

ROANOKE CITY COUNCIL

April 6, 2020

2:00 p.m.

The Council of the City of Roanoke met in regular session on Monday, April 6, 2020 at 2:00 p.m., in the Council Chamber, Room 450, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, with participation by Members of City Council by electronic communication as permitted and authorized by Virginia Code Section 2.2-3708.0(A)(3), as amended, Ordinance No. 41703-032720; and Resolution No. 41704-032720; with Mayor Sherman P. Lea, Sr., presiding, pursuant to Chapter 2, Administration, Article II, City Council, Section 2-15, Rules of Procedure, Rule 1, Regular Meetings, Code of the City of Roanoke (1979), as amended, and pursuant to Resolution No. 41490-070119 adopted by the Council on Monday, July 1, 2019. **The 9:00 a.m. session was cancelled inasmuch as there were no items or briefings for discussion by the Council.**

PRESENT: Council Members Djuna L. Osborne, Anita J. Price, Patricia White-Boyd, William D. Bestpitch, Joseph L. Cobb, Michelle L. Davis and Mayor Sherman P. Lea, Sr.-7.

ABSENT: None-0.

The Mayor declared the existence of a quorum.

OFFICERS PRESENT: Robert S. Cowell, Jr., City Manager; Daniel J. Callaghan, City Attorney; and Cecelia F. McCoy, City Clerk.

The Invocation was delivered by Mayor Sherman P. Lea, Sr.

The Pledge of Allegiance to the Flag of the United States of America was led by Mayor Lea.

Mayor Lea advised that pursuant to Virginia Code Section 2.2-3708 (A)(3), this regular session of City Council is being conducted by electronic communication means. The COVID-19 pandemic disaster makes it impractical and unsafe for a quorum of City Council to physically assemble in one location during this disaster.

Each Member of Council has accessed through the Zoom meeting platform and can participate in this proceeding. The City has provided the public with information to allow the public access to observe this regular session through live broadcast on RVTV, live streaming on Facebook and posted on YouTube. The City has provided notice of this agenda and process to the public on Thursday, April 2, 2020.

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City staff, including the City Manager, City Clerk, City Attorney, and technical staff are present in the Council Chamber and are participating in this regular session.

To facilitate the process today to ensure that all Council Members and the public can follow these proceedings, I ask that whenever a Member speaks, including making a motion, to first state the Member's name then make the motion or second.

PRESENTATIONS AND ACKNOWLEDGEMENTS: NONE.

HEARING OF CITIZENS UPON PUBLIC MATTERS: The Mayor advised that City Council sets this time as a priority for citizens to be heard. All matters would be referred to the City Manager for response, recommendation or report to Council, as he may deem appropriate.

Based upon Executive Order Number Fifty-One, issued by Governor Northam on March 12, 2020, Executive Order Number Fifty-Five, issued by Governor Northam on March 30, 2020, Virginia Code Section 2.2-3708.2(A)(3), Virginia Code Section 15.2-1413, Ordinance No. 41703-032720, and Resolution No. 41704-032720, City Council will be conducting this regular session of City Council by electronic communication means without a quorum of City Council physically present in Council Chamber and without the presence of members of the public in the City Council Chamber.

In order to afford citizens an opportunity to provide comments to City Council during the COVID-19 pandemic disaster, citizens wishing to address the Council during this regular session of City Council conducted by electronic communication means were instructed to sign-up by emailing or by calling the City Clerk's Office at clerk@roanokeva.gov and (540) 853-2541, by 12:00 p.m., on Monday, April 6.

Those citizens, who have signed up to speak before the Council, have been provided the Zoom meeting information and will be allowed to join the regular session at this Agenda Item 3 and address City Council by electronic communication means. City staff will identify each citizen to speak and then that citizen may address City Council.

GREENWAY CLOSURES: Maston McCorkle, 3215 Avendale Street, S. W., addressed the Council regarding Greenway closures.

GREENWAY CLOSURES: Barbara Duerk, 2607 Rosalind Avenue, S. W., emailed statement was read in its entirety before the Council with regard to the closure of the Greenways.

CONSENT AGENDA: NONE.

REGULAR AGENDA

PUBLIC HEARINGS: NONE.

PETITIONS AND COMMUNICATIONS: NONE.

REPORTS OF CITY OFFICERS AND COMMENTS OF CITY MANAGER:
CITY MANAGER:

BRIEFINGS:

Budget/Financial Planning FY 2020 – 2021

Robert S. Cowell, City Manager and Amelia C. Merchant, Director of Finance, briefed the Council on the changes to the FY 2019 – 2020 budget and development of the FY 2020 - 2021 budget process.

(See presentation on file in the City Clerk's Office.)

The City Manager advised that in connection with the COVID-19 pandemic and the effect on the current budget the strategy was to continue to fund and provide essential services, ensure no harm to the FY 2021 budget, protect staff resources, prepare for FY 2022, consider ways to help the community to recover, and balance the current budget based upon the current revenues and expenditures not relying on federal aid.

Ms. Merchant highlighted the following information:

- FY 2020 Overview

She advised that through February, FY 2020 revenues increased approximately \$4.9 million or 3.53 percent compared to the same period of FY 2019, prior to COVID-19 impacts, with local taxes performing at \$3.5 million or 3.75 percent ahead of target. On the expenditure side, she mentioned that through February, FY 2020 expenditures increased approximately \$5.4 million or 2.9 percent compared to the same period of FY 2019, also prior to COVID-19 impacts.

In terms of local taxes, Ms. Merchant noted that predictions included for April through June a decline in the real estate tax based on consumer activity; a month delay for receipt of sales tax, a potential 85 percent decline in the transient occupancy tax and assuming a 5 percent decline due to collectability of the motor vehicle license tax.

Ms. Merchant reviewed the FY 2020 concerns and approach, noting that developments with regard to COVID-19 were received daily, further reduced revenue received, disbursement of federal aid, consumer behavior, implementing a response to evolving circumstances, service sustainability and further impacts into FY 2021 and beyond. She pointed that out given recent closures of local businesses and all factors involved it was necessary to take a fairly aggressive approach in preparation for potential impacts including expenditure reductions or purchasing delays.

She further advised that the virus impacts the City's funding for its partners such as Roanoke City Public Schools which receives 40 percent of adjusted local tax revenue and Visit Virginia's Blue Ridge which receives three-eighths of the transient occupancy tax revenue and it was critical that the Department of Finance monitor revenues and expenditures on a daily and weekly basis, and report on a monthly basis.

The City Manager interjected stating that monies were forwarded to the funding partners typically at the end of the year and because of the situation at hand, there has been more funding forwarded to them than ultimately necessary and as payments go forward they will be lower than what it would have been based off of the original projection.

Council Member Bestpitch inquired about the expenditures for the same period in FY 2019 and the overall 9.17 percent increase in the business license tax which experienced a 50 percent decline last quarter; whereupon, the Director of Finance replied that those figures would be forwarded to him and noted that actual revenues were going to be lower than performance described in the last quarter, due to the ability for consumers to pay the remaining portion.

Vice-Mayor Cobb inquired as to the percentage of revenue that was cash based since the Municipal Building was closed to the public and citizens currently do not have access to pay with cash; and commented that it was imperative to think strategically and creatively about options for local recovery, not knowing what would be received from the State or the Federal government, while sustaining the integrity and health of the City's budget.

The Director of Finance advised that the information could be acquired from the City Treasurer's Office, not specifically by particular tax, but only a cash, credit card and check basis.

Council Member Davis commented that she was an advocate for delaying the imposition of penalties for taxes currently being collected and asked the City Treasurer to speak about what citizens were expressing with regard to the tax collections and the impact of not being able to accept cash payments right now.

The City Treasurer appeared before the Council and advised that many calls have been received especially in the food service area about not being able to pay on time, many say payments can be made within thirty days, but they are worried about incurring a ten percent penalty on tomorrow. She reported that currently \$11.4 million was the unsatisfied balance of taxes, but did not include payments taken in on the 6th.

She continued stating that many paying by cash have been redirected to banks to get cashier checks, but many do not drive and bank lobbies are closed as well; and that approximately 63,000 personal property tax bills were going to be mailed and the majority of those payments were in cash.

Following extensive discussion with regard to tax payments, the City Attorney commented that according to the survey that the City Treasurer provided less than 6 percent of localities were doing anything with regard to the real estate taxes and perhaps an ordinance could be drafted for the April 20 Council meeting to address interest in penalties and reduce it to zero percent and then it would be known how much in taxes had yet to be paid or another option included in the state code was the Treasurer without any action by the Council can determine that the failure to pay a tax was not the fault of the taxpayer and could waive interest in penalties and best to address the issue once the extent of the matter was known.

Council Member Davis advised that it would be more beneficial to adopt a measure at the April 6 meeting to waive penalties and extend the deadline in advance of the personal property tax bills being mailed out and provide relief without undermining the collection of enough revenue to be able to deliver the services required and provide some relief for the Treasurer's office in terms of timing; and suggested that the proposed ordinance to adjust the personal property tax rate be amended to include the extension of the deadline and not wait until the next meeting.

Further discussion ensued with regard to extending the deadline to pay taxes and the impact of unpaid taxes.

- FY 2021 Development

Ms. Merchant continued the presentation noting that it was projected that the impacts felt within the fourth quarter of Fiscal Year 2020 due to COVID-19 would continue into the first, second and potentially the third quarter of Fiscal Year 2020.

She reviewed the local tax estimated revenue and pointed out that for the month of April other non-local tax revenues were estimated to surpass the Fiscal Year 2020 adopted budget by approximately \$627,000.00 for an estimated price of government of approximately \$299.6 million, an increase of 0.07 percent over the current year adopted budget.

In terms of the strategies leading to budget adoption, Ms. Merchant advised that currently there would be no compensation increases, fund highest base supplemental priority services and programs, prioritize remaining base and supplemental services and programs and base expenditure reductions as necessary; and noted that the strategies for responding to changing circumstances included preparing a staged contingency plan in the event of lower revenues; monthly revenue monitoring and strategy adjustments; and quarterly determination of necessary expense adjustments.

Ms. Merchant called attention to the unassigned fund balance and stabilization reserve and explained that in the event of the unforeseen decline in revenue in a specific fiscal year, policy indicated for which there was no other current budgetary resource available allows for utilization of either of those to address such a shortfall and such use would require City Council authorization and the balances must be restored within three fiscal years to the minimal level.

She further explained that given the expenditure planning taking place with contingencies as a priority in the event of revenue under-performance hope was that utilization of neither fund would be necessary and the goal was to prepare the Fiscal Year budget with a year view that recognizes resources and highest priority services. She added that further information would be reported on both funds as the Fiscal Year closes and the year end results come forward.

In reviewing both funds, she stated that the unassigned fund balance stands at \$36.1 million or 12.2 percent and the stabilization reserve stands at \$3.4 million or 1.2 percent and the City continued to work towards the target of fully funding the stabilization reserve by Fiscal Year 2023 at 3 percent and maintain the unassigned fund balance at 12.2 percent or higher.

- Next Steps

Lastly, Ms. Merchant concluded that in terms of the balancing next steps, the revenue estimate review and expenditure revisions will continue moving forward to the next budget briefing next on May 4, subsequent presentation of the recommended budget on May 18, budget public hearings on May 28, June 1 Budget Study and budget adoption on June 15.

Following accolades by several of the Council Members to the Director of Finance and Management and Budget staff for their work on the budget, Council Member Bestpitch inquired if the City was still able to cover any increases in employee benefits in the next fiscal year. Ms. Merchant advised that they were working to incorporate those associated costs, but could not guarantee anything going forward.

Mayor Lea inquired if the budget could be adopted without hosting a public hearing on the matter; whereupon, the City Attorney advised that the City still must conduct the public hearing as required, but it would likely be through an electronic platform.

ITEMS RECOMMENDED FOR ACTION:

PERCENTAGE REDUCTION FOR PERSONAL PROPERTY TAX RELIEF: The City Manager submitted a written communication recommending authorization to establish the Percentage Reduction for Personal Property Tax Relief for the 2020 Tax Year.

(For full text, see communication on file in the City Clerk's Office.)

Council Member White-Boyd offered the following resolution:

(#41706-040620) A RESOLUTION setting the allocation percentage for personal property tax relief in the City of Roanoke for the 2020 tax year; and determining that an emergency exists and this resolution shall be effective upon passage.

(For full text of resolution, see Resolution Book No. 81, page 9.)

Council Member White-Boyd moved the adoption of Resolution No. 41706-040620. The motion seconded by Council Member Price and adopted by the following vote:

AYES: Council Members Osborne, Price, White-Boyd, Bestpitch, Cobb, Davis, and Mayor Lea-7.

NAYS: None-0.

MOTOROLA SOLUTIONS, INC.: The City Manager submitted a written communication recommending execution of Amendment No. 5 to the City's contract with Motorola Solutions, Inc., to provide necessary maintenance and support for the newly implemented systems.

(For full text, see communication on file in the City Clerk's Office.)

Council Member Bestpitch offered the following resolution:

(#41707-040620) A RESOLUTION authorizing the City Manager's issuance and execution of an additional Amendment to the City's Contract with Motorola Solutions, Inc. for maintenance and support for the computer aided dispatch hardware and software to the new VA811/E911 Communications Center; authorizing the City Manager to take such actions and execute such documents as may be necessary to provide for the implementation, administration, and enforcement of such Amendment to the above mentioned Contract, as well as the Contract itself; and determining that an emergency exists and this resolution shall be effective upon passage.

(For full text of resolution, see Resolution Book No. 81, page 10.)

Council Member Bestpitch moved the adoption of Resolution No. 41707-040620. The motion seconded by Vice-Mayor Cobb and adopted by the following vote:

AYES: Council Members Osborne, Price, White-Boyd, Bestpitch, Cobb, Davis, and Mayor Lea-7.

NAYS: None-0.

COMMENTS OF CITY MANAGER: NONE.

REPORTS OF COMMITTEES: NONE.

UNFINISHED BUSINESS: NONE.

INTRODUCTION AND CONSIDERATION OR ORDINANCES AND RESOLUTIONS:

REVISED BUDGET SCHEDULE: Council Member White-Boyd offered the following ordinance to approve a revised budget schedule:

(#41708-040620) AN ORDINANCE approving and endorsing the revised budget schedule for the Fiscal Year 2020 - 2021 budget presented by the City Manager on April 6, 2020, pursuant to Ordinance No. 41703-032720 and Virginia Code Section 15.2-1413; authorizing the City Manager to take such actions necessary to implement the revised budget schedule; determining that an emergency exists; establishing an effective date; and dispensing with the second reading of this Ordinance by title.

(For full text of ordinance, see Ordinance Book No. 81, page 12.)

Council Member White-Boyd moved the adoption of Ordinance No. 41708-040620. The motion seconded by Vice-Mayor Cobb and was adopted by the following vote:

AYES: Council Members Osborne, Price, White-Boyd, Bestpitch, Cobb, Davis and Mayor Lea-7.

NAYS: None-0.

VIRGINIA FREEDOM OF INFORMATION ACT: Council Member Bestpitch offered the following ordinance to temporary change the deadlines for responding to requests for records under the Virginia Freedom of Information Act:

(#41709-040620) AN EMERGENCY ORDINANCE effectuating the temporary changes in the deadlines for responding to requests for records under the Virginia Freedom of Information Act during the current state of emergency; and dispensing with the second reading of this Ordinance by title.

(For full text of ordinance, see Ordinance Book No. 81, page 14.)

Council Member Bestpitch moved the adoption of Ordinance No. 41709-040620. The motion seconded by Council Member Price.

Council Member Bestpitch asked for clarification regarding the measure; whereupon, the City Attorney explained that City Council adopted an Ordinance on March 27, 2020 that allowed for certain emergency actions and an issue that arose was timing and response to FOIA requests and the measure if adopted, supplements the March 27 Ordinance to allow suspension of the FOIA deadlines currently in the City Code.

Following additional remarks by the City Attorney, Ordinance No. 41709-040620 was adopted by the following vote:

AYES: Council Members Osborne, Price, White-Boyd, Bestpitch, Cobb, Davis and Mayor Lea-7.

NAYS: None-0.

TANGIBLE PERSONAL PROPERTY TAXES: Council Member Davis offered the following ordinance to amend the City Code, to extend the due date for personal property taxes:

(#41710-040620) AN ORDINANCE amending and reordaining the Code of the City of Roanoke, (1979), as amended, by amending Section 32-105, When due and payable, Article III, Tax on Tangible Personal Property Taxes Generally, Chapter 32, Taxation, Code of the City of Roanoke (1979) as amended; providing for an effective date; and dispensing with the second reading of this ordinance by title.

(For full text of ordinance, see Ordinance Book No. 81, page 16.)

Council Member Bestpitch moved the adoption of Ordinance No. 41710-040620. The motion seconded by Council Member Davis.

The City Attorney advised that the measure addressed the issue of personal property tax, amending the City Code to extend the deadline for receipt of personal property taxes from May 31, 2020 to June 30, 2020.

There being no comments by the Council Members, Ordinance No 41710-040620 was adopted by the following vote:

AYES: Council Members Osborne, Price, White-Boyd, Bestpitch, Cobb, Davis and Mayor Lea-7.

NAYS: None-0.

MOTIONS AND MISCELLANEOUS BUSINESS:

INQUIRIES AND/OR COMMENTS BY THE MAYOR AND MEMBERS OF COUNCIL:

FUTURE COUNCIL MEETINGS AND COMMERCIAL BUSINESSES: Council Member Bestpitch asked for Council to consider allowing four members to convene in the City Council Chamber and three members to attend by electronic means for the upcoming City Council meetings; and also expressed concern with regard to retailers experiencing large crowds; whereupon, the City Manager replied he received very few complaints regarding commercial business, but would investigate.

"CORONAVIRUS: A COMMUNITY CONVERSATION": Vice-Mayor Cobb encouraged all to view an hour long, live panel discussion hosted by local health officials titled "Coronavirus: A Community Conversation" to air on April 6 at 7:00 p.m. on WDBJ, WFXR, WSET, and WSLS, as well as WFIR-AM/FM and WVTF-FM.

GREENWAY CLOSURES: Council Member Davis commented that the Council was struggling to make sound, strong decisions; aimed to relieve pressure on all citizens; stated her upset with the closing of the greenways, but prayed that all citizens take the situation very seriously.

PERSONAL PROPERTY TAX: Council Member Osborne expressed appreciation with regard to the personal property tax discussion prompted by Council Member Davis and the City Treasurer; and asked the community to stay encouraged because everyone was in this together.

PERSONAL PROPERTY TAX: Council Member Price expressed gratitude with regard to the extension of the due date for personal property taxes; thanked her neighbors for checking on each other and City staff for work behind the scenes and small acts of kindness.

APPRECIATION TO ESSENTIAL WORKERS ANDE PRAYERS FOR NEW YORK: Council Member White-Boyd offered thanks to all essential services and asked for prayer for citizens of New York and their essential workers in food service and healthcare.

REQUEST FOR ASSISTANCE: Council Member White-Boyd commented with regard to a request for assistance from Stephanie Landes, Director of Marketing, Friendship Living; added that if citizens would like to help Friendship Living call (540) 777-2399; and asked all citizens to contribute to the Roanoke Valley Virtual Tip Jar, an online conduit to channel donations from grateful customers to the servers, cooks, bartenders, brewers and others whose livelihoods suffered due to restrictions imposed to battle the pandemic.

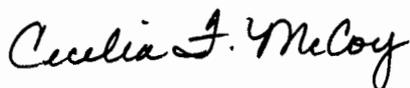
SOCIAL DISTANCING: Mayor Lea implored citizens to remain disciplined and stated social distancing was working.

VACANCIES ON CERTAIN AUTHORITIES, BOARDS, COMMISSIONS AND COMMITTEES APPOINTED BY COUNCIL: NONE.

There being no further business to come before the Council, Mayor Lea declared the Council meeting adjourned at 4:47 p.m.

A P P R O V E D

ATTEST:



Cecelia F. McCoy, CMC
City Clerk



Sherman P. Lea, Sr.
Mayor
