

# **City Council Meeting MINUTES**

**Monday, February 12, 2024, 6:30 PM**

Work Session 6:00 P.M. Council Chambers Conference Room, City Hall, 114  
North Broad Street, Salem, Virginia 24153

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## **WORK SESSION**

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### **1. Call to Order**

A work session of the Council of the City of Salem, Virginia, was held in the Council Chambers Conference Room, City Hall, 114 N. Broad Street, Salem, Virginia, on February 12, 2024, at 6:00 p.m., there being present the following members of said Council to wit: Renée Ferris Turk, Mayor; James W. Wallace, III, Vice- Mayor; Council members: Byron Randolph Foley, William D. Jones (absent), and H. Hunter Holliday(participated remotely); with Renée Ferris Turk, Mayor, presiding together with Chris Dorsey, City Manager; Rob Light, Assistant City Manager and Clerk of Council; Rosemarie B. Jordan, Director of Finance; Tammy Todd, Assistant Director of Finance; Crystal Williams, Assistant to the City Manager; Laura Lea Harris, Deputy Clerk of Council; and the following business was transacted; Mayor Turk reported that this date, place, and time had been set in order for the Council to hold a work session.

### **2. New Business**

#### **A. Discussion Items**

Review current year major general fund revenues and preliminary fiscal year 2025 projections.

Mr. Light shared that this Work Session was an effort to share the preliminary budget for Fiscal Year 2025 for major categories of revenue with Council.

Ms. Jordan presented for Council a Fiscal Year 2025 Budget Development Revenue Outlook. Actual funds for FY2023, Adopted funds for Fiscal Year 2024, and preliminary funds for Fiscal Year 2025 were shared for major revenue sources. Also noted were changes from Fiscal Year 2024 adopted amounts to Fiscal Year 2025 Preliminary amounts. Actual revenues for the fiscal years 2020 through 2023, adopted budget amount for fiscal year 2024, and preliminary amount for fiscal year 2025 was shared for each of the following major revenue categories: Real Estate Tax, Personal Property Taxes (excluding Machinery and Tools), Machinery and Tools Tax, Business License Tax, Sales Tax, Meals Tax, Lodging Tax, and Other

Local Taxes. Other local taxes includes Consumer Utility, Utility License, Franchise License, Motor Vehicle License, Bank Franchise, Recordation, Cigarette, Admissions, and Rental Taxes. It was noted that 33% of Meals Taxes are given to the City of Salem Schools, per ordinance and that 25% of Lodging Taxes collected are given to Virginia's Blue Ridge, per contractual agreement. A graphic displaying investment earnings for each of these years was shared and Council was informed that City staff is working with the financial advisor to develop an investment portfolio. Ms. Jordan also displayed a collection summary by category that listed the time period when the specific taxes were collected and the percentage of the total budget of each tax. Proposed fee and rate changes were also shared with Council.

Mr. Wallace requested that as staff goes through the budget process that they give consideration to any areas in which they might save citizens money.

### 3. Adjournment

There being no further business, Mayor Turk adjourned the meeting at 6:30 p.m.

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## REGULAR SESSION

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### 1. Call to Order

A regular meeting of the Council of the City of Salem, Virginia, was called to order at 6:34 p.m., there being present the following members to wit: Renée Ferris Turk, Mayor; James W. Wallace, III, Vice-Mayor; Councilmembers: Byron Randolph Foley, William D. Jones (absent), and H. Hunter Holliday (participated remotely); with Renée Ferris Turk, Mayor, presiding together with Chris Dorsey, City Manager; Rob Light, Assistant City Manager and Clerk of Council; Rosemarie B. Jordan, Director of Finance; Chuck Van Allman, Director of Community Development; Mike Stevens, Director of Communications; and Jim Guynn, City Attorney.

### 2. Pledge of Allegiance

Mayor Turk requested that Mr. Light read a request from Mr. Holliday to participate remotely in this Council meeting.

The request from Mr. Holliday stated: "in accordance with the Code of the Commonwealth of Virginia and the Remote Participation Policy of the City of Salem, I hereby request to participate remotely for a personal matter, specifically being that I am out of town."

Randy Foley motioned to accept the remote participation of Mr. Holliday. James Wallace seconded the motion.

Ayes: Foley, Turk, Wallace

Absent: Jones  
Abstain: Holliday

3. Bid Openings, Awards,  
Recognitions

There were no recognitions this evening.

4. Consent Agenda

A. **Citizen Comments**

Comments from the public, limited to five minutes, on matters not already having a public hearing at the same meeting.

John Breen, 142 Bogey Lane, expressed concern about property tax rates and shared yearly data from Council meeting minutes from 2019 to the present. He requested that at least two weeks prior to setting a new property tax rate that Council would post to the City's website the following information:

1) A justification for any proposed tax rate exceeding the 1% revenue cap; a yearly comparison of total property tax revenue from 2019 to the current estimated total vs. the revenue per the cap rate; 2) Since 2019, a comparison for an average taxpayer's taxes based upon the capped revenue rate vs. the Council approved or proposed rate; 3) A comparison of the property tax revenue for the current proposed rate vs. the capped revenue tax rate. He specified that the comparison include the estimated additional assessed Building Permit values **which do not show in the total annual reassessed amount and effectively escape the 1% cap.**

Barry Gladden, 2023 Mulberry Street, expressed concerns about the storm drain at the corner of Mulberry Street and Palmer. He inquired as to whether a plan is in place for fixing this. He also expressed concern about **treatment?**

Mayor Turk asked if there was information available about the storm drain.

Mr. Light responded that this is an often-hit storm drain. Typically, the grate can be replaced, and a steel structure be put over the top. However, this time the damage was to the structure itself, and a new one is in the process of being engineered to replace the current one.

Mayor Turk clarified that they have to replace the entire system in order to correct the issue.

Mr. Light confirmed that the structure had to be replaced as opposed to times in the past when the grate was broken or damaged or the steel plate was moved off when it was hit. One is now being designed and will be installed.

Mayor Turk asked if the City was just waiting now for what was needed to make this repair.

Mr. Light responded affirmatively.

**B. Minutes**

Consider acceptance of the January 22, 2024, Work Session and Regular Meeting minutes.

The minutes were approved as written.

**5. Old Business**

**A. Amendment to the Zoning Ordinance**

Consider ordinance on second reading for the request of T J Real Properties, LLC, property owner, for rezoning the property located at 1236 West Main Street, (Tax Map # 141-1-4) from HBD Highway Business District to CBD Community Business District. (Approved on first reading at the January 22, 2024, meeting.)

Mayor Turk asked that Mr. Van Allman share background information for the benefit of the citizens in attendance this evening.

Mr. Van Allman gave a brief overview of this item for the benefit of the citizens in attendance. He shared that this property is currently zoned Highway Business District, which does not allow for an apartment on the premises. The owners would like to be able to offer an apartment on the second floor of the structure to some of their employees. The key reason for the change to Community Business District is that it would allow an on-site apartment.

Randy Foley motioned to adopt ordinance on second reading for the request of T J Real Properties, LLC, property owner, for rezoning the property located at 1236 West Main Street, (Tax Map # 141-1-4) from HBD Highway Business District to CBD Community Business District. James Wallace seconded the motion.

Ayes: Foley, Holliday , Turk, Wallace

Absent: Jones

**B. Amendment to the Zoning Ordinance**

Consider ordinance on second reading for the request of Helm Building Enterprises, LTD, property owner, for rezoning the property located at 416 Electric Road (Tax Map # 150-3-1) from HBD Highway Business District to

HM Heavy Manufacturing District. (Approved on first reading at the January 22, 2024, meeting.)

Mayor Turk requested that Mr. Van Allman give background on this item for the benefit of those in attendance this evening.

Mr. Van Allman noted that this location is approximately north of the former GE building. The reason for the rezoning request is that the Highway Business District designation for the property was not fitting the current needs for what this client would like to do and also does not match the surrounding zoning. They would like to go to Heavy Manufacturing so that they can mirror what is being done and what is being asked for in that area.

Randy Foley motioned to adopt ordinance on second reading for the request of Helm Building Enterprises, LTD, property owner, for rezoning the property located at 416 Electric Road (Tax Map # 150-3-1) from HBD Highway Business District to HM Heavy Manufacturing District. James Wallace seconded the motion.

Ayes: Foley, Holliday , Turk, Wallace

Absent: Jones

## **6. New Business**

### **A. Taxicabs**

Consider setting the date for a public hearing in accordance with Section 98-94 of THE CODE OF THE CITY OF SALEM, VIRGINIA, for the issuance of Certificates of Public Convenience and Necessity for the next twelve (12) months. (Suggest March 11, 2024).

Randy Foley motioned to set the date of March 11, 2024, for a public hearing in accordance with Section 98-94 of THE CODE OF THE CITY OF SALEM, VIRGINIA, for the issuance of Certificates of Public Convenience and Necessity for the next twelve (12) months. James Wallace seconded the motion.

Ayes: Foley, Holliday , Turk, Wallace

Absent: Jones

### **B. Water and Sewer Disposal Rates & Charges**

Consider ordinance on first reading amending Chapter 90, Article III, Division 2, Subdivision I, Sections 90-74 and 90-128 pertaining to water and sewer availability fees. - **Audit-Finance Committee**

Vice-Mayor Wallace noted that this was a housekeeping item to correct the wording

in the ordinance adopted on November 27, 2023, related to availability fees to reflect such fees are based on meter size.

Mayor Turk clarified that basically there was just a one-word error that needed to be clarified for accuracy.

James Wallace motioned to adopt ordinance on first reading amending Chapter 90, Article III, Division 2, Subdivision I, Sections 90-74 and 90-128 pertaining to water and sewer availability fees. Randy Foley seconded the motion.

Ayes: Foley, Holliday , Turk, Wallace

Absent: Jones

**C. Appropriation of Funds**

Consider request to appropriate Microbusiness Marketing Leverage Program Grant funds awarded by Virginia Tourism Corporation. **Audit - Finance Committee**

Vice-Mayor Wallace shared that the City of Salem was awarded \$10,000 in grant funds through the Virginia Tourism Corporation to promote Downtown Salem lodging, dining, and shopping. A local match of \$10,000 is required and will be covered through the Tourism operating budget. Proceeds from the grant will cover the cost of services not included in the Fiscal Year 2024 operating budget.

Mayor Turk thanked the Tourism Department for applying for the grant and for being aware that it was out there to apply for.

James Wallace motioned to appropriate \$10,000 in state grant revenue to State Grants – Tourism account and increase the budget for state grant expenditures by \$10,000. Randy Foley seconded the motion.

Ayes: Foley, Holliday , Turk, Wallace

Absent: Jones

**D. Appropriation of Funds**

Consider request to appropriate local funding for Upland Drive Storm Drain and Curb and Gutter. **Audit - Finance Committee**

Vice-Mayor Wallace shared that as part of the Capital Improvement Plan, \$125,000 was allocated to the Upland Drive storm drain and curb and gutter improvements project in fiscal year 2024. This project is projected to be funded over six years for a total of \$750,000 in funding and a project completion date in fiscal year 2029. Fiscal year 2024 is the first year of local funding, with \$125,000 included in the

General Fund adopted budget.

James Wallace motioned to appropriate \$125,000 to the Capital Projects Fund revenue account, Transfer from General Fund, and to the Capital Projects Fund expenditure account, Upland Drive Storm Drain and Curb and Gutter. Randy Foley seconded the motion.

Ayes: Foley, Holliday , Turk, Wallace

Absent: Jones

**E. Boards and Commissions**

Consider appointments to various boards and commissions.

Randy Foley motioned to recommend Steve Belanger for Circuit Court appointment as a full member to replace Winston J. DuBois for the remainder of a five-year term ending June 5, 2024 to the Board of Zoning Appeals; to reappoint Paul C. Kuhnel and J. David Robbins to the Economic Development Authority for four-year terms ending March 9, 2028; to reappoint Pat Dew for a three-year term ending March 1, 2027 to the Fair Housing Board; and to reappoint John Shaner to the Local Office on Aging Board for a three-year term ending March 1, 2027. James Wallace seconded the motion.

Ayes: Foley, Holliday , Turk, Wallace

Absent: Jones

**7. Closed Session**

**A. Closed Session**

Hold a closed session in accordance with Section 2.2-3711 A(6) of the 1950 Code of Virginia, as amended, for discussion or consideration of the investment of public funds where competition and bargaining is involved, where, if made public, initially, the financial interest of the City would be adversely affected.

Jim Wallace motioned that, in accordance with Sections 2.2-3711 A (6) of the 1950 Code of Virginia, as amended, Council hereby convenes to closed session at 6:53 p.m. for the purpose of discussing the following specific matters:

A discussion or consideration of the investment of public funds where competition and bargaining is involved, where, if made public, initially, the financial interest of the City would be adversely affected. Randy Foley seconded the motion.

Ayes: Foley, Holliday, Turk, Wallace

Absent: Jones

Mayor Turk noted that no action would be taken this evening.

James Wallace motioned to reconvene at 8:33 p.m. In accordance with Section 2.2-3712 D. of the Code of Virginia, 1950 as amended to date, Council certifies that in closed session only items lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and only such items identified in the motion by which the closed session was convened were heard, discussed, or considered by the Council. Randy Foley seconded the motion.

Ayes: Foley, Holliday , Turk, Wallace

Absent: Jones

## **8. Adjournment**

The meeting was adjourned at 8:33 p.m.