City Council Meeting MINUTES

Monday, August 23, 2021, 6:30 PM

Work Session 5:45 P.M. Council Chambers, City Hall, 114 North Broad Street, Salem, Virginia 24153

WORK SESSION

1. Call to Order

A. Roll Call

A work session of the Council of the City of Salem, Virginia, was held in Council Chambers, 114 North Broad Street, Salem, Virginia, on August 23, 2021, at 5:45 p.m., there being present the following members of said Council, to wit: Renée Ferris Turk, James W. Wallace, III, Byron Randolph Foley, John Saunders, and William D. Jones; with Renée Ferris Turk, Mayor, presiding; together with James E. Taliaferro, II, City Manager; Rob Light, Assistant City Manager and Clerk of Council; Rosemarie B. Jordan, Director of Finance; Mike Stevens, Director of Communications; Laura Lea Harris, Deputy Clerk of Council; and Jim Guynn, City Attorney 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; and

2. New Business

A. Discussion Items

- 1) Business and Home Occupation Licensing Fees
- 2) Review and Discuss Public Comment Rules for Council Meetings (continuation of July 26, 2021 work session discussion)

WHEREAS, Sidney Kuzmich, Chief Deputy Commissioner of the Revenue, presented Council with an update on options for Home Occupation and Business Licensing Fees. She stated that with current Census numbers, it is expected that the population of the City of Salem will exceed 25,000, which automatically triggers an increase in the minimum Business License tax to \$50 per state code, Section 58.1-3706. Historically, the following fee schedule has been followed: a Home Occupation fee of \$30 annually per business regardless of income; Business License taxes have been charged based on tax rates by classification with a

minimum fee of \$30; and per city code, Section 22-68.1, for home-based businesses exempt business license tax for gross less than \$8,000. Mrs. Kuzmich gave examples of various types of businesses and the applicable taxes. She also shared the home occupation fees for some of Salem's neighboring localities. Mrs. Kuzmich ended by outlining the two options staff recommends for consideration. The first option is to increase the home occupation fee to \$50 equal to the minimum required business license tax, to exempt home-based businesses that gross \$1,200 or less annually from any fees or taxes, and to exempt home-based businesses that gross \$15,000 or less from business license tax. The second option presented was to remove the home occupation fee and not exempt any business from the business license tax. She shared the impact this would have on City revenue. Council discussed the options, and the decision was made to return to discuss this issue further at a future work session meeting. The Commissioner of Revenue's office agreed to provide data models to be considered by staff and Council; and

WHEREAS, A discussion was continued from the July 26, 2021, work session on Public Comment rules for Council meetings. Each Council member expressed their individual view on the matter, Mr. Guynn gave insight based on his experience with municipal governing bodies in surrounding localities, and it was decided that this will be continued to a future meeting at which a vote will be held. Council requested that Staff provide a menu of potential choices that could be a part of any amended rules for Public Comment periods at Council meetings; and

WHEREAS, Mr. Taliaferro provided background on the supplemental item addressing an adjustment to purchasing limits that had been added to the regular meeting agenda.

3. Adjournment

There being no further business to come before the Council, the work session was adjourned at 6:30 p.m.

REGULAR SESSION

1. Call to Order

A regular meeting of the Council of the City of Salem, Virginia was called to order at 6:35 p.m., there being present the following members to wit: Renée Ferris Turk, Mayor; James W. Wallace, III, Vice-Mayor; Council members: Byron Randolph Foley, William D. Jones, and John Saunders; with Renée Ferris Turk, Mayor, presiding together with James E. Taliaferro, II, 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

3. Bid Openings, Awards, Recognitions

4. Consent Agenda

Mayor Turk announced that we are amending the agenda to add item 6D, which is an adjustment to purchasing limits.

A. Minutes

Consider acceptance of the minutes for the August 9, 2021 Work Session and Regular Meeting minutes.

The August 9, 2021, Work Session and Regular Meeting minutes were approved as written.

B. Financial Report

Consider the acceptance of the Statement of Revenues and Expenditures for the one month ending July 2021.

Mayor Turk asked Ms. Jordan to explain the large difference on Schedule A, General Fund, Statement of Revenues and Expenditures, General Property Taxes, between the Year-to-Date amount for the current year and the prior year. Ms. Jordan explained that the due date for Real Estate and Personal Property Taxes were extended for the previous year and there is usually a heavy collection a few weeks after the collection date. The collections to date for this year fall within the normal collection to date range.

Mr. Foley pointed out that all sales, lodging, and meals tax were all up significantly above the past two years, and things seem to be improving.

The financial reports were received.

5. Old Business

6. New Business

A. Amendment to the Zoning Ordinance

Hold public hearing and consider ordinance on first reading for rezoning a portion of the property of Layman Candy Company, Inc., contract purchasers, and Lewis-Gale Medical Center, LLC, property owner, located at 2105 Apperson Drive (Tax Map # 281-1-2) from BCD Business Commerce District to LM Light Manufacturing District. (As advertised in the August 5 and 12, 2021 issues of the <u>Salem Times-Register</u>). Planning Commission recommends approval; see page 7 of Planning

Commission minutes). STAFF REPORT

Mr. Van Allman, Director of Community Development, clarified the details of the zoning request. He stated that LewisGale is planning to sale the property to Layman Candy to provide a better facility in which they can grow. It was noted that there had been a slight modification to the Plat after the Public Comment period of the Planning Commission meeting on August 11, 2021. The discussion was in regard to truck traffic. It was his belief that they reached a good conclusion.

Mayor Turk opened the Public Hearing.

Ben Crew, Balzer and Associates, acting agent on behalf of this request, 1208 Corporate Circle, Roanoke, appeared before Council with Glenn Bowe, Vice-President with Layman Candy Company. He stated that this is an exciting time for Layman Candy with this property. They have outgrown their current facility on West Main Street and this facility provides additional space for their storage and warehousing and operations. He also commented that outlined in the packet are some exciting growth plans that they have for their business, and this facility supports that. He shared that they worked through a lot of questions both from the Planning Commission and from residents that were present at the Planning Commission meeting. As a point of clarification, a portion of the original Plat as presented to the Planning Commission (three-tenths of an acre) has been modified to make sure all requirements are being complied with.

Mr. Jones thanked Layman Candy company for all that they had done to stay in the City of Salem. He also thanked the Planning Commission for all their hard work as he cast his vote. Mr. Foley asked if Layman Candy Company had plans to retain or sell the original property on West Main Street. The response was that they are planning to sell this property.

Mayor Turk thanked Layman Candy Company also and closed the Public Hearing.

William Jones motioned to adopt the ordinance on first reading rezoning a portion of the property of Layman Candy Company, Inc., contract purchasers, and Lewis-Gale Medical Center, LLC, property owner, located at 2105 Apperson Drive (Tax Map # 281-1-2) from BCD Business Commerce District to LM Light Manufacturing District. John Saunders seconded the motion.

Ayes: Foley, Jones, Saunders, Turk, Wallace

B. Amendment to the Zoning Ordinance

Hold public hearing and consider ordinance on first reading for rezoning a portion of the property of Roanoke College Trustees, property owner, located at 232 North Broad Street (Tax Map # 87-7-7), from CUD College and University District to RSF Residential Single-Family District. (As advertised in the August 5 and 12, 2021 issues of the *Salem Times-Register*). Planning Commission recommends approval; see page 8 of Planning Commission minutes). **STAFF REPORT**

Mr. Van Allman, Director of Community Development, gave details on the proposed zoning request. He stated that Roanoke College would like to have that property zoned as Residential property. He shared that all the calls they had received had been positive and continued that most questions had been related to the future of the property and whether it would be sold.

Mayor Turk opened the Public Hearing.

Ben Crew, with Balzer and Associates, as acting agent for this request, 1208 Corporate Circle, Roanoke, addressed Council. He recognized David Mowen, Vice-President of Business Affairs for Roanoke College. He stated that periodically Roanoke College performs an analysis of their real estate holdings, and it was determined that a portion of this property was "surplus" as it was not going to be used for access or for building. It was determined that the most appropriate use for this was to subdivide the front portion off on North Broad Street so in the future there is the potential for The College to sell this if they need to. This property will not be able to be used for a single-family residential home without the approval of this use request. Mr. Wallace asked for comment on whether The College intended to use this property for rental property or to develop a house and sell it. Mr. Mowen confirmed that the property is "surplus" property that The College periodically evaluates. The College has no need for it and no intention of development. He stated that at some point they would most likely sell it. Mr. Wallace asked if they thought it would be used as rental property and Mr. Mowen responded that that was not the intention of Roanoke College.

Stella Reinhard, 213 N. Broad Street, appeared before Council to ask a few questions about the rezoning request. She expressed approval of the rezoning. Mrs. Reinhard asked to get a definition of the lot itself and Council clarified this information for her. She also asked if zoning signs had been posted and Mr. Foley responded that signs had been posted. Mrs. Reinhard again expressed that she was in favor of this rezoning. She expressed the importance of the neighbors having the opportunity to comment on this type of rezoning.

Mayor Turk closed the Public Hearing.

Randy Foley motioned to adopt the ordinance on first reading for rezoning a portion of the property of Roanoke College Trustees, property owner, located at 232 North Broad Street (Tax Map # 87-7-7), from CUD College and University District to RSF Residential Single-Family District. William Jones seconded the motion.

Ayes: Foley, Jones, Saunders, Turk, Wallace

C. Salem City 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 Teresa Sizemore-Hernandez. (Suggest date of September 13, 2021).

Mayor Turk explained that there are two positions on the School Board that will be open this year and that any interested citizens are able to go on the City's website and submit an application by September 13th.

Randy Foley motioned to set the date of September 13, 2021, 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 Teresa Sizemore-Hernandez. John Saunders seconded the motion.

Ayes: Foley, Jones, Saunders, Turk, Wallace

Mr. Foley asked about the discussion that had been held about potentially changing term dates due to election term dates. Mr. Guynn clarified that the statute that makes you to move this date doesn't allow you to make appointments between the election date and the end of the term for something that starts January 1st. He commented that when Council looks at the ordinance changing election dates this will probably need to be addressed.

D. Adjustment to Purchasing Limits

Consider adoption of Resolution 1406 updating the small purchases limits.

- SUPPLEMENTAL ITEM

Mayor Turk introduced item #6D, which was the supplemental item that was discussed in the work session.

Mr. Wallace commented that he would like to have more time in the future to look over the information for an item such as this before making a decision. Mr. Taliaferro replied that Staff had been working on this item over the weekend and this was the earliest that the information could be available. Mr. Foley stated that the policy was the same and the numbers were the only thing that was changing in the policy.

Randy Foley motioned to adopt Resolution 1406 updating the small purchases limits for staff so that now \$0 through \$5,000 is a small purchase with optional quotes; \$5,000 through \$75,000 requires three written quotes; and over \$75,000

requires a sealed bid for purchases. John Saunders seconded the motion.

Ayes: Foley, Jones, Saunders, Turk, Wallace

7. Adjournment

The meeting was adjourned at 6:58 p.m.

Audit-Finance Committee Meeting is cancelled.