

# City Council Meeting MINUTES

*Monday, April 8, 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 March 25, 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, and H. Hunter Holliday; 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; Mary Ellen Wines, Planning and Zoning Administrator; Will Simpson, City Engineer; Max Dillon, Planner I; Crystal Williams, Assistant to the City Manager; Laura Lea Harris, Deputy Clerk of Council; and Glenn Walters, owner, TownStudio; 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

Update on Comprehensive Plan - Glenn Walters, TownStudio

Glenn Walters, owner, TownStudio, presented an update on the progress of the Comprehensive Plan for Council. He shared a timeline of the process and noted that the process is on schedule and that progress is being made. He noted that a third Community Workshop would be held this week and that the focus for this meeting would be on housing. He indicated that a community mailer had gone out to the entire community, including property owners and tenants to poll on housing topics. Mr. Walters shared that a vision statement has been established: "Salem is a beautiful and proud city. Our people are our greatest assets, and our "small-town" feel defines our character. Our commitment to exploring economic opportunities, nature and the outdoors, diverse neighborhoods, community services, sports, and best in class schools foster a pride of place and a unique quality of life that is shared by all our citizens. As we encounter change, we will respond wisely, learning from our history and embracing the future with a fresh mindset and a commitment to excellence."

Feedback that has been received from the citizens was noted and initiated draft themes and strategies were shared. Additionally, housing needs were shared and strategies for meeting these needs were offered. Questions were asked by Council and responded to by staff and Mr. Walters.

### 3. Adjournment

There being no further business, Mayor Turk adjourned the meeting at 6:23 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 6:30 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, and H. Hunter Holliday; 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; Will Simpson, City Engineer; Mike Stevens, Director of Communications; and Jim Guynn, City Attorney.

### 2. Pledge of Allegiance

### 3. Bid Openings, Awards, Recognitions

Mayor Turk noted that Council had a recognition that they wished to make this evening for Mrs. Gertrude Harris upon her 100th birthday and asked Mrs. Harris to come to the front. She read a proclamation in honor of Mrs. Harris which noted many events and accomplishments of her life as well as her contributions to the City of Salem. Following Mrs. Harris's retirement in 1987, the City of Salem recognized her leadership and commitment by naming the Salem Senior Citizen Center Activities Hall, the Gertrude W. Harris Activities Center. Council had pictures taken with Mrs. Harris as well as with members of her family, caregivers, friends, and members of the Church Women United organization.

### 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, was the first citizen to address Council this evening. He voiced considerations in reference to communication. He requested responses to the following questions that he posed: 1) Why is the public not able to ask

questions and receive concurrent answers when addressing Council?; 2) Why is there not a mechanism to petition for additional time to present citizen comments to Council?; 3) During a public hearing, may the public ask questions of a developer, Council, or staff? If not, why not?; 4) Why has Council not adopted a Town Hall forum as requested?; 5) Why have reports of code violations of blight not been publicly posted on the website as requested?; 6) Why does Salem's Planning Commission not allow public comments in meetings?; 7) Why may the public not speak, ask questions, or make a presentation in a Work Session?; 8) Were changes needed to the structure of Work Sessions?; 9) Requested that Work Sessions be recorded and made available to the public; 10) Should Salem engage experts prior to any approval of Hope Tree proposal?; 11) Requested that Council hold more than one public hearing for the Hope Tree proposal; 12) Why has Salem not engaged Roanoke College for surveys?; 13) Why has Council not listed issues on the ballot for a non-binding referendum vote as requested?

Mark Nayden, 352 N. Broad Street, expressed concerns about the proposed Hope Tree development. He noted concerns about traffic and noted that he felt traffic studies to this point were incomplete. He also voiced the concern that this plan is not compatible with the City's current Comprehensive Plan. In addition, Mr. Nayden noted concerns with the commercial development on the Hope Tree property. He expressed the need for a more detailed site plan and requested that Council vote against this Planned Unit Development (PUD) proposal.

Christina McCart, 316 N. Broad Street, expressed concerns about the proposed Hope Tree development. She noted concerns of traffic as well as the impact on the property value of the homes in the area. She questioned whether the tax revenues of the Hope Tree development would exceed the costs of providing for the new citizens as well as account for the lower taxes received from decreased property values. In addition, Dr. McCart also questioned the most recently updated version of the report with regards to projected traffic based on the proposal. She requested that Council vote no to the proposal.

Susan Bentley, 312 N. Broad Street, spoke in opposition to the proposed Hope Tree rezoning. She stated that the purpose of the Comprehensive Plan was to guide development and zoning decisions and she felt that needed to be noted in the current work on updating the Comprehensive Plan for the City of Salem. She expressed the concern that the proposed plan does not comply with the current Comprehensive Plan. Ms. Bentley noted that the Comprehensive Plan was intended to guide in situations such as this one, and she asked that this decision not be rushed during this process of developing the Comprehensive Plan. She expressed a lack of confidence in the transparency of Hope Tree's proposal and narrative. Ms. Bentley also spoke to the current ministries offered by Hope Tree and expressed concern for their future if this property is developed as proposed. In addition, she expressed concern for the competition that commercial development in this location would offer the revitalized

Downtown historic district. She stated that she felt this was not the right location for this mixed-use development proposal and requested that Council vote against this proposal.

Karla Murphy, 721 Mount Vernon Avenue, was the last citizen to address Council this evening. She shared of traffic and safety concerns and shared a heartfelt plea for the negative impact that the Hope Tree proposal would have on the area. She asked that Council listen to the citizens.

**B. Minutes**

Consider acceptance of the March 25, 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 E3MAG LLC, property owner, for rezoning the property located at 744 Electric Road (Tax Map # 155 - 2 - 2.2) from HBD Highway Business District to HM Heavy Manufacturing District. (Approved on first reading at the March 25, 2024, Council meeting.)

Mr. Simpson shared that this location was off of the St. Johns development that currently has several warehouse-type facilities. This is being requested in an effort to be in line with existing development in that area.

William Jones motioned to adopt ordinance on second reading for the request of E3MAG, LLC, property owner, for rezoning the property located at 744 Electric Road (Tax Map # 155-2-2.2) from HBD Highway Business District to HM Heavy Manufacturing District. H Hunter Holliday seconded the motion.

Ayes: Foley, Holliday , Jones, Turk, Wallace

**6. New Business**

**A. Roanoke Valley Resource Authority Budget**

Consider approval of the 2024-2025 annual budget for the Roanoke Valley Resource Authority.

The 2024-2025 annual budget for the Roanoke Valley Resource Authority was presented by Jon Lanford, Chief Executive Officer of the Roanoke Valley Resource Authority on behalf of the Board of Directors. He shared that he had with him this

evening from the Resource Authority Jeremy Garrett, Director of Operations for Technical Services, and Brad Brewer, Finance Manager.

Mr. Lanford shared that this past Friday the Resource Authority had received their certificate to operate new cell seven, which was about a \$10 million dollar investment with about five years of airspace available in that cell.

Mr. Lanford noted that the Fiscal Year 2024 budget was 15.9 million dollars and the Fiscal Year 2025 budget, as recommended by the RVRA Board, was 16.7 million dollars. This represents an increase of \$835,000 or five percent. He pointed out that the majority of funds generated are going to operation with the exception of \$1.6 million that is being set aside for future cell eight development at the Smith Gap Facility. The transition from rail has impacted finances and they are working through that process. The budget includes Capital planning. In order to balance the budget this year, they have deferred equipment replacement costs and are exploring alternatives for meeting equipment needs and future capital needs not funded in this current year.

One project that is being explored is the conversion of methane gas to a renewable natural gas that should generate substantial revenues for the authority. It is hoped that this would allow the Authority to get back on the equipment replacement schedule and capital improvement schedules that have been set up.

In order to balance the budget at that 16.7 million dollars, the RVRA is proposing a \$1.50 per ton increase to the members for tonnage from the municipal sources and a \$1.75 per ton increase for commercial users. He noted as a point of reference that each dollar that the tonnage is increased on the member side increases revenues by \$109,000. The \$1.50 will generate \$164,000 in new revenue for the Authority this year and the physical impact for the City of Salem would be approximately \$26,000. The RVRA Board has set a June timeline for holding a public hearing and adopting the budget. He requested that Council approve this budget this evening and opened the floor for questions.

Mr. Jones thanked them for their work and the job they do and spoke to the positive relationship between the City of Salem and the RVRA.

Mr. Lanford expressed appreciation for the relationship they have with the local governments and noted that this is a much more technical field than it was in the past.

Mayor Turk expressed appreciation for the fact that methane conversion into natural gas for energy was being explored.

Mr. Lanford gave credit to Mr. Garrett for his work on this project and negotiation

of the terms involved with this.

Randy Foley motioned to approve the Roanoke Valley Resource Authority (RVRA) budget for fiscal year 2024-2025. William Jones seconded the motion.

Ayes: Foley, Holliday , Jones, Turk, Wallace

## **B. Roanoke Regional Airport Commission**

Consider approval of the Roanoke Regional Airport Commission budget for the fiscal year 2024-2025.

Mike Stewart, Executive Director of the Roanoke Regional Airport Commission, presented the Fiscal Year 2024-2025 budget on behalf of the Commission. He noted that in the packet that Council had received, the Operating Budget reflected Capital expenditures of over \$100,000 expected for the Fiscal Year 2024-2025. He also noted revenues of \$13.8 million. That was a decrease of 17% from Fiscal Year 2024. This is due primarily to the expiration of Federal Pandemic Relief grants. He shared that expenditures were up 9% to about \$12.8 million from 2024. He elaborated that these were primarily due to personnel expenses, COLA, and insurance costs. The projected net was slightly less than \$1 million. The good news was that the Airport is operating in the black.

On the Capital sheet, Mr. Stewart highlighted that Taxiway Bravo, which was the primary taxiway of parallel to Runway 624, was the largest one. This is a \$7.752 million dollar project and that was just mill and overlay of a very old taxiway. He also noted the rehabilitation project on Runway 24 that would be paid for mostly through federal grants and federal discretionary funds as well as state aviation funds, which come from aviation fuel taxes. He indicated that there are plans to rehabilitate Runway 624 in the future but that the current focus was to repair and maintain it.

Other items of note were the replacement of the terminal roof and several terminal improvements, including the Explosive Detection System relocation and improvements to the Security Checkpoint. Another project that was noted was thermoplastic cold bars and surface markings on the runway. Mr. Stewart spoke to the funding being utilized for these projects as well. In addition, Mr. Stewart shared details of rehabilitation to the parking lots.

He indicated that traffic through the airport continues to grow and that the airlines are responding by bringing in more seating and increased flights.

Mayor Turk asked about a bump on the 624 runway.

Mr. Stewart responded that there was a hump at the intersection of 624 and 1634 and that it was part of the Master Plan to get that straightened out. He indicated that this was not a big deal and that it could not be addressed at the present because both runways would have to be closed in order to dig it out and fix it. The hope is that approval will be given to extend the runway across 581 and they would be able to eliminate this issue.

Vice-Mayor Wallace asked if there was an update on the status of the Master Plan with the FAA.

Mr. Stewart responded that they were still in the process of going back and forth and answering questions with the FAA. The initial indication is that the FAA is not supportive of the runway, but the Airport intends to provide more information and push the case until it is approved.

Council thanked Mr. Stewart and Dale Guidry, Salem Commission member, for being with us this evening.

Randy Foley motioned to approve the Roanoke Regional Airport Commission budget for the fiscal year 2024/2025. H Hunter Holliday seconded the motion.

Ayes: Foley, Holliday , Jones, Turk, Wallace

**C. Annual Presentation of Budget by City Manager**

In accordance with Section 4.6 (b) of the Charter of the City of Salem, Virginia, City Manager Dorsey will present the 2024-2025 budget to City Council.

City Manager, Chris Dorsey, presented the highlights of the proposed Fiscal Year 2024-2025 Annual Budget to City Council.

He noted that the economy has seen a boost as it continues to recover from the effects of COVID-19. The rate of inflation is stabilizing, and a slowdown may be observed while supply chain issues continue to affect our area. He continued that while the jobless rate was low, interest rates had increased to levels not seen in decades. With these factors in mind, the City of Salem has been careful and selective in preparing the Fiscal Year 2025 budget request.

City Manager Dorsey shared an overview of both the General Fund Revenue and Expenditure budgets. He gave a summary of the General Fund Budget, including

Capital Funds and shared highlights by department.

Mr. Dorsey noted that Budget Workshops are scheduled for Wednesday, April 17th, Tuesday, April 23rd, and Wednesday, April 24th, and that Council will be able to review the Budget in depth. The department heads will be in attendance to go through the line items.

Mr. Dorsey thanked Mr. Light, Ms. Jordan, Ms. Todd, and the Finance staff for putting this information together.

Mayor Turk noted that this was the introduction of the budget this evening and that no action would be taken tonight. She thanked staff for their hard work.

**D. Personal Property Tax Relief Act (PPTRA)**

Consider request to adopt Resolution 1465 setting the allocation percentage for personal property tax relief for the 2024 tax year.

Mayor Turk requested that Ms. Jordan explain this item for the benefit of those in attendance.

Ms. Jordan noted that the state has fixed the amount of tax relief that is given to each locality. Each year, Salem receives \$2.588 million and has been receiving this same amount since 2006. The estimated value of all personal use vehicles is allocated across those vehicles. This applies to personal use vehicles, not business use. For vehicles valued at \$1,000 or less, the full amount of the tax would be rebated or not billed. For vehicles valued between \$1,000 and \$20,000, a percentage of that is received in tax relief. For vehicles valued over \$20,000, citizens are required to pay the full value. Ms. Jordan explained the calculation and noted that 44.7% was the percentage calculated for this year.

Mr. Foley noted for the benefit of the public that this was what was known as the "car tax" relief that was granted about 18 years ago under Governor Gilmore.

William Jones motioned to adopt Resolution 1465 setting the allocation percentage for personal property tax relief for the 2024 tax year. Randy Foley seconded the motion.

Ayes: Foley, Holliday , Jones, Turk, Wallace

**E. Conveyance of Property**

Authorize the City Manager to finalize and execute a contract with Savory Ventures Salem, LLC for the sale of a City owned parcel at 600 West 4<sup>th</sup> Street (Tax map # 143-4-1) consisting of +/- .30 acres.

Mr. Light shared that this is the property on the corner of West 4th Street and Roanoke Street. A public hearing was held November 14, 2016, of the City's intent to sell this property. A full-price offer was received by the City for a proposed food court venture. Staff is requesting that Council consider authorizing the City Manager to finalize and execute necessary documents.

Mr. Foley clarified that this property appears as though it is part of the car dealership at that location; however, it is just a pie-shaped piece at the corner that the City is selling and that it is not part of the auto dealership or maintenance garage at that location.

Mr. Jones further clarified that this is between Domino's and the old Line-X building, right in front of DTS.

William Jones motioned to authorize the City Manager to finalize and execute a contract with Savory Ventures Salem, LLC for the sale of a City-owned parcel at 600 West 4th Street (Tax map # 143-4-1) consisting of +/- .30 acres. H Hunter Holliday seconded the motion.

Ayes: Foley, Holliday , Jones, Turk, Wallace

#### **F. Emergency Medical Transport Fees**

Consider request to change emergency medical transport fees. **Audit - Finance Committee**

City Council may establish reasonable fees for the provision of emergency medical services. These fees are periodically adjusted based on changes to the Centers for Medicare and Medicaid Services fee schedule and recommendations from the City's third-party biller. Adjusting fees for emergency medical services allows the City to recoup reasonable costs for the provision of such services.

James Wallace motioned to approve Resolution 1464 to modify emergency medical transport fees and direct future changes be administratively amended with authorization from the City Manager. Additionally, amend the resolution as requested by the Audit Finance Committee to require the City Manager inform Council of any future administrative changes made. William Jones seconded the motion.

Ayes: Foley, Holliday , Jones, Turk, Wallace

#### **G. Appropriation of Funds**

Consider request to reappropriate grant funds awarded by Community

Foundation. **Audit - Finance Committee**

In FY2022, the City received \$50,000 from the Community Foundation for gateway signage that included a \$25,000 match by the City. The grant was secured by Virginia's Blue Ridge for a consistent signage plan throughout the region. The initial sign will be at the entrance to Salem from Roanoke City where Main Street meets Melrose Avenue. Two additional signs will be added on the north and south ends of Electric Road. The project took longer than anticipated because VDOT had to approve the design of the signs.

James Wallace motioned to reappropriate \$75,000 from fund balance to the Designation of Beginning Fund Balance account and increase the budget for the Grants – Other Costs account by \$75,000. It is also recommended that any of this grant not spent in the current fiscal year be administratively appropriated in the subsequent fiscal year. Randy Foley seconded the motion.

Ayes: Foley, Holliday , Jones, Turk, Wallace

#### H. **Appropriation of Funds**

Consider request to appropriate and transfer capital reserve. **Audit - Finance Committee**

The Capital Planning and Reserve Policy was adopted by Council on March 25, 2024. The initial contribution based on the fiscal year 2023 audit is \$17,026,870. This amount needs to be transferred from the General Fund to the Capital Reserve Fund.

James Wallace motioned to appropriate \$17,026,870 to General Fund revenue account, Designation of Beginning Fund Balance, and General Fund expenditure account, Transfer to Capital Reserve. Also, to appropriate \$17,026,870 to Capital Reserve Fund revenue account Transfer from General Fund – Capital Reserve, and Capital Reserve Fund expenditure account, Capital Reserve. William Jones seconded the motion.

Ayes: Foley, Holliday , Jones, Turk, Wallace

#### I. **Appropriation of Funds**

Consider request to appropriate proceeds from the sale of equipment. **Audit - Finance Committee**

Vice-Mayor Wallace noted that the Audit Finance Committee requests this item be removed from the agenda at this time pending further review by the Committee.

## 7. Closed Session

### A. Closed Session

Hold a closed session in accordance with Section 2.2-3711 A(1) of the 1950 Code of Virginia, as amended, to discuss a personnel matter pertaining to a School Board appointment; and Section 2.2-3711 A(8) of the 1950 Code of Virginia, as amended, for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.

Jim Wallace motioned that, in accordance with Sections 2.2-3711 A (1) and (8) of the 1950 Code of Virginia, as amended, Council hereby convenes to closed session at 7:49 p.m. for the purpose of discussing the following specific matters:

To discuss a personnel matter pertaining to a School Board appointment; and for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.  
William Jones seconded the motion.

Ayes: Foley, Holliday, Jones, Turk, Wallace

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

James Wallace motioned to reconvene at 8:05 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. William Jones seconded the motion.

Ayes: Foley, Holliday , Jones, Turk, Wallace

## 8. Adjournment

The meeting was adjourned at 8:05 p.m.