

Salisbury, North Carolina  
July 19, 2005

**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.

**RECOGNIZE MS. KAREN INGRAM - HUMAN RESOURCES ANALYST II**

Ms. Melissa Taylor, Director of Human Resources, recognized Ms. Karen Ingram, Human Resources Analyst II, and announced that she received the Senior Human Resource Professional Certification, which is a nationally recognized certification.

Mayor Kluttz congratulated Ms. Ingram and thanked her for her work.

**RECOGNIZE D'MARIUS ROUSE - RECREATION COORDINATOR - MILLER RECREATION CENTER**

Mr. Kenny Roberts, Recreation Program Manager, introduced Mr. D'Marius Rouse who is the new recreation coordinator for the Miller Recreation Center. Mr. Roberts informed Council that Mr. Rouse joined the City on June 13, 2005 and staff believes he will be a benefit to the City of Salisbury.

Mayor Kluttz welcomed Mr. Rouse and noted he is joining an excellent team.

**CONSENT AGENDA**

(a) Minutes

Approve Minutes of the regular meeting of July 5, 2005.

(b) Street Closing - 700 Block of South Caldwell Street

Approve closing the 700 Block of South Caldwell Street from Thomas Street to McCubbins Street Saturday, July 30, 2005 from 3:00 p.m. until 8:00 p.m. for a block party sponsored by the Outreach Ministry of Gethsemane Missionary Baptist Church.

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

## EAGLE HEIGHTS TRAFFIC CONDITIONS

Representatives from the Eagle Heights Neighborhood Association addressed Council concerning traffic conditions in their neighborhood.

Mr. Dick Smith, 205 Sheridan Drive, spoke to Council to request a four (4) way stop sign at Idlewood and Windsor Drives. He explained that on July 1, 2005 members of the homeowners association conducted a traffic count that began at 7:00 a.m. and ended at 6:00 p.m. He noted that entering from Sells Road there were six hundred eighty-two (682) vehicles, from Country Club Hills there were four hundred eighteen (418) vehicles, from Knollwood Drive to Windsor Drive there were two hundred five (205) vehicles, and from Prescott Drive there were two hundred thirty-one (231) vehicles for a total of one thousand five hundred thirty-six (1,536) vehicles. Mr. Smith commented that there was no school traffic during the count which would have increased the number of cars through the intersection.

Mr. Smith also requested speed control bumps on Prescott Drive, Knollwood Drive, and Windsor Drive.

Mr. Charlie Little, 216 Sheraton Drive, stated he felt this is a safety issue because there is a speeding problem when people use the subdivision as a cut through from Old Mocksville Road and Sells Road. He noted that approximately ninety-nine (99) percent of residents on Windsor Drive and all residents on Idlewood Drive signed the petition requesting the four (4) way stop. Mr. Little stated that the speed limit is already posted at 25 mph but it is not obeyed or enforced.

Mayor Kluttz thanked Mr. Smith and Mr. Little for bringing this to Council's attention. By consensus, Council agreed to ask staff to investigate this issue and prepare a report. Councilman Lewis asked how long the report will take. Ms. Wendy Brindle, Traffic Engineer, responded that staff has begun to collect data and she feels a full report can be brought to Council within two (2) or three (3) Council meetings. Mayor Kluttz encouraged staff to return within two (2) meetings if possible.

Councilman Burgin commented that Council has indirectly endorsed what is happening in this neighborhood by the way the communities have been developed. He noted that when a development is created with only one way in and one way out there will be cut-through traffic. He added that residents have to walk in the street because no sidewalks were required when the development was built and this speaks to the issues the new Land Development Ordinance will help solve.

## FIREHOUSE LOFT CONSTRUCTION

Ms. Wendy Brindle, Traffic Engineer, noted that several months ago Council approved a request from the developers of the Firehouse Lofts to close the west bound lane of traffic in the 200 block of East Fisher, and the parking lane in the 100 block of South Lee Street. The purpose of the lane closings was to facilitate the equipment necessary to place the brick façade on the building. She informed Council that after beginning the operation the contractors found that more room was required for the lift. After reviewing the operations staff feels the entire roadway adjacent to the construction should be closed for the safety of the traveling public as well as the workers. Ms. Brindle explained that the work will be performed in phases with the current phase being the side along East Fisher Street. The contractor expects this work to take approximately two (2) more weeks. Once this phase is completed they will move to a transition phase on Lee Street which will require that both portions of the block in front of the building be closed. Once that phase is completed the work will begin on the Lee Street side. Ms. Brindle noted that this phase is expected to take approximately three (3) weeks and the closures would take place from 8:00 a.m. until approximately 5:30 p.m. with most of the work taking place on week days.

Ms. Brindle stated that the contractor is working with Safety Taxi and Noble and Kelsey Funeral Home, which are located on Fisher Street, to coordinate the closures with access for their businesses. Mayor Pro Tem Woodson asked if there have been any complaints from the businesses. Ms. Brindle responded that she has not heard from any of the businesses and noted that the developer has personally spoken with the two business owners. The businesses only concern was for a local traffic sign to be placed on Long Street and Fisher Street so citizens would know they can still travel on the streets to access the businesses.

Councilman Burgin asked if the streets re-open in the evening after business. Ms. Brindle responded that this is correct.

Thereupon, Mr. Woodson made a **motion** to allow the stage closings of Lee and East Fisher Streets as Ms. Brindle stated in regards to the Firehouse Lofts construction. Mr. Burgin seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

## GROUP DEVELOPMENT SITE PLAN G-09-05 - WILLIAMS COMPANIES, INC.

G-09-05 - Williams Companies, Inc. - 1310 Richard Street

(a) Mr. David Phillips, Zoning Administrator, explained that this request involves the former American and Efirid building located at 1310 Richard Street. He reviewed aerial photographs of the site and photographs of the building and surrounding properties. He pointed out a grassy area on the property that will be used for a staging yard for semi-trailers. He explained that the company will create a gravel area that will hold approximately thirty (30) trailers. The area will be fenced in and screened with Leland Cypress trees. Mr. Phillips stated that the company will use the driveway access onto East 14<sup>th</sup> Street, which was of some concern to the Planning Board because the resident in the adjacent house noted that when the facility was operated by American and Efirid some truck drivers jumped the curve onto their property. The resident asked that the applicant evaluate the driveway to see if something can be done to alleviate the problem. Mr. Phillips stated that the developer is studying the problem now and may possibly widen the driveway.

Mr. Phillips informed Council that some residents along East 14<sup>th</sup> Street have experienced drainage problems and noted that the Engineering

Division has reviewed the site and calculated the runoff created by the staging area. Staff has determined that it will create an insignificant increase in the amount of runoff and the drainage problem that is there now should not be increased by the new use.

Mr. Phillips stated that the hours of operation will be from 7:30 a.m. until 4:30 p.m. and the trucks will be entering from Richard Street. He indicated that both staff and the Planning Board recommend approval of the site plan as submitted with the condition that the East 14<sup>th</sup> Street driveway be evaluated in order to accommodate the trucks exiting the property.

Councilman Kennedy asked if the company has indicated the number of employees that will be hired. Mr. Dan Mikkelson, Director of Land Management and Development, responded that there will be approximately fifty (50) employees at the facility.

Councilman Burgin asked about the width of the gate on East 14<sup>th</sup> Street. Mr. Phillips commented that the company proposes to use what is there now and he believes it is approximately thirty (30) feet. He added that if the company increases the driveway opening the gate opening will also be increased.

(b) Mayor Klutz opened the floor to receive public comments.

Ms. Ester Brower, 202 East 14<sup>th</sup> Street, stated that residents are not opposed to the use and she feels if the driveways were reversed there would be no problems. She stated that the way the trucks swing out from the driveway into her yard is what creates the problem.

There being no one else to speak to Council concerning this issue, Mayor Klutz closed the public comments session.

Mr. Burgin commented that he would feel better if the City would tell the company what size is needed for the East 14<sup>th</sup> Street drive, adding he likes the idea of reversing the flow of the vehicles. He stated that he encourages the company to reverse the flow, but at a minimum he feels the City should tell them how wide the driveway should be.

(c) Thereupon, Mr. Burgin made a **motion** to approve the site plan subject to staff's determination of the width of the entry. Mr. Kennedy seconded the motion. Mr. Burgin noted that there is also the alternative to reverse the flow of traffic as a suggestion rather than a requirement. Mr. Mikkelson stated that staff will work with the operator to determine the size of the trucks in order to determine the proper size of the drive. If staff encounters a problem with the size of the drive they will return to Council. City Manager David Tremé commented that in the past the drive was used as two-way and with it now being one-way the drivers will be able to choose the angle for exiting, but agreed that reversing the flow would be the best solution. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Klutz voted AYE. (5-0)

#### **REQUEST FROM DOWNTOWN SALISBURY, INC. REGARDING THE MCCAY LAW OFFICE**

Mr. Randy Hemann, Executive Director of Downtown Salisbury, Inc. (DSI), and Mr. Edward Norvell, DSI Board member, spoke to Council regarding the McCay Law office.

Mr. Norvell stated that Andrew Jackson studied law in Salisbury in 1785-1786 under Spruce McCay whose house was located where the public library now stands. He explained that they worked in two separate offices which stood facing Church Street until approximately 1876. At this time the building was shipped to the Philadelphia Centennial Exhibition, but no one has been able to locate the building. He informed Council that he and Mr. Hemann have been able to identify the original foundation and have spoken with archaeologist concerning a dig to unearth the foundation. Mr. Hemann stated that they feel this is a project with national significance but DSI is not quite sure what to do with this location. He commented that interpretations for the site could include rebuilding the office entirely, rebuilding only the foundation, or possibly just having a plaque. He added that he feels the tourism benefits could be tremendous. Mr. Hemann stated that DSI's Board feels this project is bigger than DSI and requests Council to consider the appointment of a task force to explore possibilities for this site and develop a plan of what to do in relation to this project.

Mayor Klutz suggested that a task force be appointed at the next Council meeting to work on this issue. She commented that she spoke to the Mayor of Philadelphia and there is no record of the building ever arriving there. She asked if perhaps the task force could also look into this issue. Mr. Hemann agreed.

Councilman Kennedy stated that he supports the concept and asked what Mr. Hemann wants the task force to do. Mr. Hemann responded that the task force could develop a plan of what to do on this site, with more investigation on what happened to the building, and then determine what the best acknowledgement of the site would be and return to Council with a recommendation. Mr. Norvell noted that the plan is to use all private money and added that the foundation is located on County property so the County will also have to support the project.

By consensus, Council agreed to appoint a task force at its next meeting.

Mayor Klutz complimented Mr. Hemann and all members of DSI for the recent "Friday Night Out", noting how many positive comments she heard about the excitement downtown.

#### **STAFF REPORT - LEE STREET/FISHER STREET AND LEE STREET/BANK STREET TRAFFIC SIGNALS**

Ms. Wendy Brindle, Traffic Engineer, indicated that traffic signals on Lee Street at Council and Liberty Streets were replaced with four (4) way stops with many positive comments being received about the change. Staff was also asked to evaluate Lee Street at Fisher and Bank Streets for four (4) way stops. Ms. Brindle pointed out that this could coincide with the South Square Streetscape Enhancement Grant changes that were endorsed in 2004.

She informed Council that in order to evaluate signal removal staff collected data and performed site visits and found that the volumes do not meet any of the minimum volume warrants in the Manual on Uniform Traffic Control Devices (MUTCD) for traffic signals. Based on this, staff recommends evaluation of a four (4) way stop on Lee Street at Fisher and Bank Streets. MUTCD recommends either a flashing signal during the evaluation period or covering the signal heads. She stated that staff has found through prior evaluations that it is best to cover the signal heads and place the stop signs at the intersection. MUTCD requires that a minimum of ninety (90) days of data be collected before a final recommendation is made. Mr. Brindle noted that due to the street closures in this area for the Firehouse Lofts project, staff recommends waiting until the construction is complete before implementing the traffic pattern change. She stated that she expects this will take place in approximately six (6) weeks. After the evaluation staff will return to Council for final approval.

Councilman Kennedy commented that more residents will be added to the corner of Lee and Fisher Streets and asked if this has been taken into consideration. Ms. Brindle responded that it will not push the volumes over the warrant. Councilman Burgin stated that as the residents go out into downtown they will now always stop and he feels it is a safer situation.

Thereupon, Mr. Burgin made a **motion** to continue with the investigation of four (4) way stops at these two intersections as outlined by City staff. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Klutz voted AYE. (5-0)

**REVISED MEMORANDUM OF UNDERSTANDING - CABARRUS-ROWAN MPO**

Mr. Dan Mikkelson, Director of Land Management and Development, indicated that Salisbury has been a member of the Cabarrus-Rowan Metropolitan Planning Organization (MPO) for approximately two (2) years. He explained that the towns of Midland and Faith would like to join the MPO and all members must approve the addition. He noted that the population for each town is so small that it will have an insignificant change on the funding formula.

Thereupon, Mr. Kennedy made a **motion** to adopt the Resolution approving the Memorandum of Understanding with the Cabarrus-Rowan MPO and authorize the Mayor and City Clerk to execute the revised Agreement. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Klutz voted AYE. (5-0)

**RESOLUTION APPROVING A REVISED MEMORANDUM OF UNDERSTANDING FOR THE CABARRUS-ROWAN METROPOLITAN PLANNING ORGANIZATION AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE THE REVISED AGREEMENT.**

(The above Resolution is recorded in full in Resolution Book No. 12, at Page No. 26, and is known as Resolution No. 2005-22.)

**AWARD CONTRACT - SALISBURY POLICE DEPARTMENT**

Mr. Dewey Peck, Purchasing Manager, and Ms. Karen Alexander, KKA Architects, asked Council to consider awarding a contract for the construction of an approximately fourteen thousand (14,000) square foot addition to the Salisbury Police Department building. He stated that the contract will also include extensive renovations to the existing building.

Ms. Alexander presented a brief history of the project that began with a needs assessment in 1999. She also reviewed a site plan for the addition and renovation of the building along with renderings for the completed project. She explained that bids were opened on June 20, 2005 with the lowest responsive bidder being Summit Developers, Inc. with a base bid of \$2,579,000. She noted that her firm elected to take alternates 1-7, 10 and 11, which represent items that will contribute to a longer life cycle and less maintenance for the building, as well as more accessibility. The bid included a completion time of four hundred twenty (420) days with no days for alternates. She explained that because her firm allowed the contractors to name their days, a \$250 per day amount was established as a discount if a contractor had fewer days. She noted that the other bidders were still higher, even with the discounted days. Bids received were:

<b>Summit Developers, Inc.</b>	base bid	\$2,579,000
Alternates 1-7, 10 & 11		\$356,419
Days to complete project	420	
Additional days added by alternates	0	
	<b>Total</b>	<b>\$2,935,419</b>
<b>Wagoner Construction</b>	base bid	\$2,629,000
Alternates 1-7, 10 & 11		\$324,050
Days to complete project	310	
Additional days added by alternates	65	
Total days with alternates	375	
Advantage discounted for early completion as compared with low bid submitted by Summit Developers 45 days @ \$250 per day		(\$11,250)
	<b>Total comparison to low bidder</b>	<b>\$2,941,800</b>
<b>C.M. Black Construction</b>	base bid	\$2,636,330
Alternates 1-7, 10 & 11		\$377,425
Days to complete project	395	
Additional days added by alternates	0	
Advantage discounted for early completion		(\$6,250)

as compared with low bid submitted by Summit Developers 25 days @ \$250 per day		
	<b>Total comparison to low bidder</b>	<b>\$3,007,505</b>
<b>Liles Construction</b>	base bid	\$3,010,900
Alternates 1-7, 10 & 11		\$344,713
Days to complete project	365	
Additional days added by alternates	40	
Advantage discounted for early completion as compared with low bid submitted by Summit Developers 15 days @ \$250 per day		(\$3,750)
	<b>Total comparison to low bidder</b>	<b>\$3,351,863</b>

Ms. Alexander stated that KKA Architects entered into a contract with the City to produce drawings for the building at an estimated cost of \$3,094,333 and with the bid received from Summit Developers, Inc. the project is six (6) percent below the architectural budget.

Mr. Peck noted that staff is very impressed with the bids that were received and requested Council to award the contract to Summit Developers, Inc. in the amount of \$2,935,419 for the construction and renovation of the Police Building located at 130 East Liberty Street. City Manager David Tremé stated that staff is excited that the bids were six (6) percent below the architectural budget adding that this will be a much needed project at a cost the City can afford. He added that he is pleased that the two lowest bids were from local contractors.

Thereupon, Mr. Kennedy made a **motion** to award the contract to Summit Developers, Inc. for \$2,935,419 for the Salisbury Police Department. Mr. Burgin seconded the motion. Councilman Lewis asked for an outline of where the money will come from. Mr. Kennedy then withdrew his motion in order to receive information on funding. *(See following item)*

**CAPITAL PROJECT ORDINANCE AMENDMENT - SALISBURY POLICE DEPARTMENT**

Ms. Teresa Harris, Budget and Performance Management Manager, presented Council with information concerning funding sources for the Police facility:

Total Amount of Bid		\$2,935,419
Funding Sources:		
Lease Purchase Funds Available	\$2,504,212	
Estimated Sales Tax	\$70,000	
Estimated Interest Income	\$70,000	
Police Asset Forfeiture Funds	\$100,000	
Deferred Debt Service	\$191,207	
Total Funding Available		\$2,935,419

She pointed out a Capital Project Ordinance amendment which was before Council that will amend the original Ordinance approved in FY2004 to appropriate the funds for the project. She noted that the money has been set aside in a special project fund and has not been kept in the General fund.

Mr. Lewis asked Ms. Harris to explain the estimated sales tax of \$70,000. She responded that there is sales tax available on the total amount of the bid and the City will apply to the State for a refund of the sales tax to have the \$70,000 available to spend. She clarified that this is the sales tax that the contractor actually pays but the City pays through the bid.

Thereupon, Mr. Kennedy made a **motion** to award the contract to Summit Developers, Inc. for \$2,935,419 for the Salisbury Police Department. Mr. Woodson seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

Thereupon, Mr. Woodson made a **motion** to adopt the Capital Project Ordinance amendment in the amount of \$361,207 to appropriate funds for the Salisbury Police Department addition and renovation project. Mr. Lewis seconded the motion. Messrs. Burgin, Kennedy, Lewis, Woodson, and Ms. Kluttz voted AYE. (5-0)

**CAPITAL PROJECT ORDINANCE AMENDMENT - SALISBURY POLICE DEPARTMENT**

(The above Ordinance is recorded in full in Ordinance Book No. 20, Budget, at Page No. 51, and is known as Ordinance No. 2005-31.)

**FIRE DEPARTMENT STRATEGIC PLAN**

Fire Chief Bob Parnell informed Council that in 2004 a five (5) year Strategic Plan was developed for the Salisbury Fire Department. He noted that this was introduced to Council at the Future Directions and Goal Setting Retreat in February 2005. Council has now been given a complete copy of the Strategic Plan. Chief Parnell indicated the Plan is presented as information today and asked Council to consider adopting the Plan at its next meeting.

## CONSOLIDATED PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT NEEDS

Ms. Janet Gapen, Planner II, presented Council with the City of Salisbury Consolidated Plan for Housing and Community Development Needs for FY2005-2010 and reviewed the Executive Summary for the Plan. She explained that this Plan is an application for the U.S. Department of Housing and Urban Development (HUD) program funds which are received through Community Development Block Grants (CDBG) and HOME Investment Partnership. She stated that this is a five (5) year planning tool for determining the priority needs of low-to-moderate income households and for setting strategies to help meet those needs.

The basic goals of the CDBG and HOME programs are:

1. To provide decent housing
  - Increase stock of affordable housing
  - Assist homeless to obtain housing
  - Increase supportive housing for persons with special needs
2. To provide suitable living environment
  - Improve neighborhood livability and safety
  - Increase quality facilities and services
  - Reduce isolation of income groups
  - Restore and preserve areas of special historic value
3. To expand economic opportunities
  - Create jobs accessible to low-income persons
  - Establish and expand small businesses
  - Promote development activities that improve social and economic viability of the community

Ms. Gapen reviewed how the Consolidated Plan relates to other plans and initiatives noting that the Salisbury Vision 2020 Comprehensive Plan that states, "We see a multitude of housing choices, ranging from single-family homes, to townhouses, to garage apartments, to apartments over downtown shops or the neighborhood corner store. We see neighborhoods with several different well-designed housing types for all incomes where the elderly, young families, singles and others share experiences and help one another." She noted that an emphasis has also been placed on neighborhood planning in an effort to systematically identify areas for future assistance.

The other related plans and initiatives include:

- New Land Development Ordinance
- Park Avenue Strategic Redevelopment Plan
- Historic Preservation
- Jersey City Revitalization Plan
- State Development Zone

She noted that an important part of the Plan is public participation and in developing the Plan community outreach included:

- Luncheon for service providers (30+ attended)
- Consultation with public and private entities (40+)
  - City
  - County
  - Regional & State
  - Non-profits
- Citizen participation
  - Three (3) public hearings
  - Survey

Community Profile: Population

- Slow to moderate growth expected – one and one-half (1½) percent annual average
- Increasing racial diversity – "Other" races category quadrupled
- Aging population – Sixty-five (65) percent working age and seniors in 2000

Community Profile: Economic and Employment

- "Third Tier Cities" concept
  - Quintessential "hometowns" facing big city problems
  - Plagued by declining industries
  - Population growth slow or net loss
  - Inner-city poverty on rise
  - Smaller markets, less diversification and fewer resources to help transition in increasingly global economy
- High school or equivalent below twenty-seven (27) percent for twenty-five (25) year olds
- Eighty (80) percent of national businesses require some college
- Thirty (30) percent of adults over sixteen (16) are at Level I literacy (lowest level)

Community Profile: Income

- West End

- Jersey City of Salisbury
- Fisher/Long
- Park Avenue

#### Community Profile: Concentrations of poverty

- West End
- Jersey City of Salisbury
- Fisher/Long
- Park Avenue

#### Community Profile: Special Needs Populations

- Elderly and Frail
  - Sixty-five (65) percent of senior households had low-moderate incomes in 2000 and about one-fourth (1/4) of those experienced housing problems
- Persons with Disabilities
  - Twenty-eight (28) percent of working age population has a disability and fifty (50) percent of those are employed compared to seventy-six (76) percent of those without a disability
  - Local demand for group homes will rise as institutional settings are phased out
  - Services for mental illness and substance abuse account for ninety (90) percent of local caseload
- Persons with HIV and AIDS

#### Estimates of Housing Problems

- Disproportionately greater need exists among black households (10% points more are low income than other race/ethnic groups)
- Renter households experienced higher rate of housing problems (40.6% compared to 21.7% owner households)
- Housing cost burden (exceeds 30% of income) was major component of housing problems for elderly, renter and large family households
- Three thousand one hundred fifty one (3,151) units needed to address all those experiencing housing problems

#### Housing Tenure and Vacancy

- Housing cost burden is typically more prevalent among renters
- Renter occupied units increased by three (3) percent (1990-2000)
- Home ownership in Rowan County at seventy-three (73) percent, exceeding national average of sixty-six (66) percent
- In Salisbury, home ownership was fifty-three and five tenths (53.5) percent in 2000

#### Areas of concentrated very low income households

- West End
- Jersey City of Salisbury
- Fisher/Long
- Park Avenue

#### Homeless Statistics

- Homelessness due to evictions rose from five and four tenths (5.4) percent to fifteen and nine tenths (15.9) percent
- Twenty-three and four tenths (23.4) percent homes population was transient in 2004 compared to under ten (10) percent the year before
- Unemployment was most frequently cited reason for homelessness in 2004
- Average length of stay at the shelter is increasing

#### Housing Conditions

- Vacant housing has increase thirty-six (36) percent
- Substandard units have increased by fifty-seven and nine tenths (57.9) percent
- Rental housing stock has increased by nineteen and five tenths (19.5) percent

#### Housing Market

- An extremely low income household can afford monthly rent of no more than \$464, while the fair market rent is \$719 (2 bedroom)
- A minimum wage earner can afford no more than \$268 in rent
- The Housing Wage in Rowan County is \$13.83 – this is the amount a full-time worker must earn in order to afford a two (2) bedroom unit at the fair market rent
- A renter household earning minimum wage will have to work one hundred seven (107) hours per week in order to afford a two (2) bedroom unit

#### Housing Affordability

Affordable Housing Costs by Income
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Monthly
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Monthly
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Income Group	Median Income	Affordable Payment (PITI)	Property Taxes, Insurance	Maximum Affordable Home Price
Extremely low (0-30% AMI)	\$18,540	\$464	\$138	\$69,668
Low (31-50% AMI)	\$30,900	\$773	\$229	\$116,113
Moderate (51-80% AMI)	\$49,440	\$1,236	\$367	\$185,780

Note: Calculation of affordable mortgage and home price based on a seven (7) percent interest rate, ten (10) percent down payment, and area median income of \$61,800 for 2004.

**Public Housing**

- About three hundred fifty (350) households are on the waiting list for public housing or vouchers. The list is closed

**Community Development Activities/Partnerships**

- Innes Street Grants
- MSD Grants
- Salisbury-Rowan Business Incubator
- State Development Zone
- Economic Development Commission
- Downtown Salisbury
- Rowan Committee of 100
- Convention & Visitors Bureau
- Rowan Jobs Initiative
- Rowan Business Alliance

**Five-year Strategic Plan**

Goal 1	Increase the supply of decent affordable housing	
Goal 2	Assist low/moderate income households toward	homeownership and
greater self-sufficiency		
Goal 3	Revitalize neighborhoods through non-housing	improvements
Goal 4	Support efforts to reduce and prevent homelessness	
Goal 5	Provide community and supportive services to assist	low/moderate income persons
and those with special needs		
Goal 6	Promote employment and economic development	opportunities

**Resources Available:**

Community Development Block Grant (CDBG)	\$375,798
HOME Investment Partnership	\$153,351
Program Income	\$75,000
<b>Total</b>	<b>\$604,149</b>

Note: This represents an eight (8) percent decrease from the last fiscal year

**Implementation Strategies/Partnerships:**

- Salisbury Community Development Corporation
- North Carolina Housing Finance Agency
- North Carolina Housing Coalition
- North Carolina Home Protection Pilot Program
- Blanche and Julian Robertson Foundation and others
- Local lenders

Ms. Gapen then reviewed the Annual Action Plan for the four (4) selected neighborhoods which are consistently low and moderate income households. The four (4) neighborhoods are the West End, Jersey City, Park Avenue, and Fisher Street neighborhoods.

**Specific Activity: Acquisition/Rehab/Resale**

One-Year Objectives:	Four (4) substandard acquisitions/rehabilitations/resales Five (5) owner-occupied rehabilitations
Five-Year Objectives:	Twenty (20) acquisitions/rehabilitations/resales Twenty-five (25) owner-occupied rehabilitations
Geographic Location:	Selected neighborhoods of Park Avenue, West End and Jersey City
Funding Sources:	CDBG - \$125,000



	HOME - \$100,050
Strategic Plan Goal:	Increase the supply of decent, affordable housing

Specific Activity: Emergency Rehabilitation

One-Year Objectives:	Six (6) households assisted with emergency housing rehabilitation/repairs
Five-Year Objectives:	Thirty (30) households assisted with emergency housing rehabilitation/repairs
Geographic Location:	Selected neighborhoods of Park Avenue, West End and Jersey City
Funding Sources:	CDBG - \$50,000
Strategic Plan Goal:	Increase the supply of decent, affordable housing

Specific Activity: Fairview Heights Improvements

One-Year Objectives:	- One (1) location for drainage remediation – Fairview Heights
Five-Year Objectives:	- Five (5) non-housing improvements in selected neighborhoods
Geographic Location:	- Fairview Heights (FY2005-2006)
Funding Sources:	- CDBG - \$25,000
Strategic Plan Goal:	- Revitalize neighborhoods through non-housing improvements

Specific Activity: Home Ownership Assistance

One-Year Objectives:	- Four (4) households to receive downpayment assistance
Five-Year Objectives:	- Twenty (20) households to receive downpayment assistance
Geographic Location:	- Salisbury and Rowan County
Funding Sources:	- HOME - \$40,000
Strategic Plan Goal:	- Assist low-to-moderate income households toward homeownership and greater self-sufficiency

Specific Activity: Sidewalk Improvements

One-Year Objectives:	- One (1) sidewalk project
Five-Year Objectives:	- Five (5) sidewalk projects
Geographic Location:	- West End neighborhood and other selected neighborhoods
Funding Sources:	- CDBG - \$39,935
Strategic Plan Goal:	- Revitalize neighborhoods through non-housing improvements

Specific Activity: Public Service Supports

Rowan Helping Ministries	\$25,750
Family Crisis Council	\$16,100
Rowan Community Care Clinic	\$11,520
Salisbury Youth Employment	\$7,500
West End Community Youth Garden	\$3,000
Total	\$63,870

City Manager David Treme indicated that a letter was received from HUD that the Five-Year Consolidated Plan has been approved and will allow the funding to continue. He recommended Council approving the Consolidated Plan at its next meeting in conjunction with HUD's approval. He noted that this Plan is the first one completed primarily by City staff and he feels it most clearly reflects the conditions in the City.

Councilman Lewis commented that he hopes if Council approves the Plan it will be made available on the City's website. Mr. Treme stated that staff hopes to share the Plan with lenders, builders, and others in the community so they can see the needs in the community.

Councilman Kennedy stated that this Plan is a very comprehensive report and is somewhat disturbing that there are so many homeless in the area. He noted that there are three hundred fifty (350) people on the waiting list for public housing and asked staff to find out how often the list is revised and provide the information at the next Council meeting. Mayor Pro Tem Woodson asked how many public housing units are in the City. Ms. Gapen responded that there are five hundred twenty-three (523) units and forty-four (44) vouchers.

Councilman Burgin pointed out the increase in the number of renters versus homeowners, noting Council's goal has been to increase ownership. He commented on the challenges that are ahead and the need for creative solutions.

Mayor Kluttz thanked Ms. Gapen for her hard work on this report.

#### COMMENTS FROM THE CITY MANAGER

(a) Planning Board

Council received the Planning Board recommendations and comments from their July 12, 2005 meeting.

(b) Concord and Kannapolis Proposed Interbasin Transfer

City Manager David Treme noted that Council was given a copy of a letter that he wrote to Mr. Phil Fragapane with North Carolina Department of Environment and Natural Resources (NCDENR) to provide comments on the proposed Concord and Kannapolis Interbasin transfer. He noted that they were seeking a transfer for forty-eight (48) million gallons per day (mgd) from the Yadkin River to the Rocky River sub-basin, ten (10) mgd from the Yadkin River sub-basin and thirty-eight (38) mgd from the Catawba River sub-basin. He stated that the way the advertisement read it appeared that the City of Salisbury was part of the discussions and he did not feel that Salisbury had been a part of the review process. He commented that his letter requested that before the State made any decisions on the transfer consideration be given to what the City of Salisbury has done in terms of providing water to the South Rowan area and with Rowan County. Mr. Treme stated that he received a letter back that his comments were received but no decisions have been made at this time.

(c) Project "Iraqi Hope"

City Manager Treme stated that Sgt. 1st Class Jessie Martin, who is with a Charlotte based Transportation Group, is home from Iraq. He noted that while Sgt. Martin was overseas his unit worked on a project called "Iraqi Hope" which worked to provide book bags for Iraqi school children. He stated that the City has offered collection sites for the book bags and supplies at the Miller Center, City Park, and at the Civic Center to offer assistance in collecting these supplies.

#### COUNCIL TO RECEIVE PUBLIC COMMENTS

Mayor Kluttz opened the floor for comments from the public.

There being no one present to address Council, Mayor Kluttz closed the public comment session.

#### MAYOR'S ANNOUNCEMENTS

(a) Salisbury Neighborhood Action Groups (SNAG)

Mayor Kluttz announced that the Salisbury Neighborhood Action Group (S.N.A.G.) will hold its annual cookout July 20, 2005 at 5:30 p.m. at the Park Avenue Center, 632 Park Avenue.

(b) Community Meeting - Salisbury Planning Department

Mayor Kluttz announced that the Salisbury Planning Department will host a community meeting for the North Main Small Area Plan Thursday, July 21, 2005 from 6:00 p.m. - 8:00 p.m. at the Henderson Independent High School Cafeteria, 1215 North Main Street.

(c) Municipal Service District and Innes Street Improvement Incentive Grants

Mayor Kluttz announced that the Community Appearance Commission is now receiving applications for the Municipal Service District and Innes Street Improvement Incentive Grant programs. A property may be eligible for one of the matching grants if it is located within the Municipal Service District or on the Innes Street Corridor. Owners or tenants may apply for assistance with exterior rehabilitation of the property. Applications are due in the Planning Office at City Hall by Monday, August 15, 2005 at 5:00 p.m. to be considered in the first review cycle. Other applications will be accepted throughout the year as long as funds remain. All projects must be completed by June 30, 2006. For an application and complete guidelines citizens should contact Ms. Lynn Raker in the Salisbury Planning Office at 704-638-5235.

(d) Luncheon for Elected Municipal Officials Regarding Salisbury-Rowan Utilities

Mayor Kluttz announced that a luncheon will be held for the elected officials of the municipalities who are customers of Salisbury-Rowan Utilities in August and asked Council to review their calendars and contact City Clerk Myra Heard with possible dates. Mayor Pro Tem Woodson asked Ms. Heard to email Council with possible dates.

(e) Radio Broadcast

Councilman Kennedy stated that Ms. Cheryl Patterson, a native of Salisbury, has a radio show on 101.9 and has agreed to broadcast from the City of Salisbury on Friday, July 22, 2005 from 6:00 a.m. until 10:00 a.m. He noted that Mayor Kluttz has agreed to appear on the program at 7:00 a.m.

**ADJOURNMENT**

**Motion** to adjourn the meeting was made by Mr. Lewis, seconded by Mr. Burgin. All council members agreed unanimously to adjourn. The meeting was adjourned at 5:45 p.m.

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Mayor

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City Clerk