

MINUTES
TOWN COUNCIL
TOWN OF SHENANDOAH
REGULAR MEETING

MARCH 8, 2011

CALL TO ORDER: The Shenandoah Town Council held its regular meeting on Tuesday, March 8, 2011, at 7:00 p.m., with Mayor Clinton O. Lucas, Jr., presiding.

The meeting began with the Pledge of Allegiance.

ATTENDANCE: Council Members present were: Mayor Clinton O. Lucas, Jr.; Vice Mayor William Kite; Councilmen Russell Comer, Jr.; Charles Jenkins; I. Michael Lowe; Richard Pierce; and Keith Sampson.

Council Members absent were: None.

Other Town Officials present were: Larry E. Dovel, Town Manager and Juanita F. Roudabush, Assistant Town Manager/MMC.

Citizens present were: Patty Robinson; Ron Haney; Christy Shifflett; Carroll Cubbage; Dianna Cubbage; Jenny Knight; Jennifer Morris; Craig Coffman; Courtney Coffman; Ryan Michael; Patty Pendleton; Kierston Lewis; Annie Lewis; Dave Hinkle; Phil Secrist; Wanda Wheeler; Dion Wheeler; Tom Reiss; Dexter Steele; Cameron Steele; Ronald Walls; Jacqueline Stepp; and Bobby Housden.

Media Representatives: None.

RECEIVING OF VISITORS

Mayor Lucas welcomed everyone to the meeting and noted only two (2) visitors had signed up to speak to Council under the visitor section. He noted anyone else desiring to address Council may do so at the end of the meeting under the For the Good of the Town section on the agenda.

#1 – Ron Haney stated he has more information to present to Council regarding a proposed bait and tackle shop at the Shenandoah River Park. He noted he spoke with Brad Moyer of the Virginia Department of Game and Inland Fisheries in Verona, Virginia about his plans for the business on this property. He noted DGIF just wanted to make it clear he could not do anything to block the boat ramp.

Following questions, he stated his plans include a movable trailer to operate the bait and tackle shop. He explained he only intends to sell pre-packaged food at this point, but understands a health permit will be required to cook and sell any food items at this location. He is also aware of the need for his own insurance coverage and he accepts liability for anything related to his business or equipment on this site. He also stated he is aware of the need for Town business license permits as well.

A Motion was made by Vice Mayor Kite, seconded by Councilman Pierce, to authorize Ron Haney to operate a bait and tackle shop for the 2011 season from the Shenandoah River Park & Landing, contingent upon him removing the trailer and any trash on a daily basis, parking the trailer in an area that does not interfere with park users, boats, or trailers, and he obtains a Town business license and any other required permits, and carries his own liability insurance coverage.

Members Vote was as follows:

YEA: Vice Mayor Kite NAY: None.
 Councilman Comer
 Councilman Jenkins
 Councilman Lowe
 Councilman Pierce
 Councilman Sampson

ABSTAIN: Mayor Lucas.

ABSENT: None.

VOTE: Unanimous in favor of motion.

2 – Carroll Cubbage stated he would like to purchase a portion of the Town's lot, which is adjacent to his property, at the intersection of Second Street and Virginia Avenue. He noted the extra land is needed to allow for an addition onto the home he is renovating and to allow for drainage work to keep water runoff away from this house. He noted he would pay for the costs involved and also would landscape any areas disturbed during the drainage work.

Council Members agreed they would be willing to sell a 25 foot section of the Town's lot to Mr. Cubbage and the Town would retain a 25 foot section of this 50 foot wide lot. The price would be negotiated with Mr. Cubbage and clarified he would be responsible for all fees involved with this transaction and payment for the lot.

Following questions, Assistant Town Manager Roudabush explained the division of the lot would require Planning Commission approval. There would be a small fee for the division application, and a survey plat would need to be completed showing the lot lines would be vacated and 25 feet of this lot would be combined with the Cubbage's existing lot and the remaining 25 foot section would be combined with the Town's existing lot, which also contains the skate park.

A Motion was made by Vice Mayor Kite, seconded by Councilman Lowe, to authorize Carroll Cubbage to proceed with having a survey completed and filing the necessary paperwork to purchase a 25 foot section of Town owned property, contingent to Mr. Cubbage being responsible for all fees involved, including but not necessarily limited to, subdivision of lot application, required survey plats, legal deed work, and the price of the lot to be negotiated later.

Members Vote was as follows:

YEA: Vice Mayor Kite NAY: None.

Councilman Comer
Councilman Jenkins
Councilman Lowe
Councilman Pierce
Councilman Sampson

ABSTAIN: Mayor Lucas.

ABSENT: None.

VOTE: Unanimous in favor of motion.

3 - Carroll Cubbage then reported he inspected the old Verbena Lodge building on behalf of the property owner and the proposed purchaser Tom Reiss. He explained the structure appears to be sound with the main damages from rain coming in the portion of the roof that leaked. He stated he knows Mr. Reiss has already repaired several other buildings in Town and if all goes well, they may complete renovations on this building in the near future.

Mayor Lucas directed Council's attention to several letters from the current owner of the lodge building. These letters informed the Town of his intentions to sell this structure to Mr. Reiss, if the building is found to be structurally sound.

Mr. Reiss stated he hopes to close on the building on March 31, 2011, and then he plans to repair the holes in the roof, close up the windows and then begin making other repairs, with immediate attention to the bulging siding on the alley side of the building. Additionally, he noted his plans include installing siding over the exterior of the entire structure to enhance its appearance. He also plans to clean out the alleyway behind this building, which will open it up for access to other property owners who have been having difficulties accessing the rear of their properties. His future plans include several ideas for businesses for this structure once it is completely renovated.

Mayor Lucas and Council Members thanked Mr. Cubbage and Mr. Reiss for their assessment and plans for the structure on Pennsylvania Avenue.

FEBRUARY 22, 2011, REGULAR MEETING MINUTES AND FEBRUARY 24, 2011, SPECIAL MEETING MINUTES:

Councilman Sampson stated he had one correction to the February 22, 2011, regular meeting minutes. He noted on page 5, it should read the Shenandoah Recreation League assists in payment of the Town's electric bill at the Parks and Recreation Building/Batting Cage rather than the Shenandoah Indians Baseball Team. These minutes will be amended to correct that error.

A Motion was made by Councilman Lowe, seconded by Councilman Pierce, to approve the Regular Meeting Minutes held on February 22, 2011, as corrected.

Members Vote was as follows:

YEA: Vice Mayor Kite NAY: None.
 Councilman Comer
 Councilman Jenkins
 Councilman Lowe
 Councilman Pierce
 Councilman Sampson

ABSTAIN: Mayor Lucas.

ABSENT: None.

VOTE: Unanimous in favor of motion.

Councilman Lowe reported one change in the February 24, 2011, special meeting minutes. He noted on page 3, it quotes the income requirements for the funding assistance on the People, Inc. grant funded project proposed for the Forest Knolls Subdivision. He explained the amounts should be at most, rather than at least, as reported in the minutes. These minutes will be amended to correct this error.

A Motion was made by Councilman Comer, seconded by Vice Mayor Kite, to approve the Special Meeting Minutes held on February 24, 2011, as corrected.

Members Vote was as follows:

YEA: Vice Mayor Kite NAY: None.
 Councilman Comer
 Councilman Jenkins
 Councilman Lowe
 Councilman Pierce
 Councilman Sampson

ABSTAIN: Mayor Lucas.

ABSENT: None.

VOTE: Unanimous in favor of motion.

APPROVAL OF BILLS:

Councilman Lowe inquired if the \$100 donation on warrant numbers 29298 and 29409 were duplications?

Councilman Pierce stated they were not duplicates as one was for the After Prom program and the other was for the Boys Varsity Basketball team to help defray expenses with their trips to playoffs. He noted the wording was not changed on one of the warrants, which caused it to appear to be a duplicate donation.

There being no further questions or comments, a Motion was made by Vice Mayor Kite, seconded by Councilman Sampson, to approve the bills, dated March 8, 2011, in the Combined Accounts Disbursements Warrants #29384 - #29433 in the amount of \$77,279.93.

Members Roll Call Vote was as follows:

YEA: Vice Mayor Kite NAY: None.
 Councilman Comer
 Councilman Jenkins

Councilman Lowe
Councilman Pierce
Councilman Sampson

ABSTAIN: Mayor Lucas.

ABSENT: None.

VOTE: Unanimous in favor of motion.

TREASURER'S REPORT: Mayor Lucas read the Treasurer's report, submitted by Treasurer Cindy Breeden, for March 8, 2011.

A Motion was made by Councilman Sampson, seconded by Councilman Comer, to approve the March 8, 2011, Treasurer's report in the amount of \$1,316,532.06, as read.

Members Vote was as follows:

YEA: Vice Mayor Kite NAY: None.

Councilman Comer

Councilman Jenkins

Councilman Lowe

Councilman Pierce

Councilman Sampson

ABSTAIN: Mayor Lucas.

ABSENT: None.

VOTE: Unanimous in favor of motion.

CORRESPONDENCE

Item # 1 – Mayor Lucas reported he would attend the 3rd Annual Tourism Kick-off meeting on March 10, 2011, at 5 p.m. at the BB&T Performing Arts Center of Luray. He noted each locality will have two (2) minutes to present their upcoming events for 2011. He inquired if there were other volunteers who wanted to attend this meeting as well?

Councilman Comer stated he would volunteer to attend this meeting along with Mayor Lucas if he desired.

Item # 2 – Mayor Lucas read a memorandum from Treasurer Breeden explaining a banking error causing the Town's payment to SunTrust to not go through as planned, but it was included in the warrants dated February 22, 2011. Therefore, this will require Council to rescind the motion and vote approving the bills of February 22, 2011, and make a new motion and vote for the corrected amount, which excludes this payment of \$2,502.57. The banking error was resolved and the payment is now included in the warrants of March 8, 2011.

A Motion was made by Vice Mayor Kite, seconded by Councilman Pierce, to rescind the vote of February 22, 2011, approving Combined Accounts Disbursements Warrants #29348 through #29383, in the amount of \$79,995.91.

Members Roll Call Vote was as follows:

YEA: Vice Mayor Kite NAY: None.

 Councilman Comer

 Councilman Jenkins

 Councilman Lowe

 Councilman Pierce

 Councilman Sampson

ABSTAIN: Mayor Lucas.

ABSENT: None.

VOTE: Unanimous in favor of motion.

A Motion was made by Vice Mayor Kite, seconded by Councilman Pierce, to approve the bills, dated February 22, 2011, in the Combined Accounts Disbursements Warrants #29348 - #29383 in the amount of \$77, 493.34.

Members Roll Call Vote was as follows:

YEA: Vice Mayor Kite NAY: None.

Councilman Comer

Councilman Jenkins

Councilman Lowe

Councilman Pierce

Councilman Sampson

ABSTAIN: Mayor Lucas.

ABSENT: None.

VOTE: Unanimous in favor of motion.

Item # 3 – Mayor Lucas read a proclamation of the National Park Trust as follows:

National Kids to Parks Day: May 21, 2011

WHEREAS, May 21st is the first National Kids to Parks Day organized and launched by the National Park Trust; and

WHEREAS, National Kids to Parks Day empowers kids and encourages families to get outdoors and visit America's parks; and

WHEREAS, it is important to introduce a new generation to our nation's parks because of the decline in Park attendance over the last decades; and

WHEREAS, we should encourage children to lead a more active lifestyle to combat the issues of childhood obesity, diabetes mellitus, hypertension and hypercholesterolemia; and

WHEREAS, National Kids to Parks Day is open to all children and adults across the country to encourage a large and diverse group of participants; and

WHEREAS, National Kids to Parks Day will broaden children's appreciation for nature and the outdoors; and

NOW THEREFORE, the Mayor and Town Council of Shenandoah, Virginia, do hereby proclaim to participate in National Kids to Parks Day. We urge residents of the Town of Shenandoah to make time May 21st to take the children in their lives to a neighborhood, state or national park.

Adopted this 8th day of March 2011 by the Town Council, Town of Shenandoah, Virginia.

A Motion was made by Councilman Jenkins, seconded by Councilman Sampson, to adopt the proclamation of the National Park Trust to encourage residents to take their children to a local, state, or national park on May 21, 2011.

Members Vote was as follows:

YEA: Vice Mayor Kite NAY: None.
 Councilman Comer
 Councilman Jenkins
 Councilman Lowe
 Councilman Pierce
 Councilman Sampson

ABSTAIN: Mayor Lucas.

ABSENT: None.

VOTE: Unanimous in favor of motion.

More information may be obtained by visiting the website at www.BuddyBison.org

Item # 4 – Mayor Lucas read a proclamation from the American Red Cross as follows:

AMERICAN RED CROSS MONTH 2011

A Proclamation

The American Red Cross fulfills a vital role in our community. It prevents and alleviates suffering in the face of disaster and is a true reflection of the humanitarian and volunteer spirit of the American people.

During the month of March, the American Red Cross asks all Americans to join its movement and help carry out its lifesaving mission, with a gift of time, money or blood. The Red Cross supplies almost half of the nation's blood; teaches skills that save lives; provides international humanitarian aid; supports military members and their families; and feeds, shelters and gives emotional support to victims of disasters.

For almost 100 years, Presidents have called on the American people to support the Red Cross and its humanitarian mission. In World War I, President Woodrow Wilson ordered the Red Cross to raise funds to support emergency aid to the military. At that time, the American Red Cross set a goal of \$125 million and in less than six weeks donations totaled nearly \$146 million – a tribute to the overwhelming generosity of the American public.

In 1943, during World War II, President Franklin D. Roosevelt became the first president to proclaim March as Red Cross Month and called on Americans to “rededicate themselves to the splendid aims and activities of the Red Cross.” President Roosevelt’s call to action nearly 70 years ago started a tradition of designating March as Red Cross Month, a time to recognize and support the valuable work of the American Red Cross.

Every day, through its employees and volunteers here in Shenandoah, Virginia, the American Red Cross is there to save the day when disaster strikes or when a neighbor's house burns down. It is there when someone needs life-saving blood, or the comfort of a helping hand. It connects military families with their loved ones in service, and provides training in CPR, aquatics safety, and first aid. It spreads humanitarian aid and goodwill to people around the world.

Our community depends on the American Red Cross and because it is not a government agency, the Red Cross depends on support from the public to continue its humanitarian work. This is especially important in these challenging economic times for the Red Cross and all Americans.

NOW, THEREFORE, the Mayor and Town Council of the Town of Shenandoah, Virginia, do hereby proclaim March 2011 as American Red Cross Month and we encourage all Americans to support this organization and its noble humanitarian mission.

IN WITNESS WHEREOF, following authorization of the Town Council, as Mayor of the Town of Shenandoah, Virginia, I have hereunto set my hand this 8th day of March, in the year of our Lord two thousand eleven in the Town of Shenandoah, Virginia.

A Motion was made by Councilman Pierce, seconded by Councilman Lowe, to adopt the proclamation recognizing March as the American Red Cross month for 2011, and encouraging all Americans to support this organization and its noble humanitarian mission.

Members Vote was as follows:

YEA: Vice Mayor Kite NAY: None.

Councilman Comer

Councilman Jenkins

Councilman Lowe

Councilman Pierce

Councilman Sampson

ABSTAIN: Mayor Lucas.

ABSENT: None.

VOTE: Unanimous in favor of motion.

More information may be obtained at www.centralvirginia.redcross.org

Item # 5 – Mayor Lucas and Council Members received the February 2011 Town Vehicle Gasoline Log for review.

Item # 6 – Mayor Lucas and Council Members reviewed and approved the revised list of Cruz In Fridays on April 29th; May 27th; June 3rd; July 8th; July 15th; August 12th; September 16th; and October 7th. All events will take place on First Street.

Item # 7 - Received an event schedule for Motocross at the Shenandoah Speedway. More information may be obtained at www.shenandoahspeedway.com

It was noted the Page County Board of Supervisors has the motocross race schedule up for review and it may change in the future.

Item # 8 – Mayor Lucas and Council Members received a letter from Amy Wouters noting her objections to the proposed development in Forest Knolls Subdivision.

Item # 9 – Mayor Lucas and Council Members received information regarding EarthCraft Homes.

COMMITTEE REPORTS

WATER & SEWER

(Chairman Kite and Councilpersons Jenkins and Sampson)

Councilman Sampson stated they will review lab testing facilities for the sewer plant to determine if a comparable lab can be found for a better price.

Town Manager Dovel reported a sewer line was clogged at the Frank and Ruby Nicholson property on Fifth Street. He noted the Town assisted by removing the clog and now the insurance companies are determining if the clog was on the Town or the homeowner. The Town of Elkton will assist by running their camera through the main line and making a video tape of it, which will indicate if there were any tree roots in the line or if the pipe has any other problems. He inquired if Council felt it would be appropriate to install a check valve on this line to prevent future clogs from entering the Nicholson's home, which was flooded with sewer water during this clog or if this is something the homeowner should do?

Following a brief discussion, Council Members agreed the Town could install this check valve as soon as possible at 400 Fifth Street. It was noted although it is the property owner's responsibility, the Town could go ahead and install the check valve to try to prevent any future problems for this homeowner.

STREETS & PUBLIC PROPERTY

(Chairman Kite and Councilpersons Comer and Sampson)

Councilman Sampson requested a work order to clean out all gutters and drains in Town to prevent problems with drainage.

Regarding the accumulation of gravel on the streets, Town Manager Dovel stated the Town should be able to borrow the Virginia Department of Transportation's sweeper to clean it all up.

Mayor Lucas reminded Council they previously approved relocating the Flag Retirement Ceremony to the site of the Veterans Memorial Park on Virginia Avenue without closing any of the street. However, the Memorial Day Committee has requested a small portion of Virginia Avenue be closed to allow for enough room for spectators at the event. They are requesting closing one lane of Virginia Avenue and if VDOT will not approve closing just one lane, then they will pursue other options for the event.

Memorial Day Committee Chairman Dave Hinkle and Boy Scout Leader Phil Secrist stated they hope to have the event here to draw attention to the new Veterans Memorial Park, and only need a partial lane closure for the event. This would allow cruise in traffic to continue to flow along Virginia Avenue and they could have personnel to direct the traffic in this area.

Council agreed to request VDOT allow a partial lane closure of a small section of Virginia Avenue to allow for the flag retirement ceremony to take place at the new Veterans Memorial Park.

POLICE, SAFETY, & JUDICIAL

(Chairman Kite and Councilpersons Comer and Lowe)

Assistant Town Manager Roudabush explained Chief Monteleone was absent tonight as he has been working in place of Officer Davis who is off due to the birth of his new son.

TAXATION & FINANCE

(Chairman Pierce and Councilpersons Kite and Lowe)

Committee Chairman Pierce requested Council set a budget workshop for March 22, 2011, at 6:00 p.m. at Town Hall. He noted the regular Council meeting would begin at 7 p.m. on this same date.

Mayor Lucas and Council Members agreed to this and noted they would receive a draft budget on this date and could hopefully have the budget completed within just a few other meetings.

PARKS & RECREATION

(Chairman Sampson and Councilpersons Pierce and Lowe)

Committee Chairman Sampson then reported the following Parks and Recreation News:

BASKETBALL – The Town received \$898.19 profit from the boys basketball program, which will be used for other recreation projects; BIG GEM PARK - The green bike trail will be completed for approximately \$3,500 to \$4,000; signs will be installed for the bike trails; reviewing options for a permanent restroom at the park rather than continue to pay for portable toilets; there is over 100 tires that have been dumped at the park over the years; the county will waive the fee for 50 tires, but the Town may have to pay to dispose of the remaining ones; RIVER PARK – JMU crew club is considering constructing the stairway to the restroom building and they are

reviewing constructing a building for storage of their boats; the Page County Tree Board is considering donating 5 trees for use at the river park; WIG-WAM VILLAGE PLAYGROUND – estimates are being obtained for painting of the totem pole and new signs with rules; TENNIS COURTS – lights are being installed in preparation of the upcoming season. Tennis league and event information may be obtained by calling 540-435-4912, emailing pvcta@comcast.net or visiting their website at www.pvcta.webs.com

; P&R BUILDING – improvements continue to be made to the building and batting cage area; estimates are being obtained for new concrete in the batting cage area and a staircase railing to the storage area; the batting cage is rented 4:30 until 9:30 on Monday through Friday and from 8:00 a.m. until 4 p.m. on Saturdays from March 4th until April 8th.

INDUSTRIAL, ECONOMIC DEVELOPMENT & PROCUREMENT (Chairman Comer and Councilpersons Jenkins and Pierce)

Committee Chairman Comer noted if the sale of the old lodge building goes through and the owner plans renovations, it will require building permits. He explained once the building permits are issued, then the Page County Building Official will be able to handle the matter.

Vice Mayor Kite noted based on Mr. Reiss' previous work on other buildings, it will be done right and will look nice too.

Councilman Jenkins reported the Page County Broadband Authority will be requesting use of a small portion of a Town owned lot to store some of their equipment. He explained the Town already receives free service from our vendor so we cannot exchange a fee for service in the negotiations on price at this time. He also noted they would be responsible for drafting a lease agreement and then the Town Attorney would review it.

Following a brief discussion, it was noted the Council will be reviewing rules for use and how much to charge for use of the property at an upcoming meeting.

COMMUNITY SERVICE (Chairman Kite and Councilpersons Jenkins and Pierce)

There was nothing to report during this period.

PERSONNEL

(Chairman Pierce and Councilpersons Sampson and Lowe)

There was nothing to report during this period.

POLICE REPORT

There was nothing further to report during this period.

UNFINISHED BUSINESS

There was no unfinished business to come before Council during this period.

NEW BUSINESS

There was no new business to come before Council during this period.

TOWN MANAGER'S REPORT

Town Manager Dovel reported Kruger has been working at the sewer plant to correct problems with the computerized controls. He noted the system will eventually need to be upgraded, as parts are really hard to find for older systems. The Town has ordered all the surplus parts available, but eventually will be forced to do upgrades.

Councilman Sampson noted they put in a new system where he works and within two (2) years it was obsolete.

MAYOR'S REPORT

Mayor Lucas stated the reporter from WHSV TV3 did a disservice to the citizens by erroneously reporting the story on possible funding for houses in the Forest Knolls Subdivision. However, he decided not to write a letter to the station manager due to it causing more erroneous publicity.

Councilman Pierce explained he had asked for a letter to the station manager since he felt they should be notified, because the reporter generated and fabricated news by doing the story prior to coming to the meeting, hearing the presentation, and obtaining the facts first. He noted she reported this program as low income or subsidized housing without complete information or facts.

Mayor Lucas noted the Town had very little time in which to make a decision on whether or not to write a letter of support for the People Inc. grant application. However, he noted everyone questioned the size and quality of the proposed homes in this subdivision and was assured and provided with additional house plans and photos which would be in line with the existing homes. He explained the information provided to Council, by People Inc., indicated this program would offer down payment assistance to potential home buyers who met certain income levels and who could obtain a home mortgage loan, which would assist them in purchasing a home they may not otherwise be able to afford without the down payment assistance.

Vice Mayor Kite stated he wanted everyone present to be aware the Town has not made any commitment on the project other than to offer a letter of support on People Inc.'s grant application. He noted if they do not obtain the grant funding the entire program would not move forward. He stated People Inc. are aware of the restrictive covenants of this subdivision and plan to fully comply or exceed those restrictions as well as any required Town, County, or State regulations. He also stated the Mayor and Council Members asked and obtained answers to all the important questions prior to authorizing the letter of support on People Inc.'s grant application. He noted his displeasure at how the TV3 reporter handled the story as she came to the meeting after those questions had been asked and answered, and then began filming for her story, which totally missed all the facts.

Councilman Pierce noted the existing homeowners would have to form an association in order to enforce the covenants of their subdivision. He also clarified that no one had any objections to the reporter speaking with the residents in this subdivision. He noted the objections are she failed to obtain the facts prior to presenting them to those residents, which did a total disservice to everyone.

Councilman Sampson noted People Inc. representatives indicated they are willing to hold a public meeting to obtain comments from the public and explain their plans for these new homes.

Councilman Lowe noted he would like to clarify his understanding is People Inc. will purchase the lots for approximately \$20,000 and build homes for people who can secure a home mortgage loan and then they will give down payment assistance. He noted if the person lives in the home for 5 to 15 years, depending upon the down payment assistance received, the amounts of the assistance would be forgiven. If they live in the home less than the required time period, then the homeowner would have to repay the down payment assistance given to them.

FOR THE GOOD OF THE TOWN

Mayor Lucas requested everyone desiring to speak to sit at the microphone and state their name for the record. He noted each person would have five (5) minutes to speak on any subject they wanted the Council to hear.

1. Annie Lewis stated she is a resident of the Forest Knolls Subdivision and since the original developer filed bankruptcy, she is very concerned with the horrible erosion in their subdivision. She suggested the Town consider having BB&T, who now owns the subdivision, repair existing problems prior to any more homes being allowed to be built in this subdivision. She explained she has been in contact numerous times with Kenny Fox at the Page County Building Office regarding these erosion violations and is tired of calling about it. She noted there is a ditch behind one house that is waist high due to erosion problems. She stated she has learned BB&T was fined by Page County, but it seems they would rather pay fines than correct erosion problems. She stated she does not care if more homes are constructed in the subdivision, as long as they are comparable to the existing ones, but she would like someone to correct the existing issues in the subdivision prior to adding additional homes to this area.

Mayor Lucas and Council Members explained the Town is not in charge of erosion and sediments control, as that duty falls upon officials in Page County. They suggested the County should inspect the area and correspond with BB&T about any violations.

2. Ronald Walls stated they purchased the first house on the left going into the Forest Knolls Subdivision and was concerned their house does not have a back deck. He noted the door is barred shut, but yet they sold the house to him that way. He explained this seems to be a fire hazard to him as they only have one (1) exit in an emergency. He noted he felt they should fix existing problems prior to building new homes in this subdivision.

Jackie Stepp stated she owns the home Mr. Walls is speaking of and noted she had to invest an extra \$6,000 to make her home livable. She stated she felt they should finish what is there now prior to constructing new homes.

Council Members instructed Mr. Walls and Ms. Stepp to contact the Page County Building Official to determine what inspections had been completed on their home and requirements for an occupancy permit for this home or what else may be needed to make it safe. It was also suggested this may be another item a property owners association would be able to assist with making sure everything is in compliance with the covenants. Council Members also reiterated the Town has no control over erosion and sediment control, building inspections, or the street improvements needed in this subdivision. The Town simply tried to ensure any new homes would fit in with the existing type of homes, the covenants were followed, and the new homes added to the value of the area rather than devaluing it.

3. Jennifer Morris stated some of the home plans presented by People Inc. were really nice homes, while some of their original plans were less desirable. She expressed concern that some of the new homes may bring down the value of the existing homes. She explained the bank said it would effect a refinance rate if there was going to be low income housing in the neighborhood. She pointed the grant paperwork stated low income. She stated they may form an association to ensure the homes comply with the existing covenants. She also expressed concern that People Inc. representatives did not contact the existing homeowners to explain their plans prior to obtaining Town approval in such a rushed manner. She noted she could put more faith into People Inc. if they had contacted the homeowners first and she would also like to see some of their work in other areas. She inquired if the project was a done deal?

Vice Mayor Kite stated the Town has not made a firm commitment, but merely offered a letter of

support for the grant application.

Mrs. Morris then noted the paperwork indicates one (1) of the first five (5) homes and one (1) of the next five (5) homes will be attributed to Habitat for Humanity.

Mayor Lucas stated he asked if they were affiliated with Habitat and was told no. He noted he was not aware any of these homes would be constructed through Habitat.

Councilman Pierce read an excerpt from the February 24th special meeting which indicated Mr. Vannoy explained People Inc. was not affiliated with Habitat, but planned to partner with Habitat.

Council Members stated there would be nothing to prevent Habitat for Humanity constructing homes in the Forest Knolls Subdivision, as long as they complied with the regulations. Also, it was noted as long as the Town, County, or State regulations are complied with, and without a property owners association to enforce the covenants, there is nothing in place to prevent even a very small home from being constructed in this location. However, Council did request People Inc. to comply with the covenants and to construct homes of similar value as the existing homes in this subdivision. Several Members noted People Inc. representatives seemed to have presented reliable information thus far, but the Town could pull its support of the project if something different were found to be true.

Mrs. Morris then inquired about street improvements needed and erosion and sediment control issues that currently exist in the subdivision. She noted the location of the proposed homes will likely cause further erosion issues, which currently wipe out her back yard each time it rains.

Mayor Lucas and Council Members explained the Virginia Department of Transportation will not accept the streets into their system until they meet VDOT regulations. It was noted normally the streets are not finished until the subdivision has a 90 percent build out rate. However, the Town has been working with the bank to try to get the streets finished to meet VDOT specifications. Mayor Lucas and Council Members reiterated the Page County Building Official is in charge of enforcing the erosion and sediment control regulations.

4. Bobby Housden stated he is a homeowner in the Forest Knolls Subdivision and is concerned

the new homes may devalue his property. He read from his appraisal report that indicated one of the things which increases the value of the homes in Forest Knolls was it contained various designs and the homes were not cookie-cutter type homes. He noted there is so much vague language in the documents provided by People Inc., which he felt could leave open the possibility for homes that would devalue the surrounding properties rather than increase them. He noted he is not opposed to the fact the homes will be made available to people with lower income levels or that need assistance with down payments, just that he is concerned with his property values staying where they are now. He also expressed concern about how quickly this project is supposed to begin and noted if something is not done now, it may be too late.

Council Members explained the homes People Inc. have presented to be constructed are supposed to be valued at \$170,000 or so because the house price of \$150,000 does not include the lot price or utility connection fees.

Vice Mayor Kite pointed out everyone in the country lost six (6) percent of their home value last week due to the economy.

Mr. Housden noted he did not have a problem with market conditions determining the value of his home, but was opposed to lower quality construction or other factors affecting its value. He stated he read in the People Inc. grant application the program is expecting a 60 percent success rate, which lead him to believe there would be 40 percent of the homes left empty or for sale.

Councilman Jenkins and Lowe explained they understood the company was not planning to construct 10 homes and then sell them, but rather wait until a family qualified for a mortgage loan and then build a home to suit them and the amount of money they were approved to borrow. Support would be given to the families for the down payment on the homes and by purchase of the lots and utility connection fees already being paid for with other grant funds or People Inc. funds.

5. Wanda Wheeler inquired if Council Members received a letter of objection from Amy Wouters?

Mayor Lucas stated yes, Council received her letter in their packets.

Mrs. Wheeler then inquired if People Inc. provided addresses of previously constructed homes and if Council would be willing to go look at those homes to compare what type of construction may happen in the Forest Knolls Subdivision?

Councilman Jenkins stated they could obtain the addresses. Councilman Jenkins and several other Council Members stated they would be willing to visit the sites where People Inc. has constructed homes in other areas.

Mayor Lucas stated he did not feel the need to visit the sites of other home construction, as he told Mr. Vannoy the homes constructed in Forest Knolls needed to be the same quality and similar value as what already existed in the subdivision. He noted he told him the first floor plan submitted did not equally compare with existing homes and would need to be changed to a more suitable plan. Later Council was given other designs and floor plans for review which did seem to match existing homes and was what they based their letter of support on for the grant application of People Inc. He noted the Town cannot do more than trust the information that was provided to them by Mr. Vannoy and the other People Inc. representatives.

Mrs. Wheeler noted everyone trusted in what Mr. Barnhart said when he was developing the subdivision, but then he went bankrupt, leaving them with unresolved issues.

Council Members noted this company has more of a history to rely upon and they did not feel they would try to do a disservice to the Town, especially since Mayor Lucas and Council made it clear to People Inc. the homes needed to be the same type and quality as the existing homes.

Vice Mayor Kite stated the Barnhart's fell victim to the economy and to a development they were working on in Winchester, which caused them to file bankruptcy. He noted Page County recently had property in the entire County reassessed and values fell greatly from just last year. He explained this will make it very difficult on the Town to balance its budget this year, but the addition of 10 homes with water and sewer tap fees, in addition to back real estate taxes on the lots, would help close the budget gap.

6. Craig Coffman stated he hopes something soon stimulates the economy and felt one problem

has been lenders giving loans to people who cannot afford them. He stated he would hate to see these new homes built and then sit empty because people cannot afford to stay in them. He explained it will decrease the chances of someone selling their home for its value if there are vacant houses in the area and then the bank goes to rock bottom prices to just get rid of them in the future. He felt these homes have the potential to devalue the existing properties.

Mayor Lucas stated the presentation indicated this program will be an opportunity to allow a family to purchase a home after they obtained a mortgage loan. He noted the Town was just trying to help and noted they are not trying to be the enemy. He stated the Mayor and Council Members are basically volunteer positions and they simply try to run the Town with very little funds to run it on. He stated Mr. Vannoy appears to be fair and has agreed to meet with the citizens, if they need to discuss the matter further.

Councilman Comer stated Council does not want to do anything to devalue the property values. He noted they do care about the citizens of this subdivision as well as the Town as a whole.

7. Dion Wheeler stated he owns a home in the Forest Knolls Subdivision and is concerned with how the matter was handled. He noted he hoped the residents of the subdivision would receive timely notice of any public hearings on this matter and that Council would consider the pen can be a dangerous object in the future.

Mayor Lucas reiterated each Member of Council does care about the residents of the Forest Knolls Subdivision and this was one of the reasons why he made sure the homes being constructed would be of similar size and value as the existing homes. He noted he has a family member who has invested their money in purchasing a home in this subdivision and he wanted to look out for their best interests, as well as the entire neighborhood. He stated everyone in the subdivision would receive notice of any public meetings that may be scheduled on this matter.

Mr. Wheeler inquired if Habitat for Humanity were involved in the People Inc. project would the Town still offer support?

Mayor Lucas indicated he did not feel the normal Habitat style home would fit in with the surrounding properties and he would have been opposed to it. However, he explained the Mayor does not have a vote on decisions unless there is a tie between Council.

Councilman Sampson stated there is an old single-wide trailer park in his neighborhood and felt any Habitat home would be nicer than the appearance of these old trailers. He noted Council informed People Inc. any new homes would have to be in line with the existing homes.

Vice Mayor Kite stated if the homes meet or exceed the covenants then there would not be anything anyone could do to prevent their construction anywhere in Town.

Mr. Wheeler stated he did not feel the People Inc. guidelines would allow a person enough income to pay for and maintain the home. He also felt the Town should investigate this matter further to determine if they still want to support it.

Councilman Pierce stated the Town has to be very careful about not offering support to a project just because it may be offered to lower income individuals or people needing down payment assistance. He noted the Town cannot withdraw support for that reason alone and noted they are required to meet fair housing laws and other regulations from grant funding agencies. He suggested the residents of the Forest Knolls Subdivision form their property owners association to be able to enforce the guidelines in their covenants to ensure any home constructed meet their requirements. He reiterated the representatives of People Inc. are willing to meet with the residents who may still have questions.

ADJOURN

There being no further discussions, a Motion was made by Vice Mayor Kite, seconded by Councilman Sampson, to adjourn the meeting at 9:41 p.m.

Members Vote was as follows:

YEA: Vice Mayor Kite NAY: None.
Councilman Comer
Councilman Jenkins
Councilman Lowe
Councilman Pierce

Councilman Sampson

ABSTAIN: Mayor Lucas.

ABSENT: None.

VOTE: Unanimous in favor of motion.

APPROVED: ATTESTED:

Clinton O. Lucas, Jr., Mayor Juanita Roudabush, MMC