



CITY COUNCIL

MINUTES

Monday, August 10, 2026, at 6:30 PM

Work Session, 6:00 PM

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

Regular Session, 6:30 PM, City Hall, 114 North Broad Street, Salem, Virginia 24153

WORK SESSION

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 August 10, 2026, at 6:00 p.m., there being present the following members of said Council to wit: Renée Ferris Turk, Mayor (participated remotely); Anne Marie Green, Vice-Mayor; Council members; Byron Randolph Foley, H. Hunter Holliday, and John Saunders (participated remotely); with Anne Marie Green, Vice-Mayor, presiding; together with Chris Dorsey, City Manager; Rob Light, Assistant City Manager and Clerk of Council; Rosie Jordan, Director of Finance; Will Simpson, Assistant Director of Community Development/City Engineer; Carey Harvey Cutter, Director of Tourism; Crystal Williams, Assistant to the City Manager; and Laura Lea Harris, Deputy Clerk of Council; Also present was Katie Conner, Virginia Tourism Corporation; and the following business was transacted;

Vice-Mayor Green 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

Review of Salem Tourism Action Plan - Carey Harvey Cutter, Director of Tourism/Katie Conner, Virginia Tourism Corporation

Cary Harvey Cutter, Director of Tourism, and Katie Conner of the Virginia Tourism Corporation reviewed the Salem Tourism Action Plan. Ms. Conner provided an overview of how and why the plan was developed, including the process used and its

economic impact. She noted marketing, products, partnerships, and infrastructure as the four strategic areas of focus. Also noted were immediate, short-term, and long-term action items that are included in the plan. Ms. Conner shared how the success of the plan will be measured.

Mr. Harveycutter noted City staff that were involved in the planning group.

Discussion was held. Councilman Foley asked if Council could be provided with updated data once this information becomes available from the state. It was confirmed that this information would be provided. A copy of the Tourism Action Plan was provided for Council and staff in attendance.

3. Adjournment

There being no further business, Vice-Mayor Green adjourned the meeting at 6:22 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 6:30 p.m., there being present the following members to wit: Renée Ferris Turk, Mayor (participated remotely); Anne Marie Green, Vice-Mayor; Council members: Byron Randolph Foley, Hunter Holliday, and John Saunders (participated remotely); with Anne Marie Green, Vice-Mayor, presiding together with Chris Dorsey, City Manager; Rob Light, Assistant City Manager and Clerk of Council; Rosie Jordan, Director of Finance; Will Simpson, Assistant Director of Community Development/City Engineer; Mary Ellen Wines, Planning and Zoning Administrator; Mike Stevens, Director of Communications; and Jim Guynn, City Attorney.

2. Pledge of Allegiance

Vice-Mayor Green noted that Councilman Saunders would be participating remotely per Virginia Code section 2.2-3708.3(B)(1) in this evening's meeting for a temporary medical condition and that no vote was required for his participation.

Vice-Mayor Green requested that Mr. Light read a request from Mayor Turk to participate remotely in this meeting.

Mr. Light noted that Mayor Turk's remote participation was provided for under a different code section and requires a vote by the other members of Council. He noted that Mayor Turk asked him to read the following request on her behalf. "In accordance with Section 2.2-3708.3 (B)(4) of the Code of the Commonwealth of Virginia and the Remote Participation Policy of the City of Salem, I hereby request to participate remotely due to a personal matter, specifically that I am out of town."

Randy Foley motioned to accept the remote participation of Mayor Turk. Hunter

Holliday seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green

Nays: None

Abstaining: Renée Turk

Vice-Mayor Green thanked both Councilman Saunders and Mayor Turk for participating remotely in the meeting this evening.

3. Awards & Recognitions

Vice-Mayor Green recognized Field Training Officer Randal McGee from the Salem Police Department and asked the following new officers in attendance this evening to come forward: Austin Eldridge, Troy Fryling, Taylan Herndon, and James Nunley. Field Training Officer McGee noted that these officers had recently graduated from the 87th Law Enforcement Academy with Cardinal Criminal Justice Academy. He had the officers introduce themselves individually and share where they were from and any prior experience that they had. Council congratulated the officers and thanked them for their service. Vice-Mayor Green excused the officers to return to work.

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.

No citizens were signed up to speak this evening.

B. Minutes

Consider acceptance of the July 27, 2026, Work Session and Regular Meeting minutes.

The minutes were approved as written.

City Manager Dorsey provided an update on recent and upcoming activities and events in the City of Salem.

Councilman Holliday noted the success of the recent Salem Distance Run.

C. Financial Reports

Consider acceptance of the Statement of Revenues and Expenses for the ten months ending April 30, 2026.

The Financial Reports were received.

5. Old Business

There was no Old Business this evening.

6. New Business

A. **Stormwater Utility**

Hold a public hearing and consider an ordinance on first reading to amend, revise, reordain, and enact Chapter 30 Environment by adopting additional sections 30-189 through 30-199, Article VI, Stormwater Utility Fee of the CODE OF THE CITY OF SALEM, VIRGINIA (Advertised in the July 23 and 30, 2026, issues of *The Salem Times-Register*).

Will Simpson, Assistant Director of Community Development/City Engineer, presented an overview of a proposed stormwater utility fee to establish a dedicated funding source for the City's stormwater program. He explained that Salem is subject to a state-issued Municipal Separate Storm Sewer System (MS4) permit, which imposes increasingly stringent, largely unfunded requirements related to stormwater management, erosion and sediment control, and total maximum daily loads (TMDLs), including sediment reduction. The City is currently in compliance with its MS4 permit but is operating near the limits of compliance. Mr. Simpson identified increased development and impervious surface, more frequent and intense storms, and aging stormwater infrastructure as factors contributing to the City's stormwater management needs. The proposed fee would provide dedicated funding for stormwater administration and regulatory compliance, maintenance of stormwater facilities and drainage infrastructure, street sweeping, best management practices (BMPs), stream and streambank restoration, sediment reduction, infrastructure improvements, and capital projects. He noted that Virginia Code § 15.2-2114 authorizes localities subject to an MS4 permit to establish a dedicated stormwater utility fee. Revenues collected through the fee would be restricted to stormwater-related purposes.

Mr. Simpson reported that the City established a Stormwater Advisory Committee consisting of citizens, businesses, industry representatives, churches, and representatives of Roanoke College. The committee met over several months and reviewed approaches used by other localities, including Roanoke City, Blacksburg, Christiansburg, Lynchburg, and Staunton. Staff also conducted public outreach through the City's website, social media, utility bill inserts, and two public meetings held June 18 and June 24.

The proposed fee would be based on impervious surface area. For residential properties, the City's average residential impervious area is approximately 3,500 square feet, which would constitute one Equivalent Residential Unit (ERU). The proposed residential fee is \$10 per month per ERU. Single-family homes, condominiums, and townhomes would generally be charged \$10 per month; apartments, duplexes, triplexes, and similar multifamily properties would be charged approximately \$5 per month; and mobile homes would be charged approximately \$3 per month. Non-residential properties would be charged according to a tiered schedule based on impervious area.

Mr. Simpson explained that properties may qualify for credits for implementing approved stormwater management measures. Depending on the measures undertaken, credits could reduce a property's fee substantially, with qualifying measures potentially providing credits of up to 90 percent. He noted that newer development generally already incorporates measures that could qualify for credits, while some older properties may need to make improvements to meet current standards.

Mr. Simpson estimated potential annual revenue of approximately \$2.8 million before credits and approximately \$2.4 million after anticipated credits. Expenditures would include stormwater staff, equipment and vehicle maintenance, consultant services, stormwater facility and drainage maintenance, street sweeping, stream and streambank stabilization, sediment removal, and capital improvements to stormwater infrastructure.

If approved, the fee would be included in the City's existing water and sewer utility bills. Mr. Simpson anticipated approximately four months would be needed to establish the billing system and verify parcel information before implementation. The proposed implementation date is January 1, 2027. He stated that each parcel would be reviewed to ensure proper billing and that an appeals process would be available through the Director of Community Development for disputed charges. Nonpayment penalties would be consistent with other utility charges.

Mr. Simpson also noted that residential and non-residential credit manuals were being finalized and would be made available to the public. Additional public education and outreach would continue, including assistance with the credit application process.

Mr. Simpson reviewed the steps completed to date, including research, advisory committee meetings, public outreach, public input, modifications to the proposal, and a July 27 City Council work session. The proposed stormwater ordinance is receiving its first reading at this evening's meeting, with a second reading scheduled for August 24, 2026. Assuming approval, implementation of the stormwater utility fee would begin January 1, 2027.

Councilman Foley asked Mr. Simpson to provide examples of residential credits.

Mr. Simpson responded that downspouts that go into a rain barrel, rain gardens, and tree plantings were the three best examples.

Councilman Foley asked about options for driveways that could count as a credit such as pavers.

Mr. Simpson discussed materials that could be used for driveways that would qualify for a credit.

Vice-Mayor Green opened the public hearing.

Joe Foley, 302 Academy Street, noted that he had attended one of the community meetings for this item and commended City staff for their professionalism. He expressed concern that the proposed residential stormwater utility fee would impose the same \$10 monthly charge on residential properties regardless of the amount of impervious surface. He noted that a property with substantially more impervious area would pay the same fee as a smaller residential property and expressed concern that the flat fee could have a greater financial impact on smaller or lower-value households. He acknowledged that tiering residential properties could increase administrative costs and staffing needs but encouraged Council to consider the potential economic impact of the proposed structure. He otherwise commended the work that had been done on the proposal and stated that the concern was offered for Council's consideration.

Stella Reinhard, 213 North Broad Street, asked whether a brick walkway that has been in place for approximately 100 years would be considered a permeable surface under the proposed stormwater utility fee. She also raised concerns about ongoing erosion near the stream by City Hall and the potential for similar erosion to affect residential properties and foundations. Ms. Reinhard acknowledged the need for stormwater funding but encouraged Council to consider the broader impacts of continued development and loss of green space, particularly in combination with increased rainfall and aging infrastructure. She encouraged Council to consider the relationship between stormwater management, continued development and the City's comprehensive planning goals, and to ensure that efforts to increase development do not undermine other community objectives.

Vice-Mayor Green closed the public hearing.

Mr. Simpson responded to citizen comments, explaining that erosion and exposed outfalls are among the types of projects the City has identified through required MS4 outfall inspections and that addressing these issues could also contribute to sediment reduction credits. He also explained that a flat residential fee was recommended over a tiered structure after reviewing approaches used by other localities and consulting with the Stormwater Advisory Committee. Mr. Simpson noted that both approaches would generate similar revenue, but a tiered system would require significantly more administrative work to continually update impervious-area calculations for individual residential properties.

Hunter Holliday motioned to adopt ordinance on first reading to amend, revise, reordain, and enact Chapter 30 Environment by adopting additional sections 30-189 through 30-199, Article VI, Stormwater Utility Fee of the CODE OF THE CITY OF SALEM, VIRGINIA. Randy Foley seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk
Nays: None
Abstaining: None

Vice-Mayor Green commended Mr. Simpson and City staff for their work on this item.

B. Special Exception Permit

Hold a public hearing and consider the request of Community Church Inc, property owner, and Cornerstone Classical Academy, lessee, for the issuance of a Special Exception Permit to allow for an Educational Facility, Primary/Secondary, on the property located at 1923 East Main Street (Tax Map #78-1-14). (Advertised in the July 23 and 30, 2026, issues of *The Salem Times-Register*.) (Planning Commission recommended approval with conditions.)

Vice-Mayor Green asked Ms. Wines for information on this request.

Mary Ellen Wines, Planning and Zoning Administrator, provided an overview of a special exception permit application related to Community Church leasing a portion of its East Main Street property to Cornerstone Classical Academy, a hybrid homeschool program operating on the property approximately three days per week for about 87–90 days per school year. She noted that Planning Commission discussions focused on traffic circulation, student drop-off and pickup, parking, and building and life-safety requirements. Two conditions were recommended: submission of a minor site plan addressing traffic circulation and parking, and termination of the special exception if the religious assembly use at the property ceases.

Vice-Mayor Green opened the public hearing.

No one came forward to speak.

Vice-Mayor Green closed the public hearing.

Hunter Holliday motioned to approve the request of Community Church Inc, property owner, and Cornerstone Classical Academy, lessee, for the issuance of a Special Exception Permit to allow for an Educational Facility, Primary/Secondary, on the property located at 1923 East Main Street (Tax Map #78-1-14) with the conditions that:

1. A minor site plan shall be submitted to the Department of Community Development within one month of approval to verify adequate on-site parking and ensure safe traffic circulation throughout the property and surrounding area.
 2. Approval for the operation of the primary and secondary educational facility shall remain valid only while a religious assembly continues to operate on the property, ensuring that the educational use does not become an independent principal use.
- John Saunders seconded the motion.

Councilman Foley asked to clarify if Councilman Holliday was a member of the church as a point of order.

Councilman Holliday responded that he was a member of the church.

Councilman Foley asked the City Attorney if it was appropriate for Councilman Holliday to vote on this item and noted that he just wanted to make sure that the item was handled appropriately.

Mr. Guynn responded that given the fact that he was not the only member of the church and that he did not draw any kind of salary or any remuneration that he did not see that this would be a conflict of interest.

Vice-Mayor Green asked to confirm that the City was working with the school and the church on the life safety issues and that they would be taken care of.

Ms. Wines responded affirmatively and noted that they were required to fulfill these regulations before they occupy the school.

Vice-Mayor Green called for a roll call vote.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk

Nays: None

Abstaining: None

C. Special Exception Permit

Hold a public hearing and consider the request of Robertson Family Revocable Trust, property owner, and Amer Alsayadi, lessee, for the issuance of a Special Exception Permit to allow retail sales, smoke shop, on the property located at 501 West 4th Street (Tax Map #143-3-14). (Advertised in the July 23 and 30, 2026, issues of *The Salem Times-Register*.) (Planning Commission recommended denial.)

Vice-Mayor Green asked Ms. Wines if there was any information that she would like to share related to this request.

Ms. Wines explained that, following a 2024 Virginia General Assembly change, localities were authorized to regulate smoke shops separately from general retail uses. City Council chose to do so and has since required a Special Exception Permit for smoke shops in the Highway Business District. She noted that the proposed location met all regulations for required separation distances from schools and daycare facilities. Staff also acknowledged Planning Commission concerns regarding the number of existing smoke shops within the City and the suitability of the proposed use at this location. The Planning Commission recommended denial of the request.

Vice-Mayor Green opened the public hearing.

No one came forward to speak.

Vice-Mayor Green closed the public hearing.

Randy Foley motioned to deny the request for a Special Exception Permit for this property as he believes this is not the highest and best use for this property. Hunter Holliday seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk

Nays: None

Abstaining: None

D. Special Exception Permit and Use Not Provided For Permit

Hold a public hearing at the request of The Preston Place Preservation Foundation Inc., property owner, for a Special Exception Permit to allow an assembly hall, nonresidential uses in an accessory structure, and nonresidential uses out of doors; and a Use Not Provided for Permit for outdoor gatherings of less than 500 people on the property located at 1936 West Main Street (Tax Map #138-2-7). (Advertised in the July 23 and 30, 2026, issues of *The Salem Times-Register*.)

Vice-Mayor Green noted that this item was divided into two separate parts, a special exception permit and a use not provided for permit, and that each of these would be voted on separately. She requested that Ms. Wines share information on these items.

Ms. Wines explained that Preston Place is zoned Community Business District, which was intended to provide a transitional district that allowed for small-scale mixed use on the periphery of residential neighborhoods. Because the proposed use includes nonresidential outdoor activities, accessory structures, an assembly hall, and outdoor gatherings of fewer than 500 people, a Special Exception Permit is required. She noted that the request was structured to address the various proposed uses together rather than require the applicant to return for multiple approvals. The Planning Commission recommended approval of the Special Exception Permits without conditions and recommended conditions for the use not provided for in the ordinance, including submission of an updated site plan, maintenance of the existing brownstone, and traffic and parking plans for events exceeding the normal occupancy load.

Councilman Foley asked if Commissioner Garst had also requested that a condition limit occupancy to 200 persons.

Ms. Wines confirmed that this was correct.

Vice-Mayor Green asked to confirm if this was one of the recommended conditions.

Ms. Wines responded affirmatively and noted that there were four conditions recommended.

Vice-Mayor Green opened the public hearing and noted that one citizen, Mr. Breen, signed up to speak. She requested that he come forward and state his name and address for the record.

John Breen, 142 Bogey Lane, expressed strong support for the Preston Place application, noting that the project is being undertaken by Salem residents organized to preserve and enhance the property rather than by a commercial developer seeking to increase profits. He stated that the project would enhance Salem's amenities, benefit residents, and support goals and objectives of the City's Comprehensive Plan, and urged City officials to support the effort.

Dave Robbins, 620 High Street, President of the Preston Place Preservation Foundation, shared an informative brochure and provided an update on the Foundation's plans and parking needs. He emphasized that the Foundation's goals are to preserve Salem's oldest house and the remaining green space in the area. He stated parking is a major issue and that an updated parking plan provides for 14 additional spaces, which, combined with 17 existing spaces, would provide 31 spaces. The Foundation has received authorization for \$50,000 from the EDA for the parking improvements and is obtaining contractor bids. He also discussed efforts to secure use of 36 additional paved parking spaces at a nearby commercial property for approximately 12 special events per year. If secured, the additional parking would bring the total available spaces to approximately 67, sufficient to accommodate nearly 200 people. He noted that other parking alternatives, including use of a church or Walmart parking, would be more complicated or present safety concerns. Mr. Robbins also raised concerns regarding traffic and congestion in the area, particularly along the roadway near Mama Maria's and WaWa, upon its completion. He further discussed potential future improvements to the property, including a period-appropriate barn or an outdoor timber-roof structure for events. He stated that the Department of Historic Resources was receptive to the concept of an outdoor structure that could accommodate larger gatherings without requiring the additional parking associated with a barn.

Vice-Mayor Green closed the public hearing and reiterated that this item would be broken into two parts, with the first being consideration of the special exception request to allow an assembly hall, nonresidential uses in an accessory structure, and nonresidential uses out of doors for the Preston Place Foundation at Preston Place. She also noted that the Planning Commission had recommended approval.

1) Special Exception Permit

Consider the request for a Special Exception Permit to allow an assembly hall, nonresidential uses in an accessory structure, and nonresidential uses out of doors. (Planning Commission recommended approval.)

Hunter Holliday motioned to approve the request for a Special Exception Permit to allow an assembly hall, nonresidential uses in an accessory structure, and

nonresidential uses out of doors. Randy Foley seconded the motion.

Mayor Turk expressed concern at the limitation of 200 and asked if Council could consider capping the number at 350.

Councilman Foley clarified that the condition was for the Use Not Provided For permit request and did not pertain to the Special Exception permit.

Vice-Mayor Green called for a roll call vote.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk

Nays: None

Abstaining: None

2) Use Not Provided For Permit

Consider the request for a Use Not Provided for Permit for outdoor gatherings of less than 500 people. (Planning Commission recommended approval with conditions.)

Randy Foley motioned to approve the Use Not Provided For permit with the conditions recommended by the Planning Commission. Hunter Holliday seconded the motion.

Councilman Foley noted that limiting the event capacity to 200 people could create additional challenges for the applicant, as accommodating larger gatherings would require additional space and parking.

Councilman Holliday stated that Council could come back and change that at a later date once the parking had been accommodated to handle more people.

Mayor Turk expressed concern that limiting Preston Place events to 200 attendees could restrict the property's ability to operate successfully, particularly for paid events, and questioned the need to return to Council for a future capacity increase. She also raised concerns about parking requirements that could result in additional paved, impervious surfaces and increased stormwater runoff, and suggested that the City review its ordinances regarding such requirements.

Vice-Mayor Green asked Ms. Wines or Mr. Robbins if there was a reason that the specific number 200 was chosen by the Planning Commission for the recommended condition, would there be a problem if this were increased to 350, and did Preston Place want this number at 350.

Ms. Wines clarified that the 200-person capacity was an increase from the applicant's original anticipated attendance. She stated that the overflow parking and traffic plan condition would address larger events and that, provided the applicant can accommodate the proposed number of attendees with adequate parking and traffic measures for each larger event, staff would have no objection to increasing the

occupancy limit.

Vice-Mayor Green asked to clarify that they could actually go up to 500 under the way this was written as long as there was an appropriate traffic plan.

Ms. Wines responded affirmatively. She also noted that the 200 also included employees and volunteers as well as ticket sales.

Councilman Holliday asked if there would be no requirement to revisit this according to the way the permit request is now written.

Ms. Wines responded that it was true as long as Council did not include the condition limiting occupancy to 200, Preston Place would not be required to come back to Council in order to hold events up to 500 people. They would just need to supply the parking and traffic plan.

Vice-Mayor Green asked to confirm that this particular issue would be resolved if the motion were made to approve this permit without the condition relating to the maximum of 200 people.

Ms. Wines confirmed that this was correct.

Vice-Mayor Green asked Mr. Robbins to come forward at his request.

Mr. Robbins noted that Preston Place did not request the number 200 but explained that the 200-person capacity reflects the number currently believed to be accommodated with available parking. He noted that additional parking could potentially be provided on an adjoining grass lot without adding impervious surface, subject to an agreement with the property owner and an exception allowing parking on the grass. He stated that this could potentially increase the event capacity to approximately 350 people and suggested addressing that option.

Vice-Mayor Green stated that what is being looked at this evening did not include any parking on the grass; however, if Council removed the condition, Preston Place Foundation would be able to hold a larger event, as long as an appropriate parking plan was submitted and approved by staff.

There was discussion about the motion and the appropriate procedure.

Councilman Foley noted that he did not wish to amend his motion.

It was noted that the motion and second on the floor required a vote.

Mayor Turk requested to have the current motion reread.

Councilman Foley restated his original motion. "I move that we approve the Use Not

Provided For permit with the four conditions that were approved by the Planning Commission, one of which includes the limit to 200 attendees."

Vice-Mayor Green noted that this was the motion that was moved on, seconded, and which Council needed to vote on.

Councilman Foley noted that he stood by his motion for approving the Use Not Provided For permit which includes:

1. An updated site plan shall be submitted for review illustrating both the existing parking configuration and the proposed parking lot expansion. Any future site development shall require submission and approval of an amended site plan.
2. The existing brownstone parking surface shall be properly maintained through the removal of grass, weeds, and other vegetation. Routine maintenance shall preserve the approved brownstone surface, and standard gravel shall not be substituted.
3. Because the City's standard parking requirements do not apply to a Use Not Provided For Permit, a parking overflow and traffic management plan, together with any supporting documentation, including parking agreements or property owner authorizations, shall be submitted to and approved by the City prior to the operation of any special event.
4. Total occupancy on the property at any one time shall be limited to 200 persons, including attendees, staff, vendors, volunteers, and participants.

Councilman Foley noted that this motion was seconded by Councilman Holliday previously.

Vice-Mayor Green confirmed this and called for a roll call vote.

Ayes: John Saunders, Randy Foley

Nays: Hunter Holliday, Anne Marie Green, Renée Turk

Abstaining: None

Vice-Mayor Green stated that the motion failed and asked if there was a second motion.

Hunter Holliday motioned to consider the request for the Use Not Provided For permit for outdoor gatherings with the following conditions.

1. An updated site plan shall be submitted for review illustrating both the existing parking configuration and the proposed parking lot expansion. Any future site development shall require submission and approval of an amended site plan.
2. The existing brownstone parking surface shall be properly maintained through the removal of grass, weeds, and other vegetation. Routine maintenance shall preserve the approved brownstone surface, and standard gravel shall not be substituted.
3. Because the City's standard parking requirements do not apply to a Use Not Provided For Permit, a parking overflow and traffic management plan, together with

any supporting documentation, including parking agreements or property owner authorizations, shall be submitted to and approved by the City prior to the operation of any special event.

Renee Turk seconded the motion.

Mr. Dorsey asked to confirm that this would take the limit to 500 people.

Vice-Mayor Green confirmed that this was correct that the number would now have to be 500 or under.

Ayes: John Saunders, Hunter Holliday, Anne Marie Green, Renée Turk

Nayes: Randy Foley (He noted that his vote was due only to the fourth condition.)

Abstaining: None

Vice-Mayor Green noted that this item had passed and asked to confirm that staff understood the motion. This was confirmed.

E. Resolution Authorizing a Referendum

Consider adoption of Resolution 1535 authorizing a referendum on a not to exceed one percent general retail sales and use tax used solely for capital projects for new construction and major renovation of Salem City schools.

Mr. Dorsey explained that the General Assembly's biannual budget and appropriation legislation enacted July 1 authorizes counties and cities to levy a general retail sales and use tax of up to one percent, subject to voter approval by referendum. He noted that the revenue could only be used for new school construction or major school renovations and could not be used for existing debt or smaller capital projects. Mr. Dorsey invited Dr. Curtis Hicks, Superintendent of Salem City Schools, to comment.

Dr. Hicks provided an overview of the City's school facilities, noting that major renovations have been completed at G.W. Carver, Andrew Lewis, South Salem, and Salem High School. He stated that East Salem and West Salem schools remain the primary facilities in need of major renovations or potential additions. He explained that the School Board currently has limited debt capacity until 2034 due to existing debt obligations. Dr. Hicks noted that the schools are well maintained and that the City's agreement allowing unused annual funds to be retained for capital improvements has helped maintain the facilities. He added that future enrollment impacts from the Hope Tree and Newman Drive projects could increase the need for additions at East Salem and West Salem.

Councilman Holliday asked if Dr. Hicks could foresee possible future consideration of closing one of the elementary schools or combining two schools.

Dr. Hicks responded that there would likely be limited community support for consolidating the four schools. He noted that maintaining similarly sized schools provides benefits in terms of student programs and staff availability and said the

current structure is effective. He indicated that consolidation might only be considered if a facility were determined to be unsafe or unable to be renovated to modern standards.

Mr. Dorsey clarified that a referendum would authorize a sales and use tax of up to one percent, rather than require the City to impose the full one percent. If approved by voters, the City could establish a lower rate based on the School Board's long-term capital improvement plan and the amount of funding needed for identified projects.

Dr. Hicks noted that a facility study is scheduled for October, which would provide an assessment of school facility needs and could be available following the referendum.

Councilman Foley asked if any projections had been made by staff of what this tax could generate based on actual numbers this year or from last year.

Ms. Jordan estimated that, based on current information, a one-percent sales and use tax could generate approximately \$7 million, which could be used toward major renovations, capital projects, or debt service associated with borrowing for expansions.

Mr. Dorsey asked to confirm that this continues until 2046.

Ms. Jordan confirmed that this is a 20-year program which will sunset in 2046.

Councilman Foley asked whether there were any statutory limitations on implementing the tax following voter approval, including whether implementation could be delayed for up to five years.

Mr. Guynn responded that there was no limit in that regard. He noted that the authorization of up to one percent would provide flexibility to impose a lower rate if circumstances changed. Mr. Guynn shared that his concern was that, because the authority was enacted as part of the biennial state budget, the City should hold the referendum to preserve the option to implement the tax in the future. He also noted that proceeds could be used for eligible school capital projects and could reduce the need for future real estate tax increases to fund such projects, rather than necessarily representing an additional tax burden.

Councilman Holliday expressed opposition to potentially increasing taxes at this time, stating that the potential one-percent increase in the retail sales tax, along with scheduled fees and other anticipated costs, would place an additional tax burden on residents and businesses.

Vice-Mayor Green expressed concern that sales taxes are regressive, noting that although the proposed tax would not apply to food and personal hygiene products, it would apply to necessities such as clothing, tires, and cleaning supplies. The member

also expressed concern that the General Assembly was shifting responsibility for funding school construction to local governments and taxpayers.

Councilman Foley stated that the proposed referendum would simply give voters the opportunity to decide whether to authorize an additional sales tax, rather than impose a specific tax rate. He acknowledged that sales taxes can be regressive but noted that sales tax revenue would also be generated from visitors and nonresidents making purchases in the City, unlike real estate taxes. Councilman Foley expressed support for allowing Salem voters to make the decision through a referendum. He also noted that some of the issues under consideration may be difficult to clearly communicate to voters, particularly given the various options and potential actions involved.

Councilman Holliday expressed concern that voters may support a measure based on its stated purpose, such as funding schools, without fully understanding its potential financial impact on them. He stated that he did not support the measure at this time.

Councilman Foley noted that there could be differing perspectives regarding future property tax increases, citing the possibility that taxes could need to be raised by four cents in three years to fund a new school.

Mayor Turk stated that the 1% limit would help prevent the tax from becoming overly burdensome and expressed support for allowing citizens the opportunity to make the final decision.

Councilman Saunders expressed opposition to the proposed sales tax increase, citing concern that the General Assembly could potentially increase or modify the tax in the future.

Councilman Holliday noted that, despite a two-cent reduction in the real estate tax rate, increased property values resulted in higher tax bills for citizens. He opposed raising taxes or placing the proposed increase on the ballot, expressing concern that voters may not fully understand the financial impact. Councilman Holliday agreed with Vice-Mayor Greene's comment that the state may be shifting the tax burden to localities and stated that the City should proceed accordingly.

Vice-Mayor Green noted that local government would likely be responsible for providing citizens with factual, neutral information regarding a referendum, and expressed concern about the staff time and effort required to ensure the information is accurate and non-persuasive.

Mayor Turk emphasized that the City had reduced the real estate tax rate by 4% despite increased property values and explained that, if voters approved a 1% sales tax, the revenue could be dedicated to school renovations, additions, or rebuilding. She stated that this would reduce the amount of City funds needed for schools and

allow those funds to be redirected toward street repairs and other infrastructure improvements.

Randy Foley motioned to approve Resolution 1535 authorizing a referendum on a not to exceed one percent general retail sales and use tax used solely for capital projects for new construction and major renovation of Salem City schools. Renée Turk seconded the motion.

Ayes: Randy Foley, Renée Turk

Nays: John Saunders, Hunter Holliday, Anne Marie Green

Abstaining: None

Vice-Mayor Green noted that the resolution authorizing the referendum had failed.

F. Salem City School Board

Consider setting the date for a public hearing in accordance with Section 22.1-29.1 of the Code of Virginia 1950, as amended, regarding the consideration of applicants for the School Board term expiring December 31, 2026, of Macel Janoschka. (Suggest date of September 14, 2026).

Vice-Mayor Green requested that Mr. Light provide an explanation for this item.

Mr. Light stated that the Code of Virginia requires Council to hold a public hearing at least seven days prior to naming a school board member. At that public hearing, the name of anyone who might be named or appointed later must be read. The individuals are not required to come forward and speak at the public hearing. Council was requested, if amenable, to set the date of September 14, 2026, and to direct staff to provide public notice and accept letters of interest and resumes from interested applicants for naming at this public hearing.

Councilman Foley asked to clarify if a vote was required for this item.

Mr. Light noted that Council had voted on this in the past.

Randy Foley moved to set September 14, 2026, as the date for a public hearing to consider candidates for the school board term expiring December 31, 2026. Hunter Holliday seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk

Nays: None

Abstaining: None

G. Appropriation of Funds

Consider a request to amend the School Operating Fund budget as approved by the School Board on July 14, 2026. **Audit - Finance Committee**

At their July 14, 2026, meeting, the School Board amended the Fiscal Year 2026-2027 School Operating Fund budget to increase revenues and expenditures by \$1,070,180 as outlined in the Council report included in the agenda. This amendment was needed because the State did not approve their FY27 budget until June 29, 2026.

Randy Foley motioned approval of this School Board amendment to their Operating Fund budget for Fiscal Year 2027. Hunter Holliday seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk

Nays: None

Abstaining: None

H. Appropriation of Funds

Consider a request to transfer unallocated capital reserve for Fiscal Year 2027 Capital Improvement Plan projects. **Audit - Finance Committee**

The Fiscal Year 2027 budget was adopted on May 11, 2026, which included four projects to be funded by capital reserves. Tonight's action will authorize the City Manager to transfer the funds for these approved Capital Improvement Plan items into specific project accounts within the Capital Reserve Fund. The projects include:

- Storm Drain – Carey Avenue \$850,000
- Storm Drain – Market Street and Clay Street \$750,000
- Police Vehicle Replacement \$523,249
- Front Load Dumpster Truck \$452,000

Randy Foley motioned approval for the City Manager to transfer \$2,575,249 from the Capital Reserve account to the specific project accounts with an effective date of July 1, 2027, in conjunction with the Fiscal Year 2027 budget, as specified in the Council Report included in the agenda. Hunter Holliday seconded the motion.

Councilman Foley asked to clarify a date and restated the motion.

Randy Foley motioned approval for the City Manager to transfer \$2,575,249 from the Capital Reserve account to the specific project accounts with an effective date of July 1, 2026, in conjunction with the Fiscal Year 2027 budget, as specified in the Council Report included in the agenda. Hunter Holliday confirmed that he seconded the motion.

Ayes: John Saunders, Hunter Holliday, Randy Foley, Anne Marie Green, Renée Turk

Nays: None

Abstaining: None

7. Adjournment

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

Submitted by:



H. Robert Light
Clerk of Council

Approved by:



Renée Ferris Turk
Mayor