

REGULAR MEETING

APRIL 10, 2001

At a regular meeting of Council held this evening at 7:30 p.m., there were present: Mayor Carolyn W. Frank; City Manager Roger Baker; Assistant City Manager Kurt Hodgen; City Attorney Thomas H. Miller, Jr., Vice-Mayor Dorn W. Peterson; Council Member Larry M. Rogers, Hugh J. Lantz, Joseph Gus Fitzgerald; City Clerk Yvonne Bonnie Ryan, CMC/MMCA, and Chief of Police Donald Harper.

Mayor Frank delivered the invocation and led everyone in the Pledge of Allegiance.

Council Member Fitzgerald offered a motion to approve the consent agenda, including approval of the minutes and the second reading of a supplemental appropriation for the Police Department. The recorded roll call vote was taken as follows:

Vote: Yes - Council Member Fitzgerald

Council Member Rogers

Vice-Mayor Peterson

Council Member Lantz

Mayor Frank

Absent - None

City Manager Baker briefly reviewed the real estate tax rate. He explained that the state requires that if the reassessment results in an increase of 1% in revenues, the City must hold a public hearing if it intends to maintain the same tax rate. The Commissioner of Revenue's office conducted a reassessment, which resulted in an overall increase in the City's real estate tax base of about 5.23 percent. The budget for next year is based upon maintaining the current \$.62 per \$100 evaluation for the real estate rate.

At 7:35 p.m., Mayor Frank closed the regular session temporarily and called the evening s first public hearing to order. The following notice appeared in the Daily News-Record on Monday, April 2, 2001.

NOTICE OF PROPOSED REAL PROPERTY TAX INCREASE

The City of Harrisonburg proposes to increase property tax levies.

1. Assessment Increase: Total assessed value of real property, excluding additional assessments due to new construction or improvements to property, exceeds last year's total assessed value of real property by 5.23 percent.

2. Lowered Rate Necessary to Offset Increased Assessment: The tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessment value of real estate with the exclusions mentioned above, would be \$.59 per \$100 of assessed value. This rate will be known as the lowered tax rate.

3. Effective Rate Increase: The City of Harrisonburg proposes to adopt a tax rate of \$.62 per \$100 of assessed value. The difference between the lowered tax rate and the proposed rate would be \$.03 per \$100, or 5.1 percent. This difference will be known as the effective tax rate increase.

Individual property taxes may, however, increase at a percentage greater than or less than the above percentage.

4. Proposed Total Budget Increase: Based on the proposed real property tax rate and changes in other revenues, the total net budget of the City of Harrisonburg will exceed last year's revised budget by 2.4 percent.

A public hearing on the effective rate increase will be held on April 10, 2001 at 7:30 p.m., in the Municipal Building Council Chambers, 345 South Main Street, Harrisonburg, Virginia.

The hearing shall be open to the public. The City Council shall permit persons desiring to be heard an opportunity to present oral testimony within such reasonable time limits as shall be determined by the City Council. The City is required by State law to reassess real estate every two years.

Any individual requiring auxiliary aids, including signers, in connection with the public hearing, shall notify the City Manager at least five (5) days prior to the date of the meeting.

CITY OF HARRISONBURG

Roger D. Baker

City Manager

Mayor Frank called on anyone present desiring to speak for or against the real estate tax rate. There being no one desiring to be heard, the public hearing was declared closed at 7:36 p.m., and the regular session reconvened. Vice-Mayor Peterson offered a motion to maintain the current real estate tax rate at \$.62 per

\$100 of assessed value. The recorded roll call vote was taken as follows:

Vote: Yes - Council Member Fitzgerald

Council Member Rogers

Vice-Mayor Peterson

Council Member Lantz

Mayor Frank

Absent - None

Planning and Community Development Director Turner introduced a request by Bill Neff/Deyerle Trust to rezone a parcel located at 16 Warehouse Road from B-2, General Business District to M-1, General Industrial District. She explained that this rezoning request by the property owners would enable Dutch Way Fencing to construct a building on the site. The parcel consisting of 1.058 acres is zoned B-2 General Business District. Mrs. Turner reviewed the surrounding uses in the area. The Comprehensive Plan designates this area as General Industrial, which is composed of land and structures used for light and general manufacturing, wholesaling, warehousing, high-technology, research and development, and related activities. The Dutch Way Fencing Company describes itself as storing, assembling, and installing fencing and because of this they fall more under the M-1 classification rather than the B-2 classification. This is mainly due to the outside storage and assembly operations for this business. She said that Planning Commission held a public hearing and recommended that the request be approved. However, Mrs. Turner said that today April 10th, Bill Neff who is the applicant sent a letter to the City Manager's office requesting that the public hearing be held as intended, but requested that City Council table any vote until the next meeting. Mr. Neff is still negotiating some issues with Dutch Way Fencing Company.

At 7:40 p.m., Mayor Frank closed the regular session temporarily and called the evening's second public hearing to order. The following notice appeared in the Daily News-Record on Monday, March 26, and Monday, April 2, 2001.

NOTICE OF PUBLIC HEARING

The Harrisonburg City Council will hold Public Hearings on Tuesday, April 10, 2001, at 7:30 p.m. in the City Council Chambers at the Municipal Building, 345 South Main Street, to consider the following:

REZONING

Public Hearing to consider a request by Bill Neff/Deyerle Trust, representative Valley Engineering, to rezone a 1.058 acre lot, tax map parcel 108-C-1A from B-2, General Business District to M-1, General Industrial District. The area is located at 16 Warehouse Road.

The Comprehensive Plan designates this area as General Industrial, which is described as areas composed of land and structures used for light and general manufacturing, wholesaling, warehousing, high-technology, research and development, and related activities.

The Zoning Ordinance states that the B-2 district allows a wide variety of retail shopping, commercial, recreational, and service activities. In addition, the M-1 district is intended primarily for manufacturing, processing, storage, and distribution activities, which are not properly associated with, nor compatible with, residential and institutional development. No minimum lot size restrictions exist in the M-1 General Industrial District or the B-2 General Business District.

Maps and other information are available for review in the Community Development Department, 409 South Main Street, Monday through Friday, 8:00 a.m. to 5:00 p.m. All persons interested will have an opportunity to express their views at these public hearings.

Any individual requiring auxiliary aids, including signers, in connection with the public hearing shall notify the City Manager at least five (5) days prior to the date of the meeting.

CITY OF HARRISONBURG

Roger D. Baker

City Manager

Mayor Frank called on anyone desiring to speak for or against considering this request.

J.R. Copper representing the Bill Neff/Deyerle Trust explained that the primary request for rezoning this property was for the outside storage and assembly operations for the Dutch Way Fencing business. He also requested that the rezoning be tabled. There being no others desiring to be heard, the public hearing was declared closed at 7:41 p.m., and the regular session reconvened. Vice-Mayor Peterson offered a motion to table the request. The motion was approved with a unanimous vote of Council.

Planning and Community Development Director Turner introduced a request to consider rezoning a parcel located on 1690 South Main Street, from M-1, General Industrial District and R-3, Multiple Dwelling Residential District to B-2, General Business District (conditional). She explained that the site contains approximately 4.8 acres. The site has a vacant movie theater building and storage structure. The Comprehensive Plan's Land Use Guide classifies the area as Commercial. The Commercial designation consists of uses including retail, wholesale, or service functions. These areas are found along the major travel corridors. Mrs. Turner also reviewed the surrounding uses in the area. Staff recommends approval of the request to rezone the property from M-1, General Industrial District to B-2. The applicant has proffered to maintain the current landscaping along the Purcell Park boundary and the subject property. The applicant will also maintain 50 foot setback between Purcell Park and Rocco Park Apartments boundaries for any buildings. These proffers will greatly reduce the risk of intrusion to the abutting residential uses. She said that Planning Commission recommended approval of the request.

At 7:49 p.m., Mayor Frank closed the regular session temporarily and called the evening's third public hearing to order. The following notice appeared in the Daily News-Record on Monday, March 26, and Monday, April 2, 2001.

NOTICE OF PUBLIC HEARING

The Harrisonburg City Council will hold Public Hearings on Tuesday, April 10, 2001, at 7:30 p.m. in the City Council Chambers at the Municipal Building, 345 South Main Street, to consider the following:

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REZONING

Public Hearing to consider a request by Rocco Enterprises, Inc., with representative Mr. Mike Pugh, to rezone a 4.818 acre lot, tax map parcel 10-C-5 from M-1, General Industrial District and R-3, Multiple Dwelling Residential District to B-2, General Business District (conditional). The lot is located at 1690 South Main Street.

The Comprehensive Plan designates this area as Commercial, which has uses including retail, wholesale, or service functions. These areas are found along major travel corridors and in the Central Business District of the City.

The Zoning Ordinance states that the M-1, General Industrial District is intended primarily for manufacturing, processing, storage, and distribution activities, which are not properly associated with, nor compatible with, residential and institutional development. No minimum lot size restrictions exist in the M-1, General Industrial District.

In addition, the R-3, Multiple Dwelling Residential District is intended for medium- to high-density residential development and other uses intended to respect the residential character, which are aesthetically compatible within the district by means of architectural expression, landscaping, and restrained traffic flow. The residential density ranges for R-3 are single-family, 6,000 sq. ft. minimum; multi-family, 3,000 sq. ft. minimum per unit; townhouses, 2,000 sq. ft. minimum per unit; and other uses, 6,000 sq. ft. minimum.

The B-2, General Business District is intended to provide a sufficient space in appropriate locations for a wide variety of retail shopping, commercial, automotive, miscellaneous recreational, and service activities. No minimum lot size restrictions exist in the B-2, General Business District.

Maps and other information are available for review in the Community Development Department, 409 South Main Street, Monday through Friday, 8:00 a.m. to 5:00 p.m. All persons interested will have an opportunity to express their views at these public hearings.

Any individual requiring auxiliary aids, including signers, in connection with the public hearing shall notify the City Manager at least five (5) days prior to the date of the meeting.

CITY OF HARRISONBURG

Roger D. Baker

City Manager

Mayor Frank called on anyone desiring to speak for or against considering this request.

Mike Pugh, representing the applicant Rocco Enterprises, expressed his thanks to Mrs. Stacy Turner and her staff. There being no others desiring to be heard, the public hearing was declared closed at 7:50 p.m., and the

regular session reconvened. Vice-Mayor Peterson offered a motion to approve this rezoning request. The recorded roll call vote was taken as follows:

Vote: Yes - Council Member Fitzgerald

 Council Member Rogers

 Vice-Mayor Peterson

 Council Member Lantz

 Mayor Frank

Absent - None

Council Member Rogers thanked Stacy Turner and her staff for the improvement in presenting the plats and maps on the overhead.

Planning and Community Development Director Turner introduced a request by William Hayter to vacate a 21,725 square foot street that runs east west parallel with South High Street and purchase a 5,682 square foot City owned parcel. She explained that Planning Commission held a public hearing to consider this request which included closing part of an old street right-of-way and purchasing a City owned parcel; however, it was discovered that the triangle is not excess property belonging to the City, but it is all right-of-way. Therefore, Planning Commission will be reconsidering this request at its meeting tomorrow night April 11, 2001. It will be necessary to re-advertise the parcel as all right-of-way and for City Council to hold another public hearing. Mrs. Turner said that Planning Commission had approved the request when they thought it was a City owned parcel and not right-of-way; therefore, she was confident they would recommend approval of the request as all right-of-way. There is a small area of approximately 200 square feet that the City has agreed to quitclaim.

At 7:53 p.m., Mayor Frank closed the regular session temporarily and called the evening s fourth public hearing to order. The following notice appeared in the Daily News-Record on Monday, March 26, and Monday, April 2, 2001.

NOTICE OF CLOSING A

PORTION OF OLD SOUTH HIGH STREET

SOUTH OF CANTRELL AVENUE

The Harrisonburg City Council will hold a public hearing on Tuesday, April 10, 2001, 7:30 p.m. in the City Council Chambers, Municipal Building, 345 South Main Street, Harrisonburg, Virginia, to consider the application of William Hayter to vacate a 21,725 sq. ft. street that runs east west parallel with South High Street and purchase a 5,682 sq. ft. City owned parcel.

A copy of the recommendation of the City Planning Commission along with a copy of the plat showing the portion of the street to be vacated and closed are available at the Community Development Department, 409 South Main Street, Monday through Friday, 8:00 a.m. to 5:00 p.m. All persons interested will have the opportunity to express their views at this public hearing.

Any individual requiring auxiliary aids, including signers, in connection with the public hearing, shall notify the City Manager at least five (5) days prior to the date of the meeting.

CITY OF HARRISONBURG

Roger D. Baker

City Manager

J.R. Copper, representing Valley Engineering, presented an advanced copy of the final plat and explained that this request has become more complicated than an average vacation of unused right-of-way and City owned property. He said that a 17,601 square foot portion of the 21,725 square foot property in question was properly advertised for tonight's City Council public hearing. The remaining 4,055 square foot parcel was thought to be excess City property, but is actually a portion of new South High Street. This parcel was a portion of the property that was originally owned by the City and used for part of the entrance into the high school. A new entrance into the high school was created aligning it with Cantrell Avenue. Both parcels are right-of-way and not excess City property. Mr. Copper requested that City Council vote on vacating the old South High Street portion of the property which is the 17,601 square foot parcel and refer to the Planning Commission the 4,055 square foot parcel for their re-review since it has been clarified that is right-of-way and not City owned property. Mr. Copper said, "Since the bank does not have a contract to purchase or title to either parcel, he requested that City Council initiate a rezoning. City Council will need to hold another public hearing to vacate the 4,055 square foot parcel."

There being no others desiring to be heard, the public hearing was declared closed at 8:05 p.m., and the regular session reconvened. Following a lengthy discussion, Vice-Mayor Peterson offered a motion to table the proposal from Planning Commission which included selling the right-of-way. The motion was approved with a unanimous vote of Council. The second part of Vice-Mayor Peterson's motion included asking Planning Commission to consider rezoning the three parcels (0.513 acres, 17,601 square feet, and 4,055 square feet) from R-2 to B-2. The recorded roll call vote was taken as follows:

Vote: Yes - Council Member Fitzgerald

Council Member Rogers

Vice-Mayor Peterson

Council Member Lantz

Mayor Frank

Absent - None

Planning and Community Development Director Turner presented for Council's consideration of a first reading an ordinance amending Zoning Ordinance Section 10-3-46. She explained that this amendment would permit as a special use, a reduction in required parking for professional offices within the R-3 Multiple Dwelling Residential District. The amendment allows for more green space while providing the parking spaces if needed. The language is as follows: Article J. R-3 Multiple Dwelling Residential District, Section 10-3-46. Uses permitted only by special use permit: (3) Reducing required parking areas to permit fewer than the required number of parking spaces for professional offices permitted in residential districts, provided that an amount of open space equal to the amount of space that would have been used for the required number of parking spaces is left available for parking in the event that it is needed at some time in the future. Open space used for this purpose shall be so noted in the deed and shall not be used to meet any conflicting requirements of the Zoning Ordinance. She said that Planning Commission has recommended approval. City Attorney Miller suggested adding language to the amendment to make it clear that City Council will be making the decision concerning adding parking spaces. The additional language would insert the phrase "at the discretion of City Council" to the first sentence of the amendment following the phrase "in the event it is needed" and prior to "at some time in the future".

At 8:16 p.m., Mayor Frank closed the regular session temporarily and called the evening's fifth public hearing to order. The following notice appeared in the Daily News-Record on Monday, March 26, and Monday, April 2, 2001.

NOTICE OF PUBLIC HEARING

The Harrisonburg City Council will hold Public Hearings on Tuesday, April 10, 2001, at 7:30 p.m. in the City Council Chambers at the Municipal Building, 345 South Main Street, to consider the following:

ORDINANCE AMENDMENT

Public Hearing to consider a proposed amendment to Article J. R-3, Multiple Dwelling Residential District, Section 10-3-46. Consider adding the following as a use permitted only by special use permit:

Reducing required parking areas to permit fewer than the required number of parking spaces for Professional Offices permitted in residential districts, provided that an amount of open space equal to the amount of space that would have been used for the required number of parking spaces is left available for parking in the event that it is needed at some time in the future. Open space used for this purpose shall be so noted in the deed and shall not be used to meet any conflicting requirements of the Zoning Ordinance.

Maps and other information are available for review in the Community Development Department, 409 South Main Street, Monday through Friday, 8:00 a.m. to 5:00 p.m. All persons interested will have an opportunity to express their views at these public hearings.

Any individual requiring auxiliary aids, including signers, in connection with the public hearing shall notify the City Manager at least five (5) days prior to the date of the meeting.

CITY OF HARRISONBURG

Roger D. Baker

City Manager

Mayor Frank called on anyone to speak either for or against amending Section 10-3-46 of the Zoning Ordinance. There being no one desiring to be heard, the public hearing was declared closed at 8:17 p.m., and the regular session convened. Council Member Fitzgerald offered a motion to approve amending Section 10-3-46 and adding (at the discretion of City Council) to this ordinance for a first reading. The recorded roll call vote was taken as follows:

Vote: Yes - Council Member Fitzgerald

 Council Member Rogers

 Vice-Mayor Peterson

Council Member Lantz

Mayor Frank

Absent - None

Planning and Community Development Director Turner presented for Council's consideration an ordinance amending Zoning Ordinance Section 10-3-97 for a first reading. She explained that this is a request to amend the M-1 General Industrial District zoning classification to add another item under the special use permit usage. The American Legion is interested in locating a facility in an industrial classification on Mt. Clinton Pike. She said that when the American Legion presented its request, Planning Commission preferred not to rezone a small piece of property located in the middle of an industrial area. Planning Commission has reviewed the draft language for the ordinance amendment and recommended approval. The ordinance text reads as follows: Section 10-3-97. Uses permitted by special use permit. (9) Religious, education, charitable, or benevolent institutional uses which do not provide housing facilities.

At 8:20 p.m., Mayor Frank closed the regular session temporarily and called the evening's sixth public hearing to order. The following notice appeared in the Daily News-Record on Monday, March 26, and Monday, April 2, 2001.

NOTICE OF PUBLIC HEARING

The Harrisonburg City Council will hold Public Hearings on Tuesday, April 10, 2001, at 7:30 p.m. in the City Council Chambers at the Municipal Building, 345 South Main Street, to consider the following:

ORDINANCE AMENDMENT

Public Hearing to consider a proposed amendment to Article R. M-1, General Industrial District, Section 10-3-97. Consider adding the following as a use permitted by special use permit:

Religious, educational, charitable or benevolent institutional uses which do not provide housing facilities.

Maps and other information are available for review in the Community Development Department, 409 South Main Street, Monday through Friday, 8:00 a.m. to 5:00 p.m. All persons interested will have an opportunity to express their views at these public hearings.

Any individual requiring auxiliary aids, including signers, in connection with the public hearing shall notify the City Manager at least five (5) days prior to the date of the meeting.

CITY OF HARRISONBURG

Roger D. Baker

City Manager

Mayor Frank called on anyone to speak either for or against amending Section 10-3-97 of the Zoning Ordinance. There being no one desiring to be heard, the public hearing was declared closed at 8:21 p.m., and the regular session convened. Vice-Mayor Peterson offered a motion to approve this amendment to the Zoning Ordinance. The recorded roll call vote was taken as follows:

Vote: Yes - Council Member Fitzgerald

Council Member Rogers

Vice-Mayor Peterson

Council Member Lantz

Mayor Frank

Absent - None

Planning and Community Development Director Turner introduced a request by Burg Rental, LLC, for a special use permit (per section 10-3-46 (3) of the Zoning Ordinance). She explained that Burg Rental is located at 558 South Main Street better know as Phibbs, Burkholder, Geisert, & Huffman, LLP (PBGH) accounting firm. PBGH merged with the Harrisonburg office of McGladrey, another accounting firm, and is expanding their existing office space to the top floor of their building. However, with the addition to their gross floor area the Zoning Ordinance Section 10-3-45 (19), states that business or professional offices must have one space for each three hundred (300) square feet of gross floor area. Currently, the accounting firm

has 45 parking spaces and would need an additional 10 parking spaces to accommodate the renovations planned. The nature of PBGH's business is such that much of their work is performed in their clients' offices and a significant number of employees are not on the premises on any given day. The firm would prefer to leave the area for parking as open space for the enjoyment of the neighborhood and their employees. Therefore, they are asking for a special use permit from Section 10-3-46 that allows uses in R-3 to reduce the required parking areas to permit fewer than the required number of parking spaces for professional offices. Phibbs, Burkholder, Geisert, & Huffman has an arrangement with the Baptist Church located across the street to use their parking lot in case all employees are in the office at one time. In return, the Baptist Church is allowed the PBGH parking lot on Sundays and evenings. She said that Planning Commission recommended approval.

At 8:30 p.m., Mayor Frank closed the regular session temporarily and called the evening's seventh public hearing to order. The following notice appeared in the Daily News-Record on Monday, March 26, and Monday, April 2, 2001.

NOTICE OF PUBLIC HEARING

The Harrisonburg City Council will hold Public Hearings on Tuesday, April 10, 2001, at 7:30 p.m. in the City Council Chambers at the Municipal Building, 345 South Main Street, to consider the following:

SPECIAL USE PERMIT

Public Hearing to consider a request by Burg Rental, LLC, for a special use permit {per section 10-3-46 (3) of the Zoning Ordinance} to reduce the number of parking spaces required, while providing green space that could be used to place the parking spaces. The area is located at 558 South Main Street.

Maps and other information are available for review in the Community Development Department, 409 South Main Street, Monday through Friday, 8:00 a.m. to 5:00 p.m. All persons interested will have an opportunity to express their views at these public hearings.

Any individual requiring auxiliary aids, including signers, in connection with the public hearing shall notify the City Manager at least five (5) days prior to the date of the meeting.

CITY OF HARRISONBURG

Roger D. Baker

City Manager

Mayor Frank called on anyone to speak either for or against this special use permit request.

Greg Geisert one of the owners of the building said that everything had been explained very clearly and he was available to answer questions. There being no others desiring to be heard, the public hearing was declared closed at 8:31 p.m., and the regular session convened. Vice-Mayor Peterson offered a motion to table this request until City Council has a second reading amending Section 10-3-46 (3) of the Zoning Ordinance. The motion was approved with a unanimous vote of Council.

Planning and Community Development Director introduced a request by the American Legion for a special use permit. She explained that this special use permit would allow the location of a benevolent fraternal organization within the M-1 General Industrial District located on Mt. Clinton Pike. The American Legion is interested in purchasing this property for their facility. The site is undeveloped land zoned M-1 General Industrial District. She also reviewed the surrounding property uses in the area. She reviewed the special use stipulations that were added to the request and recommendation: (1) A landscape buffer of 10 feet in width and 100 feet in length from Mt. Clinton Pike along the side property lines consisting of evergreen trees be placed. (2) The special use permit shall remain valid for only the period of time the American Legion occupies the site. If the American Legion leaves the site, the parcel will revert to the current zoning of the area. She said that Planning Commission recommended approval.

At 8:35 p.m., Mayor Frank closed the regular session temporarily and called the evening s eighth public hearing to order. The following notice appeared in the Daily News-Record on Monday, March 26, and Monday, April 2, 2001.

NOTICE OF PUBLIC HEARING

The Harrisonburg City Council will hold Public Hearings on Tuesday, April 10, 2001, at 7:30 p.m. in the City Council Chambers at the Municipal Building, 345 South Main Street, to consider the following:

SPECIAL USE PERMIT

Public Hearing to consider a request by the American Legion, representative Mr. Philip Updike, for a special use permit {per section 10-3-97 (9) of the Zoning Ordinance} to locate a fraternal organization within the M-1, General Industrial District. The area is located west of the corner of Mt. Clinton Pike and North Liberty Street.

Maps and other information are available for review in the Community Development Department, 409 South Main Street, Monday through Friday, 8:00 a.m. to 5:00 p.m. All persons interested will have an opportunity to express their views at these public hearings.

Any individual requiring auxiliary aids, including signers, in connection with the public hearing shall notify the City Manager at least five (5) days prior to the date of the meeting.

CITY OF HARRISONBURG

Roger D. Baker

City Manager

Mayor Frank called on anyone to speak either for or against this special use permit request.

There being no one desiring to be heard, the public hearing was declared closed at 8:36 p.m., and the regular session convened. Vice-Mayor Peterson offered a motion to table this request until City Council has a second reading amending Section 10-3-97 (9) of the Zoning Ordinance. The motion was approved with a unanimous vote of Council.

City Manager Baker presented an overview of the proposed 2001-2002 budget to the City Council. He explained that pursuant to Section 60 of the City's Charter, a balanced budget is presented for the fiscal year ending June 30, 2002. It is suggested that the public hearing and first reading be held on April 24, 2001 and that the final adoption of the budget occur on May 8, 2001. One of the major jobs of the City Manager and his staff is the preparation of the annual budget. The guiding force behind his budget has been staff's continued commitment to the cost efficient delivery of services, to the Principles of Continuous Improvement and to the attainment of Council's goals. The proposed budget's primary goal is to provide the means by which services are delivered to the citizens of Harrisonburg in the most cost-effective manner. The review and adoption of the budget represents one of the Council's most important activities. The City continued to be in a growth situation as evidenced by the latest census figures of 40,468, or a 31.8% growth since the 1990 census. For this time period, the City's population growth ranks first among all independent cities. The proposed budget recognizes the increased demand for services while being sensitive to the need to hold expenditure levels to a minimum. The proposed budget represents a 3.1% increase in net expenditures from the fiscal year 2001 budget as amended (34.4% increase when compared to original 2001 budget), while moving forward toward many of the City's priorities. This budget has been prepared through a conscientious and coordinated effort by all City departments and represents a team approach by City employees. A continued major commitment remains to funding for education, public safety, road, public utilities and the maintenance of existing infrastructure. The proposed budget includes **no** increases in tax rates. However, the reassessment has increased real property values and the amount of taxes paid has increased in some cases. This budget was developed using the current real estate tax rate of \$.62 per \$100 valuation. Finally, the rate for residential refuse collection is proposed to increase from \$8.30 per month to \$10.00 and for commercial collection from \$15.70 per month to \$17.40 as indicated in the fiscal year 1999-00 budget message, this is due primarily because of the rebuilding of the Resource Recovery Facility. The budget format is similar to prior

years , with detailed explanations by fund and by major function areas in the General Fund. A number of charts and graphs have also been included in order to assist with the explanation of the budget document. The section on performance-based budgeting is again included with the budget document. We will continue to refine the presentation of this budget format in future years. Staff is committed to implementing this management tool that will provide for a better link between the allocation of funds to planned service efforts and accomplishments. Copies of the budget will be available for review in the City's Managers' office and the Massanutten Regional Library. The budget is also on the City's web site. Staff is prepared to review the budget document with Council as directed. Adequate time is available for one or more budget work sessions prior to the public hearing. At the City Council's retreat held in August 2000, Council listed some of the goals that it thought were important for the community. Then it discussed concrete tasks that could be undertaken that would help to achieve the goals. Mr. Baker reviewed the goals established at the 2000 retreat which includes, enhance our economy by cooperating with Rockingham County in economic development and education; maintain a first-rate school system; make downtown Harrisonburg the cultural center of the Shenandoah Valley, maintain public health and safety; develop our future infrastructure of public facilities; have our citizens stay well-informed about their local government; preserve Harrisonburg's historic heritage; maintain an efficient road network; to get and keep good employees; to continue to improve our budget decision process; enhance revenue sources for the City; keep citizens informed by improving City Council's public communication; and maintain an effective system of recreation facilities and programs. The primary emphasis of the budget is placed on education, public safety, roads and public utilities. He said, "I believe every one of these goals is addressed in some way or another." The gross budget for fiscal year 2000-2001 as amended in total net expenditures is approximately \$140 million as proposed for 2001-2002 which is approximately \$145 million or a 3.75% increase. The net expenditure budget excluding transfers for depreciation and amortization is \$109,421,755 for 2000-2001. The proposed net expenditure budget is \$112,576,610 or a 2.88% increase. Approximately four million was cut from departmental requests. General Fund revenues are projected to increase by over \$2.8 million (less transfers from other funds and fund balance). The primary increases (based on the biennial real estate reassessment and growth, not rate increases) will occur in property taxes, business licence taxes, lodging taxes, meal taxes and the new utility consumption taxes. Also, HEC is expected to increase its contribution by \$200,000. The amount of fund balance designated to be used to balance the budget follows the guidelines in the City's Financial Management Policies by matching it with the costs of one-time capital expenditures, while maintaining at least 10% of General Fund expenditures plus an adequate amount for cash flow in undesignated fund balance. This level and type of use of fund balance will maintain the City's financial strength and allow for greater flexibility in dealing with future needs of the City.

lain **NO INCREASE IN TAX RATES IS PROPOSED IN ORDER TO BALANCE THE GENERAL FUND BUDGET!** That fact should indicate the conservative nature of this budget. Harrisonburg continues to compare favorably with real estate and personal property tax rates around the state. According to a 2000 publication by the Weldon Cooper Center for Public Service, the City has the **second** lowest nominal real estate tax rate among all independent cities. Mr. Baker reviewed the surrounding areas real estate tax rates. On personal property rates for motor vehicles, the City is currently sixth based on an adjusted effective rate among all independent cities as defined by the Weldon Cooper Center for Public Service. Schools represent the largest single expenditure in the City budget (the proposed transfer from the General Fund is 37.5% of the total General Fund expenditures). The proposed appropriation to the School s operating budget is \$21,173,902 in local funds which is a 7.15% increase. Mr. Baker also reviewed the debt service for the schools. The Police Department proposed budget has increased approximately \$1.9 million or a 64.5% in funding during the last five years. Thirteen new police officers have been added to the department during this time period. The Fire Department operating budget has increased significantly primarily due to increased capital outlay expenditures. The Fire Suppression budget includes \$340,000 for the replacement of a front line fire engine which was due for replacement two years ago. The Emergency Operations Center budget includes \$475,000 for a complete upgrade of the E-911 equipment. Since fiscal year 1998, the City has hired 18 additional firefighters. Maintaining the City s infrastructure includes an ongoing widening of Cantrell Avenue, resurfacing nearly 7 miles of City streets, replacing deteriorated sidewalks, replacing various construction equipment, rebuilding the steam plant, constructing a third multipurpose field at Smithland Road, playground equipment replacement, racquetball court renovations, Simms building renovation, purchasing new school buses, western raw water line improvements, eastern water source development, water treatment plant expansion, Smithland Road extension, Blacks Run sewer interceptor, and installing a traffic signal at the intersection of Garbers Church Road and West Market Street.

Vice-Mayor Peterson proposed scheduling a work session with department heads on April 17th at 7:00 p.m.

City Manager Baker presented for Council s consideration a legal services contract relative to bailout from coverage of the Voting Rights Act. This contract would allow the City to seek a bailout from coverage under the special provisions of the Voting Rights Act. City Registrar Long said that any changes that are made in voter registration have to be pre-approved by the Department of Justice which sometimes can take 60 days. Following further discussion and comments, Vice-Mayor Peterson offered a motion that the City retain this attorney to proceed with the bailout from coverage of the Voting Rights Act. The recorded roll call vote was taken as follows:

Vote: Yes - Council Member Rogers

Vice-Mayor Peterson

Council Member Lantz

Mayor Frank

No - Council Member Fitzgerald

Absent - None

Police Chief Harper presented a brief report on the formation of an Auxiliary Police Unit. This ordinance will establish a 20-member all-volunteer auxiliary police force. Colonel Harper said that it is an investment that will repay the City and offer better service to residents by having trained volunteers doing many of the burdensome tasks being performed by paid officers, such as traffic control. Some of the officers will be trained to accompany regular officers on patrol, while others will assist with administrative duties such as record keeping and dispatch. They will be required to work a minimum of 24 hours per month. Applicants are required to be City residents and will undergo the same training as sworn officers, minus the 12-week police academy program. They also will be required to undergo the same rigorous background checks as any applicant. Initially the auxiliary police officers will ride with sworn officers as part of their training. The goal is to eventually allow the volunteers to patrol on their own. Colonel Harper stressed that as long as applicants are held to the same standards as sworn officers and receive equal training, the benefits to the City are incalculable. Vice-Mayor Peterson offered a motion to enact this ordinance. The recorded roll call vote was taken as follows:

Vote: Yes - Council Member Fitzgerald

Council Member Rogers

Vice-Mayor Peterson

Council Member Lantz

Mayor Frank

Absent - None

Council Member Lantz said that the State Game and Inland Fishery has passed a law for a special archery season for hunting deer which will be allowed in municipalities throughout the state. He said unless we opt out then we will have a special archery season for deer hunting in the City of Harrisonburg. He suggested that the Deer Task Force hold a meeting to make a recommendation to City Council whether Harrisonburg will opt out of this law or allow a special hunting season in the City.

Council Member Fitzgerald suggested that an item be placed on the next City Council meeting to discuss guidelines for calling a closed meeting.

Council Member Lantz offered a motion to appoint Mike Collins, to the Environmental Quality Committee, Lester Seal, to the Finance Committee, Roger Baker and Tom Miller, to the General Laws Committee, Kurt Hodgen, to the Human Development & Education Committee, and Reggie Smith, to the Transportation Committee on the Virginia Municipal League policy committees. The motion was approved with a unanimous vote.

Economic Development Director Shull announced that one new business will be locating in Harrisonburg's Technology Park. He said that a local holding company Virginia Technology Incubator has reached an agreement with the City to purchase a 3.55 acre parcel in the City's designated technology area for the purpose of developing one to three facilities to house a number of technology related businesses. Virtual Ventures, Inc. will be developing a privately owned for profit incubator initiative on this property. It is a new concept for Harrisonburg that will enable new and/or small technology businesses to take the critical growth steps necessary to create viability for the business. Mr. Shull also announced that Cyberedge Technologies, an Internet Service Provider (ISP) based in St. Louis, MO opened an office in the City. Cyberedge's mission is to provide quality Internet services at competitive prices to businesses and individuals.

Vice-Mayor Peterson offered a motion that Earl Anderson be appointed to a term on the Central Shenandoah Planning District Commission to expire on June 30, 2004. Mr. Anderson will replace Stacy Turner when her term expires on June 30, 2001. The motion was approved with a unanimous vote of Council.

At 9:40 p.m., Vice-Mayor Peterson offered a motion that Council enter a closed session for the purpose of discussion of matters related to the purchase of real property. A closed session is permissible for this purpose pursuant to Section 2.1-344.A.3 of the Code.

At 10:00 p.m., the closed session was declared closed and the regular session reconvened. City Clerk Ryan read the following statement which was agreed to with a unanimous recorded vote of Council: I certify to the best of my knowledge and belief that (1) only public matters lawfully exempt from open meeting requirements pursuant to Chapter 21 of Title 2.1 of the Code of Virginia, 1950, as amended, and (2) only such public matters as were identified in the motion by which the closed meeting were convened, were heard, discussed or considered in the closed session by the City Council.

At 10:02 p.m., there being no further business and on motion adopted the meeting was adjourned.

CLERK

MAYOR