

Salisbury, North Carolina

November 5, 2002

REGULAR MEETING

PRESENT: Mayor, Susan W. Klutz, 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 Klutz at 4:00 p.m. The invocation was given by Councilmember Burgin.

PLEDGE OF ALLEGIANCE

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

RECOGNITION OF VISITORS

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Mayor Klutz recognized all visitors present.

RECOGNITION OF SALISBURY PARKS AND RECREATION DEPARTMENT, MARKETING DIVISION - BEST OVERALL COMMUNICATOR AWARD

Mayor Klutz recognized the Salisbury Parks and Recreation Department, Marketing Division, for receiving the Best Overall Communicator Award from the National Recreation and Park Association (NRPA), October 16, 2002. Ms. Liz Tennent Rose accepted the award for the Parks & Recreation Department.

RECOGNITION OF POLICE CHIEF M. CHRIS HERRING - NAACP PRESIDENT'S AWARD

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Mayor Kluttz recognized Police Chief M. Chris Herring for receiving the NAACP President's Award for outstanding service to the citizens of Salisbury.

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RECOGNITION OF MR. BILLY A. JACOBS, SR. - BILL'S BAKERY AND GRILL

Mayor Kluttz presented Mr. Billy A. Jacobs, Sr. a Certificate of Recognition for his contributions to the City and operation of Bill's Bakery for the past fifty-three (53) years.

PROCLAMATIONS

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The following observances were proclaimed by Mayor Kluttz:

VETERANS DAY November 11, 2002

BED AND BREAKFAST WEEK November 10-16, 2002

CONSENT AGENDA

(a) Minutes

Minutes of Regular meeting of October 15, 2002.

(b) Minor Plat S-08-02 - Candlewick Drive

Approve minor plat S-08-02 to divide a 4.5 acre tract on Candlewick Drive into two residential lots.

(c) Final Plat S-07-89 - Prestwick Court

Approve final plat S-07-89, revising setbacks on Prestwick Court in accordance with group development G-11-91.

(d) Final Subdivision Plat S-09-02 - Lash Drive

Approve final subdivision plat S-09-02, subject to receipt of an acceptable guarantee of improvements, to subdivide a 30-acre tract on Lash Drive.

(e) Group Development G-15-02 - Whispering Oaks Apartments

Approve group development G-15-02 Whispering Oaks Apartments, 800 block of Newsome Road.

(f) Block Party - 700 block of West Cemetery Street

Approve closing of 700 block of West Cemetery Street, from 3:00 p.m. until 6:00 p.m. on November 12, 2002 for a block party, sponsored by the Community Development Corporation and F&M Bank, to celebrate three newly built houses in the Jersey City neighborhood.

Councilman Kennedy asked City Clerk, Swannetta Fink, to make a correction to the minutes of October 15, 2002. The change is as follows: Under the Section: ZONING TEXT AMENDMENT - TO ALLOW ELECTRONIC SIGNS, WITH PROVISIONS, in the next to the last paragraph, Sentence 5 presently reads: "Mr. Kennedy asked if other signs in the City were viewed." It should read: "Mr. Kennedy asked if signs in other cities were viewed."

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

ZONING MAP AMENDMENT - Z-18-02 - GRAY STOUT

Z-18-02 - Gray Stout

200 Block East 15th Street

The request is to rezone approximately 17,750 square feet of property located on the south side of the 200 block of East 15th Street, identified as a portion of Parcel 131 on Salisbury Township Tax Map 7, from SFC Single Family Conservation to B-1 Office Institutional.

(a) Mr. Harold Poole, Senior Planner, informed Council that the proposed property is in the 200 block of East 15th Street and is rather isolated. The proposal is to change the zoning from SFC to B-1. At the Planning Board meeting, several people spoke in favor of the proposal and there was no opposition, Mr. Poole explained. He further told Council the Planning Board unanimously recommended approval.

(b) Mayor Kluttz convened a public hearing, after due notice and advertisement thereof, on the following zoning map amendment Z-18-02, Gray Stout, 200 block East 15th Street.

Those speaking **in favor** of this zoning change were Mr. Gray Stout, 5 Acorn Lane, (who is also the applicant), and Mr. Marvin Lindsay, 854 N. Craige Street, Chairman of the Crisis Council Board.

Mr. Stout told Council he is serving as the architect for the Crisis Council, and said this property would be the site for a new shelter and offices for this group. He spoke in favor of the rezoning and asked for Council's support. Mr. Stout noted this is an ideal location for this group.

Mr. Marvin Lindsay told Council he chairs the board of the Family Crisis Council. He spoke in favor of the rezoning and said it will give them an opportunity to expand and improve the services for victims of domestic violence in the City and County. The building and use is designed to blend in well with the neighborhood, he said.

No one spoke **in opposition** of the proposal.

Since no one else was present to speak for or against the above proposal, Mayor Kluttz closed the public hearing.

(c) Thereupon, Mr. Burgin made a **motion** to rezone the property from SFC to B-1. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Klutz 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 WITH ABOUT 91 FEET ON THE SOUTH SIDE OF THE 200 BLOCK OF EAST FIFTEENTH STREET, IDENTIFIED AS A PORTION OF PARCEL 131 ON SALISBURY TOWNSHIP, TAX MAP 7, FROM SFC SINGLE-FAMILY CONSERVATION RESIDENTIAL DISTRICT TO B-1 OFFICE INSTITUTIONAL DISTRICT.

(The above ordinance is recorded in full in Ordinance Book No. 18, under Chapter XI - Zoning & Planning, at Page No. 98, and is known as Ordinance No. 2002-76.)

STATE DEVELOPMENT ZONE 2003-2004

(a) Mr. Patrick Kennerly, Planner II, gave Council a presentation concerning the State Development Zone program. The purpose of the State Development Zone program is to provide economic incentives to stimulate new investment and job creation in economically distressed urban areas, he said. Salisbury has participated in this program since it was conceived approximately four years ago. Mr. Kennerly stated he receives a couple calls a month from businesses asking if certain property is within the development zone.

Mr. Kennerly reviewed with Council the State Development Zone Incentives as follows:

- additional enhancements for companies eligible for tax credits under the William S. Lee Act, including:
 - tax credit for job creation - up to \$5,000 per job
 - tax credit for machinery and equipment investment - threshold reduced

from \$500,000 to \$0

Mr. Kennerly noted that the City of Salisbury only designates the boundaries for the zones. Companies wishing to participate must apply directly to the North Carolina Department of Commerce for the tax credits, he stated. The types of businesses that can use this program are primarily manufacturing and warehousing, Mr. Kennerly noted.

The State Development Zone criteria follows:

- 20% of total population in designated Development Zone must fall below federal poverty level
- contiguous census tracts or block groups
- may include tracts below 20% poverty level
- must be partially within municipal limits
- minimum population of 1,000 within Zone
- total municipal population at least 5,000
- approved for 2 year intervals

Mr. Kennerly showed Council views of the existing and proposed State Development Zones. The criteria has not changed in the last 2 years but the census 2000 data is new which includes tract and block group boundary adjustments and the income and poverty information, he stated. There is a slightly lower poverty rate overall since the 1990 census, he noted. There are two major changes in comparing the previous State Development Zone and the current proposed Zone, Mr. Kennerly said. He said

that since we fell below the 20% poverty level, it was necessary to remove a block group that had a relatively low poverty rate (area that includes Fulton Street, Ellis Street and most of the West Square Neighborhood) with a very small amount of commercial development within it.

Mr. Kennerly told Council that staff also looked at surrounding block groups that were partially in the city limits to see if another area could be added in without going below the 20% threshold. It was discovered that the area southwest of town (area along Interstate 85 including the county industrial park named Summit Corporate Center) had about a 14% poverty level which could be added and still maintain the 20% threshold, Mr. Kennerly stated. This area could create jobs and investments for Salisbury residents as well as those of Rowan County, he noted.

Mr. Kennerly told Council that staff is recommending that City Council approve this proposal and allow staff to submit the application to the State for final approval for a re-designated zone this year.

(b) Mayor Kluttz announced that Council would receive public input to consider the State Development Zone re-designation for 2003-2004.

Those speaking **in favor** of the above proposal were Mr. Randy Harrell, 2814 Byron Drive, Executive Director of Economic Development Commission (EDC).

Mr. Harrell told Council he offers his support for the change of this re-designation. He thanked Mr. Dan Mikkelsen and Mr. Patrick Kennerly for going forward with their vision to find a way to take in the Summit Corporate Center. In today's economy it has become a very competitive business, especially from the standpoint of recruiting industry and maintaining our industrial base, he said. This is a win-win situation from the City of Salisbury and Rowan County, Mr. Harrell stated. He told Council that by bringing the Summit Corporate Center into this development zone, it will allow provision of additional tax credit for companies the EDC is attempting to attract to the area.

Mr. Harrell went on to cite examples. He explained that every county in North Carolina's 100 counties is given a tier designation. Rowan County is in tier 4 which means it qualifies for specific tax credits. The lower the tier, the more tax credits received, he said. A tier 1 county would receive substantially more tax credits than a tier 4 or tier 5. Effective January, 2003, the criteria will change as far as thresholds, Mr. Harrell said. From the standpoint of credits for creating jobs, under a tier 4 there is a \$1,000 tax credit for every job created at a threshold of 5 jobs, he told Council. Effective January 1, 2003 that threshold will go to 10 jobs. Those in a development zone, such as the Summit Corporate Center, will be getting an additional \$4,000 for tax credit, making a total of \$5,000, if the City decides to adopt the new proposed zone. In reference to machinery and equipment, there is a threshold of \$500,000 as it presently stands, he noted. That will change to \$1,000,000 as of January 1, 2003.

Mr. Harrell said there are also credits for work and training. Other criteria to qualify are wage standards qualifications. In a tier 4 county, it is required that you must meet 110% of the county's average weekly wage figure, he noted. Mr. Harrell stated that in a Development Zone, it is 100%, which is also a positive factor, he indicated.

He asked Council to support this proposal and said it is a win-win situation for our citizens and hopefully will put us in a position to be more competitive in attracting industry to the heart of Salisbury.

No one spoke **in opposition** of the above proposal.

Since no one else 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 a new proposed zone. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Kluttz voted AYE. (5-0)

Councilmember Burgin commended staff for finding a way to get the Summit Corporate Center into that development area. Councilman Martin noted it would be advantageous to everybody in the City and County. Mayor Kluttz said this is another

example of how we show that our economic success is dependant on Rowan County's success.

SPECIAL USE PERMIT - SPRINT PCS - 832 JAKE ALEXANDER BOULEVARD

(a) Mr. Mike Crowell, Information Technology Manager, informed Council that Sprint PCS is seeking a Special Use Permit to build a 150 foot monopole telecommunications tower at 832 Jake Alexander Boulevard. Mr. Crowell advised Council of the following: this tower will be located behind the new YMCA; Sprint PCS has submitted their application fee and all pertinent information required; the proposed tower will meet all state and federal regulations including the structural emissions and all other regulations; the City's Wireless Tower Ordinance limits towers to 140 feet, but staff has agreed to a 10 foot extension to allow for one additional antenna to be located on the tower which will allow for a total of three (3) additional carriers to be located on this tower.

Mr. Crowell told Council that since the City's ordinance strongly suggests that towers provide for co-location of carriers, it was felt that the additional 10 feet was justified. Sprint has requested two (2) additional waivers, he said. They are (1) that the balloon test not be required due to the zoning of the property, and (2) that the visual assessment not be required. Staff felt that since the tower would be located behind the YMCA, the visual impact was minimal and, therefore, was agreeable to both requests, he noted.

Mr. Crowell told Council that staff recommends granting the waivers and requests that Council allow the City Manager to issue a Special Use Permit for the tower.

(b) Mayor Klutz convened a public hearing, after due notice and advertisement thereof, to consider a Special Use Permit for Sprint PCS to build a new telecommunications tower located at 832 Jake Alexander Boulevard.

Speaking **in favor** of the proposal were Ms. Bonnie Newell, Project Manager for Sprint PCS.

Ms. Newell told Council Sprint PCS has worked on this proposal for approximately 2 years. They have worked hard with the YMCA, looked hard at the siting, and feel they have placed the tower in the most efficient manner, she said. This tower is needed to make complete and contiguous coverage off Jake Alexander Boulevard. The most recent tower that went into service was co-locating on a Alltel Tower behind Wal-Mart on Jake Alexander Boulevard, Ms. Newell stated. This will be a popular tower for the other carriers, she said. Ms. Newell then asked Council's support of this request.

Speaking **against** the proposal was Ms. Nancy Griffith, 1350 East Colonial Drive, and also an owner of property on Milford Hills Road, which is parallel to Jake Alexander Boulevard.

Ms. Griffith told Council that although Sprint and the YMCA have done their homework, they have failed to consider that Milford Hills Road is zoned R-8. She said that affects single-family homes and she is opposed to it.

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

Mayor Klutz asked staff to respond to the question about the zoning. Mr. Crowell told Council that the ordinance allows different type towers and different setbacks depending on the zoning of the property. It doesn't really look at use of property in determining the requirements of the tower so the height and setbacks are all based on the zoning of the YMCA property, he explained.

Mayor Pro Tem Woodson asked Ms. Griffith if she thought this site would affect her. Ms. Griffith replied that she may be speaking erroneously; however, in 1979 that property belonged to Livingstone College and was zoned with a great deal of input from the citizens and the City to LLI, Limited Light Industrial. A lot of work was done to get it to this and she was under the impression that when the citizens agreed to that zoning that they would be notified of things like this and their property, (R-8) which abuts this, would be considered when zoned, Ms. Griffith said. The City fully admitted that they made a mistake by allowing Lowe's to go in there, she noted. She said the City is going against what they fought for. Ms. Griffith asked Council if they would like a

tower in their backyard. She expressed concern that other companies would want a tower also and reiterated these are being put up against R-8 property. Apparently other property owners received letters, but Ms. Griffith didn't receive one, she said. She indicted she thought she would have received a letter. Mr. Crowell responded that the wireless ordinance only requires adjacent property owners to be notified.

Councilmember Burgin observed it was his understanding this is a monotower. Mr. Crowell replied this is a 150 foot monopole, so it's like a tall telephone pole, aluminum, starting out with one antenna array, (3 antennas about a 3 foot piece of metal on a small supporting arm). Mr. Burgin explained it's a dilemma. We all use cell phones. We have created an ordinance that is safe and takes into consideration the fact that we want poles in disasters to fall into safe places. We have put a lot of burden on our cell phone people to establish, prove, and make that happen, he said. We also created an ordinance that basically encourages sharing of poles, he noted.

Mr. Burgin told those present his point is that in a world of compromise, where he wants his cell phone and needs good coverage, he has the best situation possible in terms of a monopole which is as clean a design as we have, it is 150 feet (10 feet higher than 140 feet allowed), but it is half the height of WSTP, and is in a commercial area. Mr. Burgin said he is satisfied that the effort has been made by this Council to do the best we can to provide services for our citizens and not create too many opportunities for things to be unsightly throughout our City by encouraging and sharing, etc. He stated he is satisfied that we have a good compromise and can support the permit.

(c) Thereupon, Mr. Burgin made a **motion** that we recommend approval of the Special Use Permit. Mr. Kennedy seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Klutz voted AYE. (5-0)

SPEED LIMIT - SEDGEFIELD ACRES

Councilmember Kennedy informed Mayor Klutz that he is one of the petitioners and would like to be removed from the deliberation and vote on this matter.

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

Mr. Dan Mikkelson, Director of Land Management & Development and City Engineer, showed Council an aerial view of the general neighborhood in question with the streets highlighted in yellow that have petitioned to have their speed limits lowered to 25 mph. Staff has investigated the request and found it to be consistent with other requests and recommends approval, Mr. Mikkelson stated.

Thereupon, Mr. Woodson made a **motion** to reduce the speed limit to 25 mph per request of the neighborhood. Mr. Martin seconded the motion. Messrs. Burgin, Martin, Woodson, and Ms. Klutz voted AYE. (4-0)

AN ORDINANCE AMENDING SECTION 13-336, ARTICLE X, CHAPTER 13, OF THE CODE OF THE CITY OF SALISBURY, RELATING TO SPEED LIMITS - GENERALLY.

(The above ordinance is recorded in full in Ordinance Book No. 18, under Chapter X - Traffic, at Page No. 9, and is known as Ordinance No. 2002-77.)

SALISBURY TRACTOR BUILDING - 109 NORTH LEE STREET

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Mr. Joe Morris, Urban Resources Planner, informed Council that three (3) bids were received for the purchase of the Salisbury Tractor Building, 109 North Lee Street. Staff has evaluated the bids and all have been deemed to be qualifying based on the criteria for proposals.

The bids received were as follows:

**Developer Amount Amount of Proposed Estimated 7-Year
Offered Proposed Investment Use Revenue Generation**

-
Salisbury Studios, Inc. \$100,000 \$500,000 Video/Graphic \$26,600

Studio

The Southern Projects \$120,000 \$420,000 Office \$22,344

Group, LLC; Barwick

& Associates, LLC

Dr. Prem Muthu \$110,000 \$1,047,500 Food Court \$55,727

Mr. Morris told Council that staff looks at a 7-year revenue generation based on the City tax rate and the Municipal Service District tax rate, assuming that they would remain constant. This is typically projected on a 100% valuation based on our experience that developers who do these projects actually spend more money than they say they will, Mr. Morris noted.

Mr. Morris informed Council that the recommendation of staff is to reconvene the committee, that had worked on this development project previously, which included Council members Burgin and Kennedy; City Manager, David Treme; Land Management & Development Director, Dan Mikkelson; Randy Hemann, Executive Director of Downtown Salisbury, Inc.; and Joe Morris, Urban Resources Planner. The committee would meet with the individual property owners to talk about their proposed developments, and to have a full evaluation that would be presented to the City Council for consideration, Mr. Morris said.

Mayor Pro Tem Woodson asked what the \$1,000,000 investment was for. Mr. Morris replied it includes upfit for 4 restaurant areas, which would have equipment cost. He said this seems reasonable but staff would investigate further. Mayor Klutz asked what the parking situation is for this area. Mr. Morris replied that a schedule has been prepared for the redevelopment of that area which includes sidewalks and parking lot construction. Staff is anticipating that the project will proceed November 11, Mr. Morris noted. He said there is a phasing associated with this project. Councilman Kennedy asked if the developers are aware of the parking situation that the City is proposing. Mr. Morris replied "yes". He said he has met with all the developers over the course of putting together the Request For Proposal and getting their plans together. In reviewing these proposals, staff will consider how these buildings are accessed. We have the opportunity to modify our plan to the extent that we can accommodate doors on the buildings, etc., he said. Staff will take advantage of the timing to make sure that we don't do anything that would create a problem in the future.

By consensus, the Council agreed to reconvene the former committee of Councilmember Burgin and Kennedy who will meet with staff and come back with a recommendation.

AUTHORIZE THE PURCHASE OF 74 SCOTT SCBA BREATHING AIR PACKS - SALISBURY FIRE DEPARTMENT

Mr. Dewey Peck, Purchasing Manager, informed Council this is an item being purchased through the FEMA grant that the Salisbury Fire Department received. Staff is piggybacking on a contract with GSA, he said. This is cheaper than the GSA contract because there is no shipping involved, as this is a local dealer, Mr. Peck informed Council. He then asked Council to authorize a Resolution for purchase of 74 air packs at \$353,851.96.

Thereupon, Mr. Kennedy **moved** to adopt the Resolution authorizing the purchase of breathing air packs. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Klutz voted AYE. (5-0)

RESOLUTION AUTHORIZING THE PURCHASE OF 74 SCOTT SCBA BREATHING AIR PACKS FOR THE SALISBURY FIRE DEPARTMENT.

(The above resolution is recorded in full in Resolution Book No. 10, under Chapter XII - Miscellaneous, at Page No. 180, and is known as Resolution No. 2002-41.)

AUTHORIZE THE PURCHASE OF PRECOR EXERCISE EQUIPMENT

SALISBURY FIRE DEPARTMENT

Mr. Dewey Peck, Purchasing Manager, informed Council this is the last of the FEMA grant and is piggybacking on a contract that has been approved with the City of Charlotte. Mr. Peck asked Council to approve the Resolution to purchase the Precor Exercise Equipment for \$41,453.00 from Superior Fitness Systems.

Thereupon, Mr. Kennedy **moved** to adopt the Resolution authorizing the purchase of exercise equipment. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Klutz voted AYE. (5-0)

RESOLUTION AUTHORIZING THE PURCHASE OF PRECOR EXERCISE EQUIPMENT FOR THE SALISBURY FIRE DEPARTMENT.

(The above resolution is recorded in full in Resolution Book No. 10, under Chapter XII - Miscellaneous, at Page No. 181, and is known as Resolution No. 2002-42.)

REPORT FROM COUNCIL COMMITTEE REGARDING DESIGN OF WATER PLANT BUILDING - 405 NORTH JACKSON STREET

Mayor Klutz and Councilman Burgin served on the Council Committee to review the design of the Water Plant building at 405 North Jackson Street.

Mr. Burgin reported that the committee was concerned that the original proposal may not have been as appropriate for our City as possible. The committee was able to work with the architects to make some reasonable suggestions that included vertical windows in lieu of horizontal windows and brick as opposed to split face, he said. This change will make the building a little softer for our City, Mr. Burgin noted, and indicated he feels we can now proceed.

Mayor Klutz applauded Councilman Burgin for bringing this to our attention. She said we are very fortunate to have Mr. Burgin's talent and expertise on this Council. City Manager, David Treme agreed this has turned out to be very positive, looks a lot better, and is more consistent with the neighborhood.

REVIEW ARCHITECTURAL PLANS FOR THE PROPOSED PARK AVENUE COMMUNITY CENTER

Ms. Lynn Raker, Urban Design Planner, reviewed with Council the architectural plans for the two buildings being renovated for the Park Avenue Community Center which are located at 620 and 622 Park Avenue. Staff is preparing to put this proposal out for bids and needs Council's concurrence, she said. There are a few details that need to be worked out with Mr. Paul Fomberg of the State Historic Preservation Office to make sure we are in compliance with the Secretary of the Interior's Standards for Historic Renovations. Both buildings are in historic districts, National Register Districts. The frame building at 622 Park Avenue is in the Kesler Manufacturing-Cannon Mills Historic District, and the brick building at 620 Park Avenue is in the North Long Street-Park Avenue Historic District and is a pivotal structure in that district, Ms. Raker said. It is important that we preserve our heritage, she noted.

Ms. Raker told Council that the floor plan was a result of several meetings with the anticipated users of the building. The site plan

includes outdoor activity spaces. Reduction in parking requirements has been utilized in accordance to Section 7.07 of the Zoning Ordinance. A number of things have been accommodated that the Park Avenue Redevelopment Corporation was interested in seeing on that site, she said. Ms. Raker then asked Council's concurrence in putting this proposal out for bid.

Mayor Kluttz thanked Ms. Raker for bringing this proposal back to Council for consideration. City Manager Treme reminded Council this project will be funded through the Community Development funds.

REQUEST FROM ROWAN COUNTY CHAMBER OF COMMERCE TO INSTALL COMMEMORATIVE ENGRAVED BRICK PAVERS IN FRONT OF THE GATEWAY BUILDING - 204 EAST INNES STREET

Mr. Woodson made a **motion** to approve the request. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Kluttz voted AYE. (5-0)

COUNCIL TO CONSIDER A RESOLUTION ALLOWING EAST SPENCER TO EXCHANGE PROPERTY FOR SATISFACTION OF DEBT OWED CITY OF SALISBURY

Mr. John Vest, Director of Utilities, informed Council that the Town of East Spencer has a 1999 GMC C-Series sanitation vehicle (25 yard rear packer) that they (East Spencer) would like to exchange with the City of Salisbury to retire a portion of their outstanding utility debt in the amount of \$60,000.00 which is the value of the vehicle. In exchange for this, there would have to be certain conditions met, he said. Staff will perform a thorough inspection of the vehicle to be sure it is in good shape. East Spencer will have to pay off the balance they owe on the vehicle and present a clear title to the City of Salisbury, Mr. Vest said. The Town of East Spencer will also have to have approval from the Local Government Commission, Mr. Vest told Council. Staff recommends this proposal for Council's consideration.

Councilman Martin asked staff how the appraised amount of \$60,000.00 was determined. Mr. Vest replied that the City's Fleet Manager inspected the vehicle and did a search on a similar type vehicle to come up with the valuation. City Manager Treme emphasized that staff feels this is a fair value on the vehicle, and we do have need of it.

Councilman Kennedy said he also thinks this is a win-win because the City will be getting a vehicle we can use and also give East Spencer credit for their debt owed us.

Thereupon, Mr. Kennedy **moved** to adopt the Resolution allowing the East Spencer exchange for this piece of property. Mr. Martin seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Kluttz voted AYE. (5-0)

RESOLUTION AUTHORIZING EXCHANGE OF PROPERTY.

(The above resolution is recorded in full in Resolution Book No. 10, under Chapter XII - Miscellaneous, at Page No. 182, and is known as Resolution No. 2002-43.)

City Manager Treme observed that Mayor Jefferies has done an excellent job, under some tough situations in reducing their debt to the City of Salisbury. At one time it was \$240,000-250,000 and we are now seeing the debt go down rather rapidly, he said. Mr. Treme told Council Mayor Jefferies has been true to her word and has met every expectation.

Councilman Kennedy asked what the balance to the City of Salisbury will be if this exchange is finalized. Mr. Vest replied "approximately \$80,000.00."

REPORT FROM CITY MANAGER

(a) Planning Board Recommendations

Council received the Planning Board recommendations and comments from their October 22, 2002 meeting as information only.

(b) Andrew Jackson Masonic Lodge BBQ Sale

City Manager Treme informed Council that a request had been received from the Andrew Jackson Masonic Lodge to change the direction of the traffic and restrict parking on Water Street for their BBQ sale which was held October 24, 2002. Approval was made by City Manager Treme.

Thereupon, Mr. Martin made a motion to **approve** the request. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Martin, Woodson, and Ms. Kluttz voted AYE. (5-0)

(c) Report regarding possible budget amendment

City Manager Treme informed Council that he would share with them some of the changes on budget amendments regarding the capital budget and special project budget. Under the statutes and ordinances of the City of Salisbury, Mr. Treme said he, as the City Manager, is able to handle this through the authority assigned to him. He emphasized that even though the Rowan County Commissioners did pass the ½ cent sales tax that goes into effect December 1, 2002, that would net the City approximately \$408,000-410,000 for the remainder of the year. The City normally receives approximately \$1,600,000 of reimbursements. The City is still \$1.2 Million short in balancing this year's budget. Cuts have been made on personnel, operations, and capital, and we are now re-evaluating fleet for some recommendations. It has become necessary for the City to remove most of the capital budget, and also a lot of the special projects, in order to balance through June 30, 2003, Mr. Treme stated. It is going to be a very difficult time period between now and June 30, he noted. The State still has \$1.2 Million of our reimbursements this year, Mr. Treme emphasized.

Mr. Treme told Council that if the City had the full sales tax for this year, it would probably bring in around \$800,000. Because we were a heavy manufacturing area, the reimbursements we would normally have received were about \$800,000 more than what the sales tax would probably bring to the City, he said. The good news is next year, because the State has approved this, they are going to hold the City harmless for a period of ten (10) years. He said next year, through the Metropolitan Coalition, N.C. League of Municipalities, and Association of County Commissioners, that we have taken the appropriate steps to reduce the ability of others to raid our funds when their needs dictate. We should get back to where we were two years ago and receive our full \$1,600,000 (\$800,000 from ½ cent sales tax and \$800,000 from the hold harmless provision). Mr. Treme asked for Council's support during this time of dealing with the current financial situation.

MAYOR ANNOUNCEMENTS

(a) City Council Retreat

Mayor Kluttz announced that the City Council retreat will be held February 20-21, 2003, at the Catawba College Center for the Environment.

(b) EPA Meeting

Mayor Kluttz reported that Councilman Kennedy, City Manager Treme, and she attended an EPA luncheon meeting in Charlotte, on October 30, 2002, with EPA Administrator, Ms. Christine Todd Whitman. Our EPA region is an eleven (11) county region around Charlotte, including 15 cities, of which Salisbury is one, brought together to look at how we address environmental problems of the region, Mayor Kluttz said. Mayor Kluttz reported that Ms. Whitman stated our area is the first in the nation to do this in such a large region. A \$100,000.00 grant was received last year to do this study, Mayor Kluttz said. Staff has been meeting regularly to address the problem and develop this plan. As we have now started to implement the plan, another \$25,000.00 has been received.

Mayor Kluttz noted that Salisbury is considered a leader in this area, and is already doing a lot of the things suggested (example: greenways, adaptive re-use of buildings, encouraging sidewalks, consolidating MPO's which we are working on, etc.) She suggested that at some point, Council needs to have a short presentation on this EPA plan with all the municipalities and Rowan County to make sure we are all in agreement.

(c) Christmas Parade

Mayor Kluttz reminded Council of the Christmas Parade to be held Wednesday, November 27, 2002.

(d) Crime Control Summit

Mayor Kluttz reminded Council of the Crime Control Summit to be held Thursday, December 5, 2002, 4:00 - 6:00 p.m., at City Hall.

Police Chief Chris Herring introduced to Council Mr. Michael Dhooghe, Crime Analyst for the Salisbury Police Department.

(e) Salisbury Community Development Corporation Open House

Mayor Kluttz reminded Council of the Salisbury Community Development Corporation (CDC) Open House (4 houses) to be held Tuesday, November 12, 2002, from 3:30 - 5:00 p.m.

(f) Election Day

Mayor Kluttz reminded everyone to vote today.

201 ELM STREET PROPERTY

Mayor Pro Tem Woodson told Council he had received complaints over the last five (5) years from residents of Elm Street concerning the house at 201 Elm Street being out of compliance, in disarray, etc. Mr. Woodson asked staff to look into this matter and report back to Council.

ADJOURNMENT

Motion to adjourn the meeting was made by Mr. Woodson, seconded by Mr. Burgin. All members agreed unanimously to adjourn. The meeting was adjourned at 5:32 p.m.

Mayor

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City Clerk