

**MINUTES OF THE REGULAR MEETING OF THE WYTHEVILLE TOWN COUNCIL  
HELD IN THE COUNCIL CHAMBERS ON MONDAY, FEBRUARY 25, 2019, AT 7:00 P.M.**

Members present: Beth A. Taylor, Jacqueline K. King, Joseph E. Hand, Jr., Mark J. Bloomfield, Cathy D. Pattison

Others present: Town Manager C. Wayne Sutherland, Jr., Assistant Town Manager Stephen A. Moore, Town Clerk Sharon G. Corvin, Town Attorney Christopher R. Menerick, Marie B. Bishop, Anil Patel, Peter Patel, Nick Patel, Sansai Patel, Sunny Ramos, Millicent Rothrock with the *Wytheville Enterprise*, Police Officer Chastity Russell, Police Intern Latricia Young

**RE: CALL TO ORDER, QUORUM, PLEDGE**

Mayor Taylor called the meeting to order and established that a quorum of Council members was present. The Pledge of Allegiance was led by Councilman Bloomfield.

**RE: CONSENT AGENDA**

Mayor Taylor presented the consent agenda consisting of the minutes of the regular meeting of February 11, 2019; the requests of the Wythe-Bland Animal Welfare League to conduct a "Hike for Hounds and Meow Meander" 5K Run on Saturday, September 14, 2019, and for issuance of a raffle permit for calendar year 2019; and, the request of District III Governmental Cooperative for waiver of fees for use of Withers Park on Thursday, June 13, 2019, for Senior Day in the Park. Mayor Taylor inquired if there is a motion to approve the consent agenda as presented or to somehow be amended. A motion was made by Vice-Mayor King and seconded by Councilwoman Pattison to approve the consent agenda consisting of the minutes of the regular meeting of February 11, 2019; the requests of the Wythe-Bland Animal Welfare League to conduct a "Hike for Hounds and Meow Meander" 5K Run on Saturday, September 14, 2019, and for issuance of a raffle permit for calendar year 2019; and, the request of District III Governmental Cooperative for waiver of fees for use of Withers Park on Thursday, June 13, 2019, for Senior Day in the Park, as presented. Mayor Taylor inquired if there was any discussion on the motion to approve the consent agenda, as presented. There being none, the motion was approved with the following voting in favor and there being no opposition: For: Beth A. Taylor, Jacqueline K. King, Joseph E. Hand, Jr., Mark J. Bloomfield, Cathy D. Pattison. Against: None.

Mayor Taylor advised that if the Council is agreeable, she is taking the Chairman's prerogative and moving the agenda around so that the Committee Reports are read before Citizens' Period because she thinks that the reports may help some of the citizens who are attending the meeting understand the ordinance regarding the proposed increase in the Lodging Tax.

**RE: BUDGET AND FINANCE COMMITTEE REPORT**

Councilwoman Pattison, reporting for the Budget and Finance Committee, stated that later in the meeting, the Council will consider, on first reading, an ordinance that will increase the Lodging Tax from seven (7) percent to eight (8) percent. She noted that the current rate of seven percent was established in 2015. Councilwoman Pattison explained that the one percent increase in the Lodging Tax will generate approximately \$214,000.00 per year for the General Fund. She remarked that the Lodging Tax is not only used to fund debt service for the Community Center, but it is also used for renovation work, such as those renovations that will be described by the Public Works Committee. Councilwoman Pattison commented that beyond that, funds collected under the Lodging Tax are a part of the General Fund revenue and, as such, help support all of the various activities that go on throughout the town. She stated that the Council has, this year, added additional fire personnel, and the Town has purchased a new fire apparatus. Councilwoman Pattison noted that the Town, also, has a number of large capital improvement projects that will need to be constructed as it moves forward. She explained that one in particular would be the construction of a new firehouse. Councilwoman Pattison remarked that the Town has surveyed surrounding communities to determine what their lodging tax rate is, and the Committee found that eight percent would be a normal rate in this area. She stated that the hotel is allowed to deduct three percent from the amount of lodging taxes that they have taken in to cover expenses that they may have incurred with the collection of the tax. Councilwoman Pattison noted that the Council believes that this is a reasonable increase, and it helps the Town's citizens maintain a low real estate and personal property tax. She explained that to generate the same amount of money, real property taxes would necessarily increase by 2.75 cents per one hundred dollars or from 15.5 cents to 18.25 cents per one hundred dollars. Councilwoman Pattison advised that the Council thinks that the funds are needed by the Town

for its ongoing operations, and it would be the recommendation of the Budget and Finance Committee that the ordinance be approved on first reading.

Councilwoman Pattison, also, reported that at the January 28, 2019, meeting of Town Council, the Public Works Committee reported that the Virginia Department of Housing and Community Development is now accepting applications for IRF Funds. She noted that IRF is the acronym for Industrial Revitalization Funds. Councilwoman Pattison explained that as was noted, the purpose of the IRF program is to leverage local and private resources to achieve market driven redevelopment of vacant and deteriorated commercial properties. She stated that at that meeting, the Council authorized Town staff to take steps necessary to make application for funding from the IRF program. Councilwoman Pattison remarked that later in the meeting, the Council will consider a resolution that needs to be included in the application seeking up to \$600,000 to be used for renovations at the Millwald Theatre. She commented that since other actions have already been taken with regard to the submittal of the application, it is only necessary that the Council take action to adopt this resolution. Councilwoman Pattison advised that it would be the recommendation of the Budget and Finance Committee that the resolution be adopted when it is considered later in the meeting. A copy of the Budget and Finance Committee report is attached and made part of these minutes.

### **RE: PUBLIC WORKS COMMITTEE REPORT**

Councilman Bloomfield, reporting for the Public Works Committee, stated that renovation work at the Wytheville Meeting Center is progressing very nicely. He noted that the Wytheville Meeting Center is approximately 11 years old, and there are certain interior finishes that needed to be updated. Councilman Bloomfield explained that it began in this budget year with renovations on the Meeting Center side, and the Council anticipates doing interior renovations on the Recreation Center side of the facility in the next budget year. He commented that the renovations at the Meeting Center consist of the installation of new carpet in all areas, as well as new wall finishes, lighting fixtures, furniture, etc. Councilman Bloomfield remarked that the Town has, also, reconfigured the area around the front desk and has utilized the break area space as a new rental area. He stated that the Public Works Committee anticipates that the renovations will take yet another two to three weeks to be completed. Councilman Bloomfield noted that the Public Works Committee does believe, however, that when all of this work is complete, the Town will, once again, have a very upscale facility that hosts the many events which occur in the facility each year. He remarked that the project cost for these renovations is approximately \$288,000.00. Councilman Bloomfield advised that there is no action needed by the Council, but the Committee thought that the citizens would be interested in knowing about the renovations that are underway.

Councilman Bloomfield, also, reported that the Public Works Committee is pleased to report that the guardrail has finally been installed on one portion of Reed Creek Mill Road. He explained that a new property owner removed a number of trees along the roadway, which created a situation where cars could travel over an embankment. Councilman Bloomfield remarked that this first section of guardrail that was installed was the worst section on the roadway, but the Council believes that the other section needs to be completed in the upcoming budget year. He commented that the first section of guardrail was installed at a cost of \$29,400 and it is estimated that the second section of guardrail will cost approximately \$28,220. Councilman Bloomfield advised that the cost of the second phase of the guardrail will be placed in next year's budget. A copy of the Public Works Committee report is attached and made part of these minutes.

### **RE: CITIZENS' PERIOD**

Mayor Taylor advised that the next agenda item is Citizens' Period. She stated that the sign in sheet indicated that there were citizens who wished to address the Council during Citizens' Period, therefore, she would begin with the first name listed on the sign in sheet who noted that they wished to speak.

Mr. Anil Patel was recognized and stated that he apologized, but he marked the wrong box on the sign in sheet, and he did not wish to address the Council during Citizens' Period.

Mr. Nick Patel was recognized and stated that he is the owner of the Holiday Inn Express located at 165 Malin Drive in Wytheville. He noted that he would like to address the Council regarding his concerns about the proposed one percent increase in the Lodging Tax. Mr. Patel inquired of the Council how much money has been collected in Lodging Taxes since the first time that the two percent was designated to the Community Center; how much was collected each month for the year; what the debt service is and noted it should remain the same because it is his understanding that it is a USDA loan, so there should be a fixed rate, and that payment

should be the same every single month for the debt service; then, what is left over, plus or minus, if there is excess cash or negative cash and what have those funds been used for. He noted that if there have been leftover funds, he would like to know what they have been used for. Mr. Patel commented that he has another scenario, which is if the Meeting Center is renting the facility for 500 plus meetings per year, then he hopes the Meeting Center is profitable. He remarked that if it is not profitable, then the Town Council needs to take a good look at that to see how to make it profitable. Mr. Patel continued to express his thoughts and concerns regarding the proposed Lodging Tax increase. Mayor Taylor commented that Town staff could correct her if she is wrong, but it is her understanding that the Community Center is not quite self sufficient, at this point, in making money. Town Manager Sutherland stated that is correct. He noted that he would like to follow up on something that Mr. Patel stated. He explained that all of these funds are general revenue funds, therefore, these funds are paying for a variety of items. Town Manager Sutherland advised that the Town has a lot of operations, and the Lodging Tax is just one source of taxation that is used, like the combination of all sources of taxation. Mr. Patel remarked that he understood that is what the five percent tax is for, but the two percent tax is just for the Meeting and Community Center. He commented that the two percent tax was designated solely for the debt service of the Meeting and Community Center years ago. Mr. Patel stated that if it is not being used for the debt service of that facility, then what he is saying is that there should be an excess of money somewhere. He continued to address the Council regarding his concerns of the proposed increase in Lodging Taxes. He inquired of the Council that before they adopt an ordinance and increase the Lodging Tax, to please research how much the Wytheville Community and Meeting Center make the Town in revenue first because those facilities do not pay property taxes, water fees or sewer fees. Mr. Patel commented that those things are the bulk of a normal business' expense. He noted that the letter the Town sent out regarding the one percent increase started out stating that the increase would be to cover tourism costs and then it went on to state that it would cover the funds to pay for the Millwald Theatre. Town Manager Sutherland advised that is not correct. He explained to Mr. Patel what the letter was trying to state regarding the Millwald Theatre funding. Town Manager Sutherland noted that if it seemed that the one percent increase in Lodging Tax was to be used toward the funding of the Millwald Theatre, it should have been written differently. Mr. Patel continued to note the different items listed in the letter he received regarding the Lodging Tax increase and what the money would be used toward. He noted that he has no issue with the increase helping fund a new firehouse. Mr. Patel inquired of the Council if the increase would be used to help fund the new Fire Chief and the new six paid Fire Engineers. Town Manager Sutherland explained to Mr. Patel that the Lodging Tax is part of the General Fund. Mr. Patel commented that he would like to state that he does not want to see the Town keep raising the Lodging Taxes and looking at it with the mindset that the out of towners are paying these taxes. He noted that the locals are paying the Meals Taxes, but a bulk of it is coming from the lodging side, as well. Mr. Patel remarked that it should be kept as fair as possible. Mayor Taylor commented that after the last tax increase four years ago, several of the hotels had a great record four years. She noted that a good four years after the tax increase, with not all of the money going toward debt service, some was placed into the Town's Tourism Marketing Program, which was able to market and get more people into the Town of Wytheville for more lodging, meals, etc. She remarked that she feels like some of Mr. Patel's successful four years are probably contributed by the Town being able to put more money into the Tourism Marketing Program. Mr. Patel stated that he would still request that the Council provide a figure of how much the Wytheville Meeting Center profits before the Council makes an increase in the Lodging Tax. Councilman Hand commented that he would like to note that if Mr. Patel has noticed, the Town has spent \$5 million in downtown Wytheville on a massive renovation that will help bring people to Wytheville to entice them to stay overnight in town. He remarked that the Town is also working on East Main Street spending \$1.8 million to improve that section so that people will come to Wytheville and stay. Councilman Hand noted that it is not hard to justify where the money has been spent. He stated that as far as this tax increase, this is not going toward debt pay down, but this is going toward the continuation of improving the town, which costs a lot of money, and there are other plans in place. Discussion continued regarding the tax increase and Mr. Patel's comments and inquiries. Councilman Hand noted that the Council studied this increase long and hard. He noted that there are a lot of surrounding areas that have a Lodging Tax of nine percent. Mayor Taylor remarked that the Town of Marion charges eight percent, the City of Bristol charges nine percent, the Town of Christiansburg charges nine percent, the Town of Rural Retreat charges five percent cent, the City of Roanoke charges eight percent, the City of Salem charges eight percent, the Town of Hillsville charges eight percent and the City of Galax charges eight percent. Mayor Taylor stated that in regard to the fire department and this increase, the Council had researched the increase inside and out, but in order to maintain the safety of the town, etc. an increase in the Lodging Tax versus a Personal Property Tax increase was the best solution. She noted that she does not have all of the answers to Mr. Patel's inquiries, and she is not sure that anyone at the meeting does. Mr. Patel stated that he is only asking out of curiosity for the Council to get the profit numbers of the Wytheville Meeting Center that he requested earlier in the meeting because years ago this is

how the two percent Lodging Tax was explained to the hotels, which was for debt setoff of the Community Center and Meeting Center. Councilman Bloomfield stated that his issue with the two percent Lodging Tax that happened years ago is whatever was agreed to officially by Council is being done because the Town gets audited each year. He noted that he is new to the Council, but he does know that whatever the Town has committed to has to be done because the auditors would question it otherwise. Discussion ensued regarding reserve accounts. Mr. Patel thanked the Council for listening to his concerns. Mayor Taylor thanked Mr. Patel for his comments. Vice-Mayor King and Councilman Hand expressed their appreciation to Mr. Patel and the other hotel owners who were attending the meeting for their contributions to the Town of Wytheville.

Mr. C.J. Patel was recognized and stated that he is the owner of the Sleep Inn hotel located on Nye Road. He thanked Town Manager Sutherland for having the streetlight installed on Peppers Ferry Road because it has made a huge difference. Mr. Patel remarked that he also owns the Comfort Inn on Holston Road, and he would like to request that a streetlight be installed on Holston Road near the Kangaroo gas station. He commented that he cannot speak for anyone else, but he cannot see anything at the four lane. Town Manager Sutherland advised that he would have someone check on this. Mr. Patel stated that he has a couple of concerns in regard to mowing, cigarette butts, etc. He inquired of Town Manager Sutherland as to when the construction near the Econo Lodge property, which is located near Cracker Barrel, will be complete. Town Manager Sutherland stated that, theoretically, construction will be complete on East Main Street in the next 60 days. Mr. Patel commented that he is not sure if everyone else feels the same, but he feels like without the hotels, there is not a town. He remarked that in the town, the Patels own all but three of the hotels. Mr. Patel commented that he feels like Wytheville needs more restaurants in town. He noted that Wytheville is not a destination town, and it is simply a pitstop. Councilman Hand remarked that he disagrees, and people need to stop calling it a pitstop. He explained that the Patels have invested in the community in hopes that it will one day be more than a pitstop, and that is exactly what the Town Council is working toward with all the improvements. Councilman Hand commented that the Council is investing in the community because the Council feels that people will come to Wytheville, therefore, he disagrees with the pitstop statement. He noted that the Town Council has placed incentives for meals taxes that are unheard of trying to recruit restaurants and to encourage people to open a business in Wytheville. Mr. Patel inquired if the Town could take a street sweeper and clean the cigarette butts located along Peppers Ferry Road. He noted that he travels this road each day and sees the cigarette butts all of the time. Mr. Patel commented that in the summertime, the grass is awful on Peppers Ferry Road. He noted that it is especially bad near the Hampton Inn. Councilman Bloomfield explained that the Town cannot maintain anything that Mr. Patel is discussing except in the Town limits of Peppers Ferry Road. Town Manager Sutherland commented that Mr. Patel is describing the limited access in front of the TA Truck Stop, which is State property and maintained by the Virginia Department of Transportation. Mayor Taylor thanked Mr. Patel for his comments.

Mr. Peter Patel was recognized and stated that he is the owner of the Hampton Inn and is building the TRU Hotel in Wytheville. He noted that he has a hotel in Bristol, as well. Mr. Patel remarked that he used to own the Fairfield Inn, but it has been sold for several years. Mr. Patel commented that the median concrete barrier on Peppers Ferry Road has tall grass growing on it. He noted that he has called to complain about this several times, and he has even sent his maintenance men to the median barrier to clean the area. Mr. Patel commented that if the appearance near his hotel is not great, then customers will not stay at his hotel. He remarked that the lighting on Peppers Ferry Road near his hotel and the truck stop is not the best. Mr. Patel expressed that there have been several accidents in that area. He stated that in regard to restaurants, he owns all of the property located behind the Hampton Inn, Fairfield Inn and TRU Hotel, which is 80 acres. He noted that he has owned the property since 2006. Mr. Patel commented that he has tried for years to get something developed there, whether it be a restaurant, retail shops, etc. Mr. Patel remarked that it all comes back to the demographics. He continued to express his thoughts regarding the town being a destination town. Mayor Taylor remarked that in regard to the entrance corridor on Peppers Ferry Road, it was her understanding that the Virginia Department of Transportation (VDOT) is responsible for maintaining this roadway. Town Manager Sutherland explained that there is an entire section on Peppers Ferry Road, and Town staff has had this discussion with VDOT many times, and he would agree that the area looks terrible, but it is limited interstate access, and Town staff does not have a right to be on that property to do anything. He stated that the Town tried to install an additional light on East Main Street that encroached on the VDOT limited access of that ramp, and he noted sometimes it is difficult dealing with the State. Town Manager Sutherland noted that the Town can try to do something to get the area cleaned up. He remarked that he will say that Town staff does try to sweep and maintain the area on a daily basis, but if the area is not the Town's property, then staff is not authorized to be in the area. Mr. Patel inquired of Town Manager Sutherland where the Town limit ends. Town Manager Sutherland advised that on

Peppers Ferry Road, the Town maintains to the entrance of the Exxon gas station. Vice-Mayor King explained that the Town and the County are working together with a company called The Retail Coach to help recruit restaurants, retail stores, etc. into the area. Mr. Patel thanked the Council for allowing him to speak. Mayor Taylor thanked Mr. Patel for his comments.

Mr. C.J. Patel commented that some of the hotels are only having occupancy at 50 percent. He requested for someone to please research if a streetlight could be installed on Holston Road near the Comfort Inn. Mr. Patel thanked that Council for allowing him to speak. Mayor Taylor thanked Mr. Patel for addressing the Council.

Mr. Sunny Ramos was recognized and stated that he is the owner of the Econo Lodge in Wytheville. He remarked that he thinks the Town is doing a very good job with the beautification of the town. Mr. Ramos commented that he would like to inquire about what the town plans to do about the entry into town near his motel. He remarked that last summer, he complained to Town staff numerous times regarding the mowing in front of his motel because the grass was not mowed once last summer. Mr. Ramos stated that his own maintenance workers mowed the Town's rights of way so that his motel could be seen and would look nice. He continued to express his thoughts regarding the beautification issues that are being ignored by the Town. Town Manager Sutherland stated that he would like to make sure that he knows exactly where Mr. Ramos is describing. Mr. Ramos explained to the Council the area near his property that was not being mowed by the Town. Councilman Hand remarked that the Council was not aware of this, and now they are aware of what is supposed to be mowed by VDOT and what is supposed to be mowed by the Town, Town staff will certainly research this issue. Mr. Ramos thanked the Council for allowing him to speak. Mayor Taylor thanked Mr. Ramos for addressing the Council.

Mr. Anil Patel was recognized and stated that he owns the Days Inn in Wytheville. He noted that he lives in Abingdon. He remarked that for the last three or four years, Abingdon has done a tremendous job in attracting a lot of people to the area. Mr. Patel commented that maybe the Council could hold more open forums where discussions could be held regarding the recruitment of restaurants, etc. Mr. Patel thanked the Council for allowing him to speak. Mayor Taylor thanked Mr. Patel for addressing the Council.

Mayor Taylor advised that there being no one else to address the Council, she would proceed with the agenda.

### **RE: OLD BUSINESS**

Under Old Business, Town Manager Sutherland reported the following:

1. The next Council Work Session will be held on Tuesday, February 26, 2019, at 7:00 a.m., in the Council Conference Room.
2. The Annual Joint Industrial Development Authority Tenure Awards Luncheon will be held on Thursday, February 28, 2019, at 12:00 p.m., at the Bolling Wilson Hotel.
3. With today being Mayor Taylor's birthday, the Town Council wished her a Happy Birthday.

### **RE: APPOINTMENTS – WYTHEVILLE RECREATION COMMISSION**

Mayor Taylor advised that the next agenda item is to consider the appointment of a member to the Wytheville Recreation Commission to fill the expired term of Ms. Mary Henslee (term expired December 31, 2018). A motion was made by Vice-Mayor King and seconded by Councilman Hand to appoint Mr. Ben Caudill to the Wytheville Recreation Commission for a three year term, which expires December 31, 2021. Mayor Taylor inquired if there was any discussion on the motion to appoint Mr. Caudill to the Wytheville Recreation Commission. There being none, the motion was approved with the following voting in favor and there being no opposition: For: Beth A. Taylor, Jacqueline K. King, Joseph E. Hand, Jr., Mark J. Bloomfield, Cathy D. Pattison. Against: None.

### **RE: APPOINTMENTS – WYTHEVILLE TREE ADVISORY COMMITTEE**

Mayor Taylor advised that the next agenda item is to consider the appointment of a member to the Wytheville Tree Advisory Committee to fill the expired term of Mr. Yungho Park (term expired May 14, 2018). A motion was made by Councilwoman Pattison and seconded by Councilman Hand to appoint Ms. Autumn Turner to the Wytheville Tree Advisory Committee for a four year term, which expires May 14, 2022. Mayor Taylor inquired if there was any discussion

on the motion to appoint Ms. Turner to the Wytheville Tree Advisory Committee. There being none, the motion was approved with the following voting in favor and there being no opposition: For: Beth A. Taylor, Jacqueline K. King, Joseph E. Hand, Jr., Mark J. Bloomfield, Cathy D. Pattison. Against: None.

**RE: ORDINANCE NO. 1355**

Mayor Taylor presented Ordinance No. 1355, an ordinance amending and reenacting Chapter 14, Taxation, Article VI. Lodging Tax, Section 14-107. Amount of Levy, of the Town Code, on first reading. Town Manager Sutherland noted that if the Council so chooses to amend the schedule for adopting this ordinance in any fashion and/or have a reading in March, the effective date would be June 1, 2019, instead of May 1, 2019. Councilman Bloomfield inquired if the Council is amending the schedule. Councilman Hand remarked that Town Manager Sutherland was only giving the dates if the Council elected to amend the schedule. Mayor Taylor stated that the recommendation from the Budget and Finance Committee is to approve the ordinance on first reading. A motion was made by Councilman Hand and seconded by Councilman Bloomfield to suspend the rules and adopt Ordinance No. 1355, an ordinance amending and reenacting Chapter 14, Taxation, Article VI. Lodging Tax, Section 14-107. Amount of Levy, of the Town Code, on first and final reading. Mayor Taylor inquired if there was any discussion on the motion to adopt the ordinance on first and final reading. There being none, the motion was approved with the following voting in favor and there being no opposition:

FOR: Beth A. Taylor, Jacqueline K. King, Joseph E. Hand, Jr., Mark J. Bloomfield, Cathy D. Pattison

AGAINST: None

ABSTENTIONS: None

Ordinance No. 1355 was adopted on first and final reading.

**RE: RESOLUTION – FUNDING FOR MILLWALD THEATRE**

Mayor Taylor advised the next agenda item is a resolution authorizing the application for Department of Housing and Community Development Industrial Revitalization Funds for the Millwald Theatre. A motion was made by Vice-Mayor King and seconded by Councilwoman Pattison to adopt a resolution authorizing the Town Manager to sign the necessary documents to apply for Department of Housing and Community Development Industrial Revitalization Funds for the Millwald Theatre. Mayor Taylor inquired if there was any discussion on the motion to adopt the resolution. There being none, the motion was approved with the following voting in favor and there being no opposition: For: Beth A. Taylor, Jacqueline K. King, Joseph E. Hand, Jr., Mark J. Bloomfield, Cathy D. Pattison. Against: None.

**RE: PLANNING COMMISSION RECOMMENDATION – SMALL-LOT/SMALL-HOME OVERLAY ZONE**

Mayor Taylor advised the next agenda item is to set a public hearing to consider amending the Zoning Ordinance, Article XVI - General Provisions, to add Section 16-19. Small-Lot/Small-Home Overlay Zone, and to add it as eligible for placement in the following districts: Article V – Agricultural District A-1; Article VIII – Residential District R-3; Article X – Business District B-1; Article XI – Business District B-2; Article XI-A – Business District B-2 DT General Business District – Downtown; Article XII - Industrial District M-1; Article XIII – Industrial District M-2. Mayor Taylor explained that the public hearing could be scheduled for the Town Council meeting on Monday, March 25, 2019. Councilman Bloomfield stated that he would be out of town on that date. It was the consensus of the Town Council to set a public hearing for the Monday, March 25, 2019, Town Council meeting, at 7:00 p.m., in the Council Chambers, to consider amending the Zoning Ordinance, Article XVI - General Provisions, to add Section 16-19. Small-Lot/Small-Home Overlay Zone, and to add it as eligible for placement in the following districts: Article V – Agricultural District A-1; Article VIII – Residential District R-3; Article X – Business District B-1; Article XI – Business District B-2; Article XI-A – Business District B-2 DT General Business District – Downtown; Article XII - Industrial District M-1; Article XIII – Industrial District M-2.

**RE: ADJOURNMENT**

There being no further business to be discussed, a motion was duly made, seconded and carried to adjourn the meeting (8:05 p.m.).

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Beth A. Taylor, Mayor

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Sharon G. Corvin, CMC, Town Clerk

## **BUDGET AND FINANCE COMMITTEE REPORT**

**FEBRUARY 25, 2019**

1. Later in the meeting, the Council will consider, on first reading, an ordinance that will increase the Lodging Tax from seven (7) percent to eight (8) percent. The current rate of seven percent was established in 2015. The one percent increase in the Lodging Tax will generate approximately \$214,000.00 per year for the General Fund. The Lodging Tax is not only used to fund debt service for the Community Center, but it is also used for renovation work, such as those renovations that will be described by the Public Works Committee. Beyond that, funds collected under the Lodging Tax are a part of the General Fund revenue and, as such, help support all of the various activities that go on throughout the town. We have, this year, added additional fire personnel, and we have purchased a new fire apparatus. We, also, have a number of large capital improvement projects that will need to be constructed as we move forward. One in particular would be the construction of a new firehouse. We have surveyed surrounding communities to determine what their lodging tax rate is, and we find that eight percent would be a normal rate in this area. The hotel is allowed to deduct three percent from the amount of lodging taxes that they have taken in to cover expenses that they may have incurred with the collection of the tax. We believe that this is a reasonable increase, and it helps our citizens maintain a low real estate and personal property tax. To generate the same amount of money, real property taxes would necessarily increase by 2.75 cents per one hundred dollars or from 15.5 cents to 18.25 cents per one hundred dollars. We think that



the funds are needed by the Town for its ongoing operations, and it would be the recommendation of the Budget and Finance Committee that the ordinance be approved on first reading.

2. At the January 28, 2019, meeting of Town Council, the Public Works Committee reported that the Virginia Department of Housing and Community Development is now accepting applications for IRF Funds. IRF is the acronym for Industrial Revitalization Funds. As was noted, the purpose of the IRF program is to leverage local and private resources to achieve market driven redevelopment of vacant and deteriorated commercial properties. At that meeting, the Council authorized Town staff to take steps necessary to make application for funding from the IRF program. Later in the meeting, the Council will consider a resolution that needs to be included in the application seeking up to \$600,000 to be used for renovations at the Millwald Theatre. Since other actions have already been taken with regard to the submittal of the application, it is only necessary that we take action to adopt this resolution. It would be the recommendation of the Budget and Finance Committee that the resolution be adopted when it is considered later in the meeting.

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Jacqueline K. King

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Cathy D. Pattison

## **PUBLIC WORKS COMMITTEE REPORT**

**FEBRUARY 25, 2019**

1. Renovation work at the Wytheville Meeting Center is progressing very nicely. The Wytheville Meeting Center is approximately 11 years old, and there are certain interior finishes that needed to be updated. It began in this budget year with renovations on the Meeting Center side, and we anticipate doing interior renovations on the Recreation Center side of the facility in the next budget year. The renovations at the Meeting Center consist of the installation of new carpet in all areas, as well as new wall finishes, lighting fixtures, furniture, etc. We have, also, reconfigured the area around the front desk and have utilized the break area space as a new rental area. We anticipate that the renovations will take yet another two to three weeks to be completed. We do believe, however, that when all of this work is complete, we will, once again, have a very upscale facility that hosts the many events which occur in the facility each year. The project cost for these renovations is approximately \$288,000.00. There is no action needed by the Council, but we thought that the citizens would be interested in knowing about the renovations that are underway.
2. We are pleased to report that the guardrail has finally been installed on one portion of Reed Creek Mill Road. As you may recall, a new property owner removed a number of trees along the roadway, which created a situation where cars could travel over an embankment. This first section of guardrail that was installed was the worst section on the roadway, but we believe that the other section needs to be completed in the upcoming budget year. The first section of guardrail was installed

at a cost of \$29,400 and it is estimated that the second section of guardrail will cost approximately \$28,220. The cost of the second phase of the guardrail will be placed in next year's budget.

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Joseph E. Hand, Jr.

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Mark J. Bloomfield