

Council Meeting Minutes

May 19, 2015

The Tazewell Town Council met in a special called meeting at 6:00 p.m. in the Town Hall Council Chambers.

Present:

Mayor A. D. Buchanan Jr

Councilmember Chris Brown

Councilmember Glenn Catron

Councilmember Jack Murray

Councilmember Terry Mullins

Councilmember David Fox

Absent:

None

Staff present: Town Manager, Todd Day

CALL TO ORDER

Councilmember Brown made a motion to convene the meeting, Councilmember Murray seconded the motion. On vote, Councilmember Brown, aye; Councilmember Catron, aye; Councilmember Murray, aye; Councilmember Mullins, aye; Councilmember Fox, aye.

TAX INCENTIVES

Manager Day discussed the town offering tax incentives (see minute attachment A) to new businesses or existing businesses that were expanding. The business would have to be located within the enterprise zone of the town to receive the tax incentive. The incentives would be in the following areas: business license, meals tax, lodging and rehabilitation. The incentive would be that for the first three years of operation, they could receive a percentage of their business license/meals tax/ lodging tax/rehabilitation back. Year one they could receive 80% back, year two 60% back, and year three 40% back. Motion was made by Councilmember Catron, seconded by Councilmember Murray. On vote, Councilmember Brown, aye; Councilmember Catron, aye; Councilmember Murray, aye; Councilmember Mullins, aye; Councilmember Fox, aye.

EXECUTIVE SESSION

MOTION MADE BY: Councilmember Mullins

RESOLUTION NUMBER: ES150519

MOTION SECONDED BY: Councilmember Fox

MEETING DATE: 15 May 19

VOTE: All voted aye.

PURPOSE: Personnel

CERTIFICATION OF EXECUTIVE SESSION

WHEREAS, the Tazewell Town Council has convened an executive session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, §2.1-344.1 of the Code of Virginia requires a certification by this Council that such executive session was conducted in conformity with Virginia law;

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

VOTE

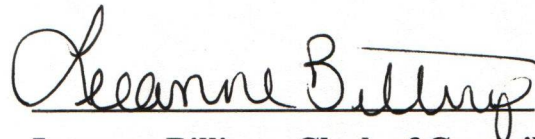
AYES: Councilmember Brown, Catron, Murray, Mullins, Fox

NAYS: None

(For each nay vote, the substance of the departure from the requirements of the Act should be described.)

ABSENT DURING VOTE: none

ABSENT DURING MEETING: none



Leanne Billings, Clerk of Council

COUNCIL INTERVIEWS

Interviews were held for the vacant council seat. There were seven candidates that interviewed. Interviews began at 6:10 p.m.

COUNCIL APPOINTMENT

Once the councilmembers returned from executive session Councilmember Brown made a motion to appoint Jerry McReynolds as councilmember. The motion was seconded by Councilmember Fox. On vote Councilmember Brown, aye; Councilmember Catron, aye; Councilmember Murray, aye; Councilmember Mullins, aye; Councilmember Fox, aye.

VICE-MAYOR APPOINTMENT

Motion was made by Councilmember Brown and seconded by Councilmember Murray to appoint Councilmember Terry Mullins as Vice-Mayor. On vote Councilmember Brown, aye; Councilmember Catron, aye; Councilmember Murray, aye; Councilmember Mullins, aye; Councilmember Fox, aye.

PLANNING COMMISSION APPOINTMENT

Motion was made by Councilmember Mullins and seconded by Councilmember Catron to appoint Susan Reeves to the Planning Commission. On vote Councilmember Mullins, aye; Councilmember Brown, aye; Councilmember Catron, aye; Councilmember Murray, aye; Councilmember Fox, aye.

ADJOURNMENT

Motion was made by Councilmember Brown and seconded by Councilmember Catron to adjourn the meeting. On vote Councilmember Mullins, aye; Councilmember Brown, aye; Councilmember Catron, aye; Councilmember Murray, aye; Councilmember Fox, aye.

LOCAL INCENTIVE INDEX FORM

REQUIRED FORM: This is the first page of the incentive index, which must be filled out for each incentive and submitted in the "Required Attachments" section of the online application. *Complete this chart for each of the proposed incentives, one incentive per page*

Incentive Name:	
<p>Provider: Town of Tazewell Name: Lodging Tax Refund (LTR) Description: A portion of the lodging tax collected by the Town of Tazewell from a qualifying business will be refunded for a three year incentive period according to the following schedule: year 1 – 80% refund; year 2 – 60% refund; year 3 – 40% refund. For a qualifying new business, the entire tax shall be subject to the above refund schedule. For a qualifying existing business, only the tax paid on the increase in lodging tax collections calculated from the base year plus 5% (the base year is the year prior to the first incentive year) will be subject to the above refund schedule.</p>	<p>Localities included in this incentive: Town of Tazewell</p> <hr/> <p>Exclusive to Zone Properties/Businesses: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No, if no please explain how it will be tailored to zone.</p> <hr/> <p>Period of Availability: Life of the Zone</p> <p>Effective date: Upon Zone designation</p>
<p>Qualification Requirements: A qualifying business must be located in Downtown Tazewell or in the Fourway redevelopment project area within the VEZ. Downtown Tazewell is defined as that area within the VEZ located along East and West Main Streets and West Pine Street between East Fincastle Turnpike and West Fincastle Turnpike. The Fourway redevelopment project area is defined as that area</p>	<p>Financial Value of Incentive: 180% of the average of one year's increase in lodging taxes paid by a qualifying business (delivered over a three year period). For a bed & breakfast with \$200,000 of qualifying sales, the incentive value would be \$18,000. For a hotel with \$2 million in qualifying sales, the incentive value would be \$180,000.</p>

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Incentive Name:	
<p>Provider: Town of Tazewell Name: Meals Tax Refund (MTR) Description: A portion of the meals tax collected by the Town of Tazewell from a qualifying business will be refunded for a three year incentive period according to the following schedule: year 1 – 80% refund; year 2 – 60% refund; year 3 – 40% refund. For a qualifying new business, the entire tax shall be subject to the above refund schedule. For a qualifying existing business, only the tax paid on the increase in meals tax collections calculated from the base year plus 5% (the base year is the year prior to the first incentive year) will be subject to the above refund schedule.</p>	<p>Localities included in this incentive: Town of Tazewell</p> <hr/> <p>Exclusive to Zone Properties/Businesses: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No, if no please explain how it will be tailored to zone.</p> <hr/> <p>Period of Availability: Life of the Zone</p> <p>Effective date: Upon Zone designation</p>
<p>Qualification Requirements: A qualifying business must be located in Downtown Tazewell or in the Fourway redevelopment project area within the VEZ. Downtown Tazewell is defined as that area within the VEZ located along East and West Main Streets and West Pine Street between East Fincastle Turnpike and West Fincastle Turnpike. The Fourway</p>	<p>Financial Value of Incentive: 180% of the average of one year's increase in meals taxes paid by a qualifying business (delivered over a three year period). For a business with \$200,000 of qualifying sales, the incentive value would be \$25,200.</p>

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Incentive Name:	
<p>Provider: Town of Tazewell Name: Business License Fee Abatement (BLFA) Description: A portion of the business license fee collected by the Town of Tazewell will be abated (or refunded if already paid) for a three year incentive period according to the following schedule: year 1 – 80% abatement; year 2 – 60% abatement; year 3 – 40% abatement. For a qualifying new business, the entire fee shall be subject to the above abatement schedule. For a qualifying existing business, only the fee levied on the increase in gross receipts calculated from the base year plus 5% (the base year is the year prior to the first incentive year) will be subject to the above abatement schedule.</p>	<p>Localities included in this incentive: Town of Tazewell (within Tazewell County)</p> <hr/> <p>Exclusive to Zone Properties/Businesses: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No, if no please explain how it will be tailored to zone.</p> <hr/> <p>Period of Availability: Life of the Zone</p> <p>Effective date: Upon Zone designation</p>
<p>Qualification Requirements for Incentive: A qualifying business must be located in Downtown Tazewell or in the Fourway redevelopment project area within the VEZ. Downtown Tazewell is defined as that area within the VEZ located along East and West Main Streets and West Pine Street between East Fincastle Turnpike and West Fincastle Turnpike. The Fourway redevelopment project area is defined as that area within the VEZ along Market Street, east</p>	<p>Financial Value of Incentive: 180% of the average of one year's increase in gross receipts paid by a qualifying business (delivered over a three year period). For a business with \$200,000 in qualifying gross receipts, the value of this incentive would be \$576.00. For a hotel with \$2 million in gross receipts, the value of this incentive would be \$5,436.</p>

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Incentive Name:	
<p>Provider: Tazewell County, Town of Bluefield, Town of Tazewell</p> <p>Name: Rehabilitated Real Estate Tax Exemption (RRETE)</p> <p>Description: The RRETE is a three year partial exemption from taxation of the increase in assessed value of rehabilitated real estate, as authorized §58.1-3221 of the Virginia Code and, for the residential portion of any mixed use building, §58.1-3220 of the Virginia Code. Eighty percent (80%) of the qualifying assessment on real property will be exempted from taxation in year 1; 60% of the qualifying assessment will be exempted in year 2; and 40% of the qualifying assessment will be exempted in year 3.</p>	<p>Localities included in this incentive: Tazewell County; Town of Bluefield; Town of Tazewell</p> <hr/> <p>Exclusive to Zone Properties/Businesses: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No, if no please explain how it will be tailored to zone.</p> <hr/> <p>Period of Availability: Life of the Zone</p> <p>Effective date: Upon Zone designation</p>
<p>Qualification Requirements for Incentive: A qualifying property must be located within the VEZ; must be a property dedicated to commercial, industrial or mixed use; and be at least 15 years old. To receive an RRETE from the Town of Bluefield, a qualifying property must also be located in the Town of Bluefield. To receive an RRETE from the Town of Tazewell, a qualifying property must also be located in the Town of Tazewell. "Mixed" use is defined as a building in which the first floor is dedicated to commercial use and the upper floor(s) is dedicated in whole or in part to residential use. To qualify for the exemption, the assessed value of the property</p>	<p>Financial Value of Incentive: 180% of one year's taxes on the exempted assessment (delivered over a three year period). For an exemption of \$40,000 of assessed value, the total RRETE value is \$396. For an exemption of \$1 million, the total RRETE value is \$9,900. If the qualifying property is located in the Town of Bluefield, the RRETE would have an additional value of \$133.20 for an exemption of \$40,000 of assessed value and \$3,330 for an exemption of \$1 million of assessed value. If the qualifying property is located in the Town of Tazewell, the RRETE would have an additional value of \$180.00 for an exemption of \$40,000 of assessed value and \$4,500 for an exemption of \$1 million of assessed value.</p>