project and the property was worth more to the Town than it might be to the average developer and that the Town needed to control the property and what the entrance to the Town would look like. Ms. Holdren, the former owner of the property, has indicated to him on several occasions that she was excited to know that the Town had bought it and had intentions to develop it.

After additional comments by Council, the Mayor closed the Public Hearing at 7:49 p.m.

Council Member McCarty made a motion to adopt the Resolution as presented; the motion was seconded by Vice Mayor Liles and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

Public Hearing Closed

Adopted Resolution No. 2350 approving the conveyance of approximately 1.154 acres of real property located at 350 Gus Nicks Boulevard, Vinton, Virginia, known as Gish Mill to Gish Mill Davii, LLC., identified as Tax Map ID 060.11-04.00-0000 and 060.11-04-23.00-000 in the Town of Vinton and Tax Map ID 3410617 in the City of Roanoke, upon certain terms and conditions

The next item on the agenda was the consideration of public comments regarding setting of the real estate, personal property and machinery and tools tax rates for calendar year 2020. The Mayor opened the Public Hearing at 7:50 p.m.

Public Hearing Opened

Anne Cantrell commented that the real estate tax assessment increased by 3.13% for the Town for year 2020. This required the Public Hearing notice to be the long version and advertised for 30 days because of an increase of more than 1%. The total increase was \$19,202,300 less new construction for a net increase of \$15,323,800 and a tax levy increase of \$13,441. This amount will not be budgeted into the FY2021 budget due to the COVID-19 Pandemic, but will be billed out.

There were no public comments.

Hearing no further comments, the Mayor closed the Public Hearing at 7:52 p.m.

Public Hearing Closed

Council Member Scheid made a motion to adopt the Ordinance setting the real estate tax rate for calendar year 2020 as presented; the motion was seconded by Vice Mayor Liles and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

Adopted Ordinance No. 1014 setting the real estate tax rate for calendar year 2020

Vice Mayor Liles made a motion to adopt the Ordinance setting the personal property tax rate for calendar year 2020 as presented; the motion was seconded by Council Member McCarty and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

Adopted Ordinance No. 1015 setting the personal property tax rate for calendar year 2020

The next item on the agenda was a briefing to update Council on the COVID-19 (Coronavirus). The Town Manager first commented that staff continues to teleconference regularly with Virginia Department of Emergency Management (VDEM) and the Regional Government Agencies and meet with the Town's Emergency Services Team to address the changing face of the Pandemic. Also, the Finance and Public Works Departments, CEOs and Police Chiefs of the five localities (Counties of Roanoke and Botetourt, the Cities of

Roanoke and Salem and the Town of Vinton) are teleconferencing on a regular basis and there is a good sharing of information.

The Town Manager next reviewed the statistics on the Cover Sheet that was a part of the agenda package. He also commented that he had prepared a Memo on Friday that was a part of the agenda package to update Council on the COVID-19 Pandemic and there had not been any major changes since then.

Anne Cantrell next gave an update from a financial perspective. All departments have been asked to do hiring and spending freezes and we have left our vacancies open and are trying to eliminate any operational spending that we can delay.

As far as revenues, business licenses came in over budget and are complete unless we get amendments. The meals tax is our number one revenue source for the entire Town at \$1.3 million and we are anticipating about a 50% loss for the next four months. We are working with the locally-owned restaurants to get a better idea of how much we are going to actually see. With regard to sales tax, we are hearing from Roanoke County to plan on at least a 20-30% decrease this year and a 20% decrease in our budget next year. The Consumer Utility tax is consistently going down and, in an economy, where this is a tax that we get from people who pay for cable television and landline phones, we expect to see more of a decrease.

As of today, we are estimating we will be somewhere between \$300-400,000 short in revenue. We are trying to balance that with spending cuts and are going to try and get good numbers to let Council know if we can actually accomplish that. We have already dipped into our fund balance this year around \$540,000 for our economic development incentives. We would still have a 60-day balance in our reserves even if we dip into it a little more this year, which is our requirement.

With regard to next year's budget, we want to wait and adopt at the last meeting in June, which is what other localities are doing because we will not have good numbers until probably the end of May.

What the economists are telling us is that a short-term shutdown would have more of a U-shape on the economy, but this long shut down is going to have a prolonged recovery. We are not talking months, but a year to two years to get back to where we were before this.

Ms. Cantrell next commented that we are talking with our departments about freezes until next year and possibly services consolidations or reductions to keep all the employees we currently have and find the budget savings that we need. For the revenue forecast for next year, the numbers were trending well and well above budget, everything was looking great and our budget was below. Now, we are forecasting about an 11% decrease in trending revenue into next year, which is about a 5-6% real decrease in budget numbers. The Finance Committee will meet on April 14th by conference call to further discuss the budget.

The Town Manager further commented that he is looking at presenting a bare boned budget. If the revenues were to start coming back, then in January or the first of the year, Council could appropriate funds back into the budget.

The next item on the agenda was to consider adoption of a Resolution setting the allocation percentage for Personal Property Tax Relief in the Town of Vinton for the 2020 tax year. Anne Cantrell commented that since 2001 our personal property tax relief from the State has been frozen at \$203,096. We have to allocate that across our tax base in order to provide the state percentage to each of our citizens. Roanoke County assists us with our calculation when they do theirs. They also evaluate how good the calculation was last year and they came within 0.42%, which is as accurate as she has seen it. There is a slight decrease this year in the projection going from 57.49% to 54.96%.

Council Member Scheid made a motion to adopt the Resolution as presented; the motion was seconded by Council Member Stovall and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

Adopted Resolution No. 2351 setting the allocation percentage for Personal Property Tax Relief in the Town of Vinton for the 2020 tax year

The next item on the agenda was to consider adoption of a Resolution appropriating funds in the amount of \$17,316.00 from the capital outlay account for the construction of a salt spreader covering to the capital outlay account for the replacement of the roof at the Health Department Building. Anne Cantrell commented that there is a membrane on the roof of the Health Department that cannot sustain any additional repairs. Due to safety concerns, the Town Manager determined that the repair would fall under the guidelines of an emergency purchase. This item was reviewed by the Finance Committee.

Council Member Stovall made a motion to adopt the Resolution as presented; the motion was seconded by Council Member Scheid and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

The next item on the agenda was to consider adoption of a Resolution approving and confirming the Declaration of Local Emergency dated March 16, 2020. The Town Manager commented that on March 16, 2020, he declared a local emergency for the COVID-19 Pandemic along with the other jurisdictions in the Roanoke Valley. The Resolution before Council would approve and confirm such Declaration of Local Emergency.

Council Member McCarty made a motion to adopt the Resolution as presented; the motion was seconded by Vice Mayor Liles and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

The next item on the agenda was to consider adoption of an Ordinance to ensure continuity of operations as a result of the COVID-19 (Coronavirus) pandemic. The Town Manager read from the Cover Sheet that was a part of the agenda. The Town Attorney commented that this Ordinance is very similar to those that have been or are being adopted by other localities in the area. It provides a mechanism for Council to have electronic meetings going forward if you so choose.

Adopted Resolution No. 2352 appropriating funds in the amount of \$17,316.00 from the capital outlay account for the construction of a salt spreader covering to the capital outlay account for the replacement of the roof at the Health Department Building

Adopted Resolution No. 2353 approving and confirming the Declaration of Local Emergency dated March 16, 2020

Vice Mayor Liles made a motion to adopt the Ordinance as presented; the motion was seconded by Council Member McCarty and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

Adopted Ordinance No. 1016 to ensure continuity of operations as a result of the COVID-19 (Coronavirus) pandemic.

The Town Manager further commented that we are researching using Zoom and livestreaming our next meeting onto Facebook.

The next item on the agenda was the added item to consider adoption of an Ordinance amending Chapter 86, Taxation, Article II, Property Taxes, Division 3, Personal Property Taxes, Section 86-57, Penalty and interest on delinquencies of the Vinton Town Code. Anne Cantrell commented that there has been a lot of discussion with the Treasurers' and Attorneys' Associations regarding this matter. The State Code states if a penalty and interest is assessed the Treasurer is not authorized to waive it except for three very specific reasons.

Because of COVID-19, several localities are looking for ways to not charge a penalty or to give a grace period because they know that people are on unemployment or having a hard time traveling to get to the Treasurer's Office. We could change our due date, but our recommendation is to change the penalty and interest rate to 0% for 30 days and then it would revert back to our current rate of 10%.

Ms. Cantrell further commented that Roanoke County is considering a similar ordinance next week and Roanoke City appears to be doing a change of their due date. City of Salem has not made a decision yet. This Ordinance would leave the due date at June 1st, but interest and penalty would not be assessed until July 1st. In June of last year, we collected \$565 in penalty and interest.

Council Member Scheid made a motion to adopt the Ordinance as presented; the motion was seconded by Vice Mayor Liles and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

Adopted Ordinance No. 1017 amending Chapter 86, Taxation, Article II, Property Taxes, Division 3, Personal Property Taxes, Section 86-57, Penalty and interest on delinquencies of the Vinton Town Code

The Town Manager commented that the work being done on Pollard Street was a water and sewer project for the renovation of Vinyard Station and the work on Cleveland Avenue related to a stormwater project.

Under reports from Council Committees, Anne Cantrell commented that the Finance Committee met on March 11, 2020. At that meeting, the January numbers were above budget and everything was looking good. They discussed the budget and raises for the employees. Now we have taken everything out of the budget and are looking at cuts on top of that because of the COVID-19 Pandemic. They also discussed the Greenway budget appropriation, which was approved tonight under the Consent Agenda. There was also discussion on possible funding for the Clearview light, but that will be delayed to the Pandemic.

Council Member Stovall requested that as soon as recommendations are available relative to any cuts that they be provided to Council.

Council Member Scheid made a motion to approve the January 2020 Financial Report as presented; the motion was seconded by Vice Mayor Liles and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None.

Approved January 2020 Financial Report

The Mayor first commented that depending on how the next few meetings go, Council Member Scheid is down to her last few meetings. Council will want to do something more formal to recognize her later, but he commented that she had been a real asset to Council. The Mayor asked Mr. Peters about the status of the demolition of the buildings on Pollard. Mr. Peters responded that 537 Pollard was taken down today and there will be some more clean-up of that site tomorrow and then they will proceed to do 35 Cedar on Thursday and Friday. Probably by next Saturday it will all be gone. The Mayor then read prepared comments and expressed appreciation to all of Town staff for their response to the COVID-19 Pandemic.

Council Members indicated they were glad to be at the meeting and commented on the COVID-19 Pandemic

Vice Mayor Liles made a motion to adjourn the meeting; the motion was seconded by Council Member Scheid and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – McCarty, Scheid, Stovall, Liles, Grose; Nays (0) – None. The meeting was adjourned at 8:35 p.m.

Meeting adjourned

APPROVED:



Bradley E. Grose, Mayor

ATTEST:



Susan N. Johnson, CMC, Town Clerk