

City Council Meeting MINUTES

Monday, September 10, 2018, 7:30 PM

Council Chambers, City Hall, 114 North Broad Street, Salem, Virginia 24153

1. Call to Order

A regular meeting of the Council of the City of Salem, Virginia, was called to order at 7:30 p.m., there being present the following members to wit: Byron Randolph Foley, Mayor, Jane W. Johnson, Vice-Mayor (absent), Council members: William D. Jones, James A. Martin, and John E. Saunders; along with Kevin S. Boggess, City Manager; James E. Taliaferro, II, Assistant City Manager and Clerk of Council (absent); Rosemarie B. Jordan, Director of Finance; Crystal L. LaBrie, Assistant to the City Manager; Melinda J. Payne, Director of Economic Development (absent); Mike Stevens, Communications Director (absent); Charles E. VanAllman, Jr., Director of Community Development (absent); and Stephen M. Yost, City Attorney.

2. Pledge of Allegiance

3. Bid Openings, Awards, Recognitions

4. Consent Agenda

A. **Minutes**

Consider acceptance of the minutes from the August 13, 2018, work session and regular meeting.

Accepted at presented

B. **Financial Report**

Consider the acceptance of the Statement of Revenues and Expenditures for one month ending July 2018.

Received

5. Old Business

6. New Business

A. **Delinquent Real Estate Taxes**

Consider the adoption of Resolution 1347 pertaining to certain delinquent real estate taxes.

Mr. Yost noted this request is in regards to Tax Map No. 29-1-12, and this is a very unusual situation. In 2006, this tax map was a 4.8 acre tract situate on North Mill Road. At that time, a developer started acquiring property on North Mill Road. This parcel was acquired as well as several other parcels. His idea was to acquire the parcels, consolidate, and subdivide into residential lots for sale. In 2013, the developer went through a subdivision process with the City in which all of these lots were reconfigured into new lots including Tax Map #29-1-12. As part of the subdivision, this parcel became part of three other lots in the new subdivision, The Village at North Mill. When the parcels were reconfigured and made new lots, Tax Map #29-1-12 was totally deleted. It was no longer a tax map number. Subsequently in 2013, the developer defaulted on the original loan from 2006, and the lender foreclosed on all of the lots. As part of the foreclosure, the Trustee for the lender contacted the City to find out how much was owed in delinquent taxes on the parcels. After doing research, the Treasurer notified the Trustee that the taxes were \$57,334.30. After the sale, the delinquent taxes were paid in full to the City. However, recently City Treasurer Danielle Crawford was getting together a list for the sale of delinquent taxes, and she discovered the taxes on Tax Map No. 29-1-12 were not paid from 2008 to 2012. Mr. Yost further discussed the delinquent real estate taxes owed, and after many meetings and much research, there is a process that City Council can go through. This is what is before Council this evening. His recommendation to the Treasurer is he believes there are significant legal difficulties we might have in trying to collect the additional delinquent taxes in light of the representations that were made to the subsequent purchasers and to the bank that foreclosed on the property and paid the back taxes. The resolution will offer Council's consent to release the debt from the tax lien list. There was further discussion regarding the delinquent real estate taxes.

William Jones motioned to adopt Resolution 1347 pertaining to certain delinquent real estate taxes. John Saunders seconded the motion.

Ayes: Foley, Jones, Martin, Saunders

Absent: Johnson

B. Salem School Board

Consider setting date for public hearing in accordance with Section 22.1-29.1 of the Code of Virginia, 1950 as amended, regarding the expiration of terms for Nancy Bradley and Michael Chiglinsky. (Suggest date of October 8, 2018)

William Jones motioned to set a public hearing date of October 8, 2018, to receive candidates for the expiration of terms for Nancy Bradley and Michael Chiglinsky on the Salem School Board. James Martin seconded the motion.

Ayes: Foley, Jones, Martin, Saunders

Absent: Johnson

7. Closed Session

8. Adjournment

The meeting was adjourned at 7:44 p.m.