

Salisbury, North Carolina
March 21, 2006

REGULAR MEETING

PRESENT: Mayor Susan W. Kluttz, Presiding; Mayor Pro Tem, Paul B. Woodson, Jr.; Councilmen William (Bill) Burgin; William (Pete) Kennedy; Mark N. Lewis; City Manager, David W. Tremé; City Attorney, F. Rivers Lawther, Jr.; and City Clerk, Myra B. Heard.

ABSENT: None.

The meeting was called to order by Mayor Kluttz at 4:00 p.m. The invocation was given by Mayor Pro Tem Woodson.

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.

ADDITIONS/DELETIONS TO THE AGENDA

Mayor Kluttz noted the following changes to the Agenda:

Add – Update from the Council Committee of Mayor Pro Tem Woodson and Councilman Kennedy regarding Dodd Street.

Delete item 21 – Council to consider appointments to various Boards and Commissions. This will be postponed until the April 4, 2006 Council Meeting.

Change item 17 – Council to receive a request from First United Methodist Church (FUMC) for temporary use of City property and permission to close one lane in the 100 block of West Fisher Street. Mayor Kluttz stated that she attended a meeting requested by First United Methodist Church, and in the spirit of cooperation with the community, the church has agreed to change the demolition date to May 1, 2006. She noted that those in attendance at the meeting were Mr. Dave Collins, First United Methodist Church Building Committee Chairman; Mr. Tony Nussman, First Union Methodist Church Chairman of the Board of Trustees; Mr. Randy Hemann, Downtown Salisbury, Inc.; Mr. Jack Thompson, Historic Salisbury Foundation; Mr. Michael Young, Mr. Jeff Sowers and Ms. Susan Hurt, Historic Preservation Commission; and Mr. Frank DeLoach, Salisbury Post.

Mayor Kluttz stated that the church has agreed to delay the demolition in order for the Historic Salisbury Foundation and Downtown Salisbury, Inc. to salvage and save some of the materials from the buildings. She added that in the next two (2) weeks Downtown Salisbury, Inc. and the Historic Salisbury Foundation will attempt to move two (2) of the three (3) buildings, noting that one (1) of the buildings cannot be moved. She stated donations from the community would be needed in order to accomplish this move and the cost could be as much as \$20,000 to \$30,000.

Mayor Kluttz stated that if Downtown Salisbury, Inc. and the Historic Salisbury Foundation are unable to move the buildings, the church will consider allowing them control of some of the salvage materials. She noted that a request was made to the church to allow the salvaged material to be used in Salisbury and not sold to the public.

RECOGNIZE MR. GORDON WITTE - SALISBURY HIGH SCHOOL WRESTLING TEAM

Mayor Kluttz recognized Mr. Gordon Witte of Salisbury High School for winning the Central Carolina's Conference Wrestling Heavyweight Division Championship, the North Carolina 2A Mid-East Regional Championship and the North Carolina 1A – 2A State Championship.

(c) Budget Ordinance Amendment - GIS Training

Adopt a budget Ordinance amendment to the FY2005-2006 budget in the amount of \$12,800 to appropriate funds received for GIS training.

AN ORDINANCE AMENDING THE 2005-2006 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA, TO APPROPRIATE FEES RECEIVED FOR GIS TRAINING.

(The above Ordinance is recorded in full in Ordinance Book No. 21, Budget, at Page No. 24, and is known as Ordinance No. 2006-17.)

Thereupon, Mr. Kennedy made a **motion** to approve the Consent Agenda as presented. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

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PRESENTATION FROM MR. RANDY HARRELL - SALISBURY-ROWAN ECONOMIC DEVELOPMENT COMMISSION - INVESTMENT GRANT PROGRAM POLICY

Mr. Randy Harrell, Executive Director of Salisbury-Rowan Economic Development Commission (EDC), presented to Council a request for consideration for an incentive grant program to attract and help existing industries expand. He stated that this plan is needed due to competition from neighboring communities and counties. The plan would allow a timely response, and would encourage businesses to relocate and expand.

Mr. Harrell stated that in the past the City of Salisbury and Rowan County have started their incentive grant programs at a level of \$5 million. Mr. Harrell explained that after surveying how incentives are handled across the State the EDC Board recommends starting this plan at a level of \$3 million. He stated that the plan has been presented to the Rowan County Board of Commissioners who did not agree with the \$3 million level, but approved the plan to begin at \$5 million. He noted that the incentive grant would be a five (5) year incentive plan and would rebate a percentage of seventy-five (75) percent of the value of real and personal property tax revenue paid by the company. He added that if the company invests up to \$50 million, the percentage would increase to eighty (80) percent, and an investment of \$100 million or more, the percentage would increase to eighty-five (85) percent.

Mr. Harrell indicated that if the plan is approved he will be able to present the investment plan to prospective companies, and pointed out that all proposals will come back to Council for review and approval. He noted that a public hearing must be held for each investment grant as required by State Statute. Mr. Harrell commented that this plan is a performance based agreement and the company will have to comply with performance measures before any portion of the investment grant is forwarded to the company.

Councilman Burgin stated that he endorses the plan but feels it prudent for the City to parallel the County plan of a \$5 million starting point. He noted that he felt it would be more difficult for the City to carry a heavier load than the County and it would be more consistent to match the County.

Thereupon, Mr. Burgin made a **motion** to accept the grant program proposal with the adjustment of \$3 million at level one (1) to \$5 million. Mr. Kennedy seconded the motion, and pointed out that this is new money that will be paid in taxes. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

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INVESTMENT GRANT - FOOD LION, INC.

Mr. Randy Harrell, Executive Director of Salisbury-Rowan Economic Development Commission, introduced Mr. Teross Young, Director of Governmental Service Relations for Food Lion.

Mr. Young introduced Mr. Glenn Dixon, Food Lion Senior Vice-President of Corporate Development; Ms. Keena Foster, Food Lion Community Affairs Department; Mr. Brad Shive and Mr. Tim Hoskins, Food Lion Tax Department. Mr. Young updated Council on the history and current ownership of Food Lion, noting that Food Lion employs two thousand six hundred nine (2,609) associates who live and work in the Salisbury-Rowan County area and added that Food Lion is located in eleven (11) states. Mr. Young reviewed Food Lion's association with various community businesses and charitable organizations.

Mr. Young stated that Food Lion is expanding due to the overcrowded and outdated infrastructure of the current facility and reviewed the impact of the current facilities:

- Lost productivity
- Difficulty of recruiting associates
- Unhealthy work environment

- Associates feel less valued
- Costly and time-consuming to reorganize work teams
- Increasing cost of maintenance

Mr. Harrell stated that the Economic Development Board agreed to advise Salisbury City Council and Rowan County Commissioners to provide an incentive grant to Food Lion, noting that the total capital investment of the project is \$35 million of which \$20 million will be within the City limits.

Thereupon, Mr. Woodson made a **motion** to set a public hearing for the investment grant at Council's next meeting on April 4. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

Mayor Kluttz stated Food Lion is very important to Salisbury and to the City's history and extended her appreciation to Food Lion for being an excellent corporate citizen.

TOWN CREEK BASIN SEWER IMPROVEMENTS AGREEMENT

Mr. Matt Bernhardt, Assistant City Manager of Utilities, reviewed an agreement between the City of Salisbury and Rowan County to construct a Town Creek Basin Sewer Improvement Project at a cost of \$6.5 million. The project will involve approximately thirty-three thousand (33,000) linear feet of large volume sewer along the Town Creek drainage basin that is parallel to Interstate 85. He noted that the project is a partnership between the City and County to enhance economic development, and added that the proposed completion of the project will be early 2009.

He stated that staff of Salisbury-Rowan Utilities will serve as project manager, noting that the project team will consist of City Manager David Tremé, Assistant City Manager for Utilities Matt Bernhardt, and County Manager Bill Cowan.

Thereupon, Mr. Woodson made a **motion** to adopt a Resolution authorizing and directing the execution and implementation of the Agreement for the Town Creek Basin Sewer Improvements. Mr. Lewis seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

RESOLUTION AUTHORIZING AND DIRECTING THE EXECUTION AND IMPLEMENTATION OF THE AGREEMENT FOR THE TOWN CREEK BASIN SEWER IMPROVEMENTS.

(The above Resolution is recorded in full in Resolution Book No. 12, at Page No. 21, and is known as Resolution No. 2006-10.)

INTERSTATE 85 SEWER EXTENSION CAPITAL PROJECT AND RESOLUTION FOR REIMBURSEMENT

Mr. John Sofley, Management Services Director, stated that Council needs to adopt a budget Ordinance allowing expenditures for the Town Creek Basin Sewer Improvement Project and approve a Resolution for reimbursement.

Thereupon, Mr. Burgin made a **motion** to adopt Interstate 85 Sewer Extension Capital Project Ordinance of \$500,000 - \$250,000 for right-of-way purchases, and \$250,000 for the engineering design. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

INTERSTATE 85 SEWER LINE EXTENSION, CAPITAL PROJECT ORDINANCE

(The above Ordinance is recorded in full in Ordinance Book No.21, at Page No. 25 and is known as Ordinance No. 2006-18.)

Thereupon, Mr. Burgin made a **motion** to adopt a Resolution of the City of Salisbury to declare the intention to reimburse the City of Salisbury from the proceeds of a tax exempt financing for the expenditures to be made in connection with the acquisition of property, construction, renovation and modification to certain capital improvements. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

RESOLUTION OF THE CITY OF SALISBURY TO DECLARE THE INTENTION TO REIMBURSE THE CITY OF SALISBURY FROM THE PROCEEDS OF A TAX- EXEMPT FINANCING FOR CERTAIN EXPENDITURES TO BE MADE IN CONNECTION WITH THE ACQUISITION OF PROPERTY, CONSTRUCTION, RENOVATING AND MODIFICATION OF CERTAIN CAPITAL IMPROVEMENTS.

(The above Resolution is recorded in full in Resolution Book No. 12, at Page Nos. 22-23, and is known as Resolution No. 2006-11.)

Councilman Burgin noted that the project will help balance the loads at the City's Town Creek and Grants Creek Wastewater Treatment Plants, besides being an important economic development tool for the City and County.

City Manager David Tremé stated that this project is one of the City Council goals, adding that this is an outstanding project and he predicted it would be one of the City's most important accomplishments.

SPECIAL COMMUNITY EFFORTS GROUPS - BUDGET REQUESTS 2006-2007

Mayor Kluttz opened the meeting to the public to receive budget requests from special community efforts groups.

Those who addressed Council were:

Mr. Brian Miller, President of the Board of Directors for Downtown Salisbury, Inc. (DSI), reviewed the future plans and accomplishments of DSI:

- Over \$87 million in investment (\$30 million since 2001)
- Net Gain of 940 New Jobs
- 276 Building Renovations

- Municipal Service District Tax Base Increase
 - 1990 Value = \$31.5 million
 - 1995 Value = \$45.5 million
 - 2005 Value = \$69 million
 - 51.6% increase in the last 10 years

- 2004/2005 Statistics
 - \$5,495,895 Total Investment
 - 5 Building Renovations
 - 11 Facades Renovated
 - Net Increase of 16 Jobs

- Successes FY 2005/2006
 - Completion of several quality projects including the Firehouse Urban Lofts and the Washington Building
 - Great progress by the History and Art Trail
 - Continued upper floor development in projects like 117-119 East Innes Street
 - Won Awards/Recognition for 6 Projects at the 2005 Main Street Awards
 - Increased Promotions from 14 to 20 Events per year (including a night out each month from March to November)

- 2005/2006 Priority Goals
 - Site/Property Control
 - Parking (efficiency of use and amount)
 - Business and Residential Recruitment
 - A Downtown Park (catalyst for development in the South end of Downtown)
 - Communications (Increase communications and improve community attitude toward Downtown)
 - Membership Organization for Merchants
 - Maintenance
 - Sidewalk/intersection improvements

- Organizational Changes
 - From an office with:
 - Executive Director
 - Assistant to Executive Director
 - Part time Festival Coordinator
 - To an office with:
 - Executive Director
 - Project Manager
 - Part time Administrative Assistant

- DSI Budget Request \$100,000
 - Additional \$10,000 over last year
 - Increase Administrative Assistant from part time to full time
 - Staff Increase for increased promotions workload and Economic Restructuring Activities

Mayor Kluttz expressed the City's appreciation for the staff and all that Downtown Salisbury, Inc. does for the City.

Ms. Norma Honeycutt, Executive Director of Partners in Learning stated that she is requesting funding for five (5) scholarships. Ms. Honeycutt reviewed some aspects of the Partners in Learning Program:

- Accredited through the National Association for the Education of Young Children which is the nation's largest organization of early childhood professionals
- 5 Star License Rating – the highest rating possible in North Carolina
- Model Inclusive Child Care Center Training is provided for:
 - Families

- College Students
- High School Students
- Other Child Development Center Directors, Teachers and Educators

Ms. Honeycutt stated that continued education for staff is essential to building our youth for the future. She asked Council's consideration in providing \$2,712.50 to fund five (5) staff members to attend Rowan-Cabarrus Community College.

There being no one else to address Council with requests, Mayor Kluttz closed the public comment session and thanked Mr. Miller and Ms. Honeycutt for their presentations.

GROUP DEVELOPMENT SITE PLAN - G-02-06 – EARLY BIRD PROPERTIES, LLC (DOLLAR GENERAL)

Dollar General, 2108 Mooresville Road

(a) Mr. David Phillips, Zoning Administrator, reviewed a site plan, an aerial map and photographs of the location of the proposed Dollar General at 2108 Mooresville Road. He stated that the proposal is for a nine thousand (9,000) square foot facility with parking along the side and front of the building. He noted that an approved North Carolina Department of Transportation (NCDOT) permit dated March 13, 2006 has been received for the connection to Mooresville Road. He stated that the proposal has met the landscaping requirements.

Mr. Phillips explained that the site cleared the Technical Review Committee and staff recommended approval to the Planning Board. He noted that several residents expressed concern at the Planning Board Meeting and the Planning Board referred the proposal to a committee for review. He pointed out that the committee meeting did not have a quorum and therefore no recommendation was made to present to the Planning Board. He noted that the Planning Board felt that since the proposal meets all Zoning requirements they should approve the site as submitted. Mr. Phillips is presenting the proposal to Council with a recommendation for approval from the Planning Board and the Technical Review Committee.

Mayor Pro Tem Woodson asked some clarification of the construction of the building. Mr. Phillips explained that the lower portion of the front of the building will be split-faced block with a metal facade and added that the other three sides will be metal.

(b) Mayor Kluttz opened the floor to receive public comment.

Mr. Michael Lee Turman, 1801 Mooresville Road, stated that his wife's family has owned property at 1717, 1799 and 1803 Mooresville Road since the 1930's. He stated that his family is in favor of the proposal, indicating that they knew that this area would one day be annexed into the City, turn commercial, and therefore increasing in value.

Mr. Turman stated that the surrounding churches expressed concern that the building did not look the same as other buildings in the area. He noted that the closest building to the proposed site was a six thousand (6,000) square foot church community building which is constructed completely of metal and added that Foursquare Church has a fifty-four hundred (5,400) square foot community building which is also completely metal.

Mr. Turman noted that the North Carolina Department of Transportation is currently working on plans to extend the four-lanes on Mooresville Road. He concluded by stating that his entire family supports this site plan.

Ms. Jennifer Greer, Hutton Company, 736 Cherry Street, Chattanooga, Tennessee, pointed out that there was a variety of exterior products used in construction of buildings in the site area. She stated that as a compromise, the plans will be revised allowing for an all-brick front.

Mr. Mike Mangan, 110 Pinewood Drive, stated that his property is within one (1) mile of the site of the proposed Dollar General. He indicated that he thinks the Dollar General has chosen a bad location. He stated that there are five (5) churches in the general vicinity, noting that during peak times there are fifty (50) to seventy (70) cars backed up at the traffic light at Rowan Mills Road. He noted that the Dollar General already has five (5) stores in Rowan County, one of which is less than two and one half (2 ½) miles away from the proposed site. He questioned the necessity of having two (2) stores so close together.

Mr. Don Shumaker, 106 Pinewood Drive, stated that there was a Family Dollar at Jake Alexander Boulevard and a Dollar Tree at the Salisbury Mall, noting that both of these are within two and one half (2 ½) miles of the proposed site location. He stated that the area surrounding the proposed site is mostly rural and he feels the population density is not enough to support the store. He concluded by stating that he was opposed to the proposal.

Ms. Linda Holshouser, 2015 Mooresville Road, expressed her concern regarding the construction of the commercial retail building. She stated that a retail business would increase traffic and open the door for future retail businesses and she does not feel this is what the community wants. She urged Council to consider the best interest of the community.

Ms. Laura Owen, 1350 East Ridge Road, stated that her mother, Sandra Shuping Owen, owns over eight (8) acres between the Holshouser property and Carillon Nursing Center. She stated that she and her mother are opposed to the Dollar General Store. She stated that she has reservations on how a retail store would affect the neighboring residents and churches, noting that she does not think it would fit in architecturally. She added that the families enjoy being away from the retail strip malls and is concerned that once a Dollar General is built, other stores will follow and the area will change forever. Ms. Owen asked Council to respect the neighbor's wishes and decline the request to allow construction of the Dollar General Store.

Mr. Randy Reamer, 2060 Sherrills Ford Road, stated that he understands the property is zoned commercial but he feels it should be zoned Office/Institutional. He stated that if this site plan is allowed it will set the tone for what is constructed on the other adjoining parcels. He suggested that a future Dollar General use an existing driveway used by Duke Power to access its property, rather than cut a new drive. He concluded by asking Council

to consider what will take place on all parcels of this land rather than just this one parcel.

Mr. Don Neal, 609 S. Yadkin Avenue, Spencer, North Carolina, stated that he is a member of Four Square Church. He noted that Mooresville Highway is heavily traveled and is especially bad on Wednesday nights and also expressed his concern of the increased volume of litter along the area. He stated that the current zoning was approved in 1992 due to one (1) property owner's desire to sell a tract of land, adding that he opposed the rezoning in 1992 and opposes it today.

Ms. Darlene Blount, 212 Ferncliff Drive, stated that Council changed the zoning in 1992 in a rush, because the property owner said he had a buyer. She noted that since then, development in the area has been houses and churches. She stated that her research shows that twenty (20) reported accidents have occurred at the Mooresville Road – Sherrills Ford intersection in the past three years.

Ms. Emma Lou McCall, 2708 Mooresville Road, stated the proposed parcel backs up to her son's property. She noted that the traffic is already terrible and she is concerned about the safety of children in daycare.

Mayor Klutz closed the public comment session.

Councilman Burgin stated that in 1992 City Council placed an overlay on the rezoned area to provide some protection regarding the use of the rezoned property. He added that the objectionable uses listed were alcoholic beverages, coin operated businesses, billiards and pool halls, and physical cultural establishments that were objectionable.

Councilman Woodson stated that the property is zoned commercial and he feels the only option Council has is the modification of the proposed building to satisfy the neighbors.

Mr. Burgin stated there is logic in zoning to get retail businesses closer to where people live, noting that a major intersection site, such as the one proposed, would be a candidate. He stated that since Mooresville Highway is a gateway into our City he would like to see a more attractive building, noting the beauty of the surrounding churches. He indicated that he felt this building would set the tone for future commercial buildings and he would like for it to be a more attractive example. He stated that he felt there should be more conversation relative to the building's appearance before he can support the proposal.

Councilman Kennedy stated that he agrees with Council regarding the existing zoning of the property, adding that a Council Committee is needed to address the appearance of the building.

Mayor Klutz stated that she is not ready to vote on the proposal and agrees that a Council Committee should be appointed. She pointed out that this is not a zoning hearing, that the property is zoned correctly.

Mr. Burgin expressed interest in the use of the Duke Power access road and feels that this is a valid point to be discussed.

Councilman Lewis stated that he feels the City is experiencing growing pains and as we continue to grow Council will to be faced with more of these situations. He stated that it is difficult for Council to vote against a proposal due to increased traffic because we have increased traffic with other growth in the City. He commented that if the City does not continue to grow the tax burden will increase for citizens, adding that the City needs growth to expand the tax base in order to share the tax burden. He stated that it concerned him that a GDA overlay was placed over the entire property and we are addressing one small parcel.

By consensus, Mayor Klutz appointed Mr. Burgin and Mr. Woodson to serve on a Council Committee and present a recommendation at the April 18, 2006 City Council Meeting.

PRESENTATION FROM PUBLIC ART COMMITTEE - EAST INNES STREET GATEWAY PROJECT

Ms. Barbara Perry, Chairman of the Community Appearance Commission, explained the background of the selection process for the East Innes Street Gateway Project. In September 2004, the East Innes Street Gateway was identified for a major art installation and in February 2005, the Public Art Committee established goals for the project. She noted that in June 2005, a \$3,000 grant was received from the North Carolina Arts Council to aid in the invitation for artists to apply for the installation. Requests for Qualifications (RFQ) were distributed with a deadline of August 2005 for proposal submittal.

Ms. Perry stated that in October 2005, the Committee hosted a luncheon for founding partners and during the luncheon an eight (8) member selection panel was identified and given the charge of reviewing the one hundred and forty (140) applications submitted for consideration. Using the established selection criteria and scoring format, the panel narrowed the applications to five (5) finalists, three (3) of which were invited to Salisbury to make proposals. Ms. Perry explained that before meeting with the panel, each finalist spent a day touring Salisbury sights, meeting people and asking questions. She stated that the final proposals from the three (3) finalists were received February 15, 2006. The three (3) finalists were Mr. Bill Culbertson, Mr. Jeff Laramore, and Mycklebust and Sears. The selection panel then viewed the projects and conducted phone interviews with the artists. She informed Council that the selection panel unanimously chose the work by Mr. Bill Culbertson, which consists of three (3) columns. The main column has a carved façade and will be lighted at its base. Ms. Perry displayed a model of the submitted artwork and stated that Mr. Culbertson is willing to make any necessary modifications before the product is finalized.

Ms. Perry explained that the Committee felt the selection met the goals established for art at the Gateway which included:

- Set precedent for future public art in Salisbury
- Create gateway that sets tone for Downtown

- Address site creatively
- Respect existing site features
- Speak to two hundred fifty (250) years of Salisbury history
- Reflect community identity and diversity
- May be representational or non-representational
- Designed for durability and low-maintenance
- Incorporate lighting
- Consider safety of drivers
- Encourage collaboration of allied design professionals
- Generate the WOW factor

A video depicting how the art installation will look was shown to Council.

Ms. Perry noted that approval must be received from City Council before the process can proceed. She stated that the artist's project timeline is between eighteen (18) months and twenty-four (24) months from the time funding is secured, adding that the cost will be \$225,000. She noted that applications for private funding will be made to the Robertson Family Foundation and the North Carolina Arts Council, and the Committee will explore applications to other foundations.

Mayor Kluttz thanked the Committee for their hard work. She stated that she felt they made a beautiful selection and noted that the project will be funded through private funds.

Thereupon, Mr. Woodson made a **motion** to endorse the East Innes Street Gateway public art project as selected by the Downtown Public Arts Committee. Mr. Lewis seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

REQUEST FROM FIRST UNITED METHODIST CHURCH - 100 BLOCK OF WEST FISHER STREET

Ms. Wendy Brindle, Traffic Engineer, stated that First United Methodist Church (FUMC) is proposing to remove the buildings at 117, 119 and 121 West Fisher Street. She added that the date of demolition has been postponed until May 1, 2006. She noted at the time of demolition the contractors are requesting to close the City-owned driveway next to the properties for approximately three (3) weeks. They are also requesting to close the parking along the south side of West Fisher Street and the sidewalk. She noted that for added safety the contractor is requesting the east bound lane of the 100 block of West Fisher Street be closed for the first week of demolition. Ms. Brindle stated that there is another driveway access to the parking area from Bank Street. She noted that staff recommends approval of the request based on the conditions that the contractor remove a retaining wall that supports an entrance access door to one of the buildings which is adjacent to City property and that they seal, compact and pave the area to match the grate of the existing drive, and also that the contractor be responsible for the installation and maintenance of all traffic control per a plan to be provided by the City. Ms. Brindle noted that the traffic would be detoured two (2) blocks from Church Street to Horah Street. She stated that the final condition is that the contractor be responsible for the repair and restoration of any damage that occurs on City property or public right-of-way.

Mayor Kluttz expressed appreciation to First United Methodist Church for postponing the demolition to allow Downtown Salisbury, Inc. and the Historic Salisbury Foundation time to find funding to move one (1) or two (2) of the buildings or salvage materials which can be used in other areas of downtown Salisbury.

Thereupon, Mr. Woodson made a **motion** to approve the request from First United Methodist Church to temporarily close the driveway adjacent to 117, 119 and 121 West Fisher Street and close the sidewalk and parking lane adjacent to the sight for a three (3) week period and close the east bound lane of the 100 block of West Fisher Street for a one (1) week period with the conditions recommended by staff, but not before May 1, 2006. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

FIRST DRAFT - 2006-2007 CDBG AND HOME PROGRAM FUNDS

Ms. Janet Gapen, Planner II, presented to Council the proposed budget for the Community Development Program. She noted that the City receives funding from the United States Department of Housing and Urban Development (HUD) through two (2) grant programs:

- Community Development Block Grant (CDBG) Program
 - Annual grant based on population
- HOME Investment Partnership
 - Cabarrus/Iredell/Rowan Consortium
 - Three Counties, six cities
 - Required 25% local match
 - Allocation from HUD distributed among participating members.

Ms. Gapen noted that through a partnership with the Salisbury Community Development Corporation the funds are used for acquisition and rehabilitation of vacant or dilapidated housing, owner occupied rehabilitation, construction of new affordable units, home ownership training and other neighborhood improvements. She stated that a portion of the funding is dedicated to public service agencies that serve low to moderate income households.

Ms. Gapen stated that the citizen participation plan began with three (3) public hearings from January to March, 2006 and upon Council's

approval will be submitted to HUD in May, 2006.

Ms. Gapen reviewed the proposed Community Development Block Grant and HOME Funds budgets:

Community Development Block Grants:

• Project Activities			
○ Acquisition/Rehab/Resale	\$175,000		
○ Emergency Rehab	29,523		
○ Dixonville Improvements	10,000	\$214,523	
• Public Services			
○ Rowan Helping Ministries	\$ 25,750		
○ Family Crisis Council	16,100		
○ Community Care Clinic	11,520		
○ Salisbury Youth Employment	7,500		
○ West End Youth Garden	1,598	\$ 62,648	
• Program Administration		\$ 83,290	
• Debt Service-Section 108 Loan		<u>\$ 56,169</u>	
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Total CDBG Funds		\$416,450	

HOME Funds:

• Project Activities			
○ Acquisition/Rehab/Resale	\$ 56,803		
○ Homeownership Assistance	60,000	\$116,803	
• Program Administration		<u>\$ 10,123</u>	
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Total HOME Funds		<u>\$126,926</u>	
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Total Community Development Funds		\$543,376	

Ms. Gapen concluded by stating that the request for the 2006-2007 budget is ten (10) percent less than the 2005-2006 request.

Councilman Kennedy stated that President George W. Bush is proposing a twenty-five (25) percent cut in the Community Development Block Grant. He advised Community Development to continue the good work and urge our Senators and Representatives to not cut the budget.

Thereupon, Mr. Lewis made a **motion** to approve the first draft of the 2006-2007 Action Plan Budget for the CDBG and HOME Program funds. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

HIGHWAY 29 ANNEXATION - WATER/SEWER LINE EXTENSION PROJECT - CAPITAL PROJECT ORDINANCE

Mr. Jim Behmer, Utilities Engineering Manager, stated that Salisbury-Rowan Utilities is requesting that \$300,000 be appropriated to begin design, survey and easement acquisition on the 2005 Highway 29 Annexation Water/Sewer Project.

Thereupon, Mr. Kennedy made a **motion** to adopt the Capital Project Ordinance in the amount of \$300,000 to appropriate funds for the Highway 29 Annexation – Water/Sewer Line Extension Projects. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

HIGHWAY 29 ANNEXATION AREA WATER AND SEWER LINE EXTENSION - CAPITAL PROJECT ORDINANCE

(The above Ordinance is recorded in full in Ordinance Book No. 21, Budget, at Page No. 26, and is known as Ordinance No. 2006-19.)

ZONING TEXT REVISION - ORDINANCE NO. 2006-07 - PERMITTING MOTORCYCLE AND MOPED SALES AND SERVICE

Mr. Preston Mitchell, Senior Planner, stated that Council approved Ordinance 2006-07 at the February 7, 2006 Council meeting. The text revision permitted use of motorcycles and/or mopeds sales and service in specific zoning districts beyond the B-RT Zoning District. He noted that the ordinance did not specifically prohibit use in the downtown B-5 District which had been discussed at both the Planning Board level and City Council level, and added that the Planning Board and City Council did not want to allow use in the Downtown B-5 District. He stated that adopting the ordinance clarification presented today does not change the intent of Ordinance 2006-07 but will allow use in the B-RT and B-6 Districts but specifically

prohibits the use in the Downtown B-5 District.

Thereupon, Mr. Kennedy made a **motion** to adopt an Ordinance amending the Code of Ordinances, Zoning Appendix of the City of Salisbury, North Carolina by amending Article VIII (use requirements by districts), and various sections, for the purpose of amending motorcycle and/or moped sales and service in specified zoning districts as listed. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

BOARDS AND COMMISSION APPOINTMENTS

This item was postponed.

DODD STEET UPDATE FROM COUNCIL COMMITTEE

Mayor Pro Tem Woodson stated that the question involved a request from Mr. John Leatherman to develop nine (9) acres of B-1 Commercial property which is connected to Rosemont Street on the north, South Main Street, and to the right-of-way of Dodd Street, which is a substandard street not on the City maintenance system. He noted that in order for Mr. Leatherman to bring Dodd Street up to standards and be maintained as a City street, additional right-of-way property will need to be purchased from Mr. Charles Parks, owner of the property adjacent to Dodd Street, and added that Mr. Parks is not willing to sell. Mr. Woodson stated the Council Committee feels that if Mr. Leatherman would develop Dodd Street to City standards, without the right-of-way and sidewalks, and close the connection to Rosemont Street, then this request could be considered by Council.

Councilman Kennedy stated that approval is contingent on the North Carolina Department of Transportation approving the ingress and egress for the South Main Street connector. Mr. Woodson added that the Council Committee was not ready to recommend action today.

City Manager David Treme recommended that the Council Committee submit a formal recommendation for staff to review and bring back to the next City Council meeting.

COMMENTS FROM THE CITY MANAGER

(a) Planning Board

Council received the Planning Board recommendations and comments from their March 14, 2006 meeting.

(b) 2006-2007 Council Goals and Outcomes

City Manager David Treme presented to Council the 2006-2007 Council Goals and Outcomes.

Thereupon, Mr. Woodson made a **motion** to adopt the 2006-2007 Council Goals and Outcomes as Mr. Treme presented. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

(c) Road Resurfacing

City Manager Treme stated that approximately one (1) year ago the State of North Carolina reduced the City's available monies for street resurfacing. He noted that in order for the City to maintain the quality of its streets, Council was forced to place a \$10 dollar fee on vehicles within the City, which raised approximately \$200,000. He reviewed a letter dated February 15, 2006 which was sent to Ms. Jane White, 324 Knollwood Avenue, explaining the necessity and planned use of the fee, and noted that this money was added to the existing paving budget. The letter included a list of streets that have already been re-paved at a cost of \$421,438, and over twelve (12) lane miles of City streets.

Councilman Burgin asked how much money the City received for resurfacing from the Powell Bill. Mr. Treme stated that he would obtain the information for Council, but could assure Council that the \$200,000 was not to supplement but replenish the lost funds.

COUNCIL TO RECEIVE PUBLIC COMMENT

Mayor Kluttz opened the meeting for public comment.

There being no one to speak, Mayor Kluttz closed the public comment session.

MAYOR'S ANNOUNCEMENTS

(a) Mayor's Spirit Luncheon

Mayor Kluttz announced that the Mayor's Spirit Luncheon will be held Tuesday, March 28, 2006, 12:00 noon at City Hall. She noted that the topic will be "Diversity in Relationships Enhances Safe Communities" and will be presented by Mr. Henry Diggs, the Facilitator of Project SAFE Salisbury, and former Chairman of the Human Relations Council.

(b) Annexation Public Information Session

Mayor Kluttz announced a public information session at City Hall on Friday, March 24, 2006 at 6:00 pm regarding the annexation of South Main Street, Airport Road and Cedar Springs Road areas. She noted that there will be a public hearing on April 4, 2006 at 4:00 pm.

(c) National League of Cities Conference

Councilman Burgin announced that he attended the National League of Cities Conference in Washington, DC, March 11-15, 2006. He stated that he had attended a session on diversity and a session on utilizing city assets, adding that the City of Salisbury is doing very well in both areas. He stated that he also attended a session on broadband and Fiber To The Home and explained how important it will be in the future. He noted that its importance was compared to bringing railroads and highways to the cities in the United States' early history. He also noted that the Community Development Block Grant fund is again being attacked and the City needs to try to protect these funds.

Mayor Kluttz asked Mr. Burgin to share the information from the diversity session with Ms. Melissa Taylor, Human Resources Director, noting that the City is always looking for ways to build on our efforts to continue to make improvements.

Councilman Kennedy stated that he was appointed to the Information and Technology Committee by the North Carolina League of Municipalities. He stated that he attended the Committee meeting held during the National League of Cities Conference. He noted that the committee discussed the re-writing of the telecommunications act, local franchise authority for growing cities, continuation of Federal Section 8 housing, and eminent domain issues.

Mr. Kennedy stated that as a representative to the Salisbury's Community Service Council he also attended the National Committee Action Foundation meeting and reviewed the programs sponsored by the Foundation and the goals of the programs. He stated that a delegation met with Mr. John Cain, Legislative Director for Senator Richard Burr; Mr. Robert Boone, Legislative Council to Senator Elizabeth Dole; and Ms. Joyce Brayboy, Chief of Staff for Congressman Melvin Watts. He thanked them for their support on issues in our City and asked for their continued support, and noted that he invited them to visit Salisbury to tour areas where Federal funds are now being used.

(d) Brenner Avenue Concerns

Councilman Lewis stated that he received an anonymous letter expressing concern about the curbing on Brenner Avenue, specifically several areas in the curbing that are not a gradual turn but a direct angle, which appear to be dangerous. He proposed that the City move or replace those places with a gradual turn, noting that he has talked to Mr. Tony Cinquemani, Interim Public Services Director, and the cost would be \$20 per foot, or approximately \$300 total. He stated that another concern is the size of the islands. He noted that before the last layer of asphalt was applied, the City has time to make some changes.

Councilman Woodson agreed that the changes need to be made, adding that many citizens have expressed their concern over the Brenner Avenue changes.

City Manager David Treme stated that Brenner Avenue is still a work in progress and once the lines are painted on the road and the lights are installed, it will provide safety for those on the sidewalks and greenway. He stated that he would arrange to meet with Councilmen Lewis and Woodson and discuss possible changes.

(e) Stoplights at East Innes Street and I-85

Councilman Burgin stated that he is disappointed with the placement of the four (4) stoplights at the Interstate 85 and East Innes Street intersections. He noted that the City paid money through private donations to paint the bridge and do away with wires in order to make it attractive and there has to be a better way to hang eight (8) light fixtures. He requested Council to direct the City's engineering staff to contact the North Carolina Department of Transportation to share Council's concerns.

ACCESS CHANEL 16

Mayor Kluttz stated that the City Council meetings are being broadcast on Access Chanel 16 and noted that more people are watching. She added that our Station and Web Manager, Mr. Jason Parks, does an excellent job of keeping the station and website up to date.

ADJOURNMENT

Motion to adjourn the meeting was made by Mr. Burgin, seconded by Mr. Lewis. All council members agreed unanimously to adjourn. The meeting was adjourned at 7:23 p.m.

Mayor

City Clerk