

City Council Meeting MINUTES

Monday, July 24, 2017, 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, William D. Jones, Vice-Mayor (absent), Council members: Jane W. Johnson (absent), James A. Martin, and James L. Chisom; along with Kevin S. Boggess, City Manager; James E. Taliaferro, II, Assistant City Manager and Clerk of Council; Rosemarie B. Jordan, Director of Finance; Melinda J. Payne, Director of Economic Development; Charles E. Van Allman, Jr.; Director of Community Development; and Stephen M. Yost, City Attorney.

2. Pledge of Allegiance

3. Bid Openings, Awards, Recognitions

4. Consent Agenda

A. Minutes

Consider acceptance of minutes from the July 10, 2017, regular meeting.

Approved

5. Old Business

A. Amendment to the Zoning Ordinance

Hold public hearing and consider ordinance on first reading, the request of Lance B. & Debra M. Duncan, Tarpley Graham, LLC, Justin I. & Andrea N. Boles, Darrell R. & Kirsten K. Printz, Kendall S. & Renae A. Keffer, BGGT, LLC, Daniel I. & Helene M. Shain, David B. & Carolyn F. Bullington, Bradley M. & Elizabeth T. Graham, property owners, for rezoning 13 parcels located at 693, 700, 701, 705, 709, 713, 717, 721, 725, 729 and 733 Ambler Lane (Tax Map #s 271-1-1.1, 271-1-1.2, 271-1-1.3, 271-1-1.4, 271-1-1.5, 271-1-1.6, 271-1-2.1, 271-1-2.2, 271-1-2.3, 271-1-2.4, 271-1-2.5, 271-1-3, 271-1-1, and 290-1-1) from PUD Planned Unit District with conditions to PUD Planned Unit District with amended conditions.

(Continued from the June 26, 2017, meeting. Advertised in the June 8 and 15 issues of Salem Times Register. See Page 1 Planning Commission minutes.) **STAFF**

REPORT

Staff noted the following regarding the request: the subject property consists of thirteen parcels of land in the Heritage Downs Planned Unit Development located along Ambler Lane, a private road, west of the intersection with Franklin Street. The owner is requesting to increase the maximum number of residential lots from 19 to 20. As a result, the amount of open space will decrease from 13.54 acres to 12.72 acres (0.82 acres) in order to accommodate the additional lot while keeping all lots at a 0.75 acre size. However, 0.60 acres of the 0.82 decrease in open space is covered by a “grazing easement” effectively requiring that area to remain undeveloped. This area is 0.22 acres. The new 12.72 acres of open space is still above the 12 acres required as a condition on the Master Plan. The owner has also voluntarily proffered to dedicate additional right-of-way for Franklin Street for road widening or the construction of a future walking path or greenway.

Mayor Foley noted that this item was continued from the June 26, 2017, meeting.

Mr. Taliaferro noted that the petitioners would like to add one additional lot to this subdivision, which is a PUD Planned Unit Development. This type of development is regulated by City Council and proffered conditions. They are requesting to keep the previous proffers and add two additional proffers; first, they will dedicate the property between the fence and the right of way on Franklin Street to the City, and second, they are proffering to maintain the red barn located on the property. If Council should decide to approve this request, the petitioners are also proffering to follow the master plan presented with the petition.

Mayor Foley opened the public hearing and noted that Mr. Graham was in the audience.

Brad Graham of Tarpley Graham, LLC, property owner and developer, appeared before City Council. He noted that he is here to answer any questions they might have.

Mayor Foley asked if anyone else would like to speak. There was no response, and the public hearing was closed.

Mr. Martin noted that he was glad to see the request is very clear on what the petitioners are requesting, and he believes this is going to be a nice addition to this part of Salem. Also, the additional land they are proffering to dedicate to the City will be helpful in the future for the widening of Franklin Street.

Mr. Chisom echoed Councilman Martin's comments and noted the proffer regarding the red barn is a benefit to the City, and he thanked Mr. Graham for doing this.

James Chisom motioned to approve the ordinance on first reading, the request of Lance B. & Debra M. Duncan, Tarpley Graham, LLC, Justin I. & Andrea N. Boles, Darrell R. & Kirsten K. Printz, Kendall S. & Renae A. Keffer, BGGT, LLC, Daniel I. & Helene M. Shain, David B. & Carolyn F. Bullington, Bradley M. & Elizabeth T. Graham, property owners, for rezoning 13 parcels located at 693, 700, 701, 705, 709, 713, 717, 721, 725, 729 and 733 Ambler Lane (Tax Map #s 271-1-1.1, 271-1-1.2, 271-1-1.3, 271-1-1.4, 271-1-1.5, 271-1-1.6, 271-1-2.1, 271-1-2.2, 271-1-2.3, 271-1-2.4, 271-1-2.5, 271-1-3, 271-1-1, and 290-1-1) from PUD Planned Unit District with conditions to PUD Planned Unit District with amended proffered conditions. James Martin seconded the motion.

Ayes: Chisom, Foley, Martin

Absent: Johnson, Jones

6. New Business

A. Amendment to the Zoning Ordinance

Hold public hearing and consider ordinance on first reading, the request of ARD Properties LLC, property owner, for rezoning the property located at 905 Indiana Street, (Tax Map # 186-9-6) from HBD Highway Business District to RSF Residential Single Family District. (Advertised in the July 6 and 13, 2017, issues of the Salem Times Register. Recommend approval; see Page 4 Planning Commission minutes.) **STAFF REPORT**

Staff noted the following regarding the rezoning request: the subject property consists of one parcel on the west side of Indiana Street, near the southwest corner of the intersection with 7th Street, north of the former Valleydale manufacturing plant. The property is approximately 0.26 acres and is occupied by a single family residence. The owner wishes to rezone the property to RSF Residential Single Family in order to make it eligible for a Special Exception Permit for a two family dwelling. The existing house was used as three residences (a triplex) at some point in the past. However, this use was discontinued for a period of more than two years and has thus lost any grandfathered status. This application is item 6A.

Mayor Foley noted that Item 6A & 6B are related and will be discussed at the same time. There will be separate motions for each item.

Mr. Taliaferro noted that Item 6A is a petition to rezone the property from HBD Highway Business District to RSF Residential Single Family. The property was used as residential, and it was legal nonconforming, but the use ceased for some time and the grandfather rights expired. So now it is a commercial property. The petitioners would like to use the property as a residential duplex. Item 6B is a request for a Special Exception Permit for a two family dwelling or duplex. He

noted that he would be happy to answer any questions.

Mayor Foley opened the public hearing and asked if anyone would like to speak regarding the rezoning.

John D'Allessandro of 3734 Verona Trail, Roanoke, property owner, appeared before City Council explaining the rezoning and Special Exception Permit requests.

Mr. Martin noted he understood that at some point in the past the property was used as a triplex. He guesses now moving forward the plan is to use the property for a duplex, and Mr. D'Allessandro noted that this was correct.

Mayor Foley asked if anyone else would like to speak. There was no response, and the public hearing was closed.

James Martin motioned to approve the ordinance on first reading, the request of ARD Properties LLC, property owner, for rezoning the property located at 905 Indiana Street, (Tax Map # 186-9-6) from HBD Highway Business District to RSF Residential Single Family District. James Chisom seconded the motion.

Ayes: Chisom, Foley, Martin

Absent: Johnson, Jones

B. Special Exception Permit

Hold public hearing to consider the request of ARD Properties LLC, property owner, for the issuance of a Special Exception Permit to allow a two family dwelling on the property located at 905 Indiana Street (Tax Map #186-9-6). (Advertised in the July 6 and 13, 2017, issues of the Salem Times Register. Recommend approval; see Page 5 Planning Commission minutes.) **STAFF REPORT**

Staff noted the following regarding the Special Exception Permit request: the subject property consists of one parcel on the west side of Indiana Street, near the southwest corner of the intersection with 7th Street, north of the former Valleydale manufacturing plant. The property is approximately 0.26 acres, and is occupied by a single family residence. This request is associated with item 6A. The owner is requesting a Special Exception Permit to allow the existing house to be converted to a two family dwelling.

James Martin motioned to approve the request of ARD Properties LLC, property owner, for the issuance of a Special Exception Permit to allow a two family dwelling on the property located at 905 Indiana Street (Tax Map #186-9-6). James

Chisom seconded the motion.

Ayes: Chisom, Foley, Martin

Absent: Johnson, Jones

C. Special Exception Permit

Hold public hearing to consider the request of Strauss Properties LLC and The Branch Family LLC, property owners, and Ober Brewing LLC, lessee, for the issuance of a Special Exception Permit to allow a microbrewery on the property located at 1443 Lakeside Circle (Tax Map # 51-3-4). (Advertised in the July 6 and 13, 2017, issues of the Salem Times Register. Recommend approval; see Page 6 Planning Commission minutes.) **STAFF REPORT**

Staff noted the following regarding the Special Exception Permit request: the subject property consists of a single parcel located at the northeast corner of the intersection of Branch Drive and Lakeside Circle, near the intersection of Branch Drive and Kesler Mill Road. The property is approximately 2.25 acres, and is occupied by a Multi-Tenant Manufacturing Building. This request is to allow a microbrewery in the multi-tenant building. The applicant states that this location will allow for a tasting room and future expansion, including potential growth into a “distributing” brewery which is an allowed use in Light Manufacturing. This property is located partially within the 100 and 500 year floodplains.

Mr. Taliaferro noted this property is zoned for industrial use and the code allows microbreweries by Special Exception Permit in industrial districts. The petitioners would like to open a microbrewery, which is more of a commercial serve customers on site, as opposed to producing alcohol and then selling it to distributors. He noted the petitioners were present and that he would be glad to answer any questions.

Mayor Foley asked if the petitioners were to eventually get into distribution, which by definition then becomes a brewery, would they have to come back for another Special Exception Permit. Or would it automatically escalate from a microbrewery to a brewery for planning purposes? Mr. Taliaferro noted that he believed in industrial districts a brewery is a permitted use so they could graduate to a brewery without any other approvals.

Mr. Martin asked if the property is currently vacant, and Mr. Taliaferro noted that it is vacant.

David Ober of Ober Brewing LLC, 2221 Lick Ridge Road, Check, Virginia, appeared before Council and noted they have leased this property for their brewery. Mr. Ober stated that they are currently occupying the property and are waiting on the final approval before they made any big moves. Mr. Martin asked what was the

term of the lease? Mr. Ober noted they will be there for five years and that the system they are starting with is small and it would make it hard for them to distribute at this time. They may try to distribute to some of the local bars and will also be doing some events. They are planning for Phase II and expanding by creating some jobs and being a good draw for the local economy. Mr. Martin noted City Council loves to see this as this seems to be a growing trend for these types of businesses in the industrial areas. He also noted the location on the Hanging Rock Battlefield Trail seems to be a neat location, and Mr. Ober agreed with him.

Mayor Foley noted he thought they planned to have five employees. He asked if the five would be in addition to him and his wife. Mr. Ober noted that in the first phase it will be he, his wife, a couple of servers, and one person who can do everything.

Mayor Foley opened the public hearing and asked if anyone would like to speak regarding this request.

Carrie Cox of 227 Academy Street appeared before the Council. She noted this is a brewery so she has to say something positive. She really hopes that City Council will pass the request, and she did not doubt that they would not. She stated that breweries are a continuing trend, and it does bring a lot of tourism into the area. This also helps to get more people out and about in the city and seeing more breweries coming to Salem is a good thing.

Mayor Foley asked if anyone else would like to speak. There was no response, and the public hearing was closed.

Mr. Taliaferro noted that after researching, a brewery is also by Special Exception Permit in the industrial districts. Mayor Foley noted if the petitioners did get to the point they wanted to distribute they would have to come back to make this request.

James Chisom motioned to approve the request of Strauss Properties LLC and The Branch Family LLC, property owners, and Ober Brewing LLC, lessee, for the issuance of a Special Exception Permit to allow a microbrewery on the property located at 1443 Lakeside Circle (Tax Map # 51-3-4). James Martin seconded the motion.

Ayes: Chisom, Foley, Martin

Absent: Johnson, Jones

D. Amendment to the City Code

Hold public hearing and consider ordinance on first reading amending Chapter 106, Article II District Regulations, Section 106-210(B)(5) Downtown business district, Commercial Use Types, Article III Use and Design Standards, Section 106-310.23

Commercial uses, pertaining to Dance Halls; Article II District Regulations, Section 106-212(A)(5) Transitional business district, Commercial Use Types, pertaining to Microbreweries and Microdistilleries; Sections 106-214(A)(5) and 106-214.2(B)(5) Highway business district, Commercial Use Types, 106-218.2(A)(5) and 106-218.2(B)(5), Light manufacturing district, Commercial Use Types, 106-220.2(A)(5) and 106-220.2(B)(5), Heavy manufacturing district, Commercial Use Types, pertaining to Personal Storage; Section 106-214.2(B)(5) and Article IV, Definitions and Use Types, Section 106-602.9, Commercial use types pertaining to Massage Parlors; Article IV, Development Standards, Section 106-402.1(B) Buffer yards, screening and landscaping, general requirements and Section 106-402.29 pertaining to the approved planting list. (Advertised in the July 6 and 13, 2017, issues of the Salem Times Register. Recommend approval; see Page 7 Planning Commission minutes.) **STAFF REPORT**

Chuck Van Allman, Director of Community Development, appeared before City Council explaining the proposed zoning ordinance amendments. He noted that many code changes have been proposed over the last several months due to various state code changes and general housekeeping duties. In response to state code changes, staff discovered typographical errors and the necessity of keeping the zoning ordinance current with the rapidly changing environment requires laundering. As the Downtown plan continues to garner business development, the existing code will need to be revised to allow the growth requested by our citizenry during this public process. Thusly the changes in the dance halls, microbreweries, and microdistilleries are a direct result. State code changes in the definitions and licensing requirements for massage therapists are reflected in these amendments as well. Lastly, an approved planting list has been created to help facilitate the site plan review process for site development.

Mayor Foley noted Mr. Van Allman did a great job of summarizing the changes in Council's work session. He asked if he could do the same thing for the public's benefit.

Mr. Van Allman further discussed the proposed zoning ordinance amendments.

Mr. Martin noted that he was glad to see some of the clarifications in the code, and he thinks this gives the City a little more control over certain things.

Mayor Foley opened the public hearing and asked if anyone would like to regarding this item.

Carrie Cox of 227 Academy Street appeared before the Council. She noted that she is glad to see these changes. She loves all the landscaping that has been taking place over the last couple of years. Salem has really done a good job on this and it makes a noticeable difference. She noted the other changes are good as well, and

she thanked everyone for their hard work on these amendments to the code.

Mayor Foley asked if anyone else would like to speak. There was no response, and the public hearing was closed.

James Martin motioned to adopt the ordinance on first reading amending Chapter 106, Article II District Regulations, Section 106-210(B)(5) Downtown business district, Commercial Use Types, Article III Use and Design Standards, Section 106-310.23 Commercial uses, pertaining to Dance Halls; Article II District Regulations, Section 106-212(A)(5) Transitional business district, Commercial Use Types, pertaining to Microbreweries and Microdistilleries; Sections 106-214(A)(5) and 106-214.2(B)(5) Highway business district, Commercial Use Types, 106-218.2(A)(5) and 106-218.2(B)(5), Light manufacturing district, Commercial Use Types, 106-220.2(A)(5) and 106-220.2(B)(5), Heavy manufacturing district, Commercial Use Types, pertaining to Personal Storage; Section 106-214.2(B)(5) and Article IV, Definitions and Use Types, Section 106-602.9, Commercial use types pertaining to Massage Parlors; Article IV, Development Standards, Section 106-402.1(B) Buffer yards, screening and landscaping, general requirements and Section 106-402.29 pertaining to the approved planting list. James Chisom seconded the motion.

Ayes: Chisom, Foley, Martin

Absent: Johnson, Jones

E. Vacation of Right of Way

Hold a public hearing to consider adoption of Resolution 1322 appointing viewers to consider permanently vacating an approximate 0.07 acres of unopened right of way of West 2nd Street situated west of Cypress Street, bounded on the south by Lot 1 Section 8 of the Hockman Land Company Subdivision (Tax Map #144-8-5) and on the north by Lot 1 Section 7 of the Hockman Land Company Subdivision (Tax Map #144-8-3). (As advertised on July 6 and 13, 2017 issues of the Salem Times Register.)

Mr. Taliaferro noted that the petitioner would like to vacate this .07 acres of West 2nd Street. The petitioner owns property on the north side and also the south side of this unopened right of way. Further, there are no utilities located in this area, and staff does not see any issues with vacating the right of way.

Mayor Foley opened the public hearing and asked if anyone would like speak on this matter.

There was no response, and the public hearing was closed.

James Martin motioned to adopt Resolution 1322 appointing viewers to consider

permanently vacating an approximate 0.07 acres of unopened right of way of West 2nd Street situated west of Cypress Street, bounded on the south by Lot 1 Section 8 of the Hockman Land Company Subdivision (Tax Map #144-8-5) and on the north by Lot 1 Section 7 of the Hockman Land Company Subdivision (Tax Map #144-8-3). James Chisom seconded the motion.

Ayes: Chisom, Foley, Martin

Absent: Johnson, Jones

F. Tourism Marketing Plan Ordinance

Consider an ordinance establishing a tourism marketing plan in the City of Salem.

Mr. Boggess noted that he would be discussing Item 6F, 6G, and 6H together, if that is ok with City Council. Mayor Foley noted that this would be fine.

Mr. Boggess noted that Item 6F is the tourism marketing plan. As City Council is aware, we adopted tourism zones to target development in certain areas within the City. We have the proposed hotel at the Civic Center which falls within one of those zones. The developers of the hotel are in the process of applying for bridge financing through the State for the project. In order to qualify for the financing, lots of pieces have to be in place. The first is the tourism marketing plan, and in order to meet all the requirements for the financing, the City has to have adopted a tourism plan. Staff is proposing to adopt the Visit Virginia's Blue Ridge tourism plan for the entire region, which certainly dovetails with what Salem wants to do. We are on their board and this what we are doing as a region and what the City is participating in.

He stated that Item 6G is the tourism zone performance agreement ordinance, and Council has been provided an amended version this evening. This ordinance has to be adopted prior to Item 6H, the actual performance agreement. He further discussed the proposed ordinance.

He further noted that Item 6H is the actual performance agreement between the City, the Economic Development Authority of the City of Salem, Spartan Development, and the State of Virginia. He further discussed the performance agreement and noted the EDA will be the party who will receive the grant and then pay toward the debt service on the gap financing. Staff took this agreement to the EDA last week and reviewed it with them. The EDA approved the agreement subject to City Council's approval.

Mr. Yost noted he did not really have any questions. He believes that Council just needs to consider the items individually, and when they consider Item 6H he has some specific language he would like to see in the resolution.

Mayor Foley asked regarding Item 6F, are we just adopting the marketing plan or are we rebranding the plan as the City of Salem. Mr. Boggess noted that we are adopting the Visit Virginia's Blue Ridge plan as our marketing plan.

Mr. Martin thinks it makes sense to adopt this plan as our plan. Mr. Boggess noted that staff had run this by the State, and this is what they would like to see us adopt.

James Martin motioned to adopt the ordinance establishing a tourism marketing plan in the City of Salem. James Chisom seconded the motion.

Ayes: Chisom, Foley, Martin

Absent: Johnson, Jones

G. Tourism Zone Performance Agreement Ordinance

Consider an ordinance authorizing a tourism zone performance agreement among the City of Salem, the Economic Development Authority for the City of Salem, and Spartan Development, LLC.

James Chisom motioned to adopt the ordinance authorizing a tourism zone performance agreement among the City of Salem, the Economic Development Authority for the City of Salem, and Spartan Development, LLC. James Martin seconded the motion.

Ayes: Chisom, Foley, Martin

Absent: Johnson, Jones

H. Spartan Development, LLC Performance Agreement

Consider approval and authorize the City Manager to execute the Performance Agreement among Spartan Development, LLC, the City of Salem, and the Economic Development Authority of the City of Salem.

Mr. Yost noted he would recommend to move the approval of the Spartan Development LLC performance agreement and to authorize the City Manager to execute the agreement subject to review and approval by the City Attorney and final approval and certification by the Virginia Tourism Authority and the State Controller.

James Chisom motioned to approve the Spartan Development LLC Performance Agreement and to authorize the City Manager to execute the agreement subject to review and approval by the City Attorney and final approval and certification by the Virginia Tourism Authority and the State Controller. James Martin seconded the motion.

Ayes: Chisom, Foley, Martin

Absent: Johnson, Jones

I. Appropriation of Funds

Consider request to appropriate carryover fund balance for Fire Department Kitchen Renovations. **Audit-Finance Committee**

Mr. Martin noted the Audit Finance Committee met to discuss this item. Funding of \$60,000 was available in the FY2017 Fire Department budget for kitchen renovations at Fire Stations 1 and 3. Over the past two years, City staff completely renovated the kitchen at Station 2 and did significant work on the kitchen at Station 3. However, staff was unable to finish Station 3 or begin Station 1 renovations prior to June 30, 2017 and requests that funds be appropriated from fund balance so this can be completed in FY2018. The Committee reviewed the request and recommended carryover funding of \$30,000 and \$7,000 to complete the renovations.

James Martin motioned to appropriate carryover fund balance of \$37,000 for Fire Department Kitchen Renovations. James Chisom seconded the motion.

Ayes: Chisom, Foley, Martin

Absent: Johnson, Jones

J. Pre Disaster Mitigation Grant

Consider request to appropriate the Pre Disaster Mitigation Grant from FEMA for purchase of property. **Audit-Finance Committee**

Mr. Martin noted the City has been awarded \$31,191 in funds from FEMA for the Pre-Disaster Mitigation Grant Program. Funds will be used for the acquisition and demolition of property at 918 S. Market Street. Grant funds were originally appropriated in September 2015, but the project deadline has been extended until September 30, 2017. Grant funds need to be reappropriated in the current fiscal year. A local match of 25% is required for this grant, a portion of which will be provided by the cost of staff time spent on the project. The remaining amount was appropriated in FY2016. The Committee reviewed the request and recommended accepting and appropriating \$31,191 in grant funds and \$3,000 from fund balance to cover the local match.

James Martin motioned to appropriate the Pre Disaster Mitigation Grant from FEMA for purchase of property at 918 S. Market Street. James Chisom seconded the motion.

Ayes: Chisom, Foley, Martin

Absent: Johnson, Jones

7. Closed Session

8. Adjournment

Mayor Foley noted that he wanted to recognize the passing of Lisa Brown and Dr. George Tate. They both have meant a lot to the community, and we all owe a debt of gratitude to them for their service to the City.

He also noted a couple of events coming up in the City. On Friday night, August 4th, Parkway Downtown will take place at the Library. As part of this event, the City of Salem, Salem City Schools, and Salem 215 will be collecting school supplies for a Pack the Bus project. Also, on August 19th, the City is holding its 9th Annual Benefit Golf Tournament, and all proceeds will benefit Reme Dudley.

The meeting was adjourned at 8:02 p.m.

[Audit - Finance Committee Meeting, 8:00 a.m., City Manager's Conference Room](#)

[Work Session Meeting, 6:30 p.m., City Manager's Conference Room](#)