

Salisbury, North Carolina

December 3, 2002

REGULAR MEETING

PRESENT: Mayor, Susan W. Kluttz, Presiding; Mayor Pro Tem, Paul B. Woodson, Jr.; Councilmen William (Bill) Burgin; Robert (Bob) Martin; William (Pete) Kennedy; City Manager, David W. Treme; City Attorney, F. Rivers Lawther, Jr.; and City Clerk, Swannetta B. Fink.

ABSENT: None.

The meeting was called to order by Mayor Kluttz at 4:00 p.m. The invocation was given by Councilmember Martin.

PLEDGE OF ALLEGIANCE

Mayor Kluttz led those present in the Pledge of Allegiance to the United States flag.

RECOGNITION OF VISITORS

Mayor Kluttz recognized all visitors present.

RECOGNITION OF 2001-2002 CITY RETIREES AND CITY EMPLOYEES WITH 20 AND 25 YEARS OF SERVICE

Ms. Melissa Taylor, Human Resources Director, recognized the following 2001-2002 City retirees and City employees with 20 and

25 years of service:

2001-2002 City Retirees

Larry E. Craver, Fire Department (Dept.), 29 years
Larry W. Chilton, Land Management & Development Dept., 23 years
Joe Clark, Sr., Police Dept., 17 years
Nathaniel Givens, Public Services - Landscaping Dept., 29 years
Janice Hartis, Land Management & Development Dept., 37 years
Allen Linker, Information Technologies Dept., 28 years
Doris Miller, Parks & Recreation Dept., 36 years
J. Foster Owen, City Administration Dept., 31 years
Marvin W. (Sonny) Safrit, Police Dept.- Operations, 29 years
Peggy J. Smith, Parks & Recreation Dept., 36 years

25 Years of Service

Richard L. Kelly, City Administration Dept.
Judy R. Jordan, Development Services Dept.
Robert J. Harrison, Police Dept.- Operations
William P. Higgins, Police Dept.- Services

20 Years of Service

John W. Everhart, City Administration Dept
Jeffrey H. Youngblood, Fire Dept.
Ann D. Campbell, Information Technologies Dept.
Gary R. Mowery, Public Services - Street Division
Charles J. Neely, Public Services - Street Division
Phillip L. Simmons, Police Dept.- Operations
Steven M. Whitley, Police Dept.
Shirley P. Hoosier, Utilities Dept.

CONSENT AGENDA

(a) Minutes

Minutes of Regular meeting of November 19, 2002.

(b) Parking - "Home for the Holidays"

Allow parking on the north side of the 200 block of Confederate Avenue for the "Home for the Holidays" event on December 7, 2002, from 10:00 a.m. to 4:00 p.m., and December 8, 2002, from 1:00 p.m. to 4:00 p.m.

Thereupon, Mr. Kennedy **moved** to approve the Consent Agenda as read. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Klutz voted AYE. (5-0)

PRESENTATION FROM STAFF AND PUBLIC COMMENT REGARDING DEVELOPMENT OF THE SALISBURY TRACTOR BUILDING

Mr. Joe Morris, Urban Resources Planner, reminded Council that at the November 19, 2002 Council meeting, Council received a report from the Council Committee, of which Councilmembers Kennedy and Burgin served, regarding the sale of the Salisbury Tractor Building located at 109 North Lee Street. By consensus, Council requested a presentation be made to the full Council from the developers proposing to develop the Salisbury Tractor Building site. Council also requested public comments, specifically from adjacent property owners. If the Council makes a decision today, the final action would be to authorize a public notice stating the Council's intent to sell the 109 North Lee Street property, Mr. Morris advised. It is not a notification for upset bids, Mr. Morris emphasized.

Mr. Morris went on to explain the public parking situation in the area of the Salisbury Tractor Building property. Presently, we have 64 parking spaces available on City-owned property. There are 55 parking spaces across Depot Street in an area adjacent to the Salisbury Tractor Building but they are not currently accessible to the building. The City has plans to breach the retaining wall at this location with a set of stairs which would allow pedestrian access into that parking lot, Mr. Morris told Council. Mr. Morris identified 13 other parking spaces close to this area and arrived at a total of 132 currently existing spaces in the area. If we were considering a new group development, these buildings in this area would be approximately 31,000 square feet, and would require 124 parking spaces based on our current standards for new construction, noted Mr. Morris. Our current parking standard requires four parking spaces per 1000 square feet. This area is parking exempt, however, so the issue of parking requirements would not necessarily have to be deliberated by Council at this time, he said.

Mr. Morris told those present that there were two proposals being presented to Council. One proposal is the East Square Eatery. Dr. Prem K. Muthu is the Developer, and Gray Stout is the Architect for the project. Their proposal calls for the creation of an urban market including restaurants, small shops, and vendors. The second proposal is Salisbury Studios. The Developer is Salisbury Studios Incorporated whose principals include Rick and Debbie Morefield, Neil and Karen Patel, and Bill and Leslie Thomas. Their proposal calls for the creation of a film, video, and still photography production studio space that would be leased to Image Concepts and then potentially other groups within the community, Mr. Morris advised.

Mr. Morris reminded Council that the Council Committee recommendation from November 19, 2002 was to sell the Salisbury Tractor Building to Salisbury Studios at an adjusted price of \$110,000. Mr. Morris then invited the developers to make their presentations to Council.

Mr. Woodson asked for a clarification about the parking spaces and Mr. Morris reiterated the parking space information with additional explanation of the reasoning behind the numbers he had given.

East Square Eatery Presentation

Mr. Gray Stout, Architect, addressed Council on behalf of Dr. Prem K. Muthu. The project team for the East Square Eatery is Dr. Prem K. Muthu, Owner and Developer, Mr. Gray Stout, Architect, Ms. Meg Klutz Dees, Tax Credit Coordinator, and Mr. Mike Miller, with Miller Davis Studios, Inc., handling advertising and marketing.

Mr. Stout went on to describe the current situation downtown, reminding Council that we have recently lost several restaurants including Beatties and Bills Bakery, and other restaurants have come and gone. With the completion of the Gateway Building, the Doran Shelby Pethel & Hudson law offices, East Council Place, F&M Easy Street Project, Norman's Building, and the offices being developed at the Flower's Bakery Building, approximately 1200 new office workers have been added to this area within walking distance of the Salisbury Tractor Building, according to Mr. Stout's stated rough estimates. In addition, there are many downtown residents including the Cheerwine Building, Yadkin House, Plaza, and other scattered apartments along with approximately 45,000 annual visitors to Salisbury, Mr. Stout reported. Mr. Stout advised Council that the Master Plan for Downtown Salisbury

calls for an increase in retail businesses and a place to shop and dine. Currently there are very few eating establishments open after 5:00 p.m. downtown, he told Council.

Mr. Stout presented to Council a fact sheet including information that Dr. Muthu has already invested over 1 million dollars in the same block the Tractor Building is in. He has purchased the entire 205 East Council Street building and two office condos in East Council Place at East Council and North Lee Street, according to Mr. Stout. Mr. Stout told Council that currently a lot of restaurant development is taking place along the I-85 corridor and the goal is to bring those dollars downtown.

The concept is an urban market with three or four small restaurants in a large open common dining area, similar to what is commonly referred to as a "food Court". The space would remain largely open, and could include a newsstand, a small florist, and could accommodate catering and special events, Mr. Stout informed Council. Mr. Stout told Council a porch addition is proposed for the urban market and will give patrons a place to sit outside to eat and enjoy the view back toward Salisbury Station. He said the building would be open for breakfast, lunch, and dinner with many possibilities for special events.

Mr. Stout explained to Council that the trash generated by the restaurant will be collected in a back corner area inside the building, bagged up and carted out through a side door to a dumpster. This back service corridor will keep the backside of the restaurant internalized. The dumpster area would include brick walls with a gate located at the back end of the parking lot adjacent to 205 East Council Street.

Mr. Mike Miller informed Council that estimated annual employment at the Eatery would be 19 people and should increase to approximately 60 employees over a three to five year period. Total income for resident employees is estimated at \$1,276,000 over the same five year period with total actual retail spending generated by the Eatery estimated at \$2,265,282.

Mr. Stout emphasized signage would be used designating the Depot Street entrance and parking in the lot adjacent to the Eastern Gateway Park. The Salisbury Tractor building will not be dependant on the 64 parking spaces created in the new off-street lot but will have use of the 138 parking spaces available within the block, Mr. Stout told Council. Mr. Stout went on to explain that due to the changing times of use, many people will walk to the Eatery for lunch and after 5:00 p.m. the area empties out quickly and there should be plenty of parking available. The concept of shared parking works in an urban environment, Mr. Stout stated.

Mr. Stout showed Council elevation drawings of what the Eatery would look like.

Mr. Stout assured Council that this would be a tax credit project and the developers would stay within the Secretary of Interior's standards for historic preservation.

Mr. Kennedy commented this does not look anything like what was presented to us (the Council Committee).

Salisbury Studios, Inc. Presentation

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Mr. Richard Morefield, co-owner of Image Concepts, told Council the proposal is to build a "Class A" film and video production center incorporating still photography, graphic design, and interactive media professionals. The idea to use the Salisbury Tractor Building for this project has been in the making for two years and was a Salisbury Post story on January 21, 2001, Mr. Morefield stated. The film and video production business is a new business service for this area and is an industry that is growing faster than the national average and will provide new types of technology-based jobs which are needed in this community, Mr. Morefield told Council.

Mr. Morefield identified the development team for this project as Bill and Leslie Thomas, Neil and Karen Patel, and Rick and Debbie Morefield, all residents of Salisbury. Mr. Morefield then gave his background, and background on this development team. The plan is to build a dynamic enhancement to the East Square District, complement the existing architecture, and further the Salisbury Vision 2020 plan. The exterior of the building will match surrounding architecture, comply with tax credit requirements, and will create business activity to enhance downtown Salisbury.

Mr. Morefield told Council the Tractor Building is unique and "one of a kind" in Salisbury because it has high ceiling with a clear span structure. If there was an alternative building, he would be glad to look at it, Mr. Morefield said. He went on to describe the

building and explained as soon as you walk into the building you see a wide open space, 7500 square feet with not a pillar coming down in the place, it has adequately high ceilings which are perfect for mounting light fixtures, and is really ideal for the Salisbury Studio project.

Mr. Morefield indicated Salisbury Studios would attract a regional commercial client base from the north Charlotte to Greensboro/Winston-Salem areas. Currently, Image Concepts has many local projects underway, with potential for many new projects, and is quite active in the video market industry. The Tractor building would give them capacity for allowing other businesses in the industry to establish local studios in an area of the building, Mr. Morefield stated. Salisbury Studios would have a price advantage over larger metropolitan areas, he noted.

Mr. Phil Whitesell, of Rowan Regional Medical Center, speaking today as an individual, told Council the City of Salisbury is ready for a top-notch video and commercial advertising production facility. Companies in Salisbury have limited options for commercial and video production, and in many cases are forced to go outside the community for those needs because the physical space is not available, Mr. Whitesell told Council. There are no large facilities in Salisbury with the floor space, ceiling height, and equipment needed for commercial production. By having the proposed Salisbury Studios facility, businesses, non-profit organizations, and local schools and colleges would have easy access to the people and space they need to communicate more effectively with their employees, their students, and their supporters. Students will be able to learn new marketable skills through internships and production work, Mr. Whitesell noted. The jobs offered would not be minimum wage jobs, he told Council. The Salisbury Studio proposal could set the stage for another marketable asset for our downtown, which is to provide a place in the future for public access programming through our local cable television company, which is one of the many reasons why Mr. Whitesell supports the Salisbury Studio proposal.

Mr. Morefield provided Council letters of interest from Catawba College and Livingstone College, and read a letter from Livingstone College about a new academic discipline in communications and how Image Concepts could partner with them in this endeavor. Mr. Morefield indicated the Studio could provide many educational opportunities, allowing students to actually have hands-on training in a production facility using professionals to teach various courses. Production type jobs will provide students with large market employment opportunities, which is one of the reasons why our local colleges are so excited about the possibilities of having a local production facility. North Carolina is the number three production state in the country, which puts us in an area with a viable production industry, Mr. Morefield explained. He gave information indicating jobs in this industry will grow faster than the average in the next several years.

Downtown Salisbury will benefit from having a production studio by creating technology based jobs, offering business services currently not available in Salisbury, and providing educational opportunities in an area that has a shortage of skilled workers, Mr. Morefield advised. Mr. Morefield explained that the Studio project works well with the Salisbury Vision 2020 Master Plan and will continue to develop and expand increasing the tax revenue for the City.

Mr. Morefield gave the following summary for the Salisbury Studios proposal:

High probability for success

Industry with faster than average national growth potential

Existing client base with potential for regional and national clients

Educational opportunities for our community

Influx of visitors to Salisbury to work on their productions in the studio.

Increase overall visibility of Salisbury through marketing of Salisbury Studios.

Mayor Klutz announced that Council would receive public input regarding the East Square Eatery and the Salisbury Studios proposals.

Mr. Tom Bost, member of the Board of Directors for the Chamber of Commerce, said he is not here to speak for or against either proposal; he believes they are both excellent proposals. His concern is the impact on parking in the area; the parking lot is at near full capacity most the day, and he would like Council to make sure there is adequate parking in the future for the Chamber's facility.

Mr. Richard Perkins, Executive Vice-President of the Salisbury-Rowan Merchants Association, said his offices are within a hundred yards of the Tractor building, that he personally owns two office condos in East Council Place, and that the Merchants Association is in support of the East Square Eatery project. Mr. Perkins referenced a letter he had submitted to Council outlining the reasons for the Merchants Association's support for the East Square Eatery, and said he believes a critical aspect of the project is that it will bring people to downtown after 5:00 p.m., that Dr. Muthu is already a major stockholder, that his proposal is superior in what he's offering for the building, the projected number of new jobs, and more tax dollars would be created for an immediate and short-term basis.

Mr. Jeffrey S. Smith, 3308 Winged Foot Drive, said he recently moved into property that attaches to the back of the Tractor building. He said he is the business owner of Glover Realty and property owner of 210 East Innes Street. He said while he thinks both projects have viability, he would like to speak in favor of the East Square Eatery project. As an adjacent property owner, if the parking lot is full, that's a good problem to have, Mr. Smith noted. Mr. Smith went on to say that 130 parking spaces immediately adjoining the Tractor building, makes the location a perfect place to put a restaurant, and that no other place downtown has that kind of parking. Mr. Smith said the Salisbury Vision 2020 Plan, and Downtown Master Plan (through local citizen research), the citizens are commenting that downtown lacks gathering places, downtown is not comfortable at night, and that citizens and retailers are looking for expanded dining and entertainment uses into the evening and Mr. Smith believes the East Square Eatery will provide these things. Mr. Smith further stated the location of the Eatery to the Salisbury Depot is critical for visitors using the rails to have a place they can walk to for dining.

Since no one else was present to speak for or against the proposals, Mayor Klutz closed the public comment period.

Mayor Klutz told those present Council had received a letter from Mr. David Setzer of The Robertson Foundation, in support of the East Square Eatery project. Mayor Klutz then shared information she received through staff from Mr. Michael Young, who lives across the street from the Tractor building, who is not concerned about parking in the area, and believes there is adequate parking in the vicinity to accommodate the food court and urban market.

Mayor Klutz said both projects are excellent and that Council would like to have both projects located in Salisbury's downtown. The Council's dilemma is deciding which proposal fits the best in the downtown area, she said. Mayor Klutz asked the two Council Committee members who made the recommendation at the last Council meeting to comment, because Councilman Kennedy mentioned there was a difference in the first proposal. Mayor Klutz asked if their recommendations would be the same.

Councilman Kennedy said the East Square Eatery project was presented much better than the first time, and thanked Mr. Stout. Mr. Kennedy reiterated, that both projects are worthwhile and that he would like to have both projects located in the City of Salisbury. Mr. Kennedy indicated he observed City Fair in Charlotte was eventually torn down because it did not work and that it was the same type concept as the one proposed here. Charlotte has a much larger population than Salisbury and Mr. Kennedy is concerned as to whether Salisbury could support the Eatery pointing out that we have had two downtown restaurants close recently for unknown reasons, and that we currently have over 80 restaurants in the City of Salisbury. Mr. Kennedy said he is still leaning toward the Salisbury Studio proposal. He is excited about it and believes the studio is good for the City's future, Mr. Kennedy told those present.

Councilman Burgin said he applauds both proposals, and he recognizes that both presenters had an opportunity to go back and make improvements and adjustments to their proposals. Mr. Burgin indicated he would like to have both businesses in Salisbury and believes that our only chance at possibly accommodating both proposals in Salisbury is to allow the uniqueness of the Tractor building to apply to the unique needs of the Studio. Mr. Burgin went on to explain that there should be other buildings in Salisbury that can accommodate the Eatery and that there are not many buildings in the City that could accommodate the Studio.

Mr. Burgin commended Mr. Stout and Dr. Muthu on their work and their proposal, showing different parking options and emphasizing that the Eatery would be open after regular working hours, makes it a very hard decision. The Studio proposal has connections to Livingstone and Catawba Colleges, will allow a training location for a particular vocation, and is worth the gamble, observed Mr. Burgin. Mr. Burgin then said he is sticking with the Studio proposal.

Councilman Bob Martin said both proposals were excellent and he likes the idea of the Eatery bringing people downtown, also pointing out the Studio would be working with our colleges and would bring publicity to the Salisbury area. Mr. Martin agreed with Mr. Burgin that the Tractor Building is perfect for the Studio and believes the Eatery could possibly be located in another building.

Mayor Kluttz told those present we are fortunate to have Image Concepts in the City and that they do a beautiful, high quality job with everything she has seen them do on TV or for the City. There are several things though that are very tempting about the Eatery project, noted Mayor Kluttz. They are: The Tractor Building faces Depot Street, it's inviting to visitors and guests, it's close to the railroad, the amount of investment, the new service to people who work downtown, to eat downtown without going to their cars, and it opens up the downtown at night, which is so important for security.

Mayor Kluttz observed it is interesting that the input from several of the stakeholders is their willingness to sacrifice parking for this new energy and enthusiasm that would be brought into the downtown. Mayor Kluttz would like to have both projects in Salisbury, she said, but she is leaning toward the Eatery.

Mayor Pro Tem Woodson said both presentations were excellent and that this is the one of the toughest decisions he's seen in five years. Mr. Woodson said he talks to a lot of citizens, and they have spoken a lot about opening up downtown at night, having an eatery people could walk to during the day that is open and fast. Mr. Woodson explained he was concerned about the dumpster and parking for the Eatery, but he is comfortable after seeing the presentations regarding these issues.

As an elected official, he has had a lot more people express interest in the Eatery and he would have to lean toward what the citizens are talking to him about, which is the open air Eatery.

Councilman Martin said this is an opportunity, because of the Tractor Building, to get a unique business here that will bring recognition to Salisbury.

Councilman Woodson asked Mr. Morefield why the award of the building, a year or so ago, did not go through. Mr. Morefield answered that Image Concepts was awarded the building two and one-half weeks before September 11, 2001. At that point he had investments lined up of over 1 million dollars, but after September 11, 2001, the stock market went down and the money just did not come together, according to Mr. Morefield. He said he had then suggested a phasing in. Mr. Burgin indicated the willingness was there to continue but the gap was so large it was not considered to be fair.

Councilman Kennedy made a **motion** to award the Salisbury Tractor Building to the Salisbury Studio proposal. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, and Martin voted AYE, Mayor Kluttz and Mr. Woodson voted NO. (3-2)

Mayor Kluttz asked Mr. Morris if there was a time limit for closing. Mr. Morris responded that the closing schedule would largely depend on how quickly the financial institutions would be able to process the mortgage application for Salisbury Studios. Mr. Morris then said that according to the City's local bill, it would be necessary to advertise the City's intent to sell city-owned property for 10 days. (i.e. Notice at least 10 days prior to adoption of the resolution by publication in a newspaper of general publication.)

Thereupon, Mr. Kennedy **moved** to advertise the City's intent to sell city-owned property for 10 days. (i.e. Notice at least 10 days prior to adoption of the resolution by publication in a newspaper of general publication). Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Kluttz voted AYE. (5-0)

Mayor Kluttz told those present it was one of the most difficult votes in the past six years. One of the reasons the presentations were made to Council was to ensure the decision was fair, and that everyone had a chance to be heard, she noted. Mayor Kluttz went on to say she would like both businesses and hopes the Eatery project will locate somewhere else in our downtown.

PROPOSED CITY OF SALISBURY CABLE SERVICE REGULATORY ORDINANCE

Mr. Mike Crowell, Information Technology Manager, told Council the City of Salisbury is in the process of re-negotiating the cable franchise agreement with Time Warner Cable, and has contracted with the Piedmont Triad Council of Governments (PTCOG) to help the City in this process. He said one of the things PTCOG has recommended is that the City adopt a section of our Code of Ordinances that would define cable services in Salisbury.

Mr. David Harris from Centralina Council of Governments (COG) told Council the matter before them is the cable regulatory ordinance. This ordinance sets all the rules for doing cable business for any cable operator who wishes to operate within the City of Salisbury, he said. Some items included in the ordinance are as follows: definitions, procedures to negotiate a franchise agreement, length of franchise, percentage of franchise fees, insurance standards, regulatory agreements, design, revocation procedures, procedure for complaints, procedure for assessing monetary penalties for violation of customers service standards, performance bond standards, construction standards, and many legal liability standards. He said the ordinance sets the rules for doing cable business. It takes a lot of the onus off the negotiating team when it comes time to negotiate a franchise agreement, he said. Mr. Harris noted the public concerns and needs were heard at the November 19, 2002 City Council meeting. Mr. Harris told Council he recommends adoption of the proposed cable service ordinance.

Councilman Burgin asked Mr. Harris if anyone followed up on the complaints identified at the December 3, 2002 City Council meeting concerning cable service. Mr. Harris replied "yes", and told Council he believes the complaint about cable service in downtown apartments has been resolved by Time Warner Cable. He added that staff will be negotiating with Time Warner Cable to see what can be done about public governmental access TV, and surrounding areas such as Greensboro and Winston-Salem being added to the cable service.

Mr. Treme explained this part is like the infrastructure of the whole thing, and once this part is passed, we will go through the process of negotiating with the cable company.

Councilman Burgin asked Mr. Harris to show where the penalties are in the ordinance which Mr. Harris referenced Appendix A, CUSTOMER SERVICE STANDARDS, with the penalties listed at Section 34-185. He explained the cable operator is given 20 days in which to solve a particular problem and then assesses penalties generally of \$250.00 a day, he said. Mr. Harris reminded Council that the Customer Service Standards are federal standards. Mr. Crowell noted that the ordinance sets the groundwork for the negotiations that are yet to come.

Mr. Burgin inquired further about the penalties, asking Mr. Harris if anyone had ever asked for the penalties described. Mr. Harris responded that there generally aren't any complaints because the cable operators have so much competition now, that if you ask for service, they are installing cable 24 hours a day, 7 days a week. Mr. Burgin asked if this is an exclusive agreement, to which Mr. Harris replied "it is a non-exclusive franchise agreement." He said federal statutes allow Council to offer a non-exclusive franchise agreement. Any other cable operator may come into the City and build cable, he said.

When asked by Mr. Woodson, Mr. Crowell said he didn't see any problems with the ordinance. Additionally, he noted it spells out the things that have been a gentlemen's agreement in the past and covers almost everything the City needs.

Thereupon, Mr. Kennedy **moved** to adopt the ordinance amending the City Code governing cable television services. Mr. Martin seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Klutz voted AYE. (5-0)

AN ORDINANCE AMENDING THE CITY CODE GOVERNING CABLE TELEVISION SERVICES.

(The above ordinance is recorded in full in Ordinance Book No. 19, under Chapter XV - Miscellaneous, at Page Nos. 1-34, and is known as Ordinance No. 2002-78.)

2002 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Mr. Victor Blackburn, auditor with McGladden & Pullen, presented to Council the 2002 Comprehensive Annual Financial Report. He pointed out the following in the financial statement:

- Page 31 - Independent Auditors Report - This is an unqualified opinion the City Of Salisbury received which is the cleanest opinion that any organization can receive from their public accounting profession.

- Page 139 - Three independent auditors reports that relate to the single audits of the federal and state funds received by the City this past year, did not find any questionable items and no reportable conditions. The City received an unqualified opinion.
- He pointed out that the City had the opportunity to review these financial Statements. Next year the City will be required to adopt GASB 34 which is a new reporting standard for municipalities and governmental entities. The present financial statements will change drastically next year in the presentation.
- He commended the City of Salisbury Finance Department particularly in view of the State withholding funds from municipalities during the fiscal year.

Councilman Burgin noted that the only impact he saw was loss of income from what was expected versus what the City ended up with from state governmental transfers. City Manager Treme stated Council gave him the orders in February to cut back when we first learned of this. Looking at the budget versus what we ended up spending, there were several million dollars less, he stated. Some of the cuts such as staffing were implemented this year, Mr. Treme said. A plan and response to the changing conditions were in place, noted Mr. Treme. We are responding to the economic conditions and have done well, Mr. Treme said. He also praised the Finance Department and staff for their excellent assistance on getting this job done. Councilman Burgin noted the loss of revenue was \$3.2 Million and it showed up in this report.

Thereupon, Mr. Burgin made a **motion** to accept the annual report (Comprehensive Annual Financial Report (CAFR) for fiscal year ending June 30, 2002.) Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Klutz voted AYE. (5-0)

ZONING MAP AMENDMENT - Z-20-02 - SALISBURY PLANNING BOARD

Z-20-02 - Salisbury Planning Board

200 and 300 block North Long Street

The request is to rezone approximately two parcels (18,000 square feet) along the railroad tracks near East Liberty Street, from M-2 Heavy Industrial to B-6 General Business.

(a) Mr. Patrick Kennerly, Planner II, informed Council that the proposed zoning case was initiated by the Park Avenue Committee of the Planning Board. Council has approved several rezoning proposals made by this committee and the Park Avenue neighborhood over the past 6-9 months, he said. The committee originally considered a much larger area for possible downzoning including properties by Piedmont Natural Gas Company possibly from M-2 to either Light Industrial or General Business classification, Mr. Kennerly stated. After meeting with property owners, the Planning Board is recommending only two properties to be downzoned from M-2 Heavy Industrial to B-6 General Business. Also, the properties include railroad right-of-way, Mr. Kennerly noted. The two properties are only a little over 7,000 square feet combined and, with the railroad right-of-way, it comes to about 15,000 square feet, he said. The property does not have any street frontage but frontage only on the railroad tracks itself. Zoning on two sides of the property is currently B-6. He said the property also falls within the National Register and Local Historic Districts. The two buildings on the properties date from 1910 and 1930. Mr. Kennerly spoke of new Eagle's Nest units going in close by. Mr. Kennerly told Council that the Planning Board felt with this area being so close to downtown as well as the Park Avenue Neighborhood, it deserved to be reviewed. He indicated Planning Board thought it would be beneficial to eliminate some of the more hazardous uses allowed in M-2 which B-6 would accomplish, but would allow a great number of uses of the property such as warehousing and storage. There was no opposition at the Planning Board courtesy

hearing or committee meetings concerning this property, Mr. Kennerly stated. The Planning Board recommendation is unanimous in favor of rezoning the property from M-2 to B-6.

(b) Mayor Kluttz convened a public hearing, after due notice and advertisement thereof, on the following zoning map amendment Z-20-02, Salisbury Planning Board, 200 and 300 block of North Long Street.

No one was present to speak **for** or **against** the above proposal. Mayor Kluttz closed the public hearing.

(c) Thereupon, Mr. Woodson made a **motion** to change the zoning from M-2 to B-6. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF SALISBURY, NORTH CAROLINA, BY REZONING APPROXIMATELY 18,000 SQUARE FEET ALONG THE SOUTHEAST SIDE OF THE SOUTHERN RAILROAD RIGHT-OF-WAY BETWEEN EAST LIBERTY STREET AND EAST COUNCIL STREET, IDENTIFIED AS PARCELS 278-A AND 278-B ON SALISBURY TOWNSHIP TAX MAP 10, FROM M-2 HEAVY INDUSTRIAL DISTRICT TO B-6 GENERAL BUSINESS DISTRICT.

(The above ordinance is recorded in full in Ordinance Book No. 19, under Chapter XI - Zoning & Planning, at Page No. 1, and is known as Ordinance No. 2002-79.)

ZONING TEXT AMENDMENT - SIGNAGE FOR 250 FEST ACTIVITIES

The request is to allow the 250 Fest Committee to place signage throughout the City in the upcoming year, acknowledging the celebration of our county's 250 anniversary.

(a) Mr. Harold Poole, Senior Planner, informed Council that this proposal is a change to the sign ordinance. The Planning Board heard from several citizens at the courtesy hearing, including Mr. Henry Bernhardt, 250 Fest Co-Chairman. Mr. Poole told Council we would like to recognize the 250th anniversary next year with 250 Fest logo signs. He said that in Section 9.03 - Signs Permitted By Right, there are six (6) provisions that would go along with these signs as follows:

- o Signs be approved by the 250 Fest Chairman or Co-Chairman
- o Sign permit from City of Salisbury
- o Signs may contain the name of a sponsor but the name or logo of the
sponsor shall be limited to no more than 25% of the size of the sign, banner, etc.
- o Signs shall be removed or replaced if they become faded, torn, or damaged
- o Signs shall not be allowed to obstruct vehicular site distance or
pedestrian movements
- o Sunset provision to be allowed from date of passage of the ordinance
through December 31, 2003.

(b) Mayor Kluttz convened a public hearing, after due notice and advertisement thereof, on the following zoning text amendment regarding signage for 250 Fest activities.

No one was present to speak **for** or **against** the above proposal. Mayor Kluttz closed the public hearing.

(c) Thereupon, Mr. Burgin made a **motion** to adopt the 250 Fest Sign Amendment. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE AMENDING APPENDIX B, ZONING, OF THE CODE OF ORDINANCES OF THE CITY OF SALISBURY, NORTH CAROLINA, TO AMEND SECTION 9.03 SIGNS PERMITTED BY RIGHT, BY ADDING SUBSECTION (6) TO BE ENTITLED "250 FEST LOGO SIGNS."

(The above ordinance is recorded in full in Ordinance Book No. 19, under Chapter XI - Zoning & Planning, at Page No. 2, and is known as Ordinance No. 2002-80.)

ZONING TEXT AMENDMENT - SPECIAL USE PERMITS

The request is to consider additional notification for two kinds of Special Use Permits.

(a) Mr. Harold Poole, Senior Planner, handed to Council information that has come to the attention of the Legislative Committee of the Planning Board concerning Special Use Permits. The Legislative Committee considered additional forms of notifications for (1) child daycare homes as specified in Section 7.01(5) (c) and convenience stores in the B-CS district as specified in Section 7.01 (5) (e). He said the committee came to the conclusion that this should be treated as a zoning case with a zoning sign. This would be a Special Use Permit sign in front of the property. Mr. Poole told Council this would be another notification so that not just property owners within 100 feet, but residents on that street or general area, would know about the zoning. At the same time, Planning Board looked at the other kinds of Special Use Permits that are issued, and said they felt the same way about a convenience store that is located in a BC-S District, Mr. Poole stated. Rather than sending notices to residents within 100 feet, maybe a better way to approach this would be to put up something similar to a zoning sign in front of the property, he said. This proposal went from the Legislative Committee to the Planning Board. The Planning Board thought this was a good idea. No one was present to either support it or oppose it. Mr. Poole conveyed to Council that the Planning Board feels they can make a better recommendation if there is better notification to the neighborhood through use of a zoning sign.

(b) Mayor Kluttz convened a public hearing, after due notice and advertisement thereof, on the following zoning text amendment concerning additional notification for two kinds of Special Use Permits.

No one was present to speak **for** or **against** the above proposal. Mayor Kluttz closed the public hearing.

(c) Thereupon, Mr. Woodson made a **motion** to approve the zoning text amendment for Special Use Permits. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Kluttz voted AYE. (5-0)

AN ORDINANCE AMENDING APPENDIX B, ZONING, OF THE CODE OF ORDINANCES OF THE CITY OF SALISBURY, NORTH CAROLINA, TO AMEND APPROPRIATE PORTIONS OF SECTION 7.01(5) SPECIAL USE PERMIT AND SECTION 19.02 NOTIFICATION PROCEDURE FOR ADDITIONAL NOTIFICATION TO BE REQUIRED FOR PROPOSED CHILD DAYCARE HOMES AND PROPOSED CONVENIENCE STORES TO BE LOCATED IN THE B-CS CONVENIENCE SERVICE BUSINESS DISTRICT.

(The above ordinance is recorded in full in Ordinance Book No. 19, under Chapter XI - Zoning & Planning, at Page No. 3, and is known as Ordinance No. 2002-81.)

REPORT FROM STAFF CONCERNING PROPERTY AT 201 ELM STREET

Mr. Dan Mikkelson, Director of Land Management & Development and City Engineer, reminded Council that Mayor Pro Tem Woodson asked staff to provide information on the property at 201 Elm Street. Mr. Mikkelson provided photos of the property which is located in Fulton Heights. Mayor Pro Tem Woodson asked how many years the house has been under construction. Mr. Mikkelson replied that the zoning permit was issued March, 2000 - about two and one half years ago. Mr. Mikkelson told Council Mr. Steve Scott, who is the son-in-law of the property owner, is doing the construction.

Mr. Steve Scott told Council he was hoping to get this project completed much sooner than he has. He told Council he lives in the structure which his father-in-law helped him to purchase. Mr. Scott explained he has had some serious financial problems which has been the biggest issue for him in trying to finish the project. He went on to explain he is doing most of the work himself and

hopes to get the exterior finished by the end of December or January, weather permitting. Mr. Scott apologized to anyone who is irritated by the project not being completed, and said he had received some letters and complaints from citizens who live in the neighborhood. He explained that his schedule for completing the exterior is by the end of January and he will then begin the interior work.

Mayor Klutz thanked Mr. Scott for his efforts and said the frustration from the neighborhood was probably due to the project taking so long. Mayor Klutz told Mr. Scott if he was going to finish the exterior this quickly, this should satisfy the neighbors, and that Council appreciates hearing his side of the story.

REQUEST FOR MODIFICATION OF SUBDIVISION STANDARDS

MINIMUM LOT DEPTH AT 1400 OLD WILKESBORO ROAD

Mr. Patrick Ritchie, Staff Engineer, told Council that a request has been received from the property owner at 1400 Old Wilkesboro Road to subdivide the property to allow for another house on the property. The property is located at the corner of Alexander Lane and Old Wilkesboro Road. The area is zoned R-6. Their proposal would allow two lots to be created and meet the minimum area requirements that zoning has, Mr. Ritchie stated. However, the lot as proposed is only 112 to 116 feet in depth, he said. The Subdivision Ordinance requires 125 feet of minimum depth in order to create the subdivision. He said the owner has asked for a modification of standards, which is allowed under the Subdivision Ordinance, in order for the second lot to be created. Staff is concerned that the owner could put a duplex in that area. The lots are not large enough for duplexes, but would be large enough for single family houses, Mr. Ritchie said. He referenced a similar request being presented to Planning Board on November 12 which was allowed. Staff recommendation is to approve the modification of the subdivisions standards regarding lot depth in accordance to Section 5.05.2 of the Subdivision Ordinance.

Thereupon, Mr. Burgin made a **motion** to allow this variance. ["Modification of Standards" in accordance with Section 5.05, Subsection 2.6 of Appendix A, Subdivisions] Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Klutz voted AYE. (5-0)

Councilman Martin asked to be excused due to another meeting.

Thereupon, Mr. Burgin made a **motion** to excuse Councilman Martin. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Woodson, and Ms. Klutz voted AYE. (4-0)

Mr. Martin left at 6:05 p.m.

REQUEST FROM MR. MAX KENT OF KENT'S DEVELOPMENT CORPORATION REGARDING MISCELLANEOUS MATTERS

Mr. Max Kent of Kent's Development Corporation, told Council he would like to see the Council more concerned about businesses, and think about signs more related to businesses. He indicated that he is deeply concerned about the following matters:

- Lincolnton Apartments on Long Street (Lincoln Park Apts.) Why were they torn down and not sold to private investor for \$1,000,000.00? 37,500 square feet of brick apartments would cost \$2.5 Million to replace. They were in excellent shape.

Mr. Kent told Council he would have loved to have them (the apartments); that's his business. He said he understands the problems with the apartments (44 units). He told Council he called the City of Salisbury, Salisbury Fire Department, and Salisbury Housing Authority and nobody knew how many apartments were torn down. He compared these apartments to the Wallace Building and others which he said are much older, and told Council he would have loved to have bought those apartments for \$500,000.00. He indicated he's not sure he would have purchased them, but would have had to assess them. These apartments were substandard but other buildings in the city have been renovated, he explained. Mr. Kent feels the City needs the money and private investors would have loved to have bought them.

- Trash pickup - Why is picking up trash (furniture, carpet, etc.) different with apartments than individual homes?

Mr. Kent told Council if he had a piece of carpet or chair to be hauled off, the City will come by and pick it up, but if apartments, next door, have something to take off, they will not pick the items up. He said he pays the same taxes as people living in apartments.

- Water bills - Why should water bills go up 12 to 13 hundred percent?

Mr. Kent told Council water bills have become a phemomenally high item. He understands the problems with making sure the water is pure, etc. Many of these pipes have been in the ground for years. He said he pays \$2,000 - \$3,000 a month water bills and its not uncommon to see a water bill go from \$50.00 a month to \$1200.00 a month. There was a leak but no one knew it until it was all over because no one informed you.

- Planting trees - When we're made to plant trees in front of our business

which kills visibility to business and sign exposure, why can't we deduct a

percentage of our property tax. Visibility and traffic count is what causes

1 acre to cost \$16,000.00 or \$600,000.00.

Mr. Kent said he would like to see the City Council move toward being more business oriented. He would like to be able to put shrubs in front of his businesses and not plant trees that hide signs, almost 100% in some cases, he told Council. He indicated he thinks the person owning the property should reap the full benefits of the property.

Mayor Kluttz thanked Mr. Kent for bringing his concerns to Council.

Staff replied to Mr. Kent's concerns as follows:

- Tree planting

Mr. Dan Mikkelson, Director of Land Management & Development and City Engineer, stated that consistently over the last ten (10) years, there have been a lot of planting studies that find that improving landscaping promotes good city-wide business climate and supports commercial property values. He cited several studies including a UDAT (Urban Design Assistance Team) study that was specifically of Innes Street. The purpose of this study was to come up with recommendations that would keep property values high on Innes Street. This is one of the heavily traveled streets in Salisbury but did not have the high property values the City felt it should have, he said. The UDAT study dealt with appearance issues such as overhead wiring, size of signs, and having improved landscaping standards. Another study was the marketing study conducted by the Rowan County Convention & Visitor's Bureau. Their goal was to look at how to promote Salisbury as a tourist attraction. That study stressed very strongly the importance of the image of Innes Street focusing on overhead wiring, size of signs, landscaping standards and having something that makes Salisbury, as you drive in from the interstate, not just look like Anywhere USA. He said there is a Downtown Salisbury, Inc. Master Plan which strongly promotes improved landscaping. The Salisbury Vision 2020 Plan provided many opportunities for business and individual private citizens to comment and the landscape element was an important element of the Vision 2020 Plan, he said.

Mr. Mikkelson quoted an article from the American Planning Association called "Aesthetics, Community Character, and the Law." He then quoted as follows: "There is also growing evidence that tree protection and good landscaping can add greatly to the value of a project by making it more attractive to consumers." In one survey in Hampton, Virginia, more than 80% of the respondents said they preferred shopping at a business that had substantial landscaping." He said as to whether or not any of this really addresses the value of property, he said he can only conject that it does, just as Mr. Kent conjects that it produces the property value. The real answer to that is that the Rowan County Tax Assessor is responsible for assessing property values, Mr.

Mikkelson stated. He said he believes part of the assessment will include landscaping as a positive impact on property values. Mr. Mikkelson said as far as there being a conflict between landscaping and a view of the building or sign, with good design you can address this problem. City staff can offer professional staff assistance with this. Good landscaping and good design has been shown by studies in Salisbury that it will benefit the overall business community, he said.

Mayor Pro Tem Woodson asked Mr. Kent if he was addressing that some trees were covering signs. Mr. Kent replied if you ride down Innes Street and look at some of the businesses, the signs are hidden, some 100%. He said landscaping is beautiful and he loves it, but let's not cover the signs on the buildings. He indicated he thinks there is an alternative.

- Water Bills

Mayor Klutz asked Mr. John Sofley, Finance Director and Mr. Matt Bernhardt, Assistant City Manager for Utilities, to respond to Mr. Kent's question about water bills.

Mr. John Sofley, Finance Director, told Council that over the past several years, water rates have increased nationwide. The federal government has adopted numerous standards that apply to drinking water and wastewater discharge, he said. He said in 1966, the standards the City had to meet then would now cause us to be out of compliance and citizens couldn't drink the water today. Mr. Matt Bernhardt, Assistant City Manager for Utilities, told Council that in 1966, there was no Environmental Protection Agency. Today, the City faces an incredible number of regulations that the City has to meet, he said. There is also a cost related to this, Mr. Bernhardt noted. In 1966, the City did basic primary treatment of the wastewater and discharged it. Now, the City returns wastewater to the river that is cleaner than the water that is withdrawn initially from the river, he stated. He said the City has processes such as ultraviolet light disinfection, add different chemicals, have computer control systems, etc. The City deals with regulations that have terms like parts per billion, Mr. Bernhardt said. When you are dealing with requirements that strict, there is no correlation to what used to occur and what occurs now, and it is very expensive, he said.

Mr. Sofley told Council the City has invested significant capital dollars to meet these standards. He said Salisbury has a very old system that was installed in the early 1900's. There are water/wastewater pipes that have been replaced because they leaked and outfalls have had to be replaced which is expensive, he told Council. Mr. Sofley also told Council that the City has faced the widening of Interstate 85, Jake Alexander Boulevard, and Highway 70. He said years ago, when the City put in water/sewer lines, they were put in the road right-of-ways. As the state has widened those roads, they have required the City to move those lines at City expense, Mr. Sofley stated. Another key thing that has happened is that the City had four (4) significant water/wastewater users terminate their business in Salisbury, he stated. These users accounted for about 25% of the City's revenue. An accumulation of factors have determined the cost of water/sewer bills, Mr. Sofley pointed out.

Mr. Bernhardt extended an invitation to Mr. Kent to visit the City's water/wastewater utility. He said he believes Mr. Kent will be very proud of the City staff and the job that they do and face on a daily basis.

City Manager Treme mentioned that Council saw that the textiles were dropping out several years and adopted a strategy of increasing the distribution system by adding more retail customers and spreading the cost over a larger customer base. Our utility is an enterprise, has a net profit and a net loss, he said. In the last three to five years, this Council has approved 8 contracts, consolidated several of the smaller municipalities, added to City's retail base, extended service area with Rowan County's help to South Rowan, with Carolina Power & Light's (CP&L) help, the City has expanded up Highway 70, expanded to Rockwell, consolidated Spencer, serving East Spencer, Granite Quarry, Rockwell, agreement with Rowan County, Kannapolis, and Landis, Mr. Treme said. This year, he feels that the City will probably see no more than a 2% increase in water/sewer rates.

- Trash Pickup

Mr. Lynn Hillard, Sanitation Division Manager, informed Council that there are two ways of collection in the City of Salisbury:

- Apartment buildings are picked up by dumpsters per the City ordinance
- Rollout containers at residences.

Mr. Hillard said as far as what is collected at dumpsters is anything that can be put into the dumpster unless the contractor states

to the contrary because of safety reasons. He said items cannot be placed on top of the dumpsters. Items not collected by the City of Salisbury Sanitation Department are tires, rims, batteries, vehicle parts, appliances, bathroom/kitchen fixtures, building materials to include paint, brick, concrete, lumber, shingles, fencepost, wire, carpet, carpet padding, etc. White goods including refrigerators, freezers, stoves, hot water heaters, air conditioners, washer/dryers, etc. are not picked up by the City, he said. There is a state law that these materials have to be recycled, Mr. Hillard said. He said they need to be disposed of at the Rowan County recycling area. Mr. Hillard showed Council various tags that are placed on rollout containers that have excessive amounts of trash.

Mr. Hillard told Council he feels the City has a very efficient collection ordinance. He said the ordinance is continually looked at and compared to other municipalities. Since September 11, 2001, three cities (Lexington, Concord, Gastonia) have contacted Salisbury and used parts of our ordinance to try to upgrade their own, he said.

Mayor Klutz asked Mr. Hillard about Mr. Kent's question concerning things the City picks up for houses and not for apartments.

Mr. Hillard said the only thing he is aware of that the City collects, would be anything that an apartment building could not put in a dumpster. That would also be regulated by the waste hauler because of safety reasons. He said he was not aware of anything apartments can't get collected that homes get collected. Mayor Pro Tem Woodson asked if all apartments have to have dumpsters and they pay for the dumpster to be hauled off. Mr. Hillard replied in the affirmative. He indicated the City pays a portion of the collection on dumpsters. Mr. Treme said the City pays for one commercial pickup for businesses. Mr. Hillard said the City does pay a portion of the collection. There are 542 dumpster accounts, he said. Mr. Kent said he lives at the Prince Charles Apartments which has 17 apartments and they do not have a dumpster. He said Mr. Hillard has worked with him and has been very cooperative. Mr. Woodson stated he did not realize the City would pick up sofa's at homes of residents. Mr. Hillard said there is a spring and fall clean-up to pick up tires and large white goods. These items cannot be taken to the landfill. They are taken to a recycling site in the Rowan County landfill that allows the City to pick up some furniture, Mr. Hillard said. He said the City collects the rollout garbage, and other items allowed such as some furniture or bagged items. The City has a limit as to how much they can collect. When tenants leave or move, anything they cannot get in the dumpster, they are required to take away themselves. He said the City collects only two ways: dumpster or by hand at residences. Mr. Treme told Council the City doesn't make a regular habit of picking up sofas on the curve for households or apartment complexes.

- Lincoln Park Apartments

Mr. W.O.T Fleming, Chairman of the Board of Directors of the Salisbury Housing Authority, and Mr. Layton Woodcock, Executive Director, spoke about the Lincoln Park Apartments. Mr. Fleming told Council he read remarks in the local newspaper recently that were not fair to the housing (Housing Authority). He told Council he has been part of the Board of the Salisbury Housing Authority and as Chair for 11 years has a sense of pride for those people who work in public housing. A decision was made to remove Lincoln Park Apartments because of the many conditions they felt was not in the interest of the people who lived there, he said. One was because of asbestos. Lincoln Park was approximately 30 years. The City has worked with them to lessen problems at the site, he said. The project that was proposed to HUD was to take out those apartments and put others there with a HOPE-6 Grant. The Salisbury Housing Authority was not able to receive this grant to replace apartments there, Mr. Fleming said. It was because they were a small agency with something over 500 units, he said. He said they were told they had an excellent project, and if they had more people in housing, they probably would have gotten the grant. Mr. Fleming said HUD told them they could get money and approval to take the apartments down. Legally, they had to do some things before this happened, he said. Public hearings were held, advertisements were in the local newspaper and there was ample time for anyone who had an interest or criticism to bring it before the agency to have it considered, Mr. Fleming stated. There was none of that. There were less than 5 people in 33 units who voiced criticism and complaints above moving, and those were people who had lived there for a long time, he said. Each resident was given at least four (4) choices for housing before anybody moved. Everyone moved and there was no complaints until this morning, Mr. Fleming noted. The Salisbury Housing Authority felt good about what they did, he said. With the vacant space there, they hope to secure money as it becomes available, to be able to put more housing on that spot that's comparable to what's around it, he stated. Lincoln Park Apartments weren't put up with a lot of money. It was cheap building for public housing, he said. Some of the amenities were added after the Lincoln Park Apartments were there more than 15-20 years. It still was not suitable, he said. Salisbury does need housing. The Salisbury Housing Authority is in the process of providing this in another area, Mr. Fleming said.

Mr. Layton Woodcock, Executive Director of the Salisbury Housing Authority, made the following points:

- Lincoln Park Apartments were in deteriorating condition regardless of how they appeared on the outside.
- The U.S. Department of Housing and Urban Development (HUD)

inspects housing each year.

- Lincoln Park Apartments was only public housing community in the City that received a failing grade. All the other 8 communities received very high marks and the Salisbury Housing Authority was recognized as an outstanding performing agency.
- A licensed architect, certified engineer, and HUD field office staff inspected these apartments and all agreed that demolition was the best course of action.
- Apartments had asbestos and also had lead paint which was abated.
- Ample opportunity for citizen input - no one spoke out about the demolition.
- No one came forward with an offer to purchase the units
- Eyesore to the community

Mr. Woodcock thanked Council for their support of affordable housing in Salisbury.

Mayor Kluttz thanked Mr. Woodcock and Mr. Fleming and said she had great admiration for both of them and their Board for wanting to move these residents out of these substandard conditions. This is one of this City Council's goals: good quality affordable housing.

Mayor Kluttz thanked staff for addressing Mr. Kent's four (4) concerns, and Mr. Kent for sharing his views with Council.

REPORT FROM STAFF CONCERNING QUASI-JUDICIAL HEARINGS

Mr. Harold Poole, Senior Planner, and Mr. Dan Mikkelson, Director of Land Management & Development and City Engineer, recently attended a workshop on planning in Mooresville, N.C., concerning discretionary decisions that Council may take. He said the discretionary matters coming before Council needs to be in the form of a quasi-judicial hearing. This is the same kind of hearing for zoning and special use cases, he said. These cases would include swearing in of witnesses, findings of fact and taking of evidence, Mr. Poole noted. He said that the findings of fact need to be used as part of the motion that is eventually to be part of the public record. Mr. Poole noted that in the group development site plans, there have been occasions in the past where we have a Technical Review Committee or Planning Board make a recommendation that would increase the regulations, such as additional landscaping, sidewalks, etc. For anything beyond the basics of the ordinance, a hearing of the quasi-judicial type needs to be held, he said. On all special use zoning cases, when Council considers approving the "S" district in a rezoning, a quasi-judicial hearing is conducted. In addition, any other planning-related case that is discretionary in nature will need a similar type of procedure. This in no way obligates Council to vote one way or the other, he said. This gives us an opportunity, if you choose, to impose additional standards, Mr. Poole stated. The Planning Board will have to become familiar with this process, he noted.

Mr. Mikkelson told Council this was presented to staff in the context of planning issues such as site plan review, special use permits, etc. It probably won't apply to other discretionary decisions that Council will make, he said. Staff will advise Council when one of these situations exists. He said it's primarily to have the case set up so that if there is a controversial issue that is later contested in court, Council's decision making process will be upheld in court.

BUDGET ORDINANCE AMENDMENT 2002-2003 - APPROPRIATE VARIOUS GRANTS AND DONATIONS TO THE HISPANIC COALITION

Ms. Melissa Taylor, Human Resources Director, informed Council that the City has received grants by individuals and organizations, in the amount of \$7,170.00, that has been donated to the Hispanic Coalition.

Thereupon, Mr. Burgin made a **motion** to receive the \$7,170.00 donations for the Hispanic Coalition, with the City's thanks. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Woodson, and Ms. Kluttz voted AYE. (4-0)

AN ORDINANCE AMENDING THE 2002-2003 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA, TO APPROPRIATE DONATIONS FOR THE HISPANIC COALITION.

(The above ordinance is recorded in full in Ordinance Book No. 19, under Chapter II - Administrative, at Page No. 1, and is known as Ordinance No. 2002-82.)

2003 SCHEDULE OF REGULAR COUNCIL MEETING DATES

The 2003 schedule of regular Council meeting dates was presented.

Mr. Kennedy **moved** to adopt. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Woodson, and Ms. Kluttz voted AYE. (4-0)

REPORT FROM CITY MANAGER

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(a) Planning Board Recommendations

Mr. Treme reported we have the Planning Board recommendations and comments from their November 26, 2002 meeting for Council consideration.

(b) Request from Rowan Little League

City Manager Treme reminded Council that the City has postponed many of the improvements at our new park. A request from the Rowan Little League that they be allowed to put in the lightning on two (2) fields, and that the City within a designated time period would reimburse them for that expense, he said. He suggested allowing Rowan Little League to install the lightning, according to our specifications and Master Plan, pay for them, and the City would agree to pay them back in the near future. Mr. Treme recommended Council's approval of this proposal. Mayor Pro Tem Woodson asked how much money are we talking about? Mr. Treme replied "probably \$150,000 for both fields."

Thereupon, Mr. Burgin made a **motion** that Council allow staff to work with Rowan Little League to work through an advance construction project for lights at our new park. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Woodson, and Ms. Kluttz voted AYE. (4-0)

(c) Water Bills

City Manager Treme announced that water bills, which are normally out by now, will not go out until December 4.

MAYOR ANNOUNCEMENTS

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(a) Tree Lighting Ceremony

Mayor Kluttz reminded Council of the Holiday Tree Lighting Ceremony at City Park Lake, Friday, December 6 at 7:00 p.m.

(b) Crime Control Summit

Mayor Kluttz informed Council that the Crime Control Summit scheduled for December 5 has been postponed until January, 2003.

ADJOURNMENT

Motion to adjourn the meeting was made by Mr. Woodson, seconded by Mr. Kennedy. All Council members present (4) agreed unanimously to adjourn. The meeting was adjourned at 7:05 p.m.

Mayor

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City Clerk