

September 29, 2009

**MINUTES OF THE CITY COUNCIL WORK SESSION HELD SEPTEMBER 29, 2009**

A Work Session and Special Meeting of the City Council of the City of Hopewell, Virginia, were held Tuesday, September 29, 2009 at 6:30 PM in the City Council Chambers, Municipal Building, 300 North Main Street, Hopewell, Virginia.

PRESENT: Brenda S. Pelham, Mayor  
N. Gregory Cuffey, Vice Mayor  
Christina J. Luman-Bailey, Councilor  
Curtis W. Harris, Councilor  
Kenneth B. Emerson, Councilor  
Gerald S. Stokes, Councilor  
K. Wayne Walton, Councilor

Ann M. Romano, City Clerk  
Edwin C. Daley, City Manager  
Thomas E. Lacheney, City Attorney

Mayor Pelham opened the work session at 6:30 PM. Roll call was taken as follows:

Mayor Pelham	-	yes
Vice Mayor Cuffey	-	ABSENT (arrived at 7:24 PM)
Councilor Bailey	-	yes
Councilor Harris	-	yes
Councilor Emerson	-	yes
Councilor Stokes	-	yes
Councilor Walton	-	yes

(Vice Mayor Cuffey was unavoidably detained and had notified the Mayor.)

**PRESENTATION - FT. LEE OVERVIEW, COL. MIKE MORROW, GARRISON COMMANDER**

Col. Morrow had provided a guided tour of the changes and buildings at Ft. Lee on September 24, 2009 for several members of City Council, staff, and local media. He offered to make the presentation at a subsequent City Council meeting for those who were unable to attend on the 24<sup>th</sup>.

He distributed a handout and gave a PowerPoint presentation entitled, "Fort Lee - Base Realignment and Closure (BRAC) Update" provided by the BRAC Synchronization Office, U. S. Army Garrison, Fort Lee, Virginia (filed in the City Clerk's Office). He discussed the need for additional TDY (Temporary Duty) housing. The post will soon double from 7 million square feet to 14 million square feet.

At the conclusion of his presentation, he emphasized the positive relationship and communication between the City of Hopewell and Fort Lee throughout the BRAC process. In his 27 years in the service, living worldwide, he had never experienced such positive, welcoming interaction with a locality. He expressed his appreciation, and offered himself to answer questions at any time.

Mayor Pelham thanked Col. Morrow for his presentation and thanked Herbert Bragg, PAC for coordinating the visit.

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**SPECIAL MEETING**

**REGULAR BUSINESS - PERSONAL PROPERTY TAX RATE ORDINANCE**

Dr. Daley provided a Personal Property Summary:

<b><u>PERSONAL PROPERTY SUMMARY</u></b>			
	<b><u>Vehicles</u></b>	<b><u>Other</u></b>	<b><u>Total</u></b>
Valuations	\$97,700,000	\$27,600,000	
Rate @ \$3.50 per \$100	x <u>0.035</u>	x <u>0.035</u>	
Total Billings	\$3,419,500	\$966,000	
Collection Rate	+ <u>0.9</u>	+ <u>0.95</u>	
<b>Revenues</b>	\$3,077,550	\$ 917,700	\$3,077,550
			<u>917,700</u>
<b>Budget =</b>	<b>\$4,000,000</b>		<b>\$3,995,250</b>

**Summary of Vehicles**

	<b>State</b>	<b>Taxpayer</b>	<b>Total</b>
2008	\$1,667,500	\$1,842,600	\$3,510,110
2009	\$1,849,000	\$1,634,400	\$3,483,400

**Motion** was made by Councilor Harris, and seconded by Councilor Emerson to adopt Ordinance No. 2009-16 on second and final reading, setting the Personal Property Tax Rate at \$3.50 per \$100 of assessed valuation. Upon the roll call, the vote resulted:

Councilor Bailey	-	NO
Councilor Harris	-	yes
Councilor Emerson	-	yes
Councilor Stokes	-	yes
Councilor Walton	-	NO
Mayor Pelham	-	yes
Vice Mayor Cuffey	-	NO

**TAX RATE ORDINANCE**

**ORDINANCE NO. 2009-16**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOPEWELL** that there is hereby levied for the tax year beginning on January 1, 2009, a tax rate of \$0.10 per One Hundred Dollars (\$100.00) of assessed valuation on one (1) motor vehicle used in the performance of his/her duties as a bona fide member of the Hopewell Emergency Crew as assessed by the Commissioner of the Revenue as tangible personal property and certified by said organization that said member was in good standing on January 1 and duly authorized to represent said organization; and a tax at the rate of \$3.50 per One Hundred Dollars (\$100.00) of assessed valuation on tangible personal property, except such items of household goods and personal effects as itemized under §58.1-3504 of the Code of Virginia, which are hereby excluded, but including the property separately classified by §58.1-3506 of the Code of Virginia, having to do with boats and water craft, and all other property not herein specifically described, subject to taxation by the City of Hopewell, except that real and tangible personal property of Public Service Corporations shall be taxed in accordance with Chapter 26, Title 58.1, of the Code of Virginia, 1950, as amended.

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**REGULAR BUSINESS - PERSONAL PROPERTY TAX RATE RESOLUTION**

Personal property tax relief is provided for certain personal-use vehicles, and qualifying vehicles receive tax relief on the first \$20,000 in value. The State pays a pre-determined lump sum annually to each locality, and Hopewell's lump sum amount is \$1,618,029.64. The percentage of tax relief is calculated annually and changes from year to year as the taxable base for qualifying vehicles changes. The taxable base is based on information downloaded monthly by the Commissioner's Office from the Division of Motor Vehicles. The Commissioner's personal property tax book is generally completed in August and due by September 1<sup>st</sup> of each year; however, the Commissioner has requested and was granted an extension to November 1, 2009 for the 2009 tax year.

The tax rate for personal property was initially approved by Council on first reading September 22, 2009 at \$3.50 per \$100 of taxable value, and proposed for approval at the same rate (\$3.50) on second reading September 29, 2009. The tax relief percentage does not change the amount of the personal property tax levy for 2009; however, it establishes the portion estimated to be applied as tax relief from the lump sum of \$1,618,029.64 paid annually by the State. For tax year 2009, it is recommended that the cumulative surplus to date from tax years 2006 through 2008 (\$220,000 - \$234,000) be added to the fixed \$1.6 million paid by the State; this total of \$1.8 million provides an estimated tax relief percentage of 64% for tax year 2009.

**Motion** was made by Councilor Emerson, and seconded by Councilor Stokes, to adopt a resolution for a Personal Property Tax Relief percentage of 64% for qualifying vehicles for tax year 2009. Upon the roll call, the vote resulted:

Councilor Bailey	-	yes
Councilor Harris	-	yes
Councilor Emerson	-	yes
Councilor Stokes	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Vice Mayor Cuffey	-	yes

**RESOLUTION**

**A RESOLUTION SETTING FORTH THE PERSONAL PROPERTY TAX RELIEF PERCENTAGES FOR 2009, IN THE CITY OF HOPEWELL, VIRGINIA IN ACCORDANCE WITH THE PERSONAL PROPERTY TAX RELIEF ACT OF 1998 AND THE 2005 APPROPRIATIONS ACT**

**WHEREAS**, the Personal Property Tax Relief Act of 1998, Virginia Code Section 58.1-3523 *et seq.* ("PPTRA"), has been substantially modified by the enactment of Chapter 1 of the Acts of Assembly, 2004 Special Session I (Senate Bill 5005), and the provision of Item 503 of Chapter 951 of the 2005 Acts of Assembly; and

**WHEREAS**, these legislative enactments require the City of Hopewell, Virginia to take affirmative steps to implement these changes, and to provide for the computation and allocation of relief provided pursuant to the PPTRA as revised; and

**WHEREAS**, these legislative enactments provide for the appropriation to the City of a fixed sum to be used exclusively for the provision of tax relief to owners of qualifying personal use vehicles that are subject to the personal property tax on such vehicles.

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**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Hopewell, Virginia, that qualifying vehicles situated within the City during the tax year 2009, shall receive personal property tax relief in the following manner:

- Personal use vehicles valued at \$1,000 or less will be eligible for 100% tax relief;
- Personal use vehicles valued at more than \$1,000 and up to \$20,000 will be eligible for 64% tax relief;
- Personal use vehicles valued at more than \$20,000 shall only receive 64% tax relief on the first \$20,000 of value; and
- All other vehicles which do not meet the definition of “qualifying” (e.g., business use vehicles, farm use vehicles, motor homes, etc.) will not be eligible for any form of tax relief under this program.
- In accordance with Item 503.D.1, the entitlement to personal property tax relief for qualifying vehicles for tax year 2005 and all prior tax years expired on September 1, 2006. Supplemental assessments for tax years 2005 and prior that are made on or after September 1, 2006 shall be deemed ‘non-qualifying’ for purposes of state tax relief and the local share due from the taxpayer shall represent 100% of the tax assessable.

**REGULAR BUSINESS - CITY TREASURER - REFUND OVER \$2,500 - TANDS, INC. DBA BOJANGLES RESTAURANT**

Meals tax filing forms are self-reporting tax forms. Bojangles Restaurant files a form and submits payment monthly to the City of Hopewell. On August 20, 2009, Bojangles Restaurant inadvertently included July meals tax amounts for two surrounding localities in addition to those owed to Hopewell. Upon discovery of the filing and payment errors, the July 2009 meals tax was adjusted and the appropriate amounts were applied to taxes for the Hopewell location. The City Treasurer requested that the remaining overpayment totaling \$29,976.08 be refunded.

**Motion** was made by Councilor Stokes, and seconded by Councilor Emerson, to resolve to authorize the City Treasurer to refund monies due to Bojangles Restaurant pursuant to State Code Sections 58.1-3981 and 58.1-3990. Upon the roll call, the vote resulted:

Councilor Bailey	-	yes
Councilor Harris	-	yes
Councilor Emerson	-	yes
Councilor Stokes	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Vice Mayor Cuffey	-	yes

**REGULAR BUSINESS - PPEA PROPOSALS FOR HUMAN SERVICES BUILDING - UPDATE - DR. DALEY**

**Motion** was made by Councilor Stokes, and seconded by Vice Mayor Cuffey, to resolve to direct the City Manager to develop an agreement with Harlan Construction Company for Council review and approval. Upon the roll call, the vote resulted:

Councilor Bailey	-	NO
Councilor Harris	-	yes

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Councilor Emerson	-	yes
Councilor Stokes	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Vice Mayor Cuffey	-	yes

### **CLOSED SESSION**

**Motion** was made at by Councilor Emerson, and seconded by Vice Mayor Cuffey, to convene into Closed Session to discuss Personnel (*Performance Evaluations: City Manager & City Clerk*), Economic Development, Legal Matters; and Appointments to Boards and Commissions, in accordance with Virginia Code Sec. 2.2-3711 (A) (1) (3) & (7). Upon the roll call, the vote resulted:

Councilor Bailey	-	yes
Councilor Harris	-	yes
Councilor Emerson	-	yes
Councilor Stokes	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Vice Mayor Cuffey	-	yes

(Before Council convened into the Closed Session the Mayor called for a brief recess at 8:40 PM. They convened into the Closed Session at 8:50 PM.)

### **OPEN SESSION**

At 9:40 PM Council convened into Open Session. Councilors responded to the question: "Were the only matters discussed in the Closed Meeting public business matters lawfully exempted from open meeting requirements; and public business matters identified in the motion to convene into Closed Session?" Upon the roll call, the vote resulted:

Councilor Bailey	-	yes
Councilor Harris	-	yes
Councilor Emerson	-	yes
Councilor Stokes	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes
Vice Mayor Cuffey	-	yes

### **REGULAR BUSINESS - APPOINTMENTS TO BOARDS AND COMMISSIONS**

**Motion** was made by Councilor Bailey, and seconded by Councilor Harris, to appoint Tad Henry to the Board of Building Code & Fire Prevention Code Appeals for a term extending through October 31, 2014; to recommend to the Circuit Court Judge the name of Fred Morene for appointment to the Board of Equalization for a term extending through December 31, 2009; to appoint Sterling Wheat to the HRHA for a term extending through October 31, 2011; and to reappoint Marian Smith to the Social Services Advisory Board for a term extending through October 31, 2013. Upon the roll call, the vote resulted:

Councilor Bailey	-	yes
Councilor Harris	-	yes
Councilor Emerson	-	yes
Councilor Stokes	-	yes
Councilor Walton	-	yes
Mayor Pelham	-	yes

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Vice Mayor Cuffey - yes

Motion was made by Councilor Stokes, and seconded by Vice Mayor Cuffey, to appoint to Virginia's Gateway Region Councilor Bailey and to reappoint George Elder, for terms extending from January 1, 2010 through December 31, 2010. Upon the roll call, the vote resulted:

Councilor Bailey - yes  
Councilor Harris - yes  
Councilor Emerson - yes  
Councilor Stokes - yes  
Councilor Walton - yes  
Mayor Pelham - yes  
Vice Mayor Cuffey - yes

**ADJOURN**

At 9:57 PM **motion** to adjourn was made by Vice Mayor Cuffey, and seconded by Councilor Emerson. Upon the roll call, the vote resulted:

Councilor Bailey - yes  
Councilor Harris - yes  
Councilor Emerson - yes  
Councilor Stokes - yes  
Councilor Walton - yes  
Mayor Pelham - yes  
Vice Mayor Cuffey - yes

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Brenda S. Pelham, Mayor

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Ann M. Romano, City Clerk