

Salisbury, North Carolina
August 21, 2018

REGULAR MEETING

PRESENT: Mayor Al Heggins, Presiding; Mayor Pro Tem David Post; Council Members Karen Alexander, William Brian Miller and Tamara Sheffield; City Manager W. Lane Bailey; City Clerk Diane Gilmore, and City Attorney J. Graham Corriher.

ABSENT: None.

Salisbury City Council met in Council Chambers in City Hall located at 217 South Main Street. The meeting was called to order by Mayor Heggins at 5:00 p.m.

PLEDGE OF ALLEGIANCE

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

RECOGNITION OF VISITORS

Mayor Heggins welcomed all visitors present.

CHANGE TO THE AGENDA

Mayor Heggins noted the following change to the Agenda:

Add – a closed session concerning a personnel matter as allowed by NCGS 143-318.11(a)(6).

PROCLAMATION

Mayor to proclaim the following observances:

LIBRARY CARD SIGN-UP MONTH	SEPTEMBER 2018
LET'S LEND A HELPING HAND	SEPTEMBER 2018
BROOKLYNNE WITHERSPOON DAY	AUGUST 21, 2018

Mayor Heggins read the Let's Lend a Helping Hand Proclamation, and presented a copy to Reverend Latasha Wilks.

Mayor Heggins read the Brooklynne Witherspoon Day Proclamation, and she presented a copy and a Key to the City to Miss Brooklynne Witherspoon.

CONSENT AGENDA

(a) Approval of Minutes

Adopt Minutes of the Special meetings of March 21 and March 22, 2018, May 9, 2018, and June 13, 2018, and the Regular meeting July 17, 2018.

(b) Justice Assistance Grant Application

Approve the Salisbury Police Department to apply for the 2018 Department of Justice Assistance Grant (DOJ).

(c) Budget Ordinance

Adopt a Budget Ordinance amendment to the FY2018-2019 budget in the amount of \$38,288 to appropriate donations for the Dixonville-Lincoln Memorial Project.

ORDINANCE AMENDING THE 2017-2018 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA TO APPROPRIATE DIXONVILLE DONATIONS

(The above Ordinance is recorded in full in Ordinance Book No. 27 at Page No. 124, and is known as Ordinance 2018-40.)

Thereupon, Councilmember Alexander made a **motion** to adopt the Consent Agenda as presented. Councilmember Miller seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

RESOLUTION RECONCILIATION

Mayor Heggins invited Dr. Susan Lee and Reverend Olen Bruner to join Council's discussion. She noted Council has determined to allow the Actions in Faith and Justice Committee to draft a Resolution for Reconciliation. She commented Council would provide the Committee drafts and copies of information that pertain to the Resolution of Reconciliation. She noted Dr. Lee and Reverend Bruner will lead the group drafting a Resolution of Reconciliation.

Councilmember Alexander asked how the process would include others who are interested in helping with the Resolution of Reconciliation. Dr. Lee noted guidelines would need to be adopted. Councilmember Miller asked if recommendations from the Committee could be brought back to Council before being voted on. By consensus, Council agreed.

SUGGESTED RULES AND PROCEDURE

Mayor Heggins commented the Suggested Rules of Procedure has been a Council discussion since January 2018. She indicated Council will set a date for a special meeting to work on the Rules of Procedure, and she added staff would provide a notice to the public.

LAND DEVELOPMENT DISTRICT MAP Z-05-2018 – REZONE PROPERTIES ON STATESVILLE BOULEVARD

Development and Code Services Manager Preston Mitchell addressed Council regarding Land Development District Map Amendment Z-05-2018. He noted the request is to rezone parcels 2388, 2400, 2410, and 2416 in the 2400 block of Statesville Boulevard. He stated Council recommended closing the gaps and making the zonings consistent along the north side of Statesville Boulevard. He noted the City is the petitioner for the rezoning.

Mr. Mitchell reviewed the areas included in the proposed rezoning, and he pointed out adjoining parcels to the west are zoned Residential Mixed-use (RMX) District and Neighborhood Mixed-use (NMX) District. He noted parcels adjoining to the east were rezoned as a part of the Aaron Field properties as RMX and Conditional District (CD). He noted Maranatha Bible Church was rezoned early 2018 from General Residential (GR) to Highway Business (HB) and he noted staff is working on a text amendment to review zoning restrictions for institutional campuses to allow electronic signage.

Mr. Mitchell commented the Planning Board voted unanimously in favor of the rezoning on Statesville Boulevard.

(b) Mayor Heggins convened a public hearing, after due notice thereof, to receive comments regarding Z-01-2018.

There being no one else to address Council, Mayor Heggins closed the public hearing.

Councilmember Miller asked if the proposed rezoning would change buffer conditions, and he noted concerns were listed in the staff report from property owners on the east side of the proposed parcels. Mr. Mitchell commented buffering would not change, and he stated all conditions that were previously adopted by Ordinance will never change until the Ordinance is changed.

Councilmember Sheffield asked if notifications were completed for neighboring residents. Mr. Mitchell agreed, and he noted staff will present a new text amendment in regards to Council's request to review the expansion of notifications.

Councilmember Miller stated the City Council hereby finds and determines that adoption of an Ordinance to rezone the property described herein, as requested, is reasonable, in the public interest, and consistent with the goals, objectives, and policies of the Vision 2020 Comprehensive Plan as it relates to promoting a variety of housing and limited, transitional development between existing or planned large-scale commercial nodes with an adjacency to existing neighborhoods. Thereupon, Councilmember Miller made a **motion** to adopt an Ordinance amending the Land Development District Map of the City of Salisbury, North Carolina, rezoning 2388, 2400, 2410, and 2416 Statesville Boulevard from General Residential District to Residential Mixed-use District. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

ORDINANCE AMENDING THE LAND DEVELOPMENT DISTRICT MAP OF THE CITY OF SALISBURY, NORTH CAROLINA, REZONING 2388, 2400, 2410, AND 2416 STATESVILLE BOULEVARD FROM GENERAL RESIDENTIAL DISTRICT TO RESIDENTIAL MIXED-USE DISTRICT

(The above Ordinance is recorded in full in Ordinance Book No. 27 at Page No. 125, and is known as Ordinance 2018-41.)

LAND DEVELOPMENT DISTRICT MAP Z-06-2018 – REZONE PARCELS ALONG WEST RICHIE ROAD

Development and Code Services Manager Preston Mitchell addressed Council regarding Land Development District Map Amendment Z-06-2018. He noted the request is to rezone four parcels along West Ritchie Road from Rural Residential (RR) to Highway Business (HB) to allow for future development.

Mr. Mitchell reviewed the surrounding areas, and he pointed out the four parcels are adjacent to interstate I-85 north and Julian Road interchange. He noted the proposed parcels are located in a large rural area and pointed out zoning classifications change closer to the interchange. He reviewed the area is located in the Town Creek Water Shed between two major corridors. He noted the City and North Carolina Department of Transportation (NCDOT) have made sufficient investments to this area with sewer interceptors and surface infrastructure. He pointed out the proposed rezoning would be the first HB rezoning on Julian Road. He shared staff held a community meeting at Fire Station 2 with good conversation about the future growth in the area.

Mr. Mitchell indicated after the community meeting Mr. Bradshaw submitted his request to rezone his properties.

Mr. Mitchell commented the Planning Board voted in favor of the rezoning of parcels along West Ritchie Road.

Mr. Nelson Bradshaw stated he owns the property located at 380 West Ritchie Road and his sister owns the property located at 420 West Ritchie Road. He shared photos of RWBT, Inc./Southeast Fleet Services a tank truck cleaning business, and photos of the surrounding properties. He stated he felt it was time to rezone his property because of the scheduled development in the area.

Mayor Pro Tem Post asked if the adjoining properties could be rezoned to HB to minimize gaps. Mr. Mitchell agreed that future rezonings could happen. Councilmember Alexander asked if any property owners were opposed to the proposed rezoning. Mr. Mitchell commented he did not receive objections.

Mr. Bradshaw commented there has been no residential construction on West Ritchie Road in the past 50 years.

(b) Mayor Heggins convened a public hearing, after due notice thereof, to receive comments regarding Z-01-2018.

Ms. A.J. Alexander stated she owns property on West Ritchie Road, and she did not receive information regarding the proposed rezoning.

Mayor Pro Tem Post asked Ms. Alexander to share her address. Ms. Alexander stated she does not know the address, and she commented she does not support the proposed West Ritchie Road rezoning.

Councilmember Miller asked Ms. Alexander if she passed RWBT, Inc./Southeast Fleet Services. Ms. Alexander commented she was not familiar with the company. Councilmember Miller asked Ms. Alexander if she passes Faith Farm Equipment Company. She agreed. Councilmember Miller commented Ms. A.J. Alexander's property was beyond the proposed parcels for rezoning.

Mr. Mitchell reviewed staff is required to provide the public three forms of notification: a sign placed in the yard of the rezoning, an ad in the newspaper, and a mailed letter to property owners within 100 feet. He noted staff is in the process of making changes to City Code to expand letter notification requirements from 100 feet to 500 feet.

Dr. Ada Fisher asked how the West Ritchie Road rezoning would affect taxes.

Mr. Mitchell noted Council has the authority to set and make changes to zonings, and he added taxes are levied by Rowan County. He commented rezoning does not adjust tax rates and noted development is what adjusts taxation.

Mayor Pro Tem Post clarified the City sets taxes, but it does not set the valuation for taxes. He noted the County establishes the valuation and taxes are based on those valuations.

There being no one else to address Council, Mayor Heggins closed the public hearing.

Mayor Heggins asked if the proposed rezoning had a desired deadline that would need to be met. Mr. Bradshaw commented he has no deadline and is okay with the Council's desire. Mayor Heggins asked that the rezoning to be postponed to give families an opportunity to communicate. Councilmember Miller he would like an opportunity to hear a discussion from Council before a decision is made.

Councilmember Sheffield asked if the parcels are currently residential or commercial properties. Mr. Mitchell commented the four parcels with the proposed rezoning are residential properties. Councilmember Sheffield asked if gaps were being created with the proposed rezoning since most of the surrounding properties are zoned HB. Mr. Mitchell disagreed, and he shared land is available to make changes and commented the four parcels are the last remaining pieces to close land gaps.

Councilmember Sheffield asked if the area is part of the Council's desire to review the Land Development Ordinances (LDO) and she asked what stage the LDO review process is in. Mr. Mitchell commented staff has started the LDO review process and would review this area in greater detail. He commented Mr. Bradshaw is a property owner who is being proactive with future developments.

Mayor Heggins asked what LI and IC stands for. Councilmember Miller commented the acronym LI means Light Industrial and IC is an acronym for Institutional Campus. Mr. Mitchell agreed. Councilmember Miller indicated Faith Farm Equipment would be considered the LI and the IC might be in relation to the property owned by the state. Mr. Mitchell shared the property should not be classified as IC and was possibly a carry-over from an older map.

Councilmember Alexander asked if the proposed rezoning would prevent the A.J. Alexander family from using or building on their land. Mr. Mitchell asked if Ms. Alexander's property was adjacent to the driving range. Ms. Alexander agreed. Mr. Mitchell commented he had a discussion regarding Ms. Alexander's property at the community meeting, and he noted Ms. Alexander's property is well outside of the proposed rezoning area. Councilmember Alexander asked if Ms. Alexander's property is shown on the map. Mr. Mitchell indicated it is not shown on the map.

Councilmember Sheffield asked if the rezoning has time restrictions. City Attorney Graham Corriher recommended if Council postponed the rezoning that a date certain should be determined, and he suggested postponing 30 to 60 days.

Mayor Heggins asked Mr. Bradshaw if the deadline sounds reasonable. Mr. Bradshaw commented he respects Council's decision.

Mayor Heggins asked Council to consider tabling the rezoning for no more than 60 days. Mr. Corriher recommended Council set a date. Mr. Bailey noted Council's September 18, 2018 meeting would be 27 days.

Mr. Mitchell indicated the postponement would extend beyond 30 days because of Council's desire to review other properties in the area for rezoning, and he indicated a new proposal would need to be presented to the Planning Board that included additional properties.

Councilmember Alexander commented the Planning Board held a public hearing and asked if there were any concerns. Mr. Mitchell indicated there were no objections or concerns during the public hearing.

Councilmember Miller commented he is in favor to move forward in support or denial of the proposed rezoning versus postponing. He noted commercial development is coming to this area, and he referenced the areas future development improvements and the West Ritchie Road connector.

Councilmember Miller stated the City Council hereby finds and determines that adoption of an Ordinance to rezone the property described herein, as requested, is consistent with the goals, objectives, and policies of the Vision 2020 Comprehensive Plan as it relates to promoting capital intensive, residentially and environmentally-sensitive mixed-use, commercial, and industrial development along the I-85 corridor as a critical economic development initiative. Thereupon, Councilmember Miller made a **motion** to adopt an Ordinance amending the Land Development District Map of the City of Salisbury, North Carolina, rezoning 380, 420, and two unnumbered parcels along West Ritchie Road from Rural Residential District to Highway Business District. Mayor Pro Tem Post and Councilmembers Alexander, Miller, and Sheffield voted AYE. Mayor Heggins voted NAY. (4-1)

ORDINANCE AMENDING THE LAND DEVELOPMENT DISTRICT MAP OF THE CITY OF SALISBURY, NORTH CAROLINA, REZONING 380, 420, AND TWO UNNUMBERED PARCELS ALONG WEST RITCHIE ROAD FROM RURAL RESIDENTIAL DISTRICT TO HIGHWAY BUSINESS DISTRICT

(The above Ordinance is recorded in full in Ordinance Book No. 27 at Page No. 126, and is known as Ordinance 2018-42.)

PUBLIC COMMENT

Mayor Heggins opened the floor to receive public comments.

Dr. Ada M. Fisher stated she resides on West Horah Street and commented Council meetings should begin at 6:00 p.m. She asked for people not to create barriers that push others out of neighborhoods and asked about street paving in her neighborhood.

Ms. Rosalind Mitchell commented she resides on South Craig Street and she asked Council to consider allowing her 90 days to make Code Enforcement corrections to a dwelling. She added she would like to rebuild, restore, or preserve the vacant dwelling and commented she provided copies to the clerk.

Ms. Mary Frances Eden shared passages from two novels.

Ms. Emily Perry commented she feels a Police Officer treated her unfairly during a recent traffic accident.

Ms. P.J. Ricks stated she is in support of the Actions in Faith and Justice Committee and shared its vision.

Ms. Emily Ford and Ms. Jenni Pfaff presented Council with a request to remove and relocate the Fame statue, and she mentioned recent vandalism to Raleigh's Confederate monument.

Mr. Jon Leach expressed concerns with the City's leadership and community issues.

Ms. Renee MacNutt indicated she was a member of Women for Community Justice Group and she commended staff and its leadership. She asked if cameras are placed near the Fame statue and if images would be released.

Reverend Olen Bruner commented in regards to the Fame monument and stated he hopes to have leadership from Council.

Mr. Tenkomenin Crowder expressed his concerns about Council's decisions for the community.

Mr. Michael Kirksey stated he resides near South West Street and asked what the area was zoned. He commented residential dwellings near his home are rented to college students, and he expressed a concern with noise levels and litter.

There being no one else to address Council, Mayor Heggins closed the public comment session.

RECESS

Mayor Heggins made a **motion** to take a ten minute recess and all Councilmembers in attendance agreed unanimously to recess.

The meeting reconvened at 7:10 p.m.

RESOLUTION FINANCE BIDS FOR FIRE STATION 6

Finance Director Shannon Moore addressed Council regarding bid proposals for installment financing for the construction of Fire Station 6 also known as the Justin Monroe and Vic Isler Fire Station.

Ms. Moore explained the City requested proposals to finance the construction of Fire Station 6 at a fixed-rate with suggestions for direct placement and level principal payments. She noted the City sent a request for proposals to fund \$7.5 million to 13 banks and financial institutions that included:

- | | |
|-----------------------------|-------------|
| • Construction Contract | \$6,420,500 |
| • Architect Services | \$404,840 |
| • Land Acquisition | \$154,728 |
| • Fees, Services, and Other | \$519,932 |

Ms. Moore indicated the City received proposals from First National Bank and STI Institutional and Government, Inc., also known as, SunTrust Bank. She stated SunTrust Bank included a tax-exempt, 15-year fixed rate commitment with a 3.17% tax-exempt interest rate. She added the contract includes a make-whole prepayment provision and prepayment penalties which are normal for commercial lenders. She reviewed First National Bank proposed a tax-exempt, 15-year or 20-year fixed rate commitment with a 3.47% tax-exempt interest rate for the first 10-years, and she added adjustments would be made the in 121st month of the loan at the Wall Street Prime (WSP) Rate index rate minus 1.53% for the remainder of loan term.

Ms. Moore reviewed the finance details and noted staff recommends Council consider SunTrust Bank:

- Bank qualified installment financing in the form on a tax-exempt note with level principal payable semi-annually.
- No bank commitment fee
- Maturity around September 1, 2033
- City Maintains the ability to call the loan at any time with make whole provision
- Outside legal fee of \$22,500
 - \$15,000 documents
 - \$7,500 103 Tax Opinion
- Requires current survey and Environmental Assessment of any real property

Ms. Moore noted as part of the project an Environmental Assessment has been completed. She provided Council an amortization schedule noting fiscal years and debt service amounts. She noted a public hearing is required to receive feedback regarding the proposed finance terms, and she indicated if Council wishes to authorize the finance bid for Fire Station 6 a Resolution for Finding of Facts should be adopted, along with a Resolution to support financing terms by SunTrust Bank. She noted at the end of August 2018 a final application would be submitted to the Local Government Commission (LGC). She commented the City would attend the October 2, 2018 LGC meeting to seek approval for the financing. She added December 2019 as the estimated

date for construction completion.

Councilmember Miller asked if the City is required to take the full \$7.5 million. Ms. Moore commented the full amount does not have to be used. Councilmember Miller asked if the amortization schedule would be adjusted if the loan amount is less. Ms. Moore agreed, and she noted the land and a majority of the architectural services have been purchased.

Mayor Pro Tem Post asked why the payments vary on the amortization schedule if the loan is considered fixed-rate. Ms. Moore explained the amounts are for level principals and accrued interest declines over the life of the debt. Mayor Pro Tem Post asked if there is a penalty if the loan is pre-paid earlier than expected due to the make-whole provision. Ms. Moore agreed. Mayor Pro Tem Post asked for detail regarding the penalty. Ms. Moore indicated SunTrust Bank provided the City with options to choose from. She noted in option one if the loan is prepaid the remaining interest on the loan would need to be paid. Ms. Moore reviewed option two which has no prepayment penalties within the first 10 years but a 2% penalty in years 11 through 12, 1% penalty in years 13 through 14, and year 2034 would return to a no payment penalty.

Councilmember Sheffield asked if the construction of Fire Station 6 is included in the Capital Improvement Plan (CIP). Ms. Moore agreed, and she noted the interest fixed-rate for 15 years was a factor in staff's recommendation. Councilmember Miller noted in a previous Council discussion he believed it was determined to have no benefit to include construction for Fire Station 3 and Council suggested seeking expert advice. Mr. Bailey noted a discussion with project Architect Bill Burgin regarding the interest from Council to bid both Fire Station projects at one time with hopes of saving costs. He noted Mr. Burgin advised there would be no savings to build two Fire Stations at one time. He noted the City is close to closing on the property for Station 3. He stated staff could review the construction of Fire Station 3 in the next three months at Council's desire. Councilmember Miller agreed, and he asked for advice regarding the time frame to move forward with the construction of Fire Station 3.

Councilmember Alexander commented Fire Station 3 is sinking. Mr. Bailey stated staff could create a contingency plan if decisions need to be made, and he noted the station is closely monitored and staff is prepared to take immediate actions.

Mayor Pro Tem Post noted due to increasing cost of material, labor and rates the cost to build Fire Station 3 could dramatically change and suggested staff review the construction costs.

(b) Mayor Heggins convened a public hearing, after due notice thereof, to receive comments regarding finance bids for Fire Station 6.

There being no one to address Council, Mayor Heggins closed the public hearing.

Councilmember Miller stated, based on the evidence presented, Council finds the following:

Whereas, the City of Salisbury owns a 6.14 acre tract of land on 310 Cedar Springs Road purchased in January 2017 for the purpose of constructing the City's Fire Station 6; and

Whereas, an additional Fire Station in the City is in the best interest of the City and its citizens; and

Whereas, this fire station facility will provide timely and adequate fire and emergency response to the southern neighborhoods of the City, and will reduce response times and maximize distribution of emergency response resources to all addresses within the City; and

Whereas, and the City desires to maintain current Response Rating System (Insurance Services Office or ISO) rating of Class 2 to minimize commercial fire insurance costs for the properties within the City; and

Whereas, the City desires to finance the Project by the use of an installment contract authorized under North Carolina General Statute Chapter 160A, Article 3, Section 20; and

Whereas, findings of fact by Salisbury City Council must be presented to enable the North Carolina Local Government Commission to make its findings of fact set forth in North Carolina General Statute Chapter 159, Article 8, Section 151, prior to approval of the proposed contract.

Now, Therefore, Be It Resolved, that the City Council of Salisbury, meeting in regular session on the 21st day of August 2018, makes the following findings of fact:

1. The proposed acquisition, construction and equipping of Fire Station 6 is necessary for the City to continue to provide adequate fire protection.
2. Lease purchase financing is preferable to, and more cost efficient than, a general obligation or revenue bond issue for the same purpose, and the acquisition costs of the project exceed the amount that can be prudently raised from currently available appropriations and unappropriated fund balances. The cost of financing fees under the proposed financing is less than \$25,000.
3. The sums due under the lease purchase financing are reasonable and not excessive when compared to recent general obligation bond issues.
4. Annual audits have shown the City of Salisbury to be in strict compliance with debt management policies and the budgetary and fiscal management policies are in compliance with the law.
5. The proposed lease purchase financing will not require an increase in the property tax rate.
6. The City is not in default in any of its debt service obligations.

7. The attorney for the City of Salisbury has rendered an opinion that the proposed project is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of North Carolina.
8. Revenues generated in the General Fund will be sufficient to pay the debt service costs of this proposed lease purchase financing.

Now, Therefore, Be It Further Resolved that the Finance Director is hereby authorized to act on behalf of the City of Salisbury in filing an application with the North Carolina Local Government Commission for approval of the Project and the proposed financing contract and other actions not inconsistent with this resolution.

Councilmember Miller asked what the \$25,000 refers to in the Finding of Fact. Ms. Moore indicated amounts includes application fees for financing and LGC approval.

Councilmember Alexander suggested a change to the Findings of Fact in item two to add the word “fees” to read, “The cost of financing fees under the proposed financing is less than \$25,000.” Councilmembers agreed.

Thereupon Councilmember Miller made a **motion** to adopt the Resolution of Finding of Fact for \$7,500,000 Lease Purchase Financing of a New Fire Station #6. Councilmember Sheffield seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

RESOLUTION OF FINDINGS OF FACT FOR \$7,500,000 LEASE PURCHASE FINANCING OF A NEW FIRE STATION #6

(The above Resolution is recorded in full in Resolution Book No. 15 at Pages No. 36-37, and is known as Resolution 2018-23).

Thereupon Councilmember Miller made a **motion** to approve financing terms for Fire Station #6:

Whereas, the City of Salisbury (“City”) has determined to finance the acquisition, construction and equipping of Fire Station 6 (“the Project”); and

Whereas, the City of Salisbury has received proposals for the financing of the Project; and

Whereas, the Finance Director has reviewed the proposals and has recommended the Project be financed through STI Institutional & Government, Inc., pursuant to its proposal dated August 15, 2018.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The City hereby determines to accept the proposal from STI Institutional & Government, Inc. (“SunTrust”) to finance the Project in accordance with said proposal dated August

15, 2018. The amount financed shall not exceed \$7,500,000, the annual interest rate (in the absence of default or change in tax status) shall not exceed 3.17%, and the financing term shall not exceed fifteen years from closing.

2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. The Finance Director, City Manager and any other necessary officer of the City is hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and an Escrow Agreement as SunTrust may request.

3. The Finance Director and City Manager or their designee(s) are hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to their satisfaction. The Finance Director and City Manager are authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Director and City Manager shall approve, with the Finance Director’s and City Manager’s release of any Financing Document for delivery constituting conclusive evidence of their final approval of the Document’s final form.

4. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Mayor Pro Tem Post suggested a change to the document and to add “City Manager, and any other necessary officer of the City” to accompany the Finance Director where listed in the Resolution. Councilmembers agreed.

Thereupon Councilmember Miller made a **motion** to approve the financing terms for Fire Station #6. Councilmember Sheffield seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

RESOLUTION APPROVING FINANCING TERMS FOR FIRE STATION #6

(The above Resolution is recorded in full in Resolution Book No. 15 at Page No. 38, and is known as Resolution 2018-24.)

Mr. Bailey congratulated Council for approving finance terms for the construction of the new Fire Station 6. He noted City Clerk Diane Gilmore will send Council a poll to determine a date for a groundbreaking ceremony to honor the families of firefighters Mr. Victor Isler and Mr. Justin Monroe.

ROWAN TOURISM DEVELOPMENT AUTHORITY BOARD TERM SCHEDULE

Executive Director of Rowan County Tourism Development Authority James Meacham presented Council with a staggered term schedule. He stated in June of 2017 Session Law 2017-202 was passed to restructure the occupancy tax law in Rowan County and the City to consolidate the two separate TDA Boards into one and set the occupancy tax rate 6% effective September 1, 2017. He noted when the law was rewritten it created a new 11 member board with new terms. He commented with the additional changes to the tax structure both City Council and Board of Commissioners agreed with TDA recommendation that a staggered term schedule be adopted to keep the board full when members rotated on and off. He commented the Rowan County Board of Commissioners unanimously approved the proposed staggered term schedule at its August 20, 2018 meeting, and he requested Council consider the proposed staggered terms. He reviewed the structure for board appointments:

- A county commissioner or his or her designee
- A member of Council or his or her designee
- Four owners, operators, or representatives of hotels, motels, or other taxable tourist accommodations. Two shall be appointed by the Rowan County Board of Commissioners and two shall be appointed by Council
- Two individuals to represent all bona fide Rowan County sites and attractions, to be selected from those sites and attractions. One individual shall be appointed by the Rowan County Board of Commissioners and one individual shall be appointed by Council
- One individual to represent the Rowan County Chamber of Commerce, either the chair of the board or the chair's designee, assigned for appointment by the Rowan County Board of Commissioners
- Two individuals who have an interest in tourism development and do not own or operate hotels, motels, or other taxable tourist accommodations. One individual shall be appointed by the Rowan County Board of Commissioners and one individual shall be appointed by Council

He commented Rowan County Commission seats would serve terms in even-numbered years and City Council seats would serve terms in odd-numbered years to coincide with election year cycles. He commented North Carolina General Statutes mandate no individual can serve more than two terms and after two terms members are required to leave the Board for at least one year. He added a term is defined at two years and members can serve four years consecutively.

He reviewed TDA approved new appointment terms ending August 31, 2018 and begin September 1, 2018:

- Operators, or representatives of hotels, motels, or other taxable tourist accommodations. One shall be appointed by the Rowan County Board of Commissioners and one shall be appointed by Council.
- An At-large member who has an interest in tourism development and do not own or operate hotels, motels, or other taxable tourist accommodations. One shall be appointed by Council.

He reviewed new appointment terms ending August 31, 2019 and begin September 1, 2019:

- An at-large member who has an interest in tourism development and do not own or operate hotels, motels, or other taxable tourist accommodations. One shall be appointed by Rowan County Chamber.
- An individual to represent the Rowan County Chamber of Commerce, either the chair of the Board or the chair's designee. One shall be appointed by Rowan County Board.
- Operators, or representatives of hotels, motels, or other taxable tourist accommodations. One shall be appointed by City Council

He reviewed new appointment terms ending August 31, 2020 and begin September 1, 2020:

- Individuals to represent all bona fide Rowan County sites and attractions, to be selected from those sites and attractions. One shall be appointed by the Rowan County Board of Commissioners and one shall be appointed by Council.
- Operators, or representatives of hotels, motels, or other taxable tourist accommodations. One shall be appointed by Rowan County Chamber.

Mayor Pro Tem Post asked if the board consists of 11 seats. Mr. Meacham agreed, and he noted the TDA proposed staggered terms for the nine non-elected seats that are directly appointed by City Council and the Rowan County Board of Commissioners. He noted members who no longer serve as Commissioner or member of Council are required by the NCGS to leave the board because of no longer fulfilling state mandated responsibilities.

Thereupon, Councilmember Miller made a **motion** to adopt the Rowan Tourism Development Authority Board staggered term schedule. Mayor Pro Tem Post seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

SALE OF PARCEL 018-048 IN THE 600 BLOCK OF SOUTH CLAY STREET

City Engineer Wendy Brindle stated Council adopted a Resolution to authorize the upset bid process for Parcel 018-048, a 0.47 acre tract in the 600 block of South Clay Street, she added the parcel is located at the intersection of Martin Luther King, Jr. Avenue and Old Concord Road. She indicated the parcel is included in a 100 year floodplain but noted the property does allow for development. She commented staff received the 5% deposit from the potential buyer, Myra. Byarm. She noted staff advertised for the upset bid Friday, August 10, 2018 and the deadline for receipt of bids was Monday, August 20, 2018. She commented there were no additional bids submitted. She noted staff recommends Council to authorize the sale of the property to the original buyer, Myra Byarm, in the amount of \$10,000.

Thereupon Mayor Pro Tem Post made a **motion** to authorize the sale of a 0.47 acre tract, parcel 018 048 located in the 600 block of South Clay Street to Myra Byarm. Councilmember Miller seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

RESOLUTION – UPSET BID PROCESS FOR SALE OF 600 BLOCK OF CALDWELL STREET

City Engineer Wendy Brindle presented Council with an offer to purchase parcel 009-317 located in the 600 Block of Caldwell Street, and she noted the property is a part of the Salisbury High School tract. She noted staff has received a \$2,500 offer from Juan Arias to purchase the parcel. She indicated the property is 5,364 square feet with a tax value of \$11,362. She noted Mr. Arias pointed out an additional parcel within three blocks similar in size with a tax value of \$8,600 has been on the market for approximately a year for \$5,000. She stated Mr. Arias adjusted his offer based on the market. Ms. Brindle noted staff asked Mr. Arias his plans if he purchased the property, and she noted Mr. Arias would like to build a three bedroom, two bathroom residential structure. She commented staff reviewed zoning restrictions and determined a residential dwelling could be built. She noted if Council desires to approve Mr. Arias' offer it would need to adopt a Resolution to authorize the upset bid process, and staff would then receive a 5% deposit and advertise for additional offers. She indicated at that point staff would return to Council to approve or decline Mr. Arias offer.

Councilmember Sheffield asked the duration is the upset bid process. Ms. Brindle commented 10 days.

Councilmember Miller asked about the required side yard setbacks. Ms. Brindle commented side yard setbacks are 20%, and she added setbacks should be 20% of the overall 36-foot width. She indicated Mr. Arias would have to meet Rowan County's regulations regarding the footage between adjacent properties.

Mayor Heggins asked if the bid process starts over if an additional bid is received. Ms. Brindle agreed. She noted additional bids should be 10% of the first \$1,000 and 5% of the remaining amount. She commented, in this case, an additional start bid would need to be \$2,675.

Thereupon, Councilmember Sheffield made a **motion** to adopt a Resolution supporting upset bid parcels for 009-317 located in the 600 block of Caldwell Street. Councilmember Alexander seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

RESOLUTION SUPPORTING UPSET BID PROCESS FOR THE SELL OF PARCEL NO. 009 317 LOCATED IN THE 600 BLOCK OF SOUTH CALDWELL STREET

(The above Resolution is recorded in full in Resolution Book No. 15 at Page No. 39 and 40, and is known as Resolution 2018-25.)

Councilmember Miller asked if the parcel located at 110 North Main Street would return to Council. Ms. Brindle commented the original offer was withdrawn.

REPORT – CODE ENFORCEMENT ABATEMENTS

Development and Code Services Manager Preston Mitchell presented Council information pertaining to nuisance abatement requirements, process, and citation authorizations. He reviewed different types of nuisances and provided examples such as junked cars, trash and debris, and overgrown grass as general nuisance types. He reviewed General Statutes and City Ordinances are two references used for citations and abatements. He noted General Statutes include summary and Police Power abatements, and he indicated the City regularly uses Police power abatements and provides the original authority. He commented the City adopts Ordinances to define a nuisance and noted the City uses General Statutes of the Police Power abatements on a regular basis.

He reviewed City Code Chapter 14-3 regarding the order of compliance and abatement. He commented a notice is sent to an owner and/or tenant with property conditions and locations. He noted the City's Ordinances provides five to ten days to comply and if no response is received the City is authorized to enter and abate the property. He stated after a property is abated the owner is invoiced with a 10 day remittance, and if invoices are not paid the amounts are applied as a property lien.

He reviewed City Code relating to fees and abatements, and he noted an initial \$50 penalty with the second penalty for unpaid fees of \$100, and he indicated a \$100 per day penalty if the violations are not corrected the third time. Mr. Mitchell noted the \$100 per day penalty fee is rarely used, and he noted every violation is considered a separate case and once the violation is taken care of the first time, the case is considered closed.

Mr. Mitchell reviewed the City charges \$125 mobilization fee. He noted a \$250 fee is charged when the City removes trash, overgrowth, trees, household items on the outside, demolitions or securing of a building or any other nuisances identified by the Code.

He commented the City uses two contractors to handle City nuisance abatements. He provided Council an example of an abatement invoice that included a civil citation fee of \$50, uncorrected fee of \$100, mobilization fee of \$125 and abatement fee based on the amount charged by the contractor. Mr. Mitchell indicated the actual abatement fee is the amount about that can be applied toward a property lien.

Mayor Pro Tem Post asked if mobilization and citation fees are out of pocket cost to the City. Mr. Mitchell commented those charges are not City expenses, and he noted the contractor amounts are paid by the City.

Mayor Heggins asked how contractors are chosen. Mr. Mitchell indicated the process is provided by Finance's purchasing policy. Councilmember Miller asked how contracting jobs are noticed to the public. Mr. Mitchell noted companies that express an interest in contracting services are forward to Purchasing Manager Anna Bumgarner. Councilmember Miller asked if there is a period of time that the Finance department opens the process to new applicants. City Manager Lane Bailey commented open bids are done from time to time such as the beginning of the mowing season, and he noted information is sent to the Rowan County Chamber. Councilmember Miller

asked how to get information to the public. Mayor Heggins asked if the bidding process could be reviewed to make sure the City is opening opportunities to minority business, women and others. Mr. Bailey commented Ms. Bumgarner made a connection and met with the new Minority Business Council through the Rowan Chamber of Commerce. Mr. Bailey pointed out several years ago Council made recommendations to the Chamber of Commerce to start a Minority Business Council which the Chamber of Commerce was very receptive to the suggestion.

Mayor Pro Tem Post asked about the abatement fee. City Attorney Corriher commented the City cost can be recovered by a civil lawsuit against the property owner, along with the abatement lien amount.

Councilmember Sheffield asked if there is an opportunity for citizens to share their circumstance to dispute penalties. Mr. Mitchell agreed, and he suggested citizens should contact him.

Mayor Heggins asked if property owners are fined if someone dumps illegally on their property. Mr. Mitchell commented evidence should be provided, otherwise, it is the responsibility of the property owner.

BOARDS AND COMMISSIONS

Human Relations Council

Upon a motion by Councilmember Alexander, seconded by Mayor Pro Tem Post. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voting AYE, the following appointments was made to the Human Relations Council for a term to begin March 31, 2018:

Mr. John Schaffer	Term Expires 3/31/21
Mr. Gemale Black	Term Expires 3/31/19
Mr. Mark Hill	Term Expires 3/31/21

Upon a motion by Councilmember Alexander, seconded by Mayor Pro Tem Post. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voting AYE, the following re-appointment was made to the Human Relations Council Commission for a term to begin March 31, 2018:

Ms. Liliana Spears	Term Expires 3/31/21
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Rowan Tourism Development Authority Board

Upon a motion by Councilmember Miller, seconded by Councilmember Alexander. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voting AYE, the following appointments was made to the Rowan Tourism Development Authority Board for a two year term to begin September 1, 2018.

Ms. Cyndi Greenwood
Mr. Stephen Kidd

Term Expires 3/31/20
Term Expires 3/31/20

CITY MANAGER'S REPORT

(a) SAFER Grant

City Manager Lane Bailey addressed Council regarding a grant awarded to the Salisbury Fire Department in the amount of \$1,187,406 with a Federal share of \$732,235. He commented the grant would help provide funding for staff of 75% in the first year, 75% for the second year and 35% in the third year. He added the City would hire nine additional firefighters to staff new Fire Station 6. He noted a six month time frame to fill the positions.

Mayor Heggins commended staff and asked if the department applied for the grant. Fire Chief Bob Parnell agreed.

Thereupon, Councilmember Alexander made a **motion** to accept FEMA's Staffing for Adequate Fire and Emergency Response (SAFER) grant. Mayor Pro Tem Post seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

Mr. Bailey announced after Council received a presentation from the Department of Justice (DOJ) presentation, the City has been named one of two National Safety Partnership Diagnostic sites in the country. He indicated as a diagnosis site the City will have an 18 month commitment with the DOJ that will include a training and technical assistance plan as well as implementations and evaluations. He added DOJ will assist with action planning, community engagement, and violence reduction strategies. He indicated the DOJ's approach is to work with cities to identify and prioritize resources to help crime in communities' that relates to gun, drug, and criminal gang violence. He commented the City would partner with the United States Attorney's Office through the middle district of North Carolina to coordinate Federal prosecution based cases to assist Federal agencies such as the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), Federal Bureau of Investigation (FBI), Drug Enforcement Administration (DEA), and the United States Marshals Service.

(b) FY18-19 Goals and Outcomes

Mr. Bailey reviewed FY2018-2019 Goals and Outcomes. He commented the City will make strategic investments for a sustainable economic development with goals to revitalize Downtown and promote a strong economy citywide.

Mr. Bailey noted the City would engage, and connect with equitable community development through citizen engagement, equitable city, strong schools, and a safe community, and he added Council should respond to a poll to select a date to meet with the Rowan-Salisbury Education board.

Mr. Bailey commented the City will strive to have a well-maintained community infrastructure and he reviewed the goal is to virtually connect the City, and he added Hotwire Communications – Fision would take the place of Fibrant beginning September 2018. He noted staff would review alternative transit vehicles and update the transit plan. He commented the City currently has a request for quotation (RFQ) and suggested if the planned date is changed to March 1, 2019 rather than January 1, 2019, the project’s cost could decrease. He asked if Council agreed with March 1, 2019. Council agreed.

Mr. Bailey noted a goal is to continue with a strong City organization and train staff and be inclusive throughout the organization. He commended Assistant to the City Manager Kelly Baker for her work with the City’s Goals and Outcomes, and he noted she is attending the LEAD program at the University of Virginia.

Thereupon, Councilmember Alexander made a **motion** to approve FY2018-2019 Goals and Outcomes. Mayor Pro Tem Post seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

ANNOUNCEMENTS

Communications Director Linda McElroy announced the third installment of Chit, Chat & Chew, a series of town hall meetings, will be held Thursday, August 23, 2018 at Destiny City Church located at 2324 S. Main St beginning at 5:15 p.m. The meeting will provide citizens an opportunity to have interactive conversations with Council and staff and to share their concerns and ideas for their community. Dinner will be provided.

Communications Director Linda McElroy announced Downtown Salisbury, Inc., in partnership with Hood Theological Seminary, Livingstone College, Rowan-Cabarrus Community College, and Catawba College will host the 6th Annual College Night Out Thursday, August 23, 2018 from 6:00 p.m. until 9:00 p.m. at the 100 Block of West Fisher Street. This event will have free activities, giveaways, and live music to welcome local college students to Salisbury’s vibrant downtown a great place for a variety of shops, eateries, and entertainment.

Mayor Heggins asked about the Chit, Chat, and Chew regarding discussing the vision and mission plans. Mr. Bailey noted staff would be integrating Council’s new element through table conversions and training sessions. Mayor Heggins asked if the same opportunity would be made available to previous chit, chat, and chew meetings. Mr. Bailey noted staff may look at a second trip around for previous meetings.

Mayor Pro Tem Post indicated the Chit, Chat, and Chew and the Downtown, Salisbury Inc. events are scheduled on the same date. He asked if staff would plan in the future to not schedule on the events on the same date for Council participation.

Mayor Heggins indicated she would not be in attendance for the Chit, Chat, and Chew meeting as she would be traveling to Grand Rapids, Michigan for the 2018 Mayors Innovation Project Summer Meeting.

COUNCIL'S COMMENTS

Councilmember Sheffield commented Rowan County Commissioners passed an updated leash law on August 6, 2018. She acknowledged the passing of Ms. Eleanor Qadirah as a volunteer in the community and founder of the Blues and Jazz festival. She commended the Summer Youth Program employees for their work. She expressed her willingness to serve on the Fair Housing Task Force. She shared information regarding rideshare programs and suggested the City have a plan in place to regulate potential rideshare companies.

MAYOR PRO TEM'S COMMENTS

Mayor Pro Tem Post suggested Emily Ford offered positive strategies to address the Fame monument during public comment. He referenced and recommended a book called *A Game Called Salisbury*, which was used for the Resolution of Reconciliation.

MAYOR'S COMMENTS

Mayor Heggins recommended everyone be mindful of other people's experiences and listen to their stories, not to become defensive but to understand their inherited story. She noted the National League of Cities offers a Racial, Equity, and Leadership (REAL) program, and she commented elected officials should consider these programs.

Mayor Heggins commented that Ms. Emily Ford and Ms. Jenni Pfatt addressed Council on behalf of Salisbury Indivisible.

Mayor Pro Tem Post asked that an economic development discussion be added to the closed session, relating to a meeting invitation he would like to share with Council.

CLOSED SESSION

Thereupon Councilmember Miller made a **motion** to go into closed session concerning an economic development matter as allowed by NCGS 143-318.11(a)(4) and concerning a personnel matter as allowed by NCGS 143-318.11(a)(6). Councilmember Alexander seconded the motion. Mayor Heggins and Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

RETURN TO OPEN SESSION

By consensus, Council agreed to return to open session.

Mayor Heggins reported no action was taken during the closed session meeting.

Mayor Heggins noted Council provided City Manager Lane Bailey an employee evaluation and Council unanimously agreed to increase his salary to \$170,000 based on the Cost-of-Living Adjustment (COLA) and Merit performance.

Thereupon, Councilmember Miller made a **motion** to approve the City Manager's increase salary based on cost and merit performance. Councilmember Sheffield seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

Mr. Bailey thanked Council for their support.

ADJOURNMENT

Motion to adjourn the meeting was made by Mayor Pro Tem Post seconded by Councilmember Miller. All Council members in attendance agreed unanimously to adjourn. The meeting was adjourned at 9:00 p.m.

Al Heggins, Mayor

Diane Gilmore, City Clerk