

MINUTES OF A TOWN COUNCIL WORK SESSION
TOWN OF LURAY, VIRGINIA
Tuesday, April 28th, 2015

The Luray Town Council met in a work session on Tuesday, April 28th, 2015 at 5:30 p.m. in the Luray Town Council Chambers located at 45 East Main Street, Luray, Virginia at which time there were present the following:

Presiding: Barry Presgraves

Council Present: Ronald Vickers
Jerry Dofflemyer
Jerry Schiro
Leroy Lancaster
Joey Sours
John Meaney

Also Present:

Charlie Hoke, Town Manager
Bryan Chrisman, Assistant Town Manager
Mary Broyles, Clerk-Treasurer
Danielle Babb, Deputy Clerk Treasurer
Jason Spitler, Town Attorney
Pat Racey, Racey Engineering
Gary Shirley, Racey Engineering
Ken Beyer, Hawksbill Greenway Foundation
Dr. Herald Heard, Handicap Fishing Pier
Burt Wishman, Director of Housing-People Inc.

A quorum being present, Mayor Presgraves led members in the United States Pledge of Allegiance. The roll was called with no members absent.

ACTION ITEMS

Tax Rates

Town Manager, Charlie Hoke, said that there have been a number of discussions on the tax rate and a draft balanced budget has been provided. The proposed budget includes a .01 cent increase on the real estate tax and a .22 cents increase on personal property, as well as a 1% increase on water and sewer rates. Mayor Presgraves noted that staff would like action on this at tonight's meeting in order to meet tax billing deadlines.

Motion: Councilman Vickers motioned to approve the proposed tax rates and water/sewer rates as presented, motion seconded by Councilman Schiro with the vote as follows: YEA: Council Members Vickers, Schiro, Lancaster, Sours, Meaney. ABSTAIN: Dofflemyer. **Approved 5-0**

UPDATES AND DISCUSSION ITEMS

Handicap Fishing Pier

Dr. Harry Heard and Ken Beyer presented an update on the Handicap Fishing Pier proposal. Dr. Heard stated that a site plan has been obtained with the help of Racey Engineering and he provided a copy to members of Council. Dr. Heard said that consideration has been given to the esthetics of the greenway and the potential for flooding in this area. Dr. Heard expressed a need for this type of facility. Mr. Beyer said that many contributions have been offered even without asking for any support. Mr. Beyer also noted that the corps of engineers said permits are not needed. Mr. Hoke agreed that the town would provide a variance on the special use permit fees. Dr. Heard also provided some examples of signage to identify the area. He also noted signage for donor recognition. Mr. Hoke suggested that Dr. Heard and Mr. Beyer come up with the final design and full funding, then re-address the Council at that time. Mr. Hoke also asked that Council consider waiving the special use permit fee as previously mentioned. Mr. Racey said that he would consider Council's suggestion of concrete as opposed to asphalt and will research the cost differences. Councilman Dofflemyer expressed appreciation for the efforts on this project and said that he is in favor of the concept.

Motion: Councilman Vickers motioned to approve the proposal for the handicap fishing pier and asked that they proceed and for Council to waive any associated fees, and re-address Council with details on signage; motion seconded by Councilman Dofflemyer with the vote as follows: YEA: Council Members Vickers, Dofflemyer, Schiro, Lancaster, Sours, Meaney. **Approved 6-0**

People Incorporated – Luray Meadows Project

Town Planner, Ligon Webb, said that he believes a Building and Zoning Permit is all that will be needed for the fishing pier and that no special use permit would be needed according to the flood plain agreement.

Mr. Webb provided several considerations for the Luray Meadows project. Luray Meadows has submitted a site plan for informational purposes in order to receive feedback from the Town Council. In addition, staff has received a complete set of engineering plans for the development of the project. There is also a revised Developer's Agreement regarding the project's entrance road. The road was formerly known as "Fairlane Drive" and is now referred to in the document as "Shelley Street" by Luray Meadow, LLC. Mr. Webb said that the revised agreement is essentially identical to the agreement entered into by Llwellyn Company LLC and the Town back in 2008. The revision assigns reasonability for the construction entrance from Llwellyn LLC to Luray Meadow LLC. Mayor Presgraves questioned why the street name was changed. Mr. Gary Shirley, Racey Engineering, said that the name change was at the determination of the Page County GIS. He said the "Fairlane Drive" name was applied for and not accepted by Page County GIS. Mr. Shirley said that when the street name was not accepted, People Inc. presented the new street name. Councilman Lancaster suggested discussing this further with the GIS Department.

Councilman Lancaster inquired about the reference to "Luray Meadows" and "People Inc.". Mr. Pat Racey explained that People Incorporated is referred to as the developer and "Luray Meadows" would be the neighborhood name. Mr. Burt Wishman of People Incorporated, stated that People Inc. would be the managing member of Luray Meadows LLC. He advised that this is the sort of structure necessary to bring together the funding and tax credits necessary for the development of the property. Mr. Wishman discussed the funding resources for the development and explained the complexity of the funding structure. Councilman Schiro expressed concern that at this point the applicant is not the owner of the property. He assumed that before any construction could begin that the property would be conveyed to the applicant. Mr. Webb noted his report which states that in the developer's agreement, at or before closing on the property's sale, Luray Meadows will

provide to the town an agreement acceptable to the Town to construct the proposed Fairlane Drive (Shelley Drive) in accordance with the approved design plans and a performance bond payable to the Town for the construction of such. Mr. Webb noted that before there are any other permits issued or construction can begin on the rest of the property, approval and bonding must be met. Town Attorney, Jason Spitler, said that the closing of the property is essentially three-part, meaning that the town does not release all of its liens on the property until the new owner provides the new agreement and new bond. Councilman Lancaster reminded that the Fair Board has to agree to their portion and would like for Racey Engineering to be present at their meeting on May 12th. Mr. Racey and Mr. Lancaster discussed the property and how it relates to the Fair Board.

Mayor Presgraves reminded that this is listed as an action item for the evening's meeting. Councilman Lancaster suggested waiting on other approvals. Mr. Shirley recalled that Councilman Schiro had asked for updates when the final plans were made and previously the minor details had not been completed. Councilman Schiro recalled that he wanted more specifics which were well provided this evening. Councilman Vickers inquired about the overall style of the units. Mr. Wishman indicated that it would be a brick structure containing 52 units and all units will comply with a universal design. He added that the timeline requires bid submittals by May 14th and closing by the end of June. He noted that the schedule does not allow for much flexibility. Also, there has been a great deal of environmental review due to the involvement of federal funding. Mr. Wishman said that the infrastructure costs have come back higher than anticipated from the opening estimates but regardless are his company is very motivated to complete this project. He also noted a strong partnership with the Northern Shenandoah Valley Regional Commission. Mr. Wishman said that he will be happy to continue to answer any questions that arise. Mr. Racey said that he will plan to stay in close coordination with the Fair Board and with the Council in order to adhere to the project schedule.

Budget

Town Manager, Charlie Hoke, said that the budget has been reviewed a number of times and has been balanced based on your approved tax rate and fee schedule. The public hearing for the budget will be held on May 11th and this will give the public an opportunity to speak on this. Action cannot be taken on the budget until the work session in May. One remaining point of deliberation has been whether the Council plans to allocate funding for LDI. Mr. Hoke said that \$30,000 has been allocated in the draft budget. If approved, the entire amount would be distributed after July 1st. Mayor Presgraves said that he would like to see the amount be performance based, whether quarterly or twice annually. Councilman Meaney asked if the goals were truly "measurable". Mayor Presgraves said he did feel the performance was measurable. Mr. Hoke said that the LDI Board has been very active and is made up of a very good group of members. Mr. Hoke said he has mentioned that the payment may be made in disbursements as it has been this year. He stated that the board expressed that quarterly payments would be very difficult for their budgeting needs. Councilman Lancaster suggested that the town also put a limit on how much staff time is spent on LDI events. Councilman Schiro said that the events sponsored by LDI do bring people downtown and he sees some return on investment for employee time invested. He said that the Council does need to show that it is invested in activities that will bring people into the town. Mr. Schiro said that currently he does not see another means than LDI to promote downtown and acknowledged their efforts to restructure and fundraise. Councilman Schiro and Councilman Lancaster agreed that Ms. Shifflett has done a very good job restructuring the board. Mayor Presgraves said he feels the board is likely stronger than at its inception. Mr. Hoke also noted plans for the LDI Board to begin working alongside the Merchant's Association. Councilman Vickers noted that the County did not allocate tourism funds for LDI despite the board's request. Councilman Dofflemyer noted Councilman Meaney's concern over the measurability of the board's goals. Mr. Hoke acknowledged that the board is moving forward in their management practices and advised that the Market Collective will be transferred over to private management. Councilman Sours suggested proceeding with the twice annual payment and review. Councilman Lancaster said that he would like to see financial statements more often. Councilman Vickers

suggested more combined meetings and feels continued communication is important. Town Manager, Charlie Hoke, summarized that the Council wants to proceed with semi-annual payment to LDI and quarterly financial reporting, at a minimum.

CDBG Grant

Town Manager, Charlie Hoke, said that Ms. Tammy Falter has applied for a \$10,000 CDBG Grant. He explained that the application has gone through the grant committee and the Town Attorney is currently reviewing the collateral offered. Mr. Spitler said that currently the collateral includes several older model vehicles with a collective value of approximately \$5,000. Also, the applicant has offered, aside from any independent documentation, about \$27,000 in commercial kitchen property. Councilman Schiro asked if the town holds liens on these items. Mr. Spitler stated that if the agreement is approved the town could utilize DMV liens, UCC Financing Statements, Deeds of Trust, and so on. Mr. Spitler said that he has worked with town staff on this and the lingering concern is the very mobile nature of business equipment and the unclear source of ownership for this type of property. Mr. Spitler said that the other concern is that the personal property doesn't necessarily match up with the county tax billing, as those bills reflect a different business name. Councilman Sours asked for clarification on the type of loan. Mr. Spitler said it is his understanding that the loan is personal in nature but doesn't restrict the individual from utilizing business property as a pledge. Mr. Hoke said that if the collateral can be sorted out then this will be an action item for the May 11th regular meeting. Mayor Presgraves reminded that even though the funds are restricted to the pool, the Council are administrators of these funds. Members discussed the risks associated and noted two previous defaults during the program.

ACTION ITEMS- CONTINUED

Twice a Year Billing for Personal Property

Town Attorney, Jason Spitler, addressed Section 78-2 of the Town Code regarding Property Taxes. It is anticipated that the upcoming budget cycle would experience a shortfall if we were to move forward with annual personal property billing. In previous months, the Council made the change to move from twice-annual to annual personal property billing due to the cost of processing and mailing bills. However, with respect to the coming budget cycle this change could be problematic in terms of the timing of collections. Mr. Spitler said that he has prepared the draft ordinance, which essentially reverses to the original town ordinance and is consistent with real estate billing and the Code of Virginia.

Motion: Councilman Vickers motioned to approve the proposed twice annual billing for personal property, motion seconded by Councilman Lancaster with the vote as follows: YEA: Council Members Vickers, Schiro, Lancaster, Sours, Meaney. ABSTAIN: Dofflemyer. **Approved 5-0**

Planning Commission Appointment & Ordinance Appointing Council Member

Town Attorney, Jason Spitler, said that he has prepared an ordinance of appointment to the Luray Planning Commission for William Fisher, effective immediately. The other item of business is the ordinance appointing Mr. Jerry Dofflemyer to the Town Council and clarifies his voting privileges as an appointed member. Mr. Dofflemyer's term will expire upon the Special Election occurring on November 3rd when an elected candidate will take office. Should Mr. Dofflemyer choose to seek election he will need to submit his petition no later than June 9th. Mr. Spitler clarified that while these appointments have already taken place, the ordinance documents must be recorded at the Page Circuit Court.

Motion: Councilman Lancaster motioned to approve the ordinances of appointment as presented, motion seconded by Councilman Sours with the vote as follows: YEA: Council Members Vickers, Dofflemyer, Schiro, Lancaster, Sours, Meaney. **Approved 6-0**

ANNOUNCEMENTS

Mayor Presgraves reminded of the retirement dinner for Wayne Petefish on Wednesday evening at the Luray Southern Grill at 6:00pm.

ADJOURN

There being no further business, Mayor Presgraves adjourned the work session of the Town Council at approximately 7:03 pm.

Danielle P. Babb
Deputy Clerk-Treasurer

Barry Presgraves
Mayor