



TOWN OF HAYMARKET TOWN COUNCIL

SPECIAL MEETING ~ MINUTES ~

Chris Coon, Business Manager
<http://www.townofhaymarket.org/>

15000 Washington St
Haymarket, VA 20169

Tuesday, April 14, 2020

7:15 PM

Council Chambers

A Special Meeting of the Mayor and Council of the Town of Haymarket, VA, was held this evening in the Council Chambers, commencing at 7:15 PM.

Mayor David Leake called the meeting to order.

I. Call To Order

To comply by the social distancing guidelines due to the COV-ID 19 pandemic, Councilman Robert Day continued to attend the meeting remotely from his home via Zoom.

Councilman Chris Morris: Present, Vice Mayor Susan Edwards: Absent, Councilman Robert Day: Present, Councilman Connor Leake: Present, Councilman Madhusudan Panthi: Present, Councilman Steve Shannon: Present, Mayor David Leake: Present.

II. Citizens Time

Marchant Schneider, 14811 Rising Sun Lane candidate for Town Council, stated that he would like to respond to a statement that certain candidates running for Town Council questioned the need for the Police Department. Mr. Schneider stated he has demonstrated through his words and actions the need for the Police Department and would like to have the following recorded in the minutes and for the record: "I am a veteran. I support my fellow public servants in uniform. Since our move to Haymarket in 2004, my family has made it a point to support the Town of Haymarket and its Police Department. We attend National Night Out, participate in Town Police sponsored charity walks and rides, support the flags for our heroes program and volunteer along side Town Police during the Annual Haymarket Day. We have encouraged community interaction for the Town Police by inviting the department to participate in the Annual Longstreet Commons end of school year water balloon battle. I sought advise from Chief Lands regarding issues within Longstreet Commons. Recently during Haymarket Day, my child was located within a minute of me losing sight of her due to folks knowing her through my relationship with the Town Police and the Town Staff. Finally, my kids recognize each of the police officers on sight, if not by name, and can safely walk to the Police Department should they need to do so or in case of an emergency. In summary, I support the Haymarket Police Department. My family has benefited from community policing by the Police Department and I do not question the need of for Town Police Department. Further, since the start of this campaign, with the exception of candidate Utz because I have not had a chance to meet him yet, I have not heard any candidate question the need for the Haymarket Police Department. Regarding to tonight's budget discussions, I have asked Chief Lands and Councilman Leake about how to plan for future service demands once the hotel and other projects within and adjacent to the Town develop. My recommendation is to include an unfunded line item that is carried forward and addressed yearly and as projects come a line. Thank you for your attention. Stay safe. Stay distant."

Bob Weir, 6853 St. Paul Drive, addressed the Town Council on a couple of items. The first was on the Transient and Occupancy Tax. Mr. Weir stated that the proposed 4% going into the general fund is not provided for. Mr. Weir stated that the code which sets forth in which TOT tax can be collected. He shared to the code allows 5%; 3% going to the tourism board, 2% going to the general fund. He stated that the other 2% that is allowed to be charged is for a specific provision which is directed in the end to the transportation authorities. The other topic was the Continuity of Government proposed ordinance. Mr. Weir stated that he felt that, after reading the ordinance, it strips most of the power from the Town Council to the Town Manager, which is a position that the Town currently doesn't have. He stated that the position has never been appointed by the Town Council. The last point Mr. Weir brought to the Town Council was the budget. He stated he has not yet recovered from 2008 loss of his property value on his home.

At this time, Town Clerk Kim Henry read the email from Chuck Carnahan, 6654 Hunting Path Road, on the subject of a proposed Town Business Stimulus Package.

****Below is the complete email from Mr. Carnahan read by the Town Clerk**.**

Mayor and Council,

I hereby grant you permission to enter my comments into the record and read them aloud at the Town Council Special Meeting April 14, 2020. Permission is granted only on the condition that they are read in their entirety and not summarized or paraphrased when read in public or recorded in the minutes.

While I feel the proposed stimulus for town businesses is a noble gesture... I believe it is mis-directed if we are only focusing on the meals tax and restaurants.

I feel any relief effort should be applied equitably to all businesses, not just the restaurants. Take for instance the barbershop and salons in town... they have suffered far more loss than the restaurants. Or what about Dr Gore or Dr Kayes who have been forced to close their offices? what about the retail shops? How do we give those Businesses some relief?

Yes, I realize the meals tax has the greater affect on the towns revenues and therefore merits increased attention.. but only focusing on the meals tax does not benefit all the town's businesses.. I would argue that as the Town Attorney explained at your last meeting the restaurants are only acting as the collection agency for what is the Town's tax. The Meals tax does not affect the businesses' profitability in an economic downturn. So applying relief in the form of meals tax relief or remittance extensions does not benefit the business owner. But merely decreases or delays the Town's revenue stream, albeit reduced. You are merely making a loan of Town owned assets (the revenue from the tax) to the restaurants. That's not really relief.

What form any relief should take is still up for discussion. I would suggest widening the conversations the town manager has had with the restaurants to the larger group of businesses in town. Ask them what form of relief would most benefit them.

I think the increased focus using the Town's resources to promote Town businesses (ie webpage and Facebook) is a great thing. But this effort needs to also be used to promote the other businesses as well in any we we can with current restrictions and on a more concentrated effort in weeks and months, or even years to come. This work is applauded from my seat in the audience.

Chuck Carnahan
6654 Hunting Path Road
Haymarket, VA 20169

At this time, Town Planner Emily Lockhart asked for a brief recess to end the Zoom meeting that invited the public for citizens time and to start a new Zoom meeting for the remainder of the meeting that would have staff and Councilman Day in attendance.

III. Proposed Ordinance 2020-001: Transient Occupancy Tax Reallocation

After a short recess, Mayor Leake asked Attorney Simmons for clarification from the comments made during citizens time. Mr. Simmons stated that the ordinance was reviewed by Town Attorney Crim and that the code recited during citizen's time was for localities that are part of the MVTA, which the Town of Haymarket is not a part of at this time. Mr. Simmons stated that the Town has the authority to deposit the funds into the general fund as stated by the Ordinance.

1. Ordinance 2020-001

Councilman Morris moved to adopt Ordinance 2020-001. The motion was seconded by Councilman Leake. Councilman Leake explained that the reason for the change was something brought from the Finance Committee so that the Town could pay down the debt and move toward the 5 year plan of no real estate taxes. Mr. Leake continued stating that by putting this in

place, future councils will have the tools available to them to continue with that goal if they chose to. The motion carried by a roll call vote.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Chris Morris, Councilman
SECONDER:	Connor Leake, Councilman
AYES:	Morris, Day, Leake, Panthi, Shannon
ABSENT:	Susan Edwards

IV. Proposed Ordinance 2020-002: Continuity of Government

Mayor Leake brought to the attention of the Town Council a quick edit to the Ordinance, Part C, Section C #1 to striking "make other". Councilman Morris questioned the term "Town Manager" and "Town Business Manager". A short discussion followed on the subject. Councilman Morris asked that the Town Attorney clarify both terms at a future meeting.

1. Ordinance 2020-002

Councilman Shannon moved to approve the Ordinance amendment 2020-002. The motion was seconded by Councilman Morris. The motion carried by a roll call vote.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Steve Shannon, Councilman
SECONDER:	Chris Morris, Councilman
AYES:	Morris, Day, Leake, Panthi, Shannon
ABSENT:	Susan Edwards

V. Proposed Ordinance 2020-003: Town Business Stimulus Package

Business Manager Chris Coon shared that he prepared a draft ordinance that would pertain to the restaurants in the Town of Haymarket. He stated that the ordinance would allow a percentage of the meals tax collected by the restaurant to be refunded if they paid on time. Mr. Coon stated that the percentage would be determined by the Town Council. Councilman Leake stated that stimulus packages are great if the budget can fund it and if the budget can sustain it. He stated as the Town goes through this pandemic and charting unknown territories, he had meeting with the Business Manager Coon and Town Treasurer Gonzalez to talk about possible projections and shortfalls to the revenue streams and as well as expenditure cuts that could be made. Mr. Leake presented the possible shortfalls in revenue and the cuts on expenditures. Councilman Leake gave an extensive explanation on the meals tax stimulus package. Councilman Leake also presented a BPOL tax deduction for the retail businesses. Both Mr. Coon and Town Treasurer Gonzalez shared some information that they received from other localities on the subjects of meal tax and BPOL tax incentives. A lengthy discussion followed. Councilman Morris stated that he would rather reduce the real estate tax rate to .136 before funding money for a meals tax stimulus package to the restaurants. A discussion followed on incentives for BPOL. Councilman Leake stated that payment for BPOL can be deferred up to 90 days. Mr. Leake also shared that other options could be to change the rates and the same with the meals tax a percentage could be given back if paid on time. At this time Mayor Leake invited Andrea Payne, owner of A Dog's Day Out, to the podium to discuss some of the challenges the business has had since the start of the pandemic shut down order from the Governor.

Councilman Leake went over the projections for the rest of the fiscal year with the Town Council. He stated that the Town is in a great financial position in order to give the meals tax stimulus.

Mayor Leake asked the Town Council for input. Councilman Day stated that he would like to give as much as the Town can afford. Councilman Shannon stated that he would like to see the Town give 50% on meals tax and an extension on business licenses for 60 days. Councilman Leake stated that he would like to give 100% back on meals tax. Councilman Morris stated he was not in favor of giving anything back in meals tax. Councilman Panthi stated that he would like to give 25% back in meals tax and 60 days on business license applications. Councilman Morris stated that he feels the best business practice for the Town would be to hold onto the funds for right now since this is such an uncertain time. He stated that the residents could suffer greatly from the loss of income due to the shutdowns of businesses. Business Manager Coon shared some other ideas that would not only help the restaurants but also families, such as purchasing gift cards for families to use at the local restaurants. The Town Staff gave additional ideas for the Town Council to consider in helping the businesses during this time. Mayor Leake

shared that a previous Town Council gave a real estate refund back to property owners. Councilman Leake suggested that the Town Council continue the discussion on the possibility of a real estate refund to property owners.

At this time, the Town Council took a brief recess. After the recess, the Town Council finished the conversation on the meals tax stimulus and/or real estate refunds. Councilman Leake gave a general idea of the amount of the refund. Councilman Morris suggested that the Town Council considered the real estate refund, an extension on the BPOL deadline date in lieu of the meals tax refund to restaurants. Business Manager Coon asked to have the subject deferred to the May meeting so that he and Town Treasurer Gonzalez can present the numbers. The Town Council agreed to delay the BPOL deadline until May 30th and to revisit the real estate refund until the May meeting.

The Town Council agreed to drop Ordinance 2020-003: the Town Business Stimulus Package.

1. Ordinance 2020-003

Councilman Morris asked for the Town Council to adopt Resolution 2020-008 by Virginia Code 58.1-3916 which would allow the Town Council can be resolution provide an extension of time for the payment of business license taxes by delaying the due date by the Town Treasurer to waive the collections of BPOL for up to 30 days with no penalties, late fees, or interest. Councilman Shannon moved to approve Resolution 2020-008. The motion was seconded by Councilman Leake. The motion was carried by a roll call vote.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Steve Shannon, Councilman
SECONDER:	Connor Leake, Councilman
AYES:	Morris, Day, Leake, Panthi, Shannon
ABSENT:	Susan Edwards

VI. Refinance Updates

Town Treasurer Gonzalez shared that he contacted Carter Bank on the possibility of refinancing the Town debt. Mr. Gonzalez shared that the information that he received from his point of contact. Business Manager Chris Coon stated that he reached out to some other local banks on possible refinance options. Mr. Coon gave the rates that he received and the projected closing costs. Mr. Coon stated that he had two other meetings with banks later in the week. Mr. Coon stated that so far he has not been able to get the rates could benefit the Town.

VII. Proposed FY21 Budget Work Session

1. Proposed Budget and Memo

Mayor Leake asked for any additional changes that the Town Council would like to put in to the budget besides the real estate tax rate. Councilman Leake asked the pedestrian project numbers be adjusted between the two fiscal years. Discussion followed on the equalized tax rate with the plan to eliminate taxes within a 5 year plan. The Town Council also discussed the time line on the public hearing for the budget and also amendments to the budget.

2. Motion to advertise for public hearing

Councilman Leake moved to direct staff to advertise for the annual Budget Public Hearing for Monday, May 4th at 7 PM. The motion was seconded by Councilman Shannon. The motion carried.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Connor Leake, Councilman
SECONDER:	Steve Shannon, Councilman
AYES:	Morris, Day, Leake, Panthi, Shannon
ABSENT:	Susan Edwards

VIII. Adjournment

With no further business before the Council, Councilman Shannon moved to adjourn with a second by Councilman Panthi. The motion carried.

1. Motion to Adjourn

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Steve Shannon, Councilman
SECONDER:	Madhusudan Panthi, Councilman
AYES:	Morris, Day, Leake, Panthi, Shannon
ABSENT:	Susan Edwards

Submitted:

Approved:



Kimberly Henry, Clerk of the Council



David Leake, Mayor

