

October 24, 2023 Council Meeting

A meeting of the Council of the City of Martinsville, Virginia was held on October 24, 2023 in Council Chambers, Municipal Building, at 7:00 PM with Mayor LC Jones presiding. Other Council Members present included Kathy Lawson, Aaron Rawls, Lawrence Mitchell and Tammy Pearson. Staff present included City Manager Aretha Ferrell-Benavides, Paul Jacobson, Attorney for Sands Anderson participating by phone, Clerk of Council Karen Roberts, Public Information Officer Kendall Davis, Community Development Director Keith Holland, Building Inspector Kris Bridges, Fire Chief Dan Howell, Public Works Director Greg Maggard, MiNET Director Mike Scaffidi and Police Chief Rob Fincher.

Mayor Jones called the meeting to order and advised Council would go into Closed Session beginning at 6:30 PM. In accordance with the Code of Virginia, Title 2.2 Chapter 37, Freedom of Information Act and upon a motion by Vice Mayor Rawls and seconded by Council Member Lawson with the following 5-0 recorded vote: Vice Mayor Rawls, aye; Council Member Pearson, aye; Council Member Mitchell, aye; Mayor Jones, aye; and Council Member Lawson, aye. Council convened in Closed Session to discuss the following matters: (A) Appointments to boards and commissions, as authorized by Subsection 1. At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open meeting requirements were discussed in said Closed Session; and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during the meeting.

With action out of closed session, Vice Mayor Rawls made a motion to appoint Marcus Stone to the Industrial Development Authority for a 4-year unexpired term ending September 26, 2024. Council Member Lawson seconded the motion with all Council Members voting in favor.

Conduct a public hearing regarding the City's possible participation in the Commercial Property Assessed Clean Energy (C-PACE) Program – City Manager Aretha Ferrell-Benavides requests that any action be tabled to allow the opportunity to make changes to the ordinance. Community Development Keith Holland presented a brief PowerPoint describing C-PACE and it's benefits to the city. Mayor Jones opened the floor to public comment. No one approached the podium, so the public hearing was closed. Council Member Mitchell made a motion to table item; Vice Mayor Rawls seconded the motion with all council members voting in favor.

C-PACE

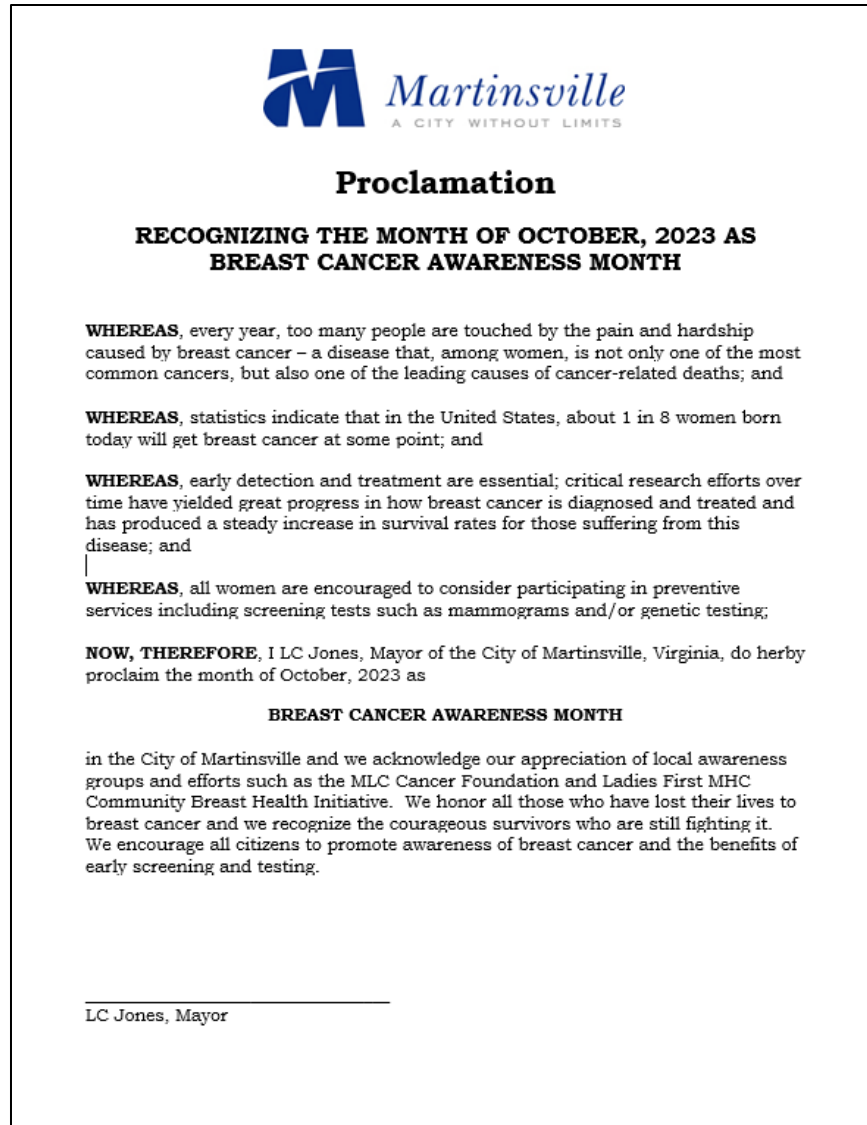
- C-PACE stands for Commercial Property Assessed Clean Energy, and the name explains the concept well at a high level.
- C-PACE – Commercial Property Assessed Clean Energy – is an innovative clean energy financing tool that provides 100% upfront capital to property owners who want to upgrade their commercial and multi-family buildings with energy efficiency, renewable energy, and water management systems.
- This program is used on real property, commercial and large multi-family, depending on the program. Generally, in order to use C-PACE, at a minimum, there needs to be a physical structure permanently affixed to a piece of property. Although there are additions and exceptions around the country, every program allows C-PACE financing to be used for upgrades to the property that reduce its energy consumption requirements in some way, or that generate energy.
- The main characteristic that differentiates C-PACE from other financing methods available to property owners is that this "loan" is placed as a lien on the property tax assessment. Among other advantages, this means that C-PACE financing runs with the land and therefore does not accelerate or become due upon sale. This mechanism also allows for long-term financing, often at fixed rates.

C-PACE

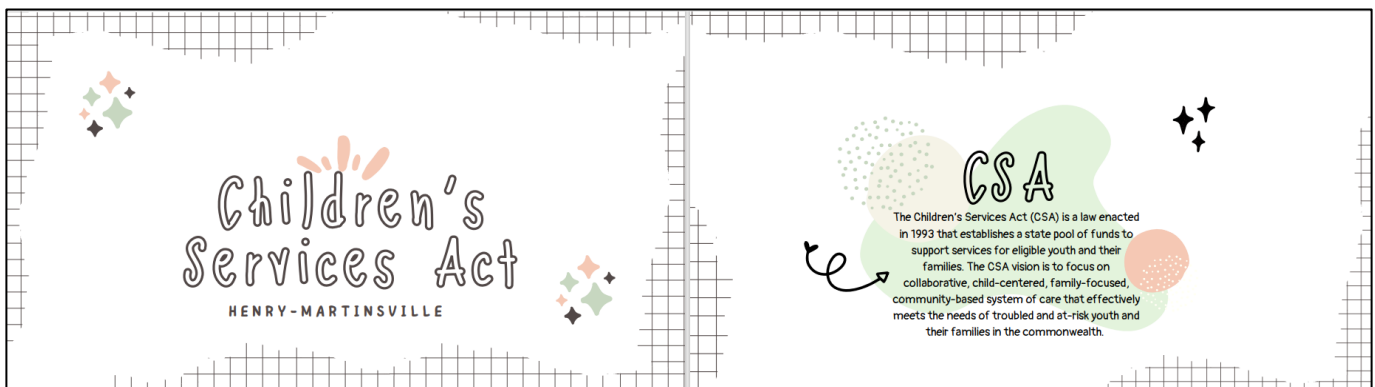
- Local programs are administered by the Virginia PACE Authority.
- The Virginia PACE Authority (VPA) is a 501(c)(3) nonprofit organization that provides C-PACE program administration services sponsored by the Commonwealth of Virginia. In 2022, VPA designed the statewide program incorporating industry best practices that promote clean energy and economic development projects.
- As the program administrator, VPA works with commercial businesses, property owners, contractors, capital providers and local governments to facilitate the financing of energy efficiency, renewable energy and resilient projects on both new and existing buildings
- Current local governments that offer C-PACE funding access through the state program include the cities of Petersburg, Winchester and Fairfax County all utilize private banks for loans and debt collection.
- The proposal is for the program to be administered by VPA, which has been hired by the Virginia Department of Energy. It will involve loans made by banks, not by the City, and lenders are responsible for collecting on any defaults. Any involvement by city staff will be minimal.

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Read a proclamation designating October 2023 as Breast Cancer Awareness Month in the City of Martinsville – Council Member Lawson read the proclamation which will be made available as requested to any groups and organizations involved in increasing awareness of breast cancer and the benefits of early testing, detection and treatment.



Hear details about the Children's Services Act – Robin Turner, Program Coordinator Supervisor updated Council on the CSA and how it benefits at-risk youth and their families.



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The teams

The Henry-Martinsville CSA is made-up of two multi-disciplinary teams. The Family Assessment and Planning Team (FAPT) who meet on the second and fourth Tuesday of each month and the Community Policy and Management Team (CPMT) who meet on the last Thursday of every month. They consist of members who are statutorily required by the Code of Virginia to participate. Under section 2.2-5207 of the code of Virginia, Family Assessment and Planning Teams and under section 2.2-5205 of the code of Virginia, Community Policy and Management teams must have members from the following:

FAPT

- Henry-Martinsville Department of Social Services
- Piedmont Community Services
- Juvenile & Domestic Relations Court Services Unit
- Henry County & Martinsville City Public Schools
- Parent Representative

Optional Appointments

- Virginia Department of Health
- Private Provider

CPMT

- Henry County & Martinsville City Administration
- Henry-Martinsville Department of Social Services
- Piedmont Community Services
- Juvenile & Domestic Relations Court Services Unit
- Henry County & Martinsville City Public Schools
- Private Provider
- Parent Representative
- Virginia Department of Health

Optional Appointments

- Local Government Official
- Local Law Enforcement

FAPT

What we do

"Family Assessment and Planning Team (FAPT)" implements the CSA by recommending services for children and families. FAPT will assess the strengths and needs of youth and families and identify services to meet the families' needs by drawing from the knowledge and experience of its various agency and program representatives. Families are included in all FAPT assessments, service planning, and decision making.

Roles & Responsibilities

Review referrals, determine eligibility, ensure parental participation, development of the Individual and Family Service Plan (IFSP), monitor services, completes utilization reviews, and assess for parental contribution.

CPMT

What we do

"Community Policy and Management Team (CPMT)" plays a vital role in the management of the local CSA program. The CPMT is the local administrative body for the CSA and is established in the Code of Virginia. CPMT is the entity that develops, implements, and monitors the local CSA program through policy development, quality assurance, and oversight functions. Local CPMTs are charged with a wide array of important tasks and each one is valuable to your local CSA program's operation.

Roles & Responsibilities

Planning and Policy Development: Development of interagency policies and procedures to govern the provision of services. Development of interagency fiscal policies, governing access to the state pool of funds. Long-range planning and establishing policies and procedures for appeals by youth and families.

Program and Fiscal Management: Establishing quality assurance and accountability procedures for program utilization and funds management. Reviewing recommendations for, authorizing and monitoring the expenditure of funds by FAPT. Establishing a Utilization Management Process. Ensuring that services and funding seek to serve families in the appropriate, least restrictive environment.

Data Collecting and Reporting: Annually reporting to the Office of Children's Services on the gaps in services necessary to keep children in the community, as well as barriers to the development of these services. Reporting on program and fiscal operations and recommendations for system improvement.

Appointment

THE LOCAL GOVERNING BODY APPOINTS CPMT MEMBERS AND CPMT APPOINTS FAPT MEMBERS. THIS INCLUDES THE HEAD OF THE FOUR CORE AGENCIES (DSS, CSU, SCHOOLS, CSB)

WHAT TO LOOK FOR WHEN APPOINTING A

PRIVATE PROVIDER

- KNOWLEDGE OF A VARIETY OF MENTAL HEALTH SERVICES
- PROFESSIONAL EXPERIENCE WITH CHILD-SERVING, SYSTEM OF CARE NETWORKS
- EXPERIENCE WITH MANAGEMENT AND OVERSIGHT OF POLICIES AND BUDGETS

Note: The private provider and parent representative as well as their alternates are appointed for a two-year renewable term.

PARENT REPRESENTATIVE

- RESIDENT OF THE LOCALITY
- WILLING TO LEARN ABOUT ISSUES AS IT RELATES TO MENTAL OR PHYSICAL SPECIAL NEEDS OF A CHILD
- MUST RESPECT THE BELIEFS AND TRADITIONS OF INDIVIDUALS COMING FROM A VARIETY OF CULTURAL, RELIGIOUS AND ETHNIC BACKGROUNDS
- CONFIDENT AND WILLING TO SPEAK OUT IN GROUPS

Data

DEMOGRAPHICS AND UTILIZATION

	2020	2021	2022	2023
Distinct Child Count	32	38	36	38
Net Expenditures	\$0.6M	\$0.7M	\$1.1M	\$1.2M
Local Net Match	\$0.2M	\$0.2M	\$0.4M	\$0.4M
Average Expenditure	\$18,484	\$18,354	\$29,658	\$30,441
Base Match Rate	0.3321	0.3321	0.3321	0.3321

Conduct a public hearing and consider action as the Land Bank Authority and City Council in support of a development project to be located on the western half of the Armory Property – Community Development Director Keith Holland summarized details about the City's possession of the Armory and the need to transfer the property to the Industrial Development Authority to complete the Contract of Sale to Kayak Hotels, LLC. Mayor Jones opened the floor to public comment. No one approached the podium so the public hearing was closed. Vice Mayor Rawls read the resolution. Council Member Lawson made the motion to approve the resolution; Council Member Pearson seconded the motion with all Council Members voting in favor.

Council Members
LC Jones, Mayor
Aaron Rawls, Vice-Mayor
Kathy Lawson
Tammy Pearson
Lawrence E. Mitchell, Jr.



City Manager
Aretha R. Ferrell-Benavides

Clerk of Council
Karen Roberts

**RESOLUTION
APPROVING REAL ESTATE CONTRACT OF SALE
AND DEVELOPMENT AGREEMENT**

WHEREAS, the City Council (the "Council") of the City of Martinsville, Virginia (the "City") has previously expressed its support for the development of a hotel project (the "Hotel Project") by Kayak Hotels, LLC (the "LLC") on certain property commonly referred to as the western half of the National Guard Armory property that is identified as tax map parcel # 21 (01) 00 /01A, with a street address of 351 West Commonwealth Blvd, Martinsville, VA 24112 (the "Property") for the purposes of promoting economic development in the City; and

WHEREAS, there has been presented to Council a Contract of Sale (the "Contract of Sale") by and between the City, the Industrial Development Authority of the City of Martinsville, Virginia (the "IDA") and the LLC constituting an agreement for the City to convey the Property to the IDA for nominal consideration as authorized by Code of Virginia Section 15.2-953 and for the IDA to convey the Property to the LLC for nominal consideration as authorized by Code of Virginia Section 15.2-4905; and

WHEREAS, there has been presented to Council a Development Agreement (the "Development Agreement") between the City and the LLC for the LLC to develop the Property for commercial use as a hotel (the "Project") and for the City to support the Project.

NOW, THEREFORE, BE IT RESOLVED, that the Council hereby approves the Contract of Sale and the Development Agreement and hereby authorizes the Mayor of the City and the City Manager, or either of them, to execute the Contract of Sale and the Development Agreement, each in substantially the form presented to this meeting with such changes as may be approved by the person executing the same after consultation with counsel for the City; and

BE IT FURTHER RESOLVED that the employees and agents of the City are authorized to take such other actions as necessary or appropriate to carry out the terms of the Contract of Sale and the Development Agreement, and that this Resolution will take effect immediately.

LC Jones, Mayor

55 West Church Street, P. O. Box 1112, Martinsville, VA 24114-1112 276-403-5180 Fax: 276-403-5280
www.martinsville-va.gov

Read a proclamation recognizing November 1, 2023 as Extra Mile Day 2023 – Council Member Pearson explained what Extra Mile Day is and then read the proclamation which will be mailed to the Extra Mile America Foundation.



PROCLAMATION

Extra Mile Day - November 1, 2022

WHEREAS, Martinsville, Virginia is a community which acknowledges that a special vibrancy exists within the entire community when its individual citizens collectively “go the extra mile” in personal effort, volunteerism, and service; and

WHEREAS, Martinsville is a community which encourages its citizens to maximize their personal contribution to the community by giving of themselves wholeheartedly and with total effort, commitment, and conviction to their individual ambitions, family, friends, and community; and

WHEREAS, Martinsville is a community which chooses to shine a light on and celebrate individuals and organizations within its community who “go the extra mile” in order to make a difference and lift up fellow members of their community; and

WHEREAS, Martinsville, acknowledges the mission of Extra Mile America to create 550 Extra Mile cities in America and is proud to support “Extra Mile Day” on November 1, 2023.

NOW THEREFORE, I, LC Jones, Mayor of Martinsville, Virginia, do hereby proclaim November 1, 2023, to be Extra Mile Day. I urge each individual in the community to take time on this day to not only “go the extra mile” in his or her own life, but to also acknowledge all those who are inspirational in their efforts and commitment to make their organizations, families, community, country, or world a better place.

LC Jones, Mayor

Presentation on the Pittsylvania County Community Action, Inc.’s (PCCA) Virginia Weatherization Assistance Program (VWAP) – Executive Director Victoria Minton introduced Director of Housing John Saunders who explained the VWAP program to Council and it’s benefits to Martinsville citizens. Saunders provided contact information for residents who would like to apply for the program and explained the requirements to qualify.

Virginia Weatherization Assistance Program

The Weatherization Assistance Program (WAP) operates in all 50 states, the District of Columbia, Native American tribes, and U.S. Territories. In Virginia the program is administered by the Virginia Department of Housing and Community Development (DHCD) located in Richmond, Virginia (<http://www.dhcd.virginia.gov/>).

21 non-profit organizations provide weatherization services in every town, city, and county in Virginia. The following link will help locate the weatherization provider in your area - <http://www.dhcd.virginia.gov/index.php/housing-programs-and-assistance/73-weatherization.html>.

"Before our house was weatherized, we were struggling to pay off our electricity bill, which had grown to over \$1,000. Thanks to roof and ceiling repairs, improved insulation, and a new heat pump, our electricity bills are down to \$100 or less per month!"
-Candy Moore, Pulaski, Virginia

2012 Weatherization Assistance Program Information Total Homes Weatherized: 6222

What kinds of homes are being weatherized?

Single Family Unit, Owned	42%
Single Family Unit, Rented	3%
Multi Family (3+ Units/Apts)	39%
Mobile Home, Owned	14%
Mobile Home, Rented	2%
Shelter	0%

What are the poverty levels of these residents?*

Under 75% Poverty	33%
75-100%	19%
101-125%	15%
126-150%	11%
Over 150% Poverty	22%

Who lives in these houses?

Elderly-Occupied	40%
Disabled-Occupied	21%
Native American-Occupied	<1%
Children-Occupied less than 18 years	39%

Funding for weatherization services provided by The Department of Energy (DOE), Low-Income Home Energy Assistance Program (LIHEAP), and American Recovery and Reinvestment Act (ARRA).

Weatherization Crews

Highly trained and professionally certified weatherization personnel use advanced energy audits and sophisticated diagnostic equipment to identify cost-effective energy saving measures for each home. Every program operates under an approved set of installation standards that are based on proven best practice approaches. Every program is responsible for a prescribed quality control protocol and is also monitored by the state office (DHCD). These measures include a computerized comprehensive energy audit, heating and cooling system efficiency and safety inspections, blower door directed air-sealing, duct diagnostics and repair, and advanced insulation applications. In Virginia all crews receive specialized training. A nationally certified Department of Energy approved training center, Energy Solutions Research and Training Center (ESRTC), is located in Christiansburg, VA. ESRTC is a state of the art facility with advanced training props, classrooms, equipment, and an experienced training staff. ESRTC is also accredited by the Interstate Renewable Energy Council (IREC). For more information visit: <http://chptrainingcenter.org>

"The new heat pump keeps the temperature consistent and the insulation has plugged all the air leaks and can be noticed already. The men who did the work were very courteous and did an excellent job."
-Doris Ott, Forest, VA

Virginia Weatherization Impact

- Over the life of the measures, weatherization saves 53 metric tons of carbon emissions per home.*
- For every \$1 invested in the program, weatherization returns \$2.51 to the household and the local community.
- Increased job training and local employment.
- Reduces utility bill payments thus creating more disposable income in the household.
- Improved housing quality.
- Improved health and safety for occupants of weatherized homes.
- Saves lives on a daily basis.

"It (weatherization) has made a huge difference in cooling and heating. It has lowered our light bill. We have never seen work get done so fast and very efficient."
-Teaford and Dorothy Martin, Martinsville, VA

*ORNL/TM-2010/66, EIA February 2010 Short Term Energy Outlook
**For 2012 poverty level information visit <http://eaps.hhs.gov/poverty/12poverty.shtml>



The Weatherization Assistance Program

"America's largest, oldest, and most comprehensive residential energy efficiency program."

Mission

The U.S. Department of Energy's Weatherization Assistance Program (WAP) increases the energy efficiency of dwellings occupied by low-income Americans, thereby reducing their energy costs, while safeguarding their health and safety. Among low-income households, the program prioritizes those with elderly residents, individuals with disabilities and families with children.



Operations

Created in 1976, the program utilizes partnerships between state and local level weatherization agencies to achieve its goals. Weatherization programs operate in all 50 states, the District of Columbia and among Native American tribes. More than 970 local agencies comprise this national network. Services are provided in every city, town and county in America. Since the program's inception over 7 million homes have been weatherized.



Weatherization Services

Trained weatherization technicians use advanced energy audits and sophisticated diagnostics equipment to identify cost-effective, energy saving measures for each home. These measures include:

- Heating and Cooling Safety Inspections
- Combustion Appliance Zone Testing
- Whole House Pressure Testing
- Heating and Cooling System Repair and Replacement
- Blower Door Directed Air Sealing
- Duct Diagnostics and Repair
- Advanced Insulation Techniques
- Carbon Monoxide Testing
- Inefficient Appliance Replacement
- Mechanical Ventilation
- Energy Education

Job Creation and the Economy*

- 7,000 living wage jobs are supported by Weatherization.
- Workers are highly trained and certified and make up the largest energy efficiency retrofit workforce in the nation.
- Thousands of local, American businesses are supported by the activities of the Weatherization Assistance Program.
- Weatherization provides a marketplace for innovation in the energy upgrade and energy efficiency retrofit industry and supports the growth of American businesses.

Weatherization Impact**

- Weatherization reduces residential and power plant emissions of carbon dioxide by 2.65 metric tons per year per home.
- Weatherization decreases national energy consumption by the equivalent of 24.1 million barrels of oil annually.
- Over 7.4 million homes weatherized since program's inception.

Leadership

The Weatherization Assistance Program (WAP) has pioneered the tools, techniques, diagnostic approaches, and measures that have laid the foundation for the home performance contracting industry and the national energy efficiency retrofit effort. WAP has developed and implemented proven best practices that are tested daily in real world situations. These applications and this technical expertise have provided the necessary leadership required to address the growing need in our country to make our existing homes more energy efficient.

For More Information

- Department of Energy Office of Weatherization and Intergovernmental Program: <http://www1.eere.energy.gov/wip/>
- Weatherization Assistance Program Technical Assistance Center: <http://www.waptac.org>



The Association of Energy Conservation Professionals (AECOP): <http://www.aecop.org>
220 Parkway Lane, Box 54, Floyd, VA 24091, aecop@svwa.net

*Source: Weatherization Assistance Program Technical Assistance Center (www.waptac.org) **Source: ORNL/TM-2010/66, EIA February 2010 Short Term Energy Outlook

Hear details about Empowering Voices – Founder Latoya Preston provided details about the Empowering Voices organization, and the services they provide. Representative Alice MacIntosh shared details about upcoming events. Beth Vaughn, Community Outreach Manager also shared details about the benefits of the program, stating that trauma is the gateway drug.



Non-profit-Organizers: Latoya Preston, Greg Preston, Torey Morris,
Marsha Evans, Alethea Lambert, Tracy Jones, Chris Wilson, Lisa McIntosh
Email:empoweringvoicesswva@gmail.com

Phone: 276-634-8311

Mission Statement: Our mission is to promote mental health awareness and combat substance abuse within the underserved communities in Martinsville and Henry County, by identifying culturally competent and holistic services that foster healing, empowerment, and resilience.

Sponsored by: Life Stages Enrichment Services Inc.



Various topics to be addressed including bullying, gang violence, substance addiction/ treatment, mental health, domestic violence, community development, trauma, grief, etc.

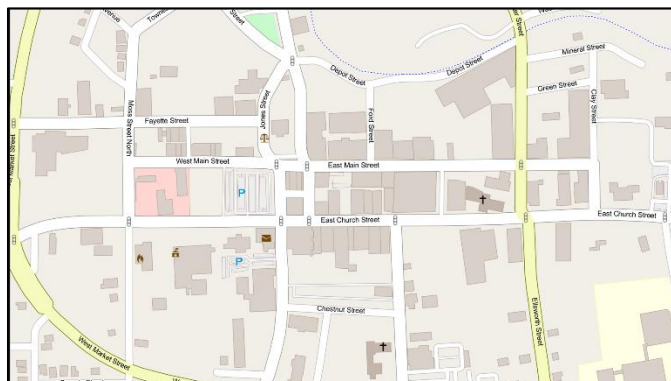
Offer free resources to the community to build healthy relationships within the family unit as a whole, and build community solidarity.

Break-out sessions/ workshops, for men, women, and children to foster healing for the family as whole, offer support to Parents, Teachers, Administrators, and mentoring to students in the Martinsville City and Henry County Schools

Include City Council, Henry County Board Of Supervisors, the Harvest Foundation, Chamber of Commerce, United Way, West Piedmont Health District, Pan-Hellenic Council, Clergy/Local churches, and other organizations, and community partners willing to support the mission.

Planning for the first virtual/in-person session (Marsha Evans, LPC and Lisa McIntosh, LPC) High Ridge Missionary Baptist Church

Presentation on the study to remove signalized intersections – MiNET Director Mike Scaffidi, Public Works Director Greg Maggard and Police Chief Rob Fincher shared information from a recent study of several City intersections and explained which locations would qualify to have the signals replaced by signage. Maggard explained the study and the federal standard used on that study. The lights at East Main and Franklin and the lights on Ellsworth will remain. Chief Fincher explained that stop signs are more enforceable than stop lights. The light arms will remain in case the stop signs don't work as expected and it's decided to go back to the lights. Fincher stated that the stop signs encourage more eye contact and driver-to-driver communication. City Manager Ferrell-Benavides said they will look at how to expand the walkable and activity area Uptown. Scaffidi explained that the lights would remain on flash up to 30-days after the signs are installed and with Council's approval, it would take about 30 days to implement the changes.



Hear an update from Council Members who attended the 2023 Virginia Municipal League

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Conference in Norfolk, Virginia on October 8-10 – Council Member Mitchell said the biggest take away from VML was talking to representatives from other Cities, relating and mingling about similar concerns. Council Member Lawson enjoyed the interactive speaker at the opening ceremony using key words. She attended the Community of Possibilities session where the speaker referred to social engagement and communication. Lawson detailed other sessions that she attended, stating that all were very informative. Anything brought up during business from the floor deserves a follow up. Lawson briefly detailed funding and the city being proactive by being “grant ready”. Lawson did not realize VHDA was a 501C and money could be matched. The city can apply for a multitude of grants, some of which can be stacked with other grants. Mayor Jones said it was a great conference and a great opportunity to meet other council members from all over the state. Jones attended sessions on the Freedom of Information Act and the Conflict-of-Interest Act which gave him a new appreciation for what staff members do every day.

Presentation on the SDL Complaint system roll out – Building Inspector Kris Bridges explained the SDL Complaint system and how to access that through the City website now that the app is live. Bridges stressed that this app is for non-emergency complaints only. Council Members can complete the complaint for citizens who don’t want to use the app. Whoever completes the complaint will receive a confirmation email and an email update each time the status changes on the follow up through correction of the concern.

Consider action as Martinsville Redevelopment and Housing Authority to approve the BB&T Amended Contract of Sale and the Development Agreement, and approval of the Development Agreement by City Council – City Manager stated that there were some changes that the Attorney may need to address. Lawson recommended that Council do Business from the Floor, then recess to closed session to discuss changes with the attorney.

Business from the floor - Ural Harris, 217 Stuart Street asked Council to reconsider the increase which will pose a hardship on residents on social security and fixed income. Harris pointed out that Vice Mayor Rawls and Mayor Jones promised transparency and integrity and accused them of not being truthful with the citizens. His bill has gone up \$210 a year, some residents bills have seen a \$500 or more increase. If school administration is not providing results, then council needs to fire them all and get someone who can. Harris pointed out that Pearson and Jones don’t send their own children to Martinsville schools. These increases show no concern for the citizens of the city and there are only 4 other localities with lower scores than Martinsville. The city population has dropped, and the cold winter will put a hardship on citizens.

Comments from Members of Council – Council Member Mitchell referenced the cameras at the intersections at the schools and his experience at VML and how they’ll track the cars and fines owed. Council Member Pearson welcomed the new City Manager. Halloween will be on Halloween Day, Tuesday October 31. Race weekend is coming up, so Pearson encourages

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residents to welcome out of town race fans. Pearson mentioned the Bones and Booze event at VMNH event. Pearson had the opportunity to attend the Housing Summit in Danville; she thanked Vice Mayor Rawls for his presentation at that event. Thanks to employees and the Police Department for making Oktoberfest successful. The Martinsville/Henry County warming center will open next week and when temperatures get below 40 degrees; the warming center will be located at the Salvation Army. Pearson asked about parking on Main Street and asked how the Police Department is enforcing the issue. Police Chief Rob Fincher explained that officers are writing tickets and it's an ongoing process; some of the tickets have not been paid yet and some people like to push the issue. Unpaid tickets go to court and those fees increase. Council Member Lawson announced the passing of Betsy Pace who served as the senior citizen coordinator from 1993-2021 and asked for prayers for her family. Lawson made the request that if Council plans to hold an unscheduled meeting, she would appreciate it if a poll could be done to ensure all members can attend. Lawson pointed out that Uptown trick-or-treat would be 4:00-6:00PM Tuesday on Main and Church streets uptown. Christmas Cheer is accepting applications through November 16 for families needing assistance this holiday season. Vice Mayor Rawls said the City Manager was well versed in FOIA and he requests her input on what can be discussed in closed and what would need to be on the open agenda. He wants to ensure that council follows the right format. Rawls is thankful for the work done on the signaling study and would like to get signal arms covered with something that looks nice. Rawls explained that Martinsville made a splash at the Housing Summit which reintroduced Martinsville to the world. He's received a number of emails and unsolicited proposals. Rawls would like to see more events at VMNH and encourages residents to attend. Rawls discussed the proposed electric rate increase and encouraged residents to look at other locations and they'll see that rates have gone up everywhere. The schools were painted in a negative light in a recently; Rawls explained that data is available on the Martinsville website. The warming center will open November 4 and they are taking donations and in need of volunteers. Martinsville Middle School recently opened the Kennel Café to teach students skills. With so much violence, Mayor Jones encourages all citizens to look in the mirror and be conscious of how we treat others, how we communicate, and how we can contribute to making the city a better place.

Comments by City Manager – City Manager Aretha Ferrell-Benavides thanked Mayor Jones and Council for the vote of confidence; it's an honor to be here. Interim City Manager Glen Adams had a family member pass away, so he left the city earlier than expected. November is a busy month; she suggested cancelling the November 11 Council meeting be rescheduled for November 28.

At 8:55pm, Council Member Lawson made the motion to reconvene closed session with consultation with legal counsel, Vice Mayor Rawls seconded the motion with all Council Members voting in favor.

Consider action as Martinsville Redevelopment and Housing Authority to approve the BB&T building Amended Contract of Sale and approval of the Development Agreement by City Council -

DNE ELLSWORTH STREET, MARTINSVILLE, VIRGINIA AMENDED CONTRACT OF SALE THIS AMENDED CONTRACT OF SALE ("Contract"), made this _____ day of 2023, ("Effective Date"), between THE CITY OF MARTINSVILLE REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision of the Commonwealth of Virginia ("Seller"), and JRS REALTY PARTNERS, LLC, a Virginia limited liability company ("Buyer"), and/or its assigns. WITNESSETH, that Seller hereby agrees to bargain, sell, and convey to Buyer, and the Buyer hereby agrees to purchase from the Seller the following properties, together with all improvements thereon and appurtenances thereunto belonging (the "Property"), to wit: Property Address: 1 Ellsworth Street, Martinsville, VA 24112 Tax Map No.: 33/03/M-01; 33/03/M-02; 33/03/M-03; 33/03/M-03A; 33/03/M-02; 33/03/M-04; 33/03/M-07; 33/03/M-08 Common Description: The BB&T Building Parcel ID: 000618500; 000618200; 000618000; 000785900; 000021800; 000618100; 000617900; 000618400 NOW, THEREFORE, in consideration of the mutual rights and obligations hereunder (as hereinafter defined), Buyer hereby agrees to buy the Property, and Seller agrees to sell the Property, upon the terms and conditions hereinafter set forth. 1. Purchase Price. The purchase price of the Property shall be the sum of TWENTY-FIVE THOUSAND DOLLARS and 00/100 cents (\$25,000.00). A deposit in the amount of Ten Thousand and 00/100 Dollars (\$10,000) shall be placed in escrow with Sands Anderson PC within five (5) days of full execution of this Contract. 2. Due Diligence Period. The Buyer shall have until April 15, 2024, to perform its due diligence (the "Due Diligence Period"). During the Due Diligence Period, Buyer, its agents, employees, representatives and contractors, at Buyer's sole cost and expense, may perform such tests, inspections and examinations (the "Investigations") of the Property as Buyer deems advisable, including (without limitation) investigations with regard to title, physical condition, environmental matters, matters of survey, flood plain, utilities availability, zoning and building code and other applicable governmental requirements, financing requirements, and development requirements. Buyer shall not damage or alter the Property while conducting its inspections, tests and studies. Buyer shall repair at its expense and be responsible for any damage to the Property caused by its investigations. Buyer may terminate this Contract for any reason, in its sole discretion, during the Due Diligence Period, by providing written notice of termination to Seller, and if it so terminates this Contract, Buyer will be entitled to a refund of the Deposit. 3. Personal Property. Seller shall retain ownership of all personal property located on the premises, and may remove the same (but shall not be required to do so), until the Closing	Date. Upon closing, any remaining personal property shall become the property of Buyer, who may dispose of it in whatever manner Buyer determines. 4. Closing. Settlement shall be at a location selected by the Buyer, on or before 12:00p.m. on August 15, 2024 (the "Closing Date"). 5. Development Agreement. Seller shall use its best efforts to assist Buyer in obtaining approval by the City Council of the City of Martinsville of the Development Agreement substantially in the form set forth in Exhibit "B" attached hereto. 6. Seller's Materials. Within thirty (30) business days of the execution of this Contract, Seller will provide Buyer with copies of any and all Property due diligence items in Seller's possession and reasonably requested by the Buyer. These include, but are not limited to, surveys and plans of the Property, historic photos and plans, any building plans, any environmental studies or written communications with the EPA or DEQ or any other governmental agency, any Phase 1 and/or 2 environmental reports, the title commitment or policy for the Property, and any physical inspections reports or warranties such as roof and HVAC, may be reasonable requested by Buyer. 7. Survey. The parties agree that Seller has provided to Buyer, at Seller's cost and expense, an American Land Title Association, and topographic survey and assign its rights in the survey files (digital "d" files and hard-copy) and title search information to the Buyer. 8. Phase I Report. The parties agree that Seller has provided to Buyer, at Seller's cost and expense, a current Phase I ESA report of the Property, including a lead and asbestos survey of the Property (the "Current Phase I Report"). 9. Access. The parties agree that as soon as is reasonably practicable after execution of this Contract, Seller will provide Buyer copies of any keys, codes, or other security devices in its possession, if any, used to access the Property, and shall provide Buyer with access to the Property. 10. Indemnification. Buyer shall indemnify and hold harmless Seller, the City of Martinsville, and their principals, employees, agents and assigns, from any and all claims, including litigation costs and attorneys' fees, which in any way arise from access to the Property by Seller, its employees, agents, contractors, or assigns, or their acts or omissions while on the Property. 11. Remediation. Seller shall have no responsibility for repair or remediation of environmental hazards including asbestos, tanks, drums and leaking and loose lead paint on the Property, whether or not reported or recommended in the Current Phase I Report, which remediation shall be undertaken by Buyer. To the extent permissible under law, Seller shall assign to Buyer any grants received with respect to remediation of the Property. If assumption of such grants is not permissible, Seller shall use any such grants to pay the costs of such remediation. Seller shall apply for a Brownfields remediation grant for the site, the parties acknowledge that there is no guarantee such grant funds will be received.	12. Cooperation. Buyer shall be solely responsible for obtaining at its expense any zoning, permits, or approvals required for its use of the Property, but Seller shall provide reasonable cooperation if required. Seller agrees that, if requested by Buyer, it will be an applicant or co-applicant, as described in the Development Agreement, on any project grant applications, historic tax credit applications, or any other incentive application, and will coordinate and cooperate with Buyer to the extent necessary to accomplish the same. 13. Reopening. Upon request of Buyer, within ninety (90) days of the execution of this Contract, Seller shall apply to have the Property rezoned to a zoning classification approved by the Buyer, at no expense to the Buyer. 14. Insurance. Seller shall continue to maintain in full force and effect such casualty and liability insurance on or with respect to the Property as it maintains in the ordinary course of business, it being understood and agreed that all risk of loss with respect to the Property, except as may be caused by the acts or omissions of Buyer or its employees, agents, or contractors, shall remain with Seller through Closing. In the event that prior to the Closing Date, the improvements on the Property are materially damaged, destroyed, or rendered unusable by fire, casualty, or other cause, then Seller may, at its option, terminate this Contract and the Deposit shall be refunded to Buyer. If Seller does not terminate this Contract, then the parties shall proceed with the transaction contemplated herein, in which event Buyer shall be entitled to receive, as applicable, insurance proceeds no less than as they are applied toward Project expenses, including any soft costs the Buyer has incurred. 15. Approvals. Seller shall use good faith efforts to obtain all approvals, votes, and ordinances that are required under applicable law for the sale of municipal property, including those set forth in Virginia Code Sections 15.2-1800 et seq. and 15.2-2100 et seq, and shall also seek all approvals necessary to extend the current Uptown Martinsville historic district to include the Property. 16. Historic Tax Credit. Buyer shall act as the applicant for "Part 1 and Part 2" historic rehabilitation tax credit applications to both the Virginia Department of Historic Resources and the National Park Service. Seller shall cooperate and provide any relevant information in its possession to complete and submit those applications. Buyer shall pay the fees associated with those applications. Should the project not proceed, the intellectual property contained within those documents will remain the property of Buyer. 17. Status Reports. Buyer shall provide reasonably detailed status reports in writing to Seller every ninety (90) days until the Closing Date. Such reports shall generally describe Buyer's due diligence inspections and results as well as Buyer's efforts to obtain financing. 18. Conveyance. Seller shall convey the Property by Special Warranty Deed (the "Deed") to Buyer at Closing. 19. Closing Costs. All expenses of the Property, including but not limited to, real property taxes, rents, utility charges, annual permits and other expenses normal to ownership,
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use, operation and maintenance of the Property, shall be prorated as of 11:59 PM on the Closing Date (i.e., Seller shall be responsible for all items of expense and entitled to all items of income attributable to the day of Closing). Seller shall pay (a) Seller's share of proration; (b) rate and local grantor's tax (if any); (c) cost of Buyer's title insurance policy; (iv) the costs of the Survey; and (v) any recording charges for the Deed, including state and local recording taxes other than the grantor's tax, as applicable. Buyer and Seller shall each pay their own legal and professional fees and fees of their consultants. 20. Title. Seller shall convey fee simple title to the Property to Seller free and clear of all liens, claims and encumbrances, except as otherwise noted herein. Notwithstanding any other provision of this Agreement, Seller shall be unconditionally obligated to cure or remove (a) liens securing a mortgage, deed of trust and any ancillary encumbrances, including but not limited to, assignments of leases, rents or proceeds and UCC-1 financing statements; and (b) all indentured liens, other liens, attachments and any other matters evidencing monetary encumbrances (other than liens for non-delinquent property taxes). This sale is made subject to restrictions, covenants, agreements, and assessments of record as of the Effective Date. 21. Assignment. Buyer may, with prior notice to Seller, assign this contract at its sole and absolute discretion to an entity created and controlled by Buyer to construct the Project, provided such entity shall be registered to conduct business in the Commonwealth of Virginia. 22. Brokers. Seller represents and warrants to Buyer, and Buyer represents and warrants to Seller, that each engaged no real estate broker, salesperson or other intermediary to assist in the transfer of the Property from Seller to Buyer. Buyer hereby agrees to indemnify, defend and hold Seller harmless from and against any claim arising out of a breach of the representations and warranties in this Section. The representations, warranties, and indemnification obligations set forth in this Section shall survive Closing and/or the termination of this Contract. 23. AS IS, WITHOUT WARRANTY. BUYER ACCEPTS THAT THE PROPERTY WILL CONVEY IN "AS IS, WHERE IS" CONDITION WITH ALL FAULTS. SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, WHETHER EXPRESS, IMPLIED, OR ARISING BY OPERATION OF LAW, WITH RESPECT TO THE PROPERTY OR ANY PORTION, ASPECT, OR COMPONENT THEREOF, AND EXPRESSLY DISCLAIMS THE SAME. LIKEWISE, SELLER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, WHETHER EXPRESS, IMPLIED, OR ARISING BY OPERATION OF LAW, WITH RESPECT TO ANY THIRD PARTY DOCUMENTS, REPORTS, OR MATERIALS PROVIDED OR MADE AVAILABLE TO BUYER BY SELLER OR ITS AGENTS, OR THE ACCURACY OF THE INFORMATION CONTAINED THEREIN, AND EXPRESSLY DISCLAIMS THE SAME. THE FOREGOING DISCLAIMERS OF THIRD PARTY MATERIALS INCLUDE, BUT ARE NOT LIMITED TO, THIRD PARTY MATERIALS ADDRESSING MATTERS OF TITLE, SURVEY, PHYSICAL CONDITION (INCLUDING WITHOUT LIMITATION ENVIRONMENTAL CONDITION OR PRESENCE OR ABSENCE OF HAZARDOUS SUBSTANCES), ZONING, TAX STATUS OR CONSEQUENCES, FITNESS FOR A PARTICULAR PURPOSE OR USE,	COMPLIANCE WITH GOVERNMENTAL REQUIREMENTS, ACCESS TO THE PROPERTY, AND AVAILABILITY OF UTILITIES. 24. Leases. Seller states that there are no outstanding leases or license agreements affecting all or any portion of the Property as of the Effective Date. 25. Time of the Essence. Time is of the essence of this Contract. No delays or extensions shall be permitted to Buyer unless expressly agreed to by Seller. 26. Applicable Law. This Contract is a Virginia contract, subject to interpretation and enforcement under the laws of the Commonwealth of Virginia. Any lawsuit brought for such interpretation and enforcement shall be <u>venue</u>d in the Circuit Court of the City of Martinsville, Virginia, and each party shall bear its own costs and attorney's fees incurred therein. 27. Integration. This Contract represents the final understanding between Buyer and Seller with respect to the transaction described herein, there being no representations or agreements made between seller or Buyer with regard to the Property, except those contained in this Contract and its addendums. In addition, this Contract constitutes the entire understanding among the parties, and shall be deemed to supersede all prior written or verbal communications among the parties. This Contract may not be modified or terminated, unless in writing signed by the Buyer and Seller. 28. Survival. The representations, warranties, and indemnities of Buyer and Seller under this Contract shall survive settlement and delivery of the Deed or the termination of this Contract for one (1) year. 29. Successors and Assigns. This Contract and the provisions hereof shall be binding upon and shall inure to the benefit of the Seller and Buyer and their respective heirs, executors, administrators, personal representatives, successors, and assigns.	WITNESS the following signatures and seals as of the date first above written: SELLER: MARTINSVILLE REDEVELOPMENT AND HOUSING AUTHORITY _____ DATE _____ COMMONWEALTH OF VIRGINIA, City of Martinsville, to-wit: I, _____, Notary Public for the Commonwealth of Virginia, do hereby certify that Leon Tovarnicki, Executive Director, who has the authority to sign on behalf of the Seller, MARTINSVILLE REDEVELOPMENT AND HOUSING AUTHORITY, whose name is signed the foregoing document dated the _____ day of _____, 20____, has acknowledged the same before me in my jurisdiction aforesaid. My commission expires: _____ Notary Public BUYER: JRS REALTY PARTNERS, LLC _____ DATE _____ STATE OF _____, _____ City/County of _____, to-wit: I, _____, Notary Public, do hereby certify that John A. Garland, Manager, who has the authority to sign on behalf of the Buyer, JRS REALTY PARTNERS, LLC, whose name is signed to the foregoing document dated the _____ day of _____, 20____, has acknowledged the same before me in my jurisdiction aforesaid. My commission expires: _____ Notary Public
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EXHIBIT "A" TO PURCHASE CONTRACT
Legal Description of Property

Parcel I: Item I: ALL that certain lot, piece or parcel of land lying in the City of Martinsville, Virginia, where the South line of Church Street crosses an intersection with the East line of Ellsworth Street and being more particularly described as follows, to-wit:

BEGINNING at a point on the Southerly side of Church Street where same intersects the East line of Ellsworth Street and running from said beginning point and with the East line of Ellsworth Street, S. 14° 02' W. 256.07 feet to the Southerly side of a 20 foot alley; thence with the Northerly line of said alley, S. 79° 57' E. 120 feet to point marking the dividing line between the property herein conveyed and the property of Gertie W. English and the L. J. English Estate thence with said last mentioned dividing line, N. 14° 02' E. 274.17 feet to the Southerly side of Church Street, thence with the same, N. 79° 02' W. 120 feet to the point of beginning.

Item II: ALL that certain lot or parcel of real estate situated at a point on the East side of Ellsworth Street, which point of beginning is 266.07 feet from where the East line of Ellsworth Street intersects the South line of Church Street, which point of beginning is also where the East line of Ellsworth Street is intersected by the South line of a 20 foot alley and running from said beginning point and with the line of said alley, S. 79° 57' E. 205.20 feet to a point; thence S. 8° 53' W. 59.24 feet to the dividing line between the property herein conveyed and the Joe McGinnis property; thence with said last mentioned dividing line, N. 77° 34' W. 205.41 feet to the East line of Ellsworth Street, and thence with the same, N. 9° 27' E. 65 feet to the point of beginning.

Item III: Also conveyed herein are any reversionary rights in the 20 foot alley leading from Ellsworth Street in an Easterly direction and which lies between Items I and II herein above described. It is intent to convey all the right, title and interest in and to any property or rights to property owned at the designated location above and as shown on a recent plat of J. H. Spencer Estate as surveyed by W. C. Brown, Civil Engineer, December 1, 1954, and which is of record in the City of Martinsville Circuit Court Clerk's Office in Map Book 4, page 20.

LESS AND EXCEPT that strip or parcel of land for the street widening conveyed to the City of Martinsville, a Virginia municipal corporation, by deed dated July 13, 1973, and recorded July 19, 1973, in the Clerk's Office, Circuit Court, City of Martinsville, Virginia in Deed Book 110, page 671.

Parcel II: Item I: ALL of the hereinafter described realty together with all improvements thereon and appurtenances thereto appertaining, which really is situated in Martinsville City, Virginia described by metes and bounds from any place styled, "Record Plat for Piedmont Consumer Corporation," made by deed of Gertie W. English and the L. J. English Estate, Circuit Court, City of Martinsville, Virginia, and described from said map as follows:

BEGINNING at an iron stake in the Southern margin of East Church Street, which stake is S 79° 06' 40" E 176 feet from an iron stake at the Northwest corner of the lot of Piedmont Investment

Corporation, located at the intersection of the Eastern margin of Ellsworth Street and the Southern margin of Church Street, said stake being also located at the point of intersection of the dividing line between the lot of Tandoff, Inc., and the realty hereby conveyed, thence with the Southern margin of East Church Street S 79° 06' 40" E 106 feet to an iron stake in the 12 foot joint alley between the property of the G. A. Brown Estate and the C. B. Kessner Trust; thence off and with the last mentioned dividing line S 11° 15' 30" W 275.16 feet to an iron stake in said dividing line; thence continuing S 10° 13' 00" W 20.10 feet to an iron stake; thence N 74° 03' 17" W 89.25 feet to and iron stake in the Southern margin of a 20 foot alley; thence off and with the East line of said alley N 4° 53' 39" E 20.15 feet to an iron stake at the Southern corner of the lot of Tandoff, Inc.; thence with the dividing line between the lot of Tandoff, Inc., and that of the G. A. Brown Estate, N 7° 10' E 59.85 feet to an iron stake in said dividing line; thence continuing with said dividing line N 8° 13' 18" E 253.42 feet to an iron stake in the Southern margin of East Church Street, the point of beginning.

LESS AND EXCEPT that piece or parcel of land conveyed to Tandoff, Inc. a Virginia corporation, by deed of exchange, dated March 20, 1965, in the Clerk's Office, Circuit Court, Martinsville, Virginia, in Deed Book 166, page 165. **SUBJECT** TO any easement for ingress and egress purposes as contained in instrument recorded in the aforesaid Clerk's Office in Deed Book 2, page 125, **TOGETHER** WITH a perpetual easement of ingress and egress extending from the rear of the above parcel in a westerly direction to Ellsworth Street.

Item II: THE following described property:

BEGINNING at a point on the South margin of Church Street, said point being located S 79° 06' 40" E 120 feet from the intersection of the South margin of Church Street with the East margin of Ellsworth Street, thence from said point of beginning and with Church Street S 79° 06' 40" E 56 feet to a point marking the dividing line between the property of Tandoff, Inc., and G. A. Brown Estate; thence with said dividing line S 8° 58' 33" W 215.42 feet to a point; thence S 2° 10' W 59.85 feet to an iron stake on the Northeast corner of a 20 foot alley; thence with said alley N 79° 57' 85 feet to a point marking the dividing line between the property of Tandoff, Inc., and the property of Piedmont Investment Corporation; thence with said dividing line N 14° 02' 48" E 274.31 feet to the point of beginning.

Item III: ALL that certain lot or parcel of real estate situated on the South side of Church Street, in the City of Martinsville, Virginia and being more particularly described as follows:

BEGINNING at a point which is S. 79° 06' 40" E 120 feet from a point marking the intersection of the South margin of Church Street with the East margin of Ellsworth Street, thence running with the South margin of Church Street S 79° 06' 40" E 92 feet to a point; thence S 2° 10' W 59.85 feet to an iron stake on the Northeast corner of the lot now or formerly owned by Mary Harris Adams, et al.; thence with their line easterly with a fence, N 78° 57' 55" W 205.58 feet to an iron rod in the East margin of Ellsworth Street; thence with the East margin of Ellsworth Street, N 9° 27' E 50 feet to the point of beginning; all as shown on Plat of Survey for The First National Bank of Martinsville and Branch, dated March 14, 1974, by J. A. Gustin & Associates, C.E., which map is recorded in the Clerk's Office, Circuit Court, City of Martinsville, Virginia, in Map Book 12, page 167, to which map reference is hereby made for a more particular description of the property hereby conveyed.

SUBJECT TO that certain Deed of Easement and Agreement between Piedmont Investment Corporation, Piedmont Consumer Corporation, Tandoff, Inc., and The School Board of the City of Martinsville, Virginia, dated March 20, 1965 and recorded in Deed Book 80, page 170.

Parcel III: Item I: All the parcel of land hereinafter described situated on the east side of Ellsworth Street in the City of Martinsville, Virginia, together with improvements therein located and bounded and described as follows:

BEGINNING at a point in the dividing property line between the lot herein conveyed and a lot owned by Piedmont Consumer Corporation (formerly owned by English) said point also being 5.00 feet in an eastern direction along said dividing line from the present east right-of-way line of Ellsworth Street; thence having said beginning point parallel with and 5.00 feet east of said right-of-way line 5.00 feet to a point in the dividing line between the herein conveyed lot and a lot owned by G. B. Adams; said point also being 5.00 feet in an eastern direction along said dividing line from the present east right-of-way line of Ellsworth Street; thence said dividing line in an eastern direction 200 feet more or less to a lot owned by the City School Board (formerly the Daily property); thence with that line in a northern direction 50 feet to the common rear corner of the lot herein conveyed and the corner of the aforesaid lot owned by Piedmont Consumer Corporation; thence with that line N 7° W 200 feet more or less to the point of beginning, and containing approximately 10,000 square feet of land. There is hereby expressly reserved a strip six feet wide and located on the south side of the lot above described, which together with a strip six feet wide and reserved from the G. B. Adams lot shall be used as a joint twelve foot alleyway for the benefit of Piedmont Consumer Corporation and for the benefit of G. B. Adams, or his heirs and assigns.

It is expressly understood that the City of Martinsville, Virginia retains a strip of land 5.00 feet wide, parallel with and adjacent to the present east right-of-way line of Ellsworth Street, and located between the dividing property line of the property above conveyed and property belonging to Piedmont Consumer Corporation to the dividing line between the above conveyed property and property owned by G. B. Adams. The said strip of land is for the express purpose of increasing the right of way of Ellsworth Street for future improvements thereon.

Item II: Parcel Two: ALL that certain lot or parcel of land, with appurtenances thereto appertaining, situated on the East side of Ellsworth Street in the City of Martinsville, Virginia, and being more particularly bounded and described as follows, to-wit: **BEGINNING** at an iron spike set in pavement in the East margin of Ellsworth Street at the southeast corner of the lot now or formerly owned by Piedmont Consumer Corporation; thence with the line S 78° 57' 55" E 205.65 feet to an iron stake in the rear line in a tier of lots; thence with said rear line, S 9° 34' W 50 feet to an iron stake on the northeast corner of the lot now or formerly owned by Mary Harris Adams, et al.; thence with their line easterly with a fence, N 78° 57' 55" W 205.58 feet to an iron rod in the East margin of Ellsworth Street; thence with the East margin of Ellsworth Street, N 9° 27' E 50 feet to the point of beginning; all as shown on Plat of Survey for The First National Bank of Martinsville and Branch, dated March 14, 1974, by J. A. Gustin & Associates, C.E., which map is recorded in the Clerk's Office, Circuit Court, City of Martinsville, Virginia, in Map Book 12, page 167, to which map reference is hereby made for a more particular description of the property hereby conveyed.

EXHIBIT "B" TO PURCHASE CONTRACT
ONE ELLSWORTH STREET
MARTINSVILLE, VIRGINIA

Development Agreement

THIS DEVELOPMENT AGREEMENT, (the "Agreement") made as of this _____ day of _____, 20____, between the "Effective Date" hereinafter defined, the CITY OF MARTINSVILLE, a municipality in the Commonwealth of Virginia ("City"), the CITY OF MARTINSVILLE REDEVELOPMENT AND HOUSING AUTHORITY, a political subdivision of the Commonwealth of Virginia ("MRHA") and JTS REALTY PARTNERS, LLC, a Virginia limited liability company ("Developer"), and of its assigns.

RECITALS:

- The MRHA has acquired for redevelopment certain real property and improvements located thereon situated at 1 Ellsworth Street, Martinsville, Virginia 24112, currently known as the BB&T Building (the "Site").
- MRHA desires to redevelop the Site for residential and commercial uses (referred to herein as the "Project") and wishes that Developer serve as the developer for the project.
- As a condition of its proposal to redevelop the Site, Developer desires that the City provide certain services or other deliverables as described in this Agreement.

The City desires to provide the services and other deliverables described in this Agreement to facilitate the redevelopment of the Site by Developer.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the City and Developer agree as follows:

Redevelopment of the property shall be conducted in accordance with sections 3 and 4 of the "BB&T Building Revitalization Project Proposal," 1 Ellsworth Street Martinsville, Virginia" dated August 23, 2012, and incorporated herein as if fully set forth. To the extent the text thereof deviates from the text of this Development Agreement, the text of the Development Agreement shall govern.

ARTICLE I
Developer Obligations

- Developer shall redevelop the Site in accordance with the provisions of this Agreement (the "Project"). The redevelopment shall be conducted in compliance with the Virginia Department of Historic Resources and the National Park Service approvals of the "Part I and Part 2" historic rehabilitation tax credit applications, and with the Secretary of the Interior's Standards for Rehabilitation.
- Within sixty (60) days after purchasing the Site, Developer shall commence construction of the Project. Developer shall complete the Project within twenty-four (24) months after

commencement of construction. All costs of every kind and description associated with the Project shall be borne by Developer, except those costs to be waived or paid for by the City as more particularly described herein. In constructing the Project, Developer shall comply with all applicable laws, codes, and regulations.

- Developer shall develop the Site as a mixed-used commercial and residential building, as follows:
 - At least one commercial, office, food and/or beverage service, or retail space open to the general public shall be installed on the main first floor.
 - Common area and amenity space (for residents only) in such areas of the building as Developer determines.
 - Developer shall install a commercial food and beverage service located on the roof and open to the general public.
 - Any substantial deviation from the requirements of this Section 3 shall be jointly approved by the parties.
- Developer shall be responsible for marketing and leasing the residential and commercial units at the Site.
- Developer shall continue to lease space for the telecommunications towers on the roof of the Site, as existence at the execution of this Agreement, to the City and its successors and assigns, and lease shall be free of charge, shall be perpetual, and the City shall have the right to sublease space on the towers to any third party. The City shall be given unrestricted access to the roof for construction, maintenance and replacement of any such towers. Alternatively, the City shall have the sole and exclusive right to discontinue use of said telecommunications towers, or to remove them.
- Developer, or its successors or assigns, shall at all times relevant hereto maintain its corporate status and registration to conduct business in the Commonwealth of Virginia.

ARTICLE II
City Obligations

- In addition to the foregoing, the City agrees to provide the following in conjunction with the redevelopment and Construction of the Site by Developer:
 - The City will assist Developer in seeking incentives capital from the Virginia Main Street Program comprising feasibility analysis funds, downtown improvement funds or CDBG funds, if such funds are available.
 - The City agrees not to seek funds for any additional funds that may be available to the project, such as those from the Industrial Revitalization Fund, but that must be procured by a not-for-profit entity or municipality. This may be accomplished via a City-related entity

such as economic development and/or redevelopment authority.

- As the Site is located within the local Enterprise Zone, the City will waive or rebate any and all city-issued fees related to the project, including, but not limited to, all building permits, sign permits and utility connection fees, trade permit fees, plan review fees, application fees, recording fees, convenience or tap fees, etc.
- MRHA shall, for a period of ten years after sale to Developer, rebate within 5 business days of payment all real estate taxes in excess of the amount owed annually upon the date of closing.

- The City will ensure that all necessary utilities sufficient for the proposed redeveloped use of the Site - including water, sewer, storm water, telecommunications, and electric - are extended to the property line of the Site. The City agrees to assist Developer with requests to placing equipment, making connections, etc.

- The City will provide any necessary sidewalk improvements, including any to allow ADA access over those existing or proposed sidewalks. ADA accessibility into the Site itself shall remain the sole responsibility of Developer.

- The City will provide any necessary curb or gutter improvements.

- The City will provide any necessary streetlight improvements, should they be required.

- If the Site needs to be rezoned, the City will initiate a change of that zoning within the first 30 days of this Agreement to accommodate the proposed development and approve such zoning no 90 days.

- All water service and sewer taps, including those for operation of the sprinkler, are constructed to be complete, operational and serviceable (generally "grandfathered"). No new taps shall be required of the Developer, nor any vaults, meters or any other piece of infrastructure or equipment. If at any time before a CO is granted on the building the project come under the purview or control of a water authority, or should the local government Water Authority or municipality, reviewing official or the Developer's civil engineer determine any of the existing infrastructure to be obsolete, or require in any way to be upgraded, or if any fee shall be imposed, these costs and fees shall be paid by the City. This includes, but is not limited to, tap fees, connection fees, convenience fees, taxes, vaults, flow meters, service meters, sewer flow meters, door fees, etc. Water shall also be billed as it is used in occupied space, and not on any minimum billing "floor", or minimum amount per use.

- Within 30 days of this signed Agreement, the City shall provide pressure and flow readings at the hydrants in proximity to the building and ensure that both are adequate for the Developer's and goals of providing adequate water pressure and flow to fire sprinklers.

- Abatement of asbestos on the property shall be conducted by Developer, but reimbursed by MRHA in an amount not to exceed \$400,000. Removal of all HVAC and electrical components on the property shall be conducted by Developer, but reimbursed by MRHA

in an amount not to exceed \$300,000.00. City shall retain all HVAC and electrical components removed from the site.

- All of the preceding obligations of the City as described in this Article II with respect to the Project shall be provided to Developer free of cost unless otherwise noted.

ARTICLE III
Failure to Perform

If Developer does not develop the property within the 36 months set forth herein, or any mutually agreed upon extension, the City shall have the right to terminate this Development Agreement and acquire the property and any improvements thereon at the Developer's cost of acquisition as set forth in the Contract of Sale. This right of reacquisition shall be subordinated to any security interests recorded against the Site by any entities providing capital investment, loan or other financing for the Project.

ARTICLE IV
Confidentiality

The parties to this Agreement shall hold in confidence all information contained in the Agreement or related in any way to the development or marketing of the Site, including without limitation, any information related to the rental rate of units or incentive packages offered to prospective lessees.

ARTICLE V
Liens

Developer shall bear all liability for or obligation as result of any material, materials', or similar lien, which arises in connection with the Project arising from the failure of Developer to timely pay claimant such lien money paid to Developer which were examined or otherwise allocated for disbursement to the party claiming such lien. In the event that any party hereto receives actual notice of any such lien, the party receiving such notice shall give the other parties prompt notice of such lien.

ARTICLE VI
Force Majeure

In the event that any party to this Agreement (the "Delivered Party") is delayed or prevented from performing any of its respective obligations under this Agreement by natural or governmental order strikes, lockouts, labor problems, inability to procure materials, contractors, professionals, inability to obtain utilities or failure of utilities, laws or other governmental regulations, riots, war, factors related to COVID-19 or similar matter without limitation, contractor availability, governmental shutdowns or reduced availability, increased safety or health protocols, unavailability of materials, or other matters, or other cause not brought about by the Delayed

Party, and not related to any financial liability on the part of the Delayed Party, the time for performance of the obligation shall be extended by a period of time equal to the period of such delay or prevention. If the period of delay as a result of the force majeure event exceeds 180 days, Developer may at its option declare this Agreement null and void and there shall be no further liability on the part of either party to the other except as expressly provided in the Agreement.] For purposes of this provision, a "monetary" means any statute, regulation, ordinance, legislation, order, judgment, ruling or decree of any governmental authority or of any court enacted, adopted, issued, entered or pending which would (i) have a material adverse effect on the value of the Site or the results of the Site, (ii) prohibit the transaction contemplated hereby, or (iii) have a material adverse effect on Developer's ability to operate and manage the Site.

ARTICLE VII
Disclaimer of Liability

No warranties or representations have been made by the City concerning the Project, including without limitation intended, the economic, legal, or physical feasibility of Project, or the suitability of the Site, or the merchantability, fitness or suitability of the completed Project. The City hereby disclaims any implied warranty or representation concerning the Project, including without limitation intended, those aspects described in the immediately preceding sentence.

ARTICLE VIII
Notices

Any notice, demand, request, approval, consent, or other communication (collectively referred to as a "Notice") concerning this Agreement or any matter arising in connection with this Agreement shall be in writing and addressed to the other party at the address set forth below. Any Notice shall be given by either: (i) personal delivery, in which event it shall be deemed given on the date of delivery; or (ii) certified mail return receipt requested, in which event it shall be deemed given three (3) business days after the date deposited in any post office, branch post office, or official depository. Any party may change any address for the delivery of Notice to such party, by giving Notice in accordance with the provisions of the Contract. The attorneys for the parties may give any Notice.

ARTICLE IX
Miscellaneous

- The rights and obligations of the parties under this Agreement shall inure to the benefit of and be binding upon the parties hereto and all persons who succeed to their respective rights and obligations. The parties may make inactive interest related to conduct the performance of any provision herein.
- This Agreement cannot be changed nor can any provision of this Agreement, or any right or remedy of any party, be waived orally. Changes and waivers can only be made in writing and the changes or waiver must be in writing and signed by all parties. Any waiver of any provision of this Agreement, or any right or remedy, given on any one or more occasions shall not be deemed a waiver with respect to any other occasion.

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3. This Agreement is signed by the parties as a final expression of all of the terms, covenants, and conditions of their agreement and as a complete and exclusive statement of its terms, covenants, and conditions and is intended to supersede all prior agreements and understandings concerning the subject matter of this Agreement.

4. This Agreement may be signed in one or more counterparts or duplicate signature pages with the same force and effect as if all required signatures were contained in a single original instrument. Any one or more such counterparts or duplicate signature pages may be removed from any one or more original copies of this Agreement and annexed to other counterparts or duplicate signature pages to form a completely executed original instrument.

5. The captions contained in this Agreement were inserted for the convenience of reference only. They do not in any manner define, limit, or describe the provisions of this Agreement or the intentions of the parties.

6. Whenever masculine, feminine, neuter, singular, plural, conjunctive, or disjunctive terms are used in this Agreement, they shall be construed to read in whatever form is appropriate to make this Agreement applicable to all the parties and all circumstances, except where the context of this Agreement clearly dictates otherwise.

7. This Agreement was prepared, negotiated, and delivered in the Commonwealth of Virginia. In the event of any dispute concerning or arising out of this Agreement, the laws of the Commonwealth of Virginia shall govern and control the construction and enforcement of this Agreement. Any cause of action brought for such interpretation and enforcement shall be heard in the Circuit Court of the City of Martinsville, Virginia, and each party shall bear its own costs and attorney's fees incurred therein.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date set forth in the first paragraph of this Agreement.

CITY OF MARTINSVILLE

By: _____

Its: _____

JRS REALTY PARTNERS, LLC

By: _____

Its: _____

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There being no further business, Council Member --- made a motion to adjourn. The meeting adjourned at 9:30pm.

Karen Roberts, Clerk of Council

LC Jones, Mayor