

AGENDA

FRANKLIN CITY COUNCIL
MONDAY, JANUARY 8, 2018 – CITY HALL COUNCIL CHAMBERS – 207 W. SECOND AVE.

6:00 P.M.

WORK SESSION

Call To Order MAYOR FRANK M. RABIL

WORKSESSION

- A. Work Session – Derelict Property Regulations

Adjournment

7:00 P.M.

Regular Meeting

CALL TO ORDER MAYOR FRANK M. RABIL
 PLEASE TURN OFF CELL PHONES MAYOR FRANK M. RABIL
 PLEDGE OF ALLEGIANCE
 CITIZENS' TIME
 AMENDMENTS TO AGENDA

- 1. **CONSENT AGENDA**
 - A. Minutes: December 11, 2017 Regular Meeting
 - B. Departmental Reports: November, 2017 (Separate File)
- 2. **OLD/NEW BUSINESS**
 - A. Youth Activity Opportunities Discussion
 - B. Fairview Drive Property Farm Lease – H. Taylor Williams, IV, City Attorney
 - C. State Health Insurance COVA Local Option Program Participation Decision – R. Randy Martin, City Manager
 - D. City Manager’s Report

3. **COUNCIL/STAFF REPORTS ON BOARDS/COMMISSIONS**

4. **CLOSED SESSION**
 I move that the Franklin City Council meet in closed session to discuss appointments to boards and commissions; to discuss and evaluate the performance of employees; and to discuss a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community pursuant to Virginia Code Section 2.2 – 3711 (A) (1) & (5).

Motion Upon Returning to Open Session- I move that the only matters discussed during the closed session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened.

5. **ADJOURNMENT**

UPCOMING ITEMS TO BE SCHEDULED

The items below are intended to be reflective, and not inclusive of all subjects staff is working on to bring forward to City Council in the next two months. Both the time lines and subject matter are subject to change and should not be considered final.

<u>SUBJECT</u>	<u>TENTATIVE TIME LINE</u>
Police Department Update	January 22, 2018
Verizon Tower Lease Discussion	January 22, 2018
Charter Communications Franchise Discussion	January 22, 2018
Joint School Board/City Council Work Session (Proposed)	February, 2018 (Date, Time & Location TBD)



**DEPARTMENT OF COMMUNITY DEVELOPMENT
PLANNING - BUILDING INSPECTIONS – ZONING**

To: R. Randy Martin, City Manager

From: Donald E. Goodwin, CBO, CFM, Director of Community Development

Date: December 5, 2017

CC: City Council Members

RE: Council Consideration for adoption of a Derelict Buildings Program

At the request of City Council I have prepared a final draft of the proposed referenced ordinance in accordance with Code of Virginia Section 15.2 907.1 that authorizes local governments to require removal or repair of buildings declared to be derelict. This ordinance outlines the program regulations.

I have also attached a draft procedure and a tax abatement exhibit that will provide Council with a guideline as to how this office plans to implement the program and how the tax abatement is calculated for both demolition and rehabilitated buildings.

No public hearing is required for council to take action on the adoption of this ordinance.

STAFF RECOMMENDATION: Adopt the proposed Derelict Buildings ordinance.

THE CITY COUNCIL OF THE CITY OF FRANKLIN, VIRGINIA DOES ORDAIN AS FOLLOWS:

THAT AN ORDINANCE AMENDING CHAPTER 6 BUILDINGS AND BUILDING REGULATIONS, ARTICLE I IN GENERAL BY ADDING SECTIONS 6-6 THROUGH 6-10 TO THE CODE OF THE CITY OF FRANKLIN, VIRGINIA RELATING TO THE REMOVAL, REPAIR, ETC., OF BUILDINGS DECLARED TO BE DERELICT TO READ AS FOLLOWS:

Sec. 6-6. – Authority to require removal, repair, etc., of buildings declared to be derelict.

- (a) Any owner of property located in the City of Franklin shall at such time or times as the city may prescribe submit a plan to demolish or renovate any building that has been declared a “derelict building” by the Director of Community Development or his/her designee. For purposes of this section, “derelict building” shall mean a residential or non-residential building or structure, whether or not construction has been completed, that might endanger the public’s health, safety , or welfare and for a continuous period in excess of six months, it has been;
 - (i) Vacant,
 - (ii) Boarded up in accordance with the building code, and
 - (iii) Not lawfully connected to electric service from a utility service provider or not lawfully connected to any required water or sewer service from a utility service provider.
- (b) If a building qualifies as a derelict building pursuant to this ordinance, the city shall notify the owner of the derelict building that the owner is required to submit to the city a plan, within 90 days, to demolish or renovate the building to address the items that endanger the public’s health, safety, or welfare as listed in the written notification provided by the city. Such plan shall be on a form provided by the city and shall include a proposed time within which the plan will be commenced and completed. The plan may include one or more adjacent properties of the owner, whether or not all of such properties may have been declared derelict buildings. The plan shall be subject to the approval by the city. The city shall deliver the written notice to the owner and address listed on the real estate tax assessment records of the city. Written notice shall be sent via certified mail, with the city obtaining a U.S. Postal Service Certified Mail Receipt constituting delivery pursuant to this section.
- (c) If the city delivers written notice and the owner of the derelict building has not submitted a plan to the city within 90 days as provided in subsection (b), the city may exercise such remedies as provided in this section or as otherwise provided by law.
- (d) The owner of a building may apply to the city and request that such building be declared a derelict building for purposes of this section.
- (e) The city upon receipt of the plan to demolish or renovate the building, at the owner’s request, shall meet with the owner submitting the plan and provide information to the owner on the land use and permitting requirements for demolition or renovation.
- (f) If the property owner’s plan is to demolish the derelict building, and such plan is approved by the city, the building permit application of the owner shall be expedited. Furthermore, if the owner has completed the demolition within 90 days of the date of the building permit issuance, the city shall refund any building and demolition permit fees. This section shall not supersede any ordinance

adopted relative to historic districts. In addition the tax abatement process for demolition may not be available for any property which either is a registered Virginia landmark or is determined by the Virginia Department of Historic Resources to contribute to the significance of a registered historic district.

- (g) If the property owner's plan is to renovate the derelict building, and no rezoning is required for the owners intended use of the property, and such plan is approved by the city, the site plan or subdivision application and the building permit, shall be expedited. The site plan or subdivision fees may be refunded, all or in part, but in no event shall the site plan or subdivision fees exceed the lesser of 50 percent of the standard fees established by the ordinance for site plan or subdivision applications for the proposed use of the property, or \$5,000.00 per property. The building permit fees may be refunded , all or in part, but in no event shall the building permit fees exceed the lesser of 50 percent of the standard fees established by the ordinance for building permit applications for the proposed use of the property or \$5,000.00 per property. No fees shall be refunded until after a certificate of occupancy has been issued or a final inspection of the work has been approved by the Director of Community Development.
- (h) Prior to the commencement of a plan to demolish or renovate the derelict building, at the request of the property owner, the Commissioner of the Revenue or the real estate assessor shall make an assessment of the property in its current derelict condition. On the building permit application, the owner shall declare the costs of the demolition, or the costs of materials and labor to complete the renovation. At the request of the property owner, after demolition or renovation of the derelict building, the real estate assessor shall reflect the fair market value of the demolition costs or the fair market value of the renovation improvements, and reflect such value in the real estate assessment records. The real estate taxes on the amount equal to the costs of demolition or an amount equal to the increase in fair market value of renovations shall be abated for a period of not less than 7 years in accordance with the tax abatement provisions of Virginia Code Section 15.2-907.1 (8), and is transferable with the property. No taxes shall be abated until after a certificate of occupancy has been issued or a final inspection of the work has been approved by the Director of Community Development.
- (i) Notwithstanding the provisions of this section, the city may proceed to take action under Section 6-1 of the City Code, or the city may proceed to abate or remove a nuisance under Section 15.2-900, et seq., of the Code of Virginia. In addition, the city may exercise such remedies as may exist under the Uniform Statewide Building Code and such other remedies available under general and special law.

Sec. 6-7. – Violations

- (a) Unless otherwise specified, violation of any provision of sections 6-6 through 6-10 shall be deemed a class 2 misdemeanor. Each day a violation continues shall be deemed a new and separate violation.

Sec. 6-8. – Enforcement

- (a) The Director of Community Development is hereby vested with the authority to require the abatement of derelict buildings pursuant to the provisions of this ordinance and other applicable codes, laws and regulations.

Sec. 6-9. – Notice of declaration of derelict building

- (a) Whenever it shall come to the knowledge of the Director of Community Development that there exists upon property in the city any derelict building, at the direction of the City Manager he or she

may notify the owner of the derelict building that the owner must submit a work plan within 90 calendar days to either demolish the derelict building or renovate the derelict building so that lawful use and occupancy of the building or structure is possible.

- (b) Per Sec. 6-6 (b) the notice of declaration of derelict building shall be sent certified mail to the owner at the address in the real estate tax assessment records. If the property owner's address in the real estate tax assessment records is the same as the address of the derelict building, a copy of the notification may also be posted on the derelict building.
- (c) The notice of declaration of derelict building shall also constitute a notice of violation.
- (d) Any person sent a notice of declaration of derelict building pursuant to this section who shall fail to comply with the time specified for submitting a work plan shall be deemed in violation of this ordinance.
- (e) Nothing in this article shall prohibit an owner from requesting that his building or structure be evaluated for a declaration of derelict building.

Sec. 6-10. – Submittal of work plan by owner; approval by Director

- (a) The work plan required to be submitted by the owner shall be on a form prescribed by the Director of Community Development. The work plan must provide a proposed time within which the plan must be commenced and completed. The work plan may include one or more adjacent properties of the owner, whether or not all have been declared to contain a derelict building. The contents of the plan and the proposed schedule shall be subject to the approval by the Director of Community Development and shall be deemed noncompliant until such plan is approved.
- (b) Once the plan has been approved the contents of the work plan and schedule for commencement and completion of the work plan shall be binding on the owner. Failure to comply with the contents of the approved work plan or the dates for commencement and completion without a written variance from the Director of Community Development shall be deemed a violation of this ordinance.
- (c) Any approval granted under this section shall not relieve the owner of the property located in any historic district from complying with the approval requirements established by relevant provisions of the zoning ordinances before any demolition permit can be issued or any demolition can commence.

This ordinance shall be effective from the date of its adoption.

Certified copy of ordinance adopted by the City of Franklin City Council at its meeting held on December 11, 2017.

Clerk to City Council

- 1) Purpose:** The purpose of this procedure is to provide a definitive reference and checklist to ensure consistent administration of Section 6-5 of the Franklin City code for - **Authority to require removal, repair, etc., of buildings declared to be derelict.** It addresses communications for owner notification, violation correction, potential consequences and required documentation.
- 2) Scope:** This document covers activities and documentation associated with the enforcement of the Derelict Building Ordinance in the City of Franklin Code
- 3) Responsibility:**
- **Director of Community Development (DCD)**
 - Manages the funds earmarked for nuisance abatement of derelict buildings
 - Consults with the City Manager regarding implementation of this procedure for specific properties
 - Provides technical expertise as required to staff in administrating this ordinance
 - Assigns approved derelict building cases to a specific Building Inspector/Code Enforcement Officer
 - Reviews owner proposals for demolition/repair or renovation submitted on a **BUILDING PERMIT PERFORMANCE DOCUMENT** and **COVER LETTER** and approves or denies the request for issuance of a building permit
 - Acts as an interface with the Commissioner of Revenue on potential tax abatement cases or building fee refunds
 - **City Manager**
 - Provides or denies approval on a case by case basis on derelict building cases submitted to him by the Director of Community Development
 - Handles communication of pending cases with City Council as required
 - **Building Inspector/Code Enforcement Official** - at the direction of the DCD:
 - Gathers all required documentation for citing a specific derelict building
 - Creates, mails and tracks required citation/notification documents sent to the owner of properties with derelict buildings
 - If owner fails to respond to notification, arranges for pricing and demolition of derelict buildings after DCD approval
 - **City of Franklin's Commissioner of the Revenue**
 - Sets up tax abatement plans as required for derelict building properties as noted in the city ordinance for derelict buildings
 - Tracks the duration of abatement plans set up with the property owner

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3) Responsibility continued:

- **City Attorney**
 - Provides legal consultation for Community Development as required and represents the city in any cases going to court
- **Property Owner**
 - Submits a request for demolition, Or
 - Submits a proposed repair plan on a **BUILDING PERMIT PERFORMANCE DOCUMENT** and **COVER LETTER**
 - Pulls permits and manages construction or demolition personnel as required
 - Works with the City Treasure or Commissioner of Revenue office to obtain the required appraisals or tax abatement
- **Permit Technicians**
 - Issues any permits associated with demolition or renovation of derelict structures
 - Issues any permit refunds associated with the demolition or renovation of the property

4) Definitions:

- **Derelict Building** - A residential or non residential building or structure, whether or not construction has been completed, that might endanger the public's health, safety , or welfare and for a continuous period in excess of six months, it has been; Vacant, Boarded up in accordance with the building code, and not lawfully connected to electric service from a utility service provider.
- **A BUILDING PERMIT PERFORMANCE DOCUMENT and COVER LETTER** - A detailed action plan with timelines noted for commencement and completion, submitted by the owner of the property on a form provided by the city within 90 days of notification.
- **Notice of declaration of derelict building** - Whenever it comes to the attention of the Director of Community Development there is a derelict building in the city, he may notify the owner of the derelict building that the owner must submit a work plan within 90 calendar days to either demolish the derelict building or renovate the derelict building so lawful use and occupancy of the building or structure is possible with the issuance of a 'Notice of declaration of a derelict building. The notice shall be sent via certified mail to the address for the owner listed in the real estate tax assessment records of the city.
- **Derelict building property owner** - The owner of a property with a derelict building as listed in the real estate tax assessment records of the city.
- **Tax Abatement/permit reductions** - Owner incentives, which may be available in association of the restoration/renovation or demolition of derelict buildings.

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- 5) References:
- City Ordinance - Sec. 6-6. - Authority to require removal, repair, etc., of buildings declared to be derelict.
 - State Code - § 15.2-907.1. Authority to require removal, repair, etc., of buildings that are declared to be derelict.
 - **BUILDING PERMIT PERFORMANCE DOCUMENT and COVER LETTER**
 - Notice of declaration of derelict building letter
 - Virginia Uniform Statewide Building Code

6) Procedure for addressing violations of the City Derelict Building Ordinance

Procedure for addressing violations of the City Derelict Building Ordinance		
Step Number	Description of activity	Step completed
1	<p><u>The DCD</u> is notified of the presence of a possible Derelict Building violation.</p> <ul style="list-style-type: none"> • He will have an inspection and research done confirming the property satisfies the criteria for a Derelict Structure • He will obtain an estimate for having the property demolished • He will review the budget for this category of nuisance abatement to determine the necessary funds are available • IF after doing the above the DCD feels the property; qualifies as a Derelict Building, funding is available and the structure is one that needs to be demolished or made compliant - He will submit a formal request in writing (Can be made via email) to the City Manager requesting approval to start code enforcement procedures for the property. 	
2	<p><u>The City Manager</u> upon receipt of the request for execution of code enforcement will evaluate the case and provide written authorization (Can be via email) to the DCD start enforcement or notice to terminate further action on the case. If deemed necessary the City Manager will consult the Mayor or members of City Council as required.</p>	
3	<p><u>The DCD</u>, upon notification of the City Manager, will either terminate further efforts on the case OR will make an assignment in writing (Can be via email) to a Building Inspector/Code Enforcement Official (BI/CEO)</p>	

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Department:

COMMUNITY DEVELOPMENT

Procedure for Derelict Building Ordinance Violations

4	<p>The BI/CEO upon receipt of assignment from the DCD will;</p> <ul style="list-style-type: none"> • Gather all required documentation for citing a specific derelict building and create a Property Maintenance Violation file folder for the property address to include - <ul style="list-style-type: none"> ▪ Pictures of the structure, a hard copy of the tax sheet for the existing property owner, authorization letters from the City Manager and DCD and hard copies from city utilities confirming utility cut-off dates • Create, mail and track required citation/notification documents sent to the owner of properties with derelict buildings. Notifications are to be sent certified mail AND a copy of correspondence is to be placarded on the structure. • If owner fails to respond to notification, arranges for pricing and demolition of derelict buildings after DCD approval. • If the owner submits a plan for repair - review the plan with the DCD. If the DCD approves the plan the BI/CEO will have a physical meeting with the owner and notify him of plan acceptance and the need for meeting performance dates and accomplishments. • Track work on the property and ensure compliance with the submitted work plan. • If compliance is not met - the BI/CEO will confer with the DCD and proceed as directed. 	
5	<p>If the property owner fails to submit a repair or demolition plan in the allotted 90 day period the BI/CEO will, after gaining DCD approval, either charge the owner with a class 2 misdemeanor or if funding permits pursue action under 6-1 of the city Code for Unsafe Structures.</p>	
6	<p>If a demolition or repair plan is approved - it is the property owner's responsibility to pull all required permits and to contact the Commissioner of Revenue to make arrangements for any pre-restoration appraisals and tax abatement plans for the property</p>	
7	<p>After demolition or renovation the BI/CEO will review the case file and ensure all inspections have been done and close the case and send a notification of final completion to the office of the Commissioner of Revenues.</p>	
8	<p>City of Franklin's Commissioner of the Revenue's Office shall be responsible for tracking any tax abatement agreements established with the owner.</p>	
9	<p>Permit Technicians will issue refunds or reduction in permit fees as outlined in the city ordinance.</p>	

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Department:

COMMUNITY DEVELOPMENT

Procedure for Derelict Building Ordinance Violations

- 7) Documentation:** All required documentation associated with completing enforcement of this procedure on a case by case basis. Examples - Pictures taken, approval and notification correspondence, utility records, property ownership sheet from the city tax system and certified mail receipts, etc.
- 8) Approval, Issue and Review:** Any changes to this document are to be reviewed and approved by the Building Code Official or his designee on an as needed basis. The Department of Community Development is the owner of the document.
- 9) Safety and Environmental:** Identification of any safety or environmental issues or actions that should be addressed when doing inspections of a derelict building. Example - gloves may be required when inspecting a derelict building. Depending on conditions, location and possible unauthorized habitation, a police officer may be advised to accompany inspectors on initial inspections.

DRAFT

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Tax Abatement Incentive for Demolition or Renovation of Derelict Structures

Demolition Example:

Land Value:	37,800
<u>Building Value</u>	<u>143,200</u>
Total Value	181,000 @ .99 = 1,791.90

Demolition Cost: 15,000

Land Value:	37,800
<u>Building Value</u>	<u>0</u>
Total	37,800 X .99 = 374.22
Minus	15,000 X .99 = 148.50
Total	22,800 X .99 = 225.72

148.50 X 7 yrs. = 1,039.50 savings to owner over the 7 year period

Renovation Example: Same property 65,000 renovation project

Renovation Cost: 65,000

Land Value:	37,800
Improved Value:	208,200 (143,200 + 65,000)
Total	246,000 X .99 = 2,435.40
Minus	65,000 X .99 = 643.50
Total	181,000 X .99 = 1,791.90.00

643.50 X 7 yrs. = 4,504.50 savings to owner over 7 year period.

Demolition Example #2

Land Value-	\$20,000
<u>Improvements -</u>	<u>\$9,700</u>
Total -	\$29,700 X .99 = \$294

Demolition Cost: \$10,000

Land value:	\$20,000
<u>Improvement:</u>	<u>0</u>
Total	\$20,000 X .99 = \$198
Minus Demo	\$10,000 X .99 = \$ 99
Total -	\$10,000 X .99 = \$ 99

\$99.00 X 7 yrs. = 693 savings to owner over 7 year period

CONSENT AGENDA

A. Minutes: December 11, 2017 Regular Meeting

B. Departmental Reports: November, 2017 (Separate File)

The Franklin City Council held its regular meeting on Monday, December 11, 2017 at 7:00 p.m. in the Council Chambers at City Hall.

Council Members in Attendance: Mayor Frank Rabil, Barry Cheatham, Vice-Mayor; Mary Hilliard, Greg McLemore, Linwood Johnson and Benny Burgess (Bobby Cutchins absent).

Staff in Attendance: Randy Martin, City Manager; Taylor Williams, City Attorney; Mark Bly, Director of Power and Light; Russ Pace, Director of Public Works; Deputy Chief Robert Porti, Franklin Police Department; Chief Vince Holt, Director of Emergency Services; Tracy Gregory, Interim Director of Finance; Donald Goodwin, Director of Community Development; Brenda Rickman, Commissioner of Revenue and Dinah Babb, Treasurer.

Others in Attendance: Officer Marissa Foster, Franklin Police Department; Melisa Blythe, Payroll Technician; Joe Ann Faulk, Accounting Supervisor; Nancy Layman, Part-time Accountant; Stephen Faleski, Tidewater News Reporter, and Teresa Rose-McQuay; Administrative Assistant and Acting Secretary, Recording Minutes.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by everyone in attendance.

SPECIAL RECOGNITIONS

Resolution Recognizing Charles J. “Jeff” Turner, Riverkeeper

Mayor Rabil recognized Vice-Mayor Cheatham to read aloud the resolution recognizing Mr. Charles J. “Jeff” Turner who founded the Blackwater Nottoway Riverkeeper Program in 2010. Vice-Mayor Cheatham made the motion to adopt the resolution as presented and Councilman Burgess seconded it.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

Mayor Rabil presented Mr. Charles J. “Jeff” Turner with a plaque containing the resolution and thanked him for all the work he has done in protecting and educating the community on the Blackwater and Nottoway Rivers in the Franklin/Southampton area.

Mr. Turner thanked the City for all they did to help him protect the two rivers over the last 17 years. Mr. Turner stated that the waterways have improved over the last 17 years.

Everyone in attendance applauded Mr. Turner.

Resolution Honoring Robert T. “Bob” Petty in Memorium

Councilman Burgess read aloud the resolution honoring Mr. Robert T. “Bob” Petty in memorium. Mr. Petty passed away on August 26, 2017. Mr. Petty advocated for children through board leadership, education, literacy, social welfare, safe housing, recreation, financial stability and quality of life which made Franklin a better community.

Councilman Johnson made the motion to approve the resolution as presented and Vice-Mayor Cheatham seconded it.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

Mayor Rabil recognized Ms. Sarah Tucker Petty to accept the plaque honoring her father for his contributions to the Franklin community. Ms. Petty thanked everyone for the honor of remembering her father. Everyone in attendance applauded the memory of Mr. Petty.

Introduction: New Employee

Mayor Rabil recognized Manager Martin who introduced Treasurer Dinah Babb to make the introduction of the newest member of the Treasurer’s office: Ms. Selenia Boone.

Ms. Babb addressed Council with a brief bio of Ms. Boone’s prior experience before her employment with the City of Franklin. Ms. Boone came to the City of Franklin with a vast knowledge of Customer Service and significant banking experience. Mayor Rabil and Council welcomed Ms. Boone to the City of Franklin family. Everyone in attendance applauded for Ms. Boone.

CITIZENS’ TIME

Dr. Sharon Sheffield of 108 Fairview Drive, Franklin VA updated Council on the work that is being done by the Western Tidewater Free Health Clinic located in Suffolk and serving this region. Dr. Sheffield is one of the volunteers and a member of the Board of Directors for the Western Tidewater Free Health Clinic. The clinic opened in 2007 and since that time they have helped approximately 5,000 unduplicated patients with service. They truly have seen great improvement since their beginning and they thanked the City of Franklin for the ongoing support that is enabling them to help not only the citizens of Franklin but the Western Tidewater region.

Greg McLemore of 204 Madison Street went to the podium to speak as a citizen to thank Southampton Memorial Hospital for allowing the wreath laying ceremony for the unknown slaves of the Camp Plantation from Franklin and Southampton County. Councilman McLemore shared a letter sent to him by Congressman Robert C. “Bobby” Scott that commemorated the wreath laying ceremony in which he was unable to attend. Councilman McLemore informed citizens that there would be a Ward 3 ward meeting on December 23, 2017 at the Ruth Camp Campbell Memorial Library. He also invited all the citizens of Franklin to check out his website: everythingward3.com.

Mr. Jim Hart of Hart Construction, 1580 Armory Drive addressed Council concerning the upcoming action on the Derelict Property Ordinance. Mr. Hart and some of the other property owners in the City of Franklin have some questions concerning the language contained in the ordinance. Mr. Hart asked if the City could assemble a committee to discuss and clarify the nuances of the ordinances. Mr. Hart also requested that the lighting in the City be looked at. There are some areas that Mr. Hart feels are unsafe due to poor lighting especially at the entrance to the Wal-Mart parking lot located on the far entrance where his building is. Mr. Hart stated that the lights on that side have been out for eleven months.

Mr. Thomas Council, Jr. of 425 Bracey Street addressed the Council stating that he would like for the City of Franklin to be a Christian city by reinstating prayer in the City Council meetings. Mr. Council also asked that the City do something about the homeless problem in the City of Franklin. Mr. Council stated that winter is here and there are people in need so please help them.

AMENDMENTS TO AGENDA

Councilman Burgess made a motion to amend the agenda to to add an additional Ordinance for consideration. The Ordinance will be to make a correction to state code sections referenced in City Code Section 27 – 54 (a) from 58.1 – 3320 to 58.1 – 3220 and City Code Section 27 – 55 (a) from 58.1 – 3321 to 58.1 – 3220. Vice-Mayor Cheatham seconded the motion.

Mayor Rabil asked if there were any questions; hearing none Council voted.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

The item was inserted in Section 3 – Old/New Business as letter C and the City Manager’s report was moved to letter D.

CONSENT AGENDA

Minutes: November 27, 2017 Regular Meeting

Mayor Rabil asked if there were any corrections to the minutes of the November 27, 2017 Regular meeting. Vice-Mayor Cheatham mentioned a correction on page 9 under Adjournment Councilman Burgess was referred to as Councilwoman. Councilman Burgess mentioned a correction of page 2 of the minutes, third paragraph from the bottom Councilman McLemore’s name/title was misspelled.

Vice-Mayor Cheatham made a motion to approve the minutes with the necessary corrections and Councilman Johnson seconded it.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

FINANCE

FY 2016 – 2017 CAFR/Independent Auditor Presentation

Manager Martin recognized Interim Finance Director Tracy Gregory who recognized the members of the Finance staff and thanked them and all departments associated with the audit for all their hard work in preparation of and during the audit. The members of the Finance staff in attendance were: Ms. Melisa Blythe, Ms. Nancy Layman and Ms. Joe Ann Faulk. Interim Director Gregory introduced Ms. Robin Jones of Creedle, Jones & Alga, CPA’s who performed the independent audit for the City.

Ms. Jones distributed their summary report of the FY 2016 – 2017 Comprehensive Audit Financial Report (CAFR). Copies of the entire CAFR were distributed previously to Council. Ms. Jones reported to Council that the audit results were characterized as a clean opinion, also known as an unmodified opinion. This is the highest opinion that can be received.

Ms. Jones gave an overview on the report, as well as, detailed the responsibilities of both Management and the auditors. Ms. Jones reported to Council that they found no notable findings in the FY 2016 – 2017 audit. Ms. Jones asked if there were any questions and noted if anyone had any questions in the future her contact information was listed on the documentation that she distributed. Mayor Rabil thanked Ms. Jones for all the hard work and stated that if Council had any questions concerning the report they reserved the right to contact her regarding them.

Manager Martin commended Ms. Robin Jones of Creedle, Jones & Alga, CPA's for all their hard work and getting the report to Council before the new regulatory deadline of December 30, 2017; as well as, Interim Director Tracy Gregory, Finance staff, all the departments and outside agencies involved in the completion of the audit process. He noted the audit/CAFR has typically been presented in the January – February timeframe.

Treasurers' Report and Presentation

Mayor Rabil recognized Treasurer Dinah Babb to give her report and presentation.

Treasurer Babb reported the delinquent tax amount for the City of Franklin as of November 30, 2017 was \$295,452.71 versus \$303,461.92 from the last report from October 31, 2016. Ms. Babb commented that this amount reflects tax years 2015 and older for all taxes owed to the City.

Treasurer Babb noted that as of November 30, 2017 there was \$145,089.80 in delinquent Real Estate taxes for years 2001 – 2015. There are currently 25 taxpayers on monthly payment plans or have attached wages liens against their employment. The Treasurer's office continues to work with Jason A. Dunn PLC (Tax Attorney) out of Va. Beach to assist in selling properties who meet the requirement for a tax sale based on Code of Virginia 58.1 – 3965.1. Mr. Dunn's firm is currently working with 30 properties.

Councilman McLemore asked Treasurer Babb to give him a listing of properties for sale in his ward. Treasurer Babb conveyed to Councilman McLemore that the listings are not by ward but they are listed in her office and she invited him to come by and pick up a copy.

Treasurer Babb noted that the property owners have up to the day of the sale to pay the taxes and fees or make payment arrangements to keep the property from being sold at a Tax Sale. Of the RE 2016 tax year; the treasurers' office has a collection rate of 96% as of November 30, 2017.

The Treasurer noted that as of November 30, 2017 there was \$133,612.79 in delinquent personal property taxes owed for tax years 2008 – 2015. The Treasurers' office continues to work with taxpayers to pay the accounts before the next billing cycle; if unpaid collection will commence according to state code. Of the PP 2016 tax year; the treasurers' office has a collection rate of 97% as of November 30, 2017.

Treasurer Babb noted that due to the Statute of Limitations as per Code of Virginia 58.1 – 3940, she will be requesting Council to approve charging off PP 2011 charges in the amount of \$16,165.53 based upon years of unsuccessful attempts to collect. This will be done at the conclusion of Treasurer Babb's report.

Treasurer Babb also reported that as of November 30, 2017 there were only three delinquent business licenses for tax years 2011 - 2014 in the amount of \$367.90. Any business that owes personal property taxes will be required to pay those taxes before they are granted a valid business license.

Treasurer Babb noted that due to the Statute of Limitations as per Code of Virginia 58.1 – 3940, she will be requesting Council to approve charging off BL 2011 charges in the amount of \$264.00 due to the business no longer operating in Franklin. This will be done at the conclusion of Treasurer Babb's report. Treasurer Babb stated that any active business with delinquent taxes will never be charged off.

Treasurer Babb disclosed that there are currently \$16,382.22 in delinquent meals tax and \$0 in delinquent lodging tax. The delinquent business is currently on a payment plan with the Treasurers' office and must file and pay all current taxes when they are due.

Councilman McLemore asked if the meals tax was a fiduciary tax. Treasurer Babb stated that it was. Councilman McLemore stated that those funds do not belong to the business and Treasurer Babb concurred with his statement. She stated that that happened before she took office and she has and is currently working with the business to take care of the delinquency. Councilman McLemore stated that if people get behind a couple of hundred dollars on their personal property taxes we put a boot on their car but a business gets behind a couple of thousand dollars on the meals taxes but nothing happens to them because they make a payment plan. Treasurer Babb commented that the taxpayer behind on their personal property tax has the same opportunity to make a payment plan to avoid having action taken against them.

Treasurer Babb shared with Council that her office continues to use multiple collection tools that are allowed by the Code of Virginia. A few of the tools used are: DMV Stop, Debt Set-Off, Wage Liens, Va. Auction Co for vehicle seizure – Distress Warrant, Tax Sales – Judicial and Non Judicial, Unclaimed Property; and Payment Plans. Treasurer Babb talked about the improvement in the historical data since she took office; which has seen a reduction in total delinquencies from \$1,231,064.26 in 2010 to \$295,452.71 in 2017, showing tremendous strides over the past seven years.

Treasurer Babb gave an update on her office and the changes that have taken place over the last year.

- ❖ The office underwent the conversion of the 1st module (Utilities) with the new software (Edmunds) back in April. The conversion produced some challenges for the first several months but currently it's moving in a positive direction. There are still some items/issues that have surfaced that are being addressed.
- ❖ With the closing of SunTrust Branch, the Treasurers' office had to adapt to new ways of seeing funds deposited to the City's General Fund. With the changes that were implemented, Treasurer Babb shared that she has found them to be more efficient and more secure for the locality's funds.
- ❖ The Treasurers' office was awarded the Office of Accreditation for the the fourth consecutive year by the Treasurer's Office of Virginia.
- ❖ Treasurer Babb was nominated and appointed by her peers to be 2nd Vice President for the Treasurers' Association at the 2017 Annual conference held in Virginia Beach and was sworn in at the conference in June, 2017.

Treasurer Babb asked Council to approve writing off \$16,165.53 in delinquent unpaid personal property tax from 2011.

Vice-Mayor Cheatham made the motion to approve the write-offs of \$16,165.53 in personal property taxes from 2011 and Councilman Burgess seconded it.

Councilman Burgess asked Treasurer Babb if someone is on a payment plan, does that stop the statute of limitations and she replied that yes it does.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

Treasurer Babb then asked Council to approve the write-off of \$264.00 in delinquent business license from 2011.

Vice-Mayor Cheatham made the motion to write off \$264.00 in delinquent business license from 2011 and Councilwoman Hilliard seconded it.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

Vice-Mayor Cheatham asked Treasurer Babb how soon it would be before they would be able to work with budgeting utility accounts. She responded that she can only work with closed utility accounts. Manager Martin stated that he would get an answer to the question.

Councilman McLemore asked Treasurer Babb when the software conversion would be completed and completely usable. Treasurer Babb said that she could not answer that. Manager Martin stated that the software is being used every day and he would give an update on the status of the software conversion process at a future meeting.

Councilman McLemore asked Treasurer Babb who was paying for the armored car service currently being utilized by the City. Treasurer Babb stated that SunTrust is paying for 60% of the service and the city is paying 40%. Councilman McLemore asked if we were banking with a local bank would we still be paying for armored car service. Treasurer Babb replied that yes that will part of any agreement with any bank now or in the future for safety reasons.

Mayor Rabil commended Treasurer Babb for a very thorough report. Mayor Rabil also encouraged her to be diligent in the software conversion and applauded her efforts for her hard work.

FY 2017 – 2018 Franklin City Public Schools Budget Amendment # 2018 – 08

Mayor Rabil recognized Manager Martin to present Budget Amendment # 2018 – 08. Manager Martin stated that the budget amendment is to authorize the School’s supplemental appropriation of State and Local revenues and appropriate the additional revenues for expenditure.

Mayor Rabil asked if there were any questions regarding the budget amendment. Hearing none, Councilman Burgess made the motion to adopt FY 2017 – 2018 Franklin City Public Schools Budget Amendment # 2018 - 08 as presented. The motion was seconded by Vice-Mayor Cheatham.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

OLD/NEW BUSINESS

Derelict Property Ordinance

Mayor Rabil asked for any discussion concerning the Derelict Buildings Program.

Councilman McLemore relayed that he received a call from a citizen asking for a Public Hearing as well as staff consulting business and real estate owners to explain the verbiage in the ordinance, stated by the citizen who spoke at Citizens’ Time.

Councilman Johnson has spoken to people who did not understand the ordinance and also requested a Public Hearing. If this is another tool for the city to use, it should work for everyone.

Councilman Burgess conveyed he had also received calls concerning this matter and asked that we postpone this to the January 8, 2018 meeting to allow everyone to take a closer look at the ordinance to make sure that nothing was missed or overlooked. He stated his disappointment that this matter has been discussed extensively and no one stated any concerns until now.

Vice-Mayor Cheatham stated that he did not receive any calls; however he noted his disappointment as well, with those people not attending the meeting to talk about their concerns. Vice-Mayor Cheatham said that whatever the consensus of Council he would agree with recommendations.

Councilwoman Hilliard commented that she did not have any problem with hearing the concerns of the citizens but she did not want to see this drag out for an extended period of time.

Mayor Rabil commented that he had received some positive comments in regards to this derelict property ordinance. He was saddened that the people waited until it was time to take action to voice their concerns.

Councilman McLemore made the motion to have a Public Hearing on the derelict property ordinance and Councilman Johnson seconded the motion.

After considerable discussion on the topic, Council voted.

The motion failed with the vote as follows:

Councilman Johnson, AYE; Councilwoman Hilliard, NAY; Vice-Mayor Cheatham, NAY; Councilman McLemore, AYE; Councilman Burgess, NAY; and Mayor Rabil, NAY. (Councilman Cutchins absent)

Councilman Burgess made a motion to schedule a work session at 6:00 p.m. prior to the January 8, 2017 regular meeting at 7:00 p.m.; to allow a dialogue between Council members, property owners and concerned citizens to discuss the derelict property ordinance and take action on the subject at the January 22, 2018 Council meeting. Vice-Mayor Cheatham seconded the motion.

Councilman Johnson asked how notice of the work session is going to be advertised. Manager Martin stated that it would be reported on by the media, website, and the peg channel. Mayor Rabil also stated that Council members that were contacted need to let those individuals know about the work session and by word of mouth.

Councilman McLemore wanted the Planning Commission opinion in written form before considering action.

Mayor Rabil asked if Director Goodwin of Community Development would like to say a few words concerning this matter. Director Goodwin stated that the Planning Commission has already acted on this issue and it is in the current Comprehensive Plan under recommendations in the Housing chapter.

Mayor Rabil called for the vote.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

City Recognition Policy

Manager Martin stated this was back on the agenda for action and that he would not expound on the City Recognition Policy since there were no changes made from the last meeting presentation.

Councilman McLemore made a motion to discontinue consideration of this proposed policy since he and Manager Martin could not come to a meeting of the minds on the policy. He asked that it be withdrawn since it is not worded in the spirit in which he intended it to be. Councilman Burgess seconded the motion to discontinue consideration of this proposed policy.

Councilman Burgess stated that this has not been an issue in the past so there is no need to create a policy.

Vice-Mayor Cheatham stated that he was not in favor of anything that would undermine the authority of the City Manager.

After further discussion, Council voted.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

Correction to City Code Section

Attorney Williams stated that this code correction is necessary to correct the misalignment of some numbers in the Virginia Code Section where some previously approved numbers were incorrect.

Councilman Burgess made the motion that the Franklin City Council adopt Ordinance # 2017 – 06 to correct City Code Section 27 – 54 (a) by amending the reference to Virginia Code Section 58.1 – 3320 to refer to Virginia Code section 58.1 – 3220 and to correct City Code Section 27 – 55 (a) by amending the reference to Virginia Code Section 58.1 – 3321 to refer to Virginia Code Section 58.1 – 3221. Vice-Mayor Cheatham seconded the motion.

Mayor Rabil asked for a vote on the motion.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

City Manager's Report

Manager Martin's report was included in the agenda packet that was sent out for the December 11, 2017 Council meeting. He reported that:

- 1) The Charles Street Gym Project is complete and school activities have resumed in the facility.
- 2) The Police Department will provide an annual update at the January 22nd Regular Meeting including crime statistics for calendar year 2017. The concern raised at the last meeting that prompted consideration of a teen crime amendment to the agenda will be addressed at that meeting.

- 3) Manager Martin appreciated the feedback received in the form of the priority reporting template discussed at the last meeting. The Council Priority Template will be further updated with the plan to report to Council at one of the monthly regular meetings with updates going forward.
- 4) Manager Martin stated that concerning the Homeless question/comment raised at the last Council meeting in Citizens' Time and even brought up in tonight's meeting, he has sought the input of city department heads on the topic. The Department of Social Services reports that two individuals have visited the Department this fiscal year indicating they were homeless and needed assistance. Both contacts were advised of available facilities for this area in Suffolk and they pursued those referral options. The Police Department reports no recent homeless individuals have been identified. Last fiscal year an individual who apparently lived in a vehicle spent some time in the city during warmer months staying in the Wal-Mart parking lot with permission overnight. That person has since relocated out of Franklin. The Community Development Department provided information on their involvement with the Western Tidewater Home Consortium which includes Franklin, Suffolk, Isle of Wight County and Southampton County. A 5 year consolidated plan that went into effect in 2015 and goes through 2020 was developed with local citizen input and included elements focused on homelessness and assistance programs for those at risk of becoming homeless. This detailed plan is published and available for review. Obviously, the city as part of this effort has been actively involved in this process. Of course, challenges persist especially available funding to implement identified strategies. The nomadic nature of the homeless population in this region; like statewide and national trends, make it a challenge especially when many of the affected individuals choose to retain their lifestyle choices even when alternatives are available.

Manager Martin informed everyone that a regional effort was undertaken for all of Hampton Roads a few years ago to construct regional facilities specifically for the homeless population. The City Council was briefed and that effort continues to be pursued. The City as a member of the Western Tidewater Home Consortium is represented in the Southeastern Virginia Homeless Coalition which conducts an annual point in time count of the number of homeless in Norfolk, Chesapeake, Suffolk, Franklin, Isle of Wight County and Southampton County. This is required by the U. S. Department of Housing and Urban Development (HUD) for grant processes which provide federal funding. By example, the count in this entire region was determined by survey efforts to be 649 in 2011. The number was 652 in 2012. A number of groups came together to request funds to establish regional shelter facilities for emergency and transitional housing based upon the survey results with our area facility to be located in Suffolk. That effort has been realized and that is where DSS refers individuals to for Assistance. The

City of Franklin as a Consortium member received an allocation of 2 units at this facility based upon survey data. Not surprisingly the bulk of the homeless identified are located within the more urban areas of the region and are assisted by resources available to those jurisdictions.

- 5) Manager Martin reminded Council that as discussed over the past 2 – 3 years, in compliance with legislation the state has been pursuing offering a Local option health plan that in many respects mirrors the state employee plan. The city has actively participated in the lengthy effort to create this local option plan which provides an alternative choice for the city to the City’s current health plan that has been in place for decades referred to as The Local Choice (TLC) plan. The state this week gave an update on the new plan. The Manager plans to further brief Council comparing the two plans so that we can make an informed decision in early January on whether Franklin desires to participate in the new plan or stay with TLC for 2018 – 2019. A binding decision on whether we want to commit is required by January 15th for the plan year beginning July 1, 2018. At this point each plan has advantages, but until the TLC rates for Franklin for FY 2018 – 2019 are made available, the fiscal impact cannot be determined. Once TLC provides the City’s rate for next fiscal year, Management will be prepared to make a recommendation. Either way, this matter will need to be on the January 8th agenda for possible action.
- 6) Manager Martin previously reported, the State Water Control Board met in Richmond 12/7/17 to act upon the City’s Groundwater Withdrawal Permit renewal. DEQ made a presentation and it was acknowledged that the City had agreed to the revised permit terms. After questions from the Board, DEQ recommended approval and the Board voted unanimously to approve the staff recommendation to issue the permit. After over seven years of limbo since the City applied for the renewal, this is good news to finally bring this process to closure. Even though the City was not able to get all the desired terms requested, Management is pleased to report that the City’s anticipated groundwater needs over the next ten years are now ensured with reasonable provisions for the City to pursue steps to increase its water supply during the term if necessary. Manager Martin thanked the staff, City Attorney, Consulting Engineer Ken Bannister of Draper Aden, and Associates, and Consulting Legal Counsel Andrea Wortzel of Troutman Saunders for all their efforts in achieving this goal. Mr. Bannister, Ms. Wortzel and the Manager attended the hearing representing the City.

Councilman Johnson and Councilman Johnson had questions concerning homeless scenarios with the main question surrounding after hours situation in who would they call. Manager Martin stated that they could call the nonemergency police number: (757) 562-8575 and they would contact the Social Services worker on call to address the issue. Manager Martin stated that he

could distribute the contact information for the local shelters to the Council members in the event that this information is ever needed if requested.

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS

Vice-Mayor Cheatham stated that the possible land deal of the Western Tidewater Regional Jail discussed at the last meeting has fallen through and is no longer a topic of consideration.

Mayor Rabil reported that the scheduled regional meetings for HRTAC, HRPDC and HRTPO would be commencing on Thursday, December 14th. He also stated his regrets for having to cancel the Christmas parade due to inclement weather but it was the prudent action for the safety and wellness of the citizens and the participants in the parade. Mayor Rabil did thank everyone involved in the preparations for the parade for all their hard work and we will be anxiously awaiting the parade in the 2018 Christmas season.

Councilman McLemore reported on the visit with the new elected representative of the 64th District House of Delegates Ms. Emily Brewer that he and the Mayor had attended. Councilman McLemore stated that it was very nice of her to come out and tour the Franklin City Public Schools.

Mayor Rabil extended holiday greetings to all the citizens and employees of the City of Franklin. He wished everyone a safe and happy holiday season.

Vice-Mayor Cheatham reported on attending the Holland Ruritan Meeting Annual meeting at the PDCCC Workforce Development Center where he delivered the opening comments at the request of the Mayor in his absence. He stated that it was a lot of fun and appreciated the opportunity to participate.

Councilman Burgess made the motion for the Franklin City Council to meet in Closed Session to discuss appointments to boards and commissions; and, to consult with legal counsel regarding specific legal matters and to receive legal advice from the City Attorney pursuant to Virginia Code Section 2.2 – 3711 (A) (1) and (7). Councilman McLemore seconded the motion.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

The Council entered into closed session at 9:13 p.m.

Mayor Rabil reconvened the open session at 10:00 p.m. and asked for a motion certifying the closed session.

Councilman Burgess made a motion certifying that the only matters discussed during the closed session were those lawfully exempted from open meeting requirements and identified in the motion by which the closed session was convened. The motion was seconded by Vice-Mayor Cheatham.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

Action Items

- 1) Councilman Burgess made a motion to reappoint; Trevelyn Linton to the Beautification Commission for a four year term ending on December 31, 2021; and to reappoint the following to the Industrial Development Authority: Clyde Parker to a four year term ending on April 14, 2021; Kyle Purvis to a four year term ending on April 15, 2021; and Charlie Ashburn to a four year term ending on April 14, 2020. The motion was seconded by Councilman Johnson.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

- 2) Councilman Burgess made a motion to reappoint Beth Cheatham to the Industrial Development Authority for a four year term ending on April 14, 2020. Councilwoman Hilliard seconded the motion.

The motion was approved with the vote as follows:

Councilman Johnson, AYE; Councilwoman Hilliard, AYE; Vice-Mayor Cheatham, ABSTAIN; Councilman Burgess, AYE; Councilman McLemore, AYE; and Mayor Rabil, AYE (Councilman Cutchins absent).

Adjournment

Councilman McLemore made a motion to adjourn the meeting which was seconded by Councilwoman Hilliard.

The motion was approved by a 6 – 0 vote (Councilman Cutchins absent).

Mayor Rabil declared the meeting adjourned at 10:05 p.m.

These Minutes for the December 11, 2017 City Council Regular Meeting were adopted on the 8th day of January, 2018.

Mayor

Clerk to City Council

OLD/NEW BUSINESS

- A. Youth Activity Opportunities Discussion**
- B. Fairview Drive Property Farm Lease – H. Taylor Williams, IV, City Attorney**
- C. State Health Insurance COVA Local Option Program Participation Decision –
R. Randy Martin, City Manager**
- D. City Manager’s Report**



*Office Of The City Manager
R. Randy Martin*

To: Mayor & Council members
From: R. Randy Martin, City Manager
Subject: Youth Activity Opportunities Discussion

There has been recent citizen expressed concerns and discussions in the community, some involving members of Council about the need for more youth activity opportunities in Franklin particularly for teenagers. This is not a concern solely in Franklin as a number of communities have been discussing this topic based upon news reports.

In discussing this topic some believe recreation could be one approach to addressing concerns while others would contend there are other possibilities. In any event, the Mayor and I agreed it timely to include the topic on this agenda for discussion. I am aware that there have been some very recent community meetings where this topic has been considered. It is my understanding these community initiated meetings began after recent gun violence and other criminal activities in Franklin occurred. Be reminded, the Police Chief will report on crime statistics including juvenile statistics at the January 22nd meeting as part of an annual report to Council.

No Action is Recommended at this time.



*Office Of The City Attorney
H. Taylor Williams, IV*

January 3, 2018

From: H. Taylor Williams, IV
City Attorney

To: Members of City Council

Re: Farm Lease for 30.5 acres of land on Crescent Drive

The farm lease for 30.5 acres of land located along Crescent Drive expired on December 31, 2017. We advertised as we have in the past for a “Farm for Rent” in the Tidewater News and I sent a copy of the advertisement to a list of farmers who have responded in the past with interest in the various farms owned by the City. The notice offered a 4-year lease beginning January 1, 2018 and ending December 31, 2021. The high bidder has offered to rent the property for a sum higher than what was paid in the last lease. A copy of the proposed lease is attached for your review.

The request is to authorize the City Manager to execute the lease on behalf of the City for the rent offered and for the term offered and the terms offered.

H. Taylor Williams, IV
City Attorney

FARM LEASE

THIS LEASE, made this ____ day of January, 2018, by and between the City of Franklin, Virginia, a municipal corporation, 207 W. Second Avenue, Franklin, Virginia 23851 hereinafter referred to as "Landlord" and Carr Farms, hereinafter referred to as "Tenant".

WITNESSETH:

That for and in consideration of the mutual covenants and promises contained herein, the Landlord and Tenant agree as follows:

1. TERM:

Landlord agrees to lease to Tenant the hereinafter-described premises subject to the terms and conditions herein set forth for a term commencing January 1, 2018 and ending December 31, 2021.

2. PREMISES:

Approximately 30.5 acres of land located in the City of Franklin on 4 tracts of land. Tract containing approximately 12.5 acres located north of Fairview Drive and east of the YMCA ball fields. Tract 3 containing approximately 12.5 acres of land located east of Crescent Drive and north of Fairview Drive. Tract 2 containing approximately 2.5 acres of land located west of Crescent Drive. Tract 5 containing approximately 3 acres of land located north of Fairview Drive.

Tracts 1, 2, 3 and 5 are identified as such by an aerial photograph taken by the Southampton County Farm Service Agency, Farm Number 4201, Tract Number 239.

3. Rent:

Tenant shall pay Landlord \$128.75 per acre (\$3,926.80) rent for the demised property with \$1,926.80 due on May 1st of each year and the balance of \$2,000.00 due on December 1st of each year.

4. RIGHT OF ENTRY:

Landlord reserves the right of itself, its agents, employees and assigns, to enter upon the premises at any reasonable time to inspect the premises or make any tests it desires thereon after reasonable notice is given to Tenant. If any of Tenant's crop is damaged by the exercise of entry by Landlord, Landlord agrees to pay the reasonable value of the damaged crop at the end of the harvest based upon the actual yield of the portion of the damaged crop compared to the rest of the yield of the crop in that field.

5. CONTINUOUS OCCUPANCY:

Tenant agrees that Tenant or Tenant's employees, agents or subcontractors shall possess and occupy the farm continuously during the term of this lease.

6. MAINTENANCE:

Tenant shall maintain the premises in as good condition as the same are now, normal wear and tear and damage from causes beyond Tenant's control excepted, and Tenant shall keep all ditch banks, fence rows and the roadside adjoining the premises free and clear of all weeds and brush.

7. HUSBANDRY:

Tenant shall cultivate, fertilize and manage the farm and premises in a husbandly manner according to the most recently approved course of husbandry in order to conserve the premises.

8. GOVERNMENT RULES AND REGULATIONS:

Tenant shall comply with all applicable local, state and federal laws and regulations and agricultural programs in farming the premises.

9. INDEMNIFICATION:

Tenant shall assume all liability for any injury to or death of persons or damage to property that may arise on or about the premises caused by the negligence of Tenant, or employees, agents or subcontractors. Tenant shall indemnify Landlord against all claims or suits made or filed by or on behalf of persons so injured or

killed or made to filed for damages to property and shall reimburse Landlord for any legal fees and/or costs incurred in defense of such claim or suit.

10. DEFAULT:

Tenant agrees that if he fails to comply with or perform any of the conditions, covenants or promises on its part to be complied with or performed in accordance with this lease and such default continues for fifteen (15) days after the receipt of a written notice thereof by Landlord, such written notice to be mailed by registered or certified mail to Tenant at 28001 Walters Hwy., Carrsville, Virginia 23315, Landlord shall have the right to declare this lease terminated, and upon so declaring, Landlord shall have the right to immediately enter and possess the premises.

11. REPOSSESSION BY LANDLORD:

In the event that Landlord needs all or a part of the demised premises during the term of this lease or any extension hereof for any use, it may regain and repossess the property or the needed portion thereof by giving Tenant 60 days advance notice in writing of its need for the property and by paying Tenant the fair market value of any crop lost or not harvested based upon the average yield for the crop in Southampton County for the year due to the repossession of said property by Landlord.

12. ASSIGNMENT AND SUBLETTING

This lease shall not be sold, assigned or in any manner transferred or encumbered by Tenant, nor shall the premises or any part thereof be sublet, without Landlord's prior written consent.

Witness the following signatures and seals:

City of Franklin, Virginia, Landlord

By: _____
City Manager Date Tenant Date



*Office Of The City Manager
R. Randy Martin*

State Health Insurance COVA Local Option Program Participation Decision Report
prepared: January 3, 2018

At the last Council meeting, I updated Council on the COVA Local Option Health Plan that is being offered to local governments and agencies in Virginia if enough committed interest exists for the plan to be finalized and put in place effective July 1, 2018. As reported this plan closely mirrors the state employee plan and offers desirable flexibility, additional options and anticipated improved stability and less severe fluctuations in rates than the City's current plan TLC (The Local Choice) which is a statewide pool that Franklin has been in for decades. Both plans are Anthem based plans currently. The City must indicate its willingness to commit to participate in COVA by the January 15, 2018 deadline for the July 1, 2018 plan year. The state must have minimum participation of 5,000 employees and 10,000 total individuals covered to create the plan. The key information not available at the last meeting necessary to finalize a recommendation was the projected cost of TLC for the new plan year for Franklin. During the holidays, TLC provided a projection of the rates. The bottom line is a 30.8% increase in premium for Franklin's renewal. This follows a 10.3% increase last year. Based upon this increase, the TLC rates will be significantly higher than the COVA Local rates quoted. Given the cited advantages of the COVA Local plan, I must recommend we commit to the new plan for FY 2018 – 2019 and hope that there is sufficient participation for the plan statewide.

Having just received the TLC renewal information, I am still comparing the rates and plans and will provide additional data to support the recommendations at the Council meeting.

Action Recommended: Council authorize the City Manager to execute documents necessary to commit the City to the COVA plan for FY 2018 – 2019 if enough participation is committed by the January 15, 2018 deadline.



*Office Of The City Manager
R. Randy Martin*

To: Mayor & Council members
From: R. Randy Martin, City Manager
Subject: City Manager's Report

The following items will be included in the City Manager's Report for the January 8th Regular Council meeting:

- 1) The Verizon Cell Tower Lease Discussion on City property off Fairview Drive will be included on the January 22nd Regular Council meeting agenda.
- 2) I am pleased to report the Corrective Action Plan required by DEQ to satisfy compliance items cited at the City's Wastewater Treatment Plant last year were submitted to DEQ prior to the deadline of December 31st.
- 3) I am very pleased to report that on December 14, 2017; Moody's published updated enhanced bond ratings and Franklin's General Obligation bond rating was upgraded to Aa1. Only a handful of Virginia local governments were positively impacted by the updated methodology for evaluating local government finances and rating debt issued by local governments and public utilities that benefit from state aid intercept programs and financings. This is an important achievement that will result in taxpayer and rate payer savings in future indebtedness efforts. Congratulations to Council and staff for the fiscal management practices, policy adherence and other positive aspects of City finances that have contributed to this improved debt rating.

COUNCIL/STAFF REPORTS ON BOARDS & COMMISSIONS