

// A regular meeting of the Council of the City of Lynchburg was held on the 28th day of November, 2017, at 4:00 P.M. in the Council Chamber, City Hall, Joan Foster, President, presiding. The following Members were present:

Present: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster

6

Absent: Dolan

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// Mayor Foster presented a Certificate of Recognition to Information Technology for winning the 2017 Digital Cities Winners Leverage Technology to Enhance Inclusion, Solve Social Challenge.

// Mayor Foster presented a Certificate of Recognition from Virginia Municipal League (VML) entitled the Green Government Challenge to Kent White, Director of Community Development, Tim Mitchell, Director of Water Resources and Gaynelle Hart, Director of Public Works. It is a friendly competition sponsored by the VML which recognizes the innovative steps local governments take to reduce energy usage and promote sustainability. The City of Lynchburg has been a certified "Green Government" since 2014.

// Mayor Foster recognized the Lynchburg Police Department (LPD) for receiving its 9th consecutive accreditation award from the International Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA). This award is the "Gold Standard" in public safety, and demonstrates LPD's commitment to professionalism. The Lynchburg Police Department has maintained this accredited status for the last 28 years.

// Gary Christie, Executive Director of Region 2000 Local Government Council provided an Annual Report on the activities of the Local Government Council/Workforce Development Board for 2017. Mr. Christie stated the Mission of the Local Government Council is to be a dynamic public forum for matters of regional significance; to create regional solutions by coordinating regional plans and building coalitions, and, to provide excellence in regional services to our localities and to the Commonwealth.

// City Manager Bonnie Svrcek provided input for the 2018 Legislative Agenda. Ms. Svrcek stated it is time to review and update City Council's Legislative Agenda in preparation for the 2018 session of the Virginia General Assembly. Ms. Svrcek mentioned the sections for suggested changes:

- Comprehensive Poverty Reduction – continue to support the Comprehensive Poverty Reduction.
- Smart Scale has been deleted because this is an off year and there is no Smart Scale funding in FY 2018.
- Water Quality and Environment – has some additions and subtractions to this section.
- Communications Sales and Use Tax – has new language stating the Virginia Communications Sales and Use Tax was enacted to establish a statewide tax rate and to preempt local taxes on communication sales and services. The City supports setting the tax rate at the same level as the state sales tax rate of 5.3 percent and broadening the coverage of the tax to include audio and video streaming services and prepaid calling services.
- Law Enforcement Data Collection and Retention – do not remove the phrase passive data should be purged as soon as possible. Clarification what "as soon as possible" means.

After the discussion and suggested revisions on the proposed 2018 Legislative Agenda the following motion was made. On motion of Council Member Perrow, seconded by Council Member Wilder, Council by the following recorded vote adopted Resolution #R-17-100, as amended, adopting the 2018

Legislative Agenda:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster	6
Noes:	0
Absent: Dolan	1

// City Assessor Jeff Bandy provided information on the In-Fill Development Incentives for select areas of the City. When Staff revisited the Rehabilitation program they noticed it did not allow for In-Fill Development for incentives on vacant parcels. Mr. Bandy provided background information:

- The Code of Virginia allows for an exemption of real estate taxes for infill development (new construction).
- The program provides another tool to revitalize the City's oldest neighborhoods by:
 - allowing owners to build equity in a new home
 - enticing businesses to serve the neighborhoods
 - providing potential employment opportunities
 - reducing blight associated with vacant blocks
- Partial exemption for structures in redevelopment or conservation areas of rehabilitation districts
 - Provides for the exemption from taxation of (i) new structures located in a redevelopment or conservation area or rehabilitation district
 - or (ii) other improvements to real estate located in a redevelopment or conservation area or rehabilitation district

The partial exemption shall be either

- (i) an amount equal to the increase in assessed value or a percentage of such increase resulting from the construction of the new structure or other improvement to the real estate as determined by the Commissioner of the Revenue or other local assessing officer.
- or (ii) an amount up to 50 percent of the cost of such construction or improvement, as determined by ordinance.

Creation of Arts and Cultural districts

- The City may provide incentives for the support and creation of arts and cultural districts.
- The tax incentives for each district allows up to 10 years for the rebate of real estate property taxes.
- The districts noted (Redevelopment, Rehabilitation, Conservation, Arts & Cultural) are the only areas that allow in-fill development with Real Estate Tax Exemption periods per State Code.

Mr. Bandy went on to say the recommended requirements are to follow the same periods and methods for phase-out of exemption as established for changes to Rehabilitation Code effective January 1, 2018

and

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allow 50% of cost of construction as exemption amount for the period of exemption (designated by use). After the discussion, Council by consensus directed Staff to prepare code amendments to provide tax incentives for in-fill development and look into widening the scope of tracts that would apply.

// During roll call Council Member Wilder mentioned concerns in the Garland Hill area near Madison and Fifth Streets near the bus stop where people (homeless population) are just sitting there not catching the bus and on Wednesday there is a food truck and the parking seems to be an issue and making sure safety is addressed. Council Member Wilder mentioned he enjoyed attending the National League of Cities Conference. There were great workshops on addressing racial issues in our communities and on "My Brother's Keeper." He also mentioned the passing of Eddie Claiborne, a great member of our community, on November 25, 2017.

// Vice Mayor Tweedy mentioned she also enjoyed the National League of Cities Conference and spoke on the workshops that she attended on racial equity. The main theme was economic equity in our communities, marketing by expanding jobs and small businesses in our communities.

// Mayor Foster mentioned she had attended the Christmas market downtown and all the small businesses that were there. She mentioned the First Friday (December 1, 2017) book reading at the branch library entitled "The Mitten" and asked everyone to come out and join her. City Manager Bonnie Svrcek stated she had breaking news on the branch library that it would be closed until Monday, December 4, 2017 and the First Friday event with the Mayor would be held in lobby of City Hall instead of the branch library.

// On motion of Council Member Nelson, seconded by Council Member Wilder, Council by the following recorded vote elected to hold a closed meeting for consultation with legal counsel and briefings by staff members concerning the case of Ruth Anne L. Phillips v. City of Lynchburg, because discussion in an open meeting would adversely affect the negotiating or litigating posture of the City and for discussion and consideration of the City Manager's, City Attorney's and Clerk of Council's performance evaluations pursuant to Sections 2.2-3711(A.)(1) and (7) of the Code of Virginia, 1950 as amended:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Noes: 0

Absent: Dolan 1

// The meeting was re-opened to the public.

// Council Member Helgeson made the following motion:

WHEREAS, the Council of the City of Lynchburg has convened a closed meeting on this date, pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by City Council that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Lynchburg certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open

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meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by Council.

The Motion was seconded by Council Member Wilder, and Council by the following recorded vote adopted the motion:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Noes: 0

Absent: Dolan 1

// City Council recessed the meeting at 5:30 p.m.

// City Council reconvened the meeting at 7:30 p.m.

The following Members were present:

Present: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Absent: Dolan 1

Council Member Wilder gave the Invocation, followed by the Pledge of Allegiance.

// Copies of the minutes of the October 10, 2017 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Wilder, seconded by Council Member Perrow, Council by the following recorded vote approved the minutes as presented:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Noes: 0

Absent: Dolan 1

// Copies of the minutes of the November 7, 2017 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Wilder, seconded by Council Member Perrow, Council by the following recorded vote approved the minutes as presented:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Noes: 0

Absent: Dolan 1

// Hear from group representative John E. Falcone regarding Elizabeth's Early Learning Center regarding the Poverty to Process Initiative.

// City Manager Bonnie Svrcek gave a summary of the request from Elizabeth's Early Learning Center (EELC) for Real Estate Tax exemption. Ms. Svrcek stated that EELC is asking the City to be an external service provider or make a charitable donation to cover the same amount as their real property taxes. The options are to enter into a contract with the City as an external service provider and they request that Council approve an annual payment equivalent to the amount of real estate taxes which EELC pays. EELC currently pays \$11,065.59 annually in real estate taxes, and anticipates that the amount will increase to approximately \$15,000 in the near future because of a planned expansion. While it is not an

explicit tax exemption, the request is for the City to pay the taxes which could be perceived as a tax exemption. Ms. Svrcek stated that Staff recommendation is not to enter into an external service provider contract, not make a charitable donation or exempt them for taxes.

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City Attorney Walter Erwin stated that Mr. Falcone the attorney representing EELC summary was correct; in early 2016 EELC contacted the City Assessor's office and asked if EELC is classified as an institution of learning. The City researched this issue and responded that we did not think that EELC was an institution of learning; however they offer great programs and educational benefits. An organization does not qualify as an institution of learning until the children they serve are of school age. The City advised EELC that it believes they do not qualify as an institution of learning so EELC is pursuing this additional option. Council Member Perrow stated he appreciates the importance and value of early learning. As an external service provider those are typically entities performing a function that the City could not do efficiently on its own. He asked, what benefit would there be to the City? Ms. Jane Gerdy, Executive Director of EELC responded that the benefits to the City are multiple and varies which include the following:

- EELC wants to support the City of Lynchburg and the Poverty to Progress Initiative.
- EELC a non-profit organization that provide \$200,000 per year in tuition assistance/scholarships to families in need, including children at-risk due to economic disadvantage or disability.
- EELC provide a nationally accredited education program for children, for families that also need childcare, helping to decrease the number of children starting kindergarten with no Pre-K experience.
- Unlike other non-profit preschools, EELC provides educational programs and paying real estate taxes because EELC is not located in a church or on a college campus.
- EELC is raising funds to expand their facility in order to provide care for more children. This helps with workforce development and also educates children so that they have skills needed for success in kindergarten. EELC also provide scholarships for children on a sliding scale which is based on family income and need.
- Expanding the facility will increase real estate taxes, possibly reducing the scholarship funds that will be available to children.

Council Member Perrow asked since you are at your capacity and if the City should decide to make a contribution, how would that benefits more children? The expansion would serve 36 additional children.

Council Member Helgeson stated he appreciates what they do and as he sees this, EELC provides a great service but not a difference in the service. This not only affects businesses, property owners and our non-profits that are doing a good job trying to take care of children. We should try to keep our real estate taxes low all through the year. It is incumbent upon us to watch our finances year end and year out. I do appreciate the creativity of asking for the tax relief, realizing that this will not be happening and trying a different way. The proper time to ask for this funding would be during the budget

process. I would agree with the City Manager's recommendation not to go with a tax abetment or with a contract.

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Council Member Wilder asked several questions, do EELC receive any funds from Social Services? The response was yes, we are eligible to receive subsidy funding for childcare from Social Services. This does not cover the cost for tuition, our scholarships cover the difference. Funds only cover 4 year olds and the younger children do not receive any funding. Do you receive any funds from our school system? The school system pays half tuition for 4 year olds but no funds for younger children.

Vice Mayor Tweedy asked, what would be the potential cost for your expansion. Ms. Gerdy stated EELC is supposing a \$750,000 expansion for the facility. She further stated this is the fourth time EELC has expanded since it was built 20 years ago. The taxes have gone from \$4K a year to \$15K a year. Vice Mayor Tweedy also asked has there been any discussion from the EELC Board in providing this type of early education in our neighborhoods. Ms. Gerdy replied there is differently a need but it would be very costly with an additional facility and teachers.

Council Member Nelson asked with regard to the scholarships, are the scholarships allocated as a whole or partial scholarship? The scholarships are based on theirs needs; we have a sliding fee scale that is applied based on the parents' income. Council Member Nelson also asked why this program and property should not qualify as an educational institution of learning. Why the City would not recognize an external service provider status for EELC, what is the key factor? It is remarkable in my opinion that EELC as a non-profit private group has stepped up and provided the quality of service they do to families and children. If you evaluate what they do for the City in my opinion they very much provide the services like any other external service providers. They serve our citizens by providing quality childcare.

Mayor Foster made remarks that this is a well-educated facility that provided excellent childcare services for children. After the discussion, Council Member Nelson made a motion, seconded by Mayor Foster that the City Manager will negotiate a contract with Elizabeth's Early Learning Center (EELC) for EELC to be an external service provider compliant with representations contained in the documents EELC presented to the City. The City will pay EELC the amount of the annual real estate tax assessment placed on EELC's real property in the fiscal year immediately preceding the start date of each contract term once EELC has completed the proposed expansion of its physical facilities to provide additional space for 36 children. All City funding will be applied toward scholarships benefiting indigent children. Council by the following recorded vote adopted the motion that the City Manager would negotiate a contract with Elizabeth's Early Learning Center:

Ayes: Nelson, Tweedy, Wilder, Foster

4

Noes: Helgeson, Perrow

2

Absent: Dolan

1

// In the matter of Fire, City Council Report #10 was considered. Council Member Helgeson, Chair of the Finance Committee (FC) stated that this matter came before the FC which recommended approval. This

motion does not require a second. Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R 17 101, as presented, to amend the FY 2018 Stormwater Capital Fund budget and appropriate \$70,494 with resources from Stormwater Local Assistance Fund (SLAF) matching grant to reimburse costs for Fire Station No. 8 Water Quality Improvement Project:

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Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Noes: 0

Absent: Dolan 1

// In the matter of Police, City Council Report #11 was considered. Council Member Helgeson, Chair of the Finance Committee (FC) stated that this matter came before the FC which recommended approval. This motion does not require a second. Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R 17 102, as presented, to amend the FY 2018 City/Federal/State Aid Fund budget and appropriate \$36,182.98 with resources of \$18,091.49 from the Bulletproof Vest Partnership 2017 Grant Program and \$18,091.49 transferred from the FY 2018 General Fund Police Department (\$13,703.99) and Sheriff's Office (\$4,387.50) budgets to purchase 43 replacement bulletproof vests for law enforcement officers.

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Noes: 0

Absent: Dolan 1

// In the matter of Fire, City Council Report #12 was considered. On motion of Council Member Perrow, seconded by Council Member Nelson, Council by the following recorded vote adopted Ordinance #0 17 103, as presented, to amend and reenact Section 5-6 of the City Code relating to the rates that are charged by the Fire Department for Ambulance Services within the City:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Noes: 0

Absent: Dolan 1

// The meeting was adjourned at 8:55 P.M.

Clerk of Council

// A regular meeting of the Council of the City of Lynchburg was held on the 28th day of November, 2017, at 4:00 P.M. in the Council Chamber, City Hall, Joan Foster, President, presiding. The following Members were present:

Present: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Absent: Dolan 1

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- Comprehensive Poverty Reduction – continue to support the Comprehensive Poverty Reduction.
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- Communications Sales and Use Tax – has new language stating the Virginia Communications Sales and Use Tax was enacted to establish a statewide tax rate and to preempt local taxes on communication sales and services. The City supports setting the tax rate at the same level as the state sales tax rate of 5.3 percent and broadening the coverage of the tax to include audio and video streaming services and prepaid calling services
- Law Enforcement Data Collection and Retention – do not remove the phrase passive data should be purged as soon as possible. Clarification what “as soon as possible” means.

After the discussion and suggested revisions on the proposed 2018 Legislative Agenda the following motion was made. On motion of Council Member Perrow, seconded by Council Member Wilder, Council by the following recorded vote adopted Resolution #R-17-100, as amended, adopting the 2018 Legislative Agenda:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster	6
Noes:	0
Absent: Dolan	1

// City Assessor Jeff Bandy provided information on the In-Fill Development Incentives for select areas of the City. When Staff revisited the Rehabilitation program they noticed it did not allow for In-Fill Development for incentives on vacant parcels. Mr. Bandy provided background information:

- The Code of Virginia allows for an exemption of real estate taxes for infill development (new construction).
- The program provides another tool to revitalize the City’s oldest neighborhoods by:
 - allowing owners to build equity in a new home
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Creation of Arts and Cultural districts

- The City may provide incentives for the support and creation of arts and cultural districts.
- The tax incentives for each district allows up to 10 years for the rebate of real estate property taxes.
- The districts noted (Redevelopment, Rehabilitation, Conservation, Arts & Cultural) are the only areas that allow in-fill development with Real Estate Tax Exemption periods per State Code.

Mr. Bandy went on to say the recommended requirements are to follow the same periods and methods for phase-out of exemption as established for changes to Rehabilitation Code effective January 1, 2018 and allow 50% of cost of construction as exemption amount for the period of exemption (designated by use). After the discussion, Council by consensus directed Staff to prepare code amendments to provide tax incentives for in-fill development and look into widening the scope of tracts that would apply.

// During roll call Council Member Wilder mentioned concerns in the Garland Hill area near Madison and Fifth Streets near the bus stop where people (homeless population) are just sitting there not catching the bus and on Wednesday there is a food truck and the parking seems to be an issue and making sure safety is addressed. Council Member Wilder mentioned he enjoyed attending the National League of Cities Conference. There were great workshops on addressing racial issues in our communities and on "My Brother's Keeper." He also mentioned the passing of Eddie Claiborne, a great member of our community, on November 25, 2017.

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and consideration of the City Manager's, City Attorney's and Clerk of Council's performance evaluations pursuant to Sections 2.2-3711(A)(1) and (7) of the Code of Virginia, 1950 as amended:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster	6
Noes:	0
Absent: Dolan	1

// The meeting was re-opened to the public.

// Council Member Helgeson made the following motion:

WHEREAS, the Council of the City of Lynchburg has convened a closed meeting on this date, pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by City Council that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Lynchburg certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by Council.

The Motion was seconded by Council Member Wilder, and Council by the following recorded vote adopted the motion:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster	6
Noes:	0
Absent: Dolan	1

// City Council recessed the meeting at 5:30 p.m.

// City Council reconvened the meeting at 7:30 p.m.

The following Members were present:

Present: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster	6
Absent: Dolan	1

Council Member Wilder gave the Invocation, followed by the Pledge of Allegiance.

// Copies of the minutes of the October 10, 2017 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Wilder, seconded by Council Member Perrow, Council by the following recorded vote approved the minutes as presented:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster	6
Noes:	0
Absent: Dolan	1

// Copies of the minutes of the November 7, 2017 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Wilder, seconded by Council Member Perrow, Council by the following recorded vote approved the minutes as presented:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster	6
Noes:	0
Absent: Dolan	1

// Hear from group representative John E. Falcone regarding Elizabeth's Early Learning Center regarding the Poverty to Process Initiative.

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Council Member Wilder asked several questions, do EELC receive any funds from Social Services? The response was yes, we are eligible to receive subsidy funding for childcare from Social Services. This does not cover the cost for tuition, our scholarships cover the difference. Funds only cover 4 year olds and the younger children do not receive any funding. Do you receive any funds from our school system? The school system pays half tuition for 4 year olds but no funds for younger children.

Vice Mayor Tweedy asked, what would be the potential cost for your expansion. Ms. Gerdy stated EELC is supposing a \$750,000 expansion for the facility. She further stated this is the fourth time EELC has expanded since it was built 20 years ago. The taxes have gone from \$4K a year to \$15K a year. Vice Mayor Tweedy also asked has there been any discussion from the EELC Board in providing this type of early education in our neighborhoods. Ms. Gerdy replied there is differently a need but it would be very costly with an additional facility and teachers.

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Ayes: Nelson, Tweedy, Wilder, Foster	4
Notes: Helgeson, Perrow	2
Absent: Dolan	1

// In the matter of Fire, City Council Report #10 was considered. Council Member Helgeson, Chair of the Finance Committee (FC) stated that this matter came before the FC which recommended approval. This motion does not require a second. Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-17-101, as presented, to amend the FY 2018 Stormwater Capital Fund budget and appropriate \$70,494 with resources from Stormwater Local Assistance Fund (SLAF) matching grant to reimburse costs for Fire Station No. 8 Water Quality Improvement Project:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Noes: 0

Absent: Dolan 1

// In the matter of Police, City Council Report #11 was considered. Council Member Helgeson, Chair of the Finance Committee (FC) stated that this matter came before the FC which recommended approval. This motion does not require a second. Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-17-102, as presented, to amend the FY 2018 City/Federal/State Aid Fund budget and appropriate \$36,182.98 with resources of \$18,091.49 from the Bulletproof Vest Partnership 2017 Grant Program and \$18,091.49 transferred from the FY 2018 General Fund Police Department (\$13,703.99) and Sheriff's Office (\$4,387.50) budgets to purchase 43 replacement bulletproof vests for law enforcement officers.

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Noes: 0

Absent: Dolan 1

// In the matter of Fire, City Council Report #12 was considered. On motion of Council Member Perrow, seconded by Council Member Nelson, Council by the following recorded vote adopted Ordinance #0-17-103, as presented, to amend and reenact Section 5-6 of the City Code relating to the rates that are charged by the Fire Department for Ambulance Services within the City:

Ayes: Helgeson, Nelson, Perrow, Tweedy, Wilder, Foster 6

Noes: 0

Absent: Dolan 1

// The meeting was adjourned at 8:55 P.M.

Clerk of Council