

Salisbury, North Carolina  
March 3, 2020

## **REGULAR MEETING**

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

**ABSENT:** City Clerk Diane Gilmore.

Salisbury City Council met in Council Chambers in City Hall located at 217 South Main Street. The meeting was called to order by Mayor Alexander at 6:00 p.m.

## **PLEDGE OF ALLEGIANCE**

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

## **RECOGNITION OF VISITORS**

Mayor Alexander welcomed all visitors present.

## **CHANGE TO THE CONSENT AGENDA**

Mayor Alexander noted the following change to the Consent Agenda;

Add – Resolution to Protect the City’s Water Supply.

## ADOPTION OF THE AGENDA

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

## CONSENT AGENDA

(a) Minutes

Adopt Minutes of the Special meeting of January 30-31 and February 4, 2020.

(b) Driveway Variance – 603 Confederate Avenue

Adopt a Resolution granting a variance for a circular driveway on Confederate Avenue for 603 Confederate Avenue.

RESOLUTION AUTHORIZING THE CITY ENGINEER TO GRANT A VARIANCE OF THE CITY CODE, SECTIONS 22-73(a) AND 22-73(g), FOR A DRIVEWAY PERMIT FOR 603 CONFEDERATE AVENUE.

(The above Resolution is recorded in full in Resolution Book No. 16 at Page No. 7, and is known as Resolution 2020-05.)

(c) Budget Ordinance Amendment – Fire Department Donations

Adopt a Budget Ordinance amendment to the FY2019-2020 budget in the amount of \$2,500 to appropriate donations for Fire Prevention Programs.

ORDINANCE AMENDING THE 2019-2020 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA TO APPROPRIATE FIRE DEPARTMENT DONATIONS.

(The above Ordinance is recorded in full in Ordinance Book No. 29 at Page No. 17 and is known as Ordinance 2020-16.)

(d) Resolution to Protect the City's Water Supply

Adopt a Resolution requesting Federal and State action to protect the water supply for 52,000 North Carolinians.

RESOLUTION REQUESTING FEDERAL AND STATE ACTION TO PROTECT THE WATER SUPPLY FOR 52,000 NORTH CAROLINIANS.

(The above Resolution is recorded in full in Resolution Book No. 16 at Page No. 8-9, and is known as Resolution 2020-06.)

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

City Attorney Graham Corriher asked Council consider to adopting a Resolution requesting federal and state action to protect the water supply for 52,000 North Carolinians. He noted the City owns and operates Salisbury-Rowan Utilities (SRU), which provides water and wastewater services for approximately 52,000 people within Rowan County. He added the service area includes Salisbury, China Grove, Cleveland, East Spencer, Faith, Granite Quarry, Kannapolis, Landis, Rockwell, Spencer, and other unincorporated areas.

Mr. Corriher explained SRU owns and operates the River Pump Station where water is taken from the Yadkin River, treated at the City's Water Treatment Plant, and distributed to customers. He added the River Pump Station was built in 1917 and predates the High Rock Dam which was constructed in 1927. He explained the dam created sediment delta that has increased the flood risks at the River Pump Station. He noted flooding at the pump station will create electrical equipment failure, damage the pump station, stop water treatment, and leave 52,000 customers without drinking water.

Mr. Corriher stated the High Rock Dam is owned by Cube Hydro and as a part of the company's relicensing process, the Federal Energy Regulatory Commission (FERC) and the State Department of Environmental Quality (DEQ) has required the company to submit a plan to upgrade the River Pump Station and road access to the pump station which is also subject to flooding. He explained the City has been in conversation with Cube Hydro for many years and no acceptable plan for the upgrades has been submitted. He noted in September 2018, Cube Hydro submitted a plan to FERC that was not well-engineered and ignored important requirements of the licensing. He added the plan submitted did not address flood proofing the River Pump Station or improving road access to it.

Mr. Corriher explained the City has been waiting on FERC to take action since 2018 and has experienced significant flood events where the level of the Yadkin River rose within 18 inches of entering the River Pump Station and potentially taking it offline. He stated the City conferred with outside environmental counsel and the recommendation was to ask Council to adopt a Resolution requesting action by the state and federal government to protect the water supply by implementing a well-engineered plan that will resolve the issue.

SRU Director Jim Behmer reminded Council of previous flood events that came close to rendering the water pump station inoperable. He stated flood events are generating higher levels of water each year.

Councilmember Post stated Council should ask all communities receiving water from the City to join the effort to protect the water supply.

Thereupon, Councilmember Post made a **motion** to adopt a Resolution requesting Federal and State action to protect the water supply for 52,000 North Carolinians. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post and Sheffield voted AYE. (5-0)

## **PUBLIC COMMENT**

Mayor Alexander opened the floor to receive public comments.

Mr. James White asked about the new development on Lash Drive. Mayor Alexander stated there is a public hearing regarding the development, and she invited him to listen to the presentation and ask any questions he may have at that time.

Mr. Michael Young explained a landmark can be reflective of history and does not have to be on a national register, or within a historic district, but can be individually listed. He added the Grubb-Sigmon-Weisiger House is truly exceptional and should receive historic landmark designation from the City.

Ms. Karen Lilly-Bowyer stated it is important for the City to support the individual landmark recognition program because the National Register of Historic Places cannot protect properties as the Historic Preservation Commission (HPC) can. She stated the cultural significance of the Grubb-Sigmon-Weisiger House has been proven and reinforced with historical architectural integrity. She requested Council follow current guidelines and designate the house a historic landmark.

Ms. Jacquelyn Jensen, Chair of the HPC of the Town of Spencer, stated it is important for all qualifying properties to have the opportunity to apply for landmark status. She explained obtaining a historic landmark status is not easy and involves copious amounts of paperwork and extensive research. She stated the Grubb-Sigmon-Weisiger House is located in a rural area outside of any formerly registered historic district and should be protected.

Mr. Alfred Wilson stated the City should look for ways to improve the quality of communities and give areas unique identities. He stated historic landmark designations are important to the community and he would like to see the Grubb-Sigmon-Weisiger House preserved.

Mr. Edward Clement noted historic preservation is important for the City and State. He explained historical heritage is a valued asset that increases property value and strengthens the economy of the State. He stated designating historic landmarks are in the public interest and for the common good.

There being no one else to address Council, Mayor Alexander closed the public comment session. She thanked everyone who spoke during the public comment session.

## **NORTH CAROLINA RURAL INFRASTRUCTURE GRANT- POWERHOUSE RECYCLING**

Mr. Scott Shelton of the Rowan Economic Development Commission (EDC) stated Powerhouse Recycling Company will invest approximately \$4.25 million in the City and will create 56 new jobs. He explained the company expects to construct a 100,000 square foot building

behind the facility but there is a sewer line running across the back of the property preventing the expansion. He noted the sewer line will have to be relocated to the rear of the property, and the cost has been estimated at \$135,000. He stated the EDC is working with the company to obtain a State grant in the amount of \$110,000 to move the public sewer line, but the City would have to apply for the grant on behalf of Powerhouse Recycling.

Mr. Shelton stated the EDC is asking Council to consider adopting a Resolution authorizing the submittal of an application for a grant and to authorize a \$10,000 local cash match. He mentioned the EDC also asked County Commissioners to approve a \$10,000 cash grant as a show of support for the project which was approved by the Commission.

Mr. Shelton explained Powerhouse Recycling Company receives a recycling profit tax exemption from the State of North Carolina for which the County tax assessor determines the percentage amount. He stated the current estimate of abated taxes is 85% due to the recycling credit and after the expansion the company will have to reapply for the credit. He pointed out the anticipated revenue for the City is approximately \$37,000 based on the expansion and current exemption rate.

Mr. Shelton noted the City will be the applicant for the grant and a grant administrator will be required. He reminded Council of the \$10,000 the County would be contributing, and he stated the funds will be used by Powerhouse Recycling to cover out of pocket expenses.

Councilmember Miller stated he supports the grant application and creating new jobs in the community. He pointed out the investment is minimal for the amount of return.

Mayor Alexander convened a public hearing, after due notice thereof, to receive comments regarding the application authorization.

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

Thereupon, Councilmember Miller made a **motion** to adopt a Resolution authorizing the application for a North Carolina Rural Infrastructure Grant in the amount of \$110,000 for Powerhouse Recycling. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post and Sheffield voted AYE. (5-0)

RESOLUTION AUTHORIZING POWERHOUSE RECYCLING PARTICIPATION IN THE NORTH CAROLINA DEPARTMENT OF COMMERCE RURAL INFRASTRUCTURE GRANT PROGRAM FOR SEWER RELOCATION.

(The above Resolution is recorded in full in Resolution Book No. 16 at Page No. 10, and is known as Resolution 2020-07.)

## **LAND DEVELOPMENT DISTRICT MAP AMENDMENT CD-01-2020**

Senior Planner Catherine Garner introduced Kevin Connelly of Connelly Builders and Matt Lowder of Triangle Site Design. She stated the proposed site for Westbrook Trace Apartments is located at the end of Lash Drive and the developers are requesting the parcel be converted from Corridor Mixed-Use (CMX) to Corridor Mixed-Use with a Conditional District Overlay (CMX-CD). She explained the parcel is approximately 24.286 acres and 9.124 acres will be subdivided into a separate parcel for which the overlay will be applied. She stated the developers will extend Lash Drive and construct a cul-de-sac that includes a right-of-way dedication that will remain partially open to function as a driveway for a business.

Ms. Garner displayed maps of the development site plan, and she pointed out the future location of parking areas, four residential buildings, a community center, and a storm water management area. She stated with the extension of Lash Drive the developer will be responsible for meeting the zoning ordinance and construction standards within the portion of the right-of-way that will be extended and will include sidewalks. She explained the City Engineering Department and Public Works identified the need for sidewalks along the existing portion of Lash Drive, and she pointed out buses will provide service to the end of the drive.

Ms. Garner stated the proposed development is consistent with Vision 2020 Policies N-16; New development should include a neighborhood center and focal point; Policy N-18: A mixture of housing types, sizes, and prices shall be encouraged within the bounds of each neighborhood planning area; and Policy N-19: Access to higher density housing shall not be through a lower density housing area. She added the Planning Board held a courtesy hearing on the proposed development and voted unanimously to recommend approval.

Mayor Alexander asked if the developers were required to complete a traffic study. Ms. Garner stated studies had not been completed because the apartment complex would be much smaller than previous apartment development projects.

Councilmember Post asked if public transportation would service Lash Drive. Ms. Garner stated buses would provide service to the end of Lash Drive and the addition of sidewalks will make access to public transportation safer for pedestrians. She mentioned staff is working to obtain funding through the pay-in-lieu program to construct sidewalks on Lash Drive.

Mr. Kevin Connolly of Connolly Builders stated he is the owner and general contractor of the development. He noted he is willing to work with the City to build sidewalks on both sides of Lash Drive.

Councilmember Post asked about the design and price of the apartments. Mr. Connolly stated there will be one, two, and three bedroom apartments with both one and two bath options. He added the square footage ranges from 734 square feet to 1,153 square feet, and there are a variety of floor plans. He mentioned there will also be amenities such as handicap accessibility, a playground, a community center, washer and dryer hookups in every unit, and a laundry facility.

Mayor Alexander convened a public hearing, after due notice thereof, to receive comments regarding the rezoning.

Mr. James Earl White asked about rental rates and if the developer supports the Section 8 Housing Program. He also asked about computers in the community center, laundry facilities, and elevators in the buildings.

Mr. Connelly stated there will be computers in the community center, washer and dryer hook ups in every unit, and an onsite laundry facility. He explained the rental rates will vary because they are calculated with an income averaging system and will have a utility allowance for each size apartment. He stated the average rental rate for the smallest size apartment will be \$355 per month for a one bedroom, one bath apartment and \$1,075 per month for the largest size apartment which is a three bedroom, two bath apartment. He mentioned there will not be a problem for those using Section 8 Housing vouchers as long as the voucher covers the rental price.

Mr. Connelly stated there are no elevators in the buildings, but there are ground floor apartments that will accommodate those with accessibility issues.

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

Councilmember Miller stated the design is well planned and will be an improvement to the neighborhood. He added his only concern is the concentration of subsidized housing in the area. He pointed out a community is healthier when subsidized housing is spread throughout the City as opposed to clustered in small areas but there is a need for affordable housing. He stated he is in favor of the rezone for the development.

Councilmember Post stated the City Council hereby finds and determines that adoption of an Ordinance to rezone the two parcels described herein from Corridor Mixed-Use (CMX) to Corridor Mixed-Use (CMX) district; and establishing a Conditional District (CD) overlay for the parcel is reasonable and in the public interest. She mentioned the proposal is fundamentally consistent with the Vision 2020 Comprehensive Policies N-16; New development should include a neighborhood center and focal point; Policy N-18: A mixture of housing types, sizes, and prices shall be encouraged within the bounds of each neighborhood planning area; and Policy N-19: Access to higher density housing shall not be through a lower density housing area. Thereupon, Councilmember Post made a **motion** to adopt an Ordinance amending the Land Development Ordinance and the Land Development District Map of the City of Salisbury, North Carolina rezoning approximately 9.124 acres of one parcel totaling 24.286 acres from Corridor Mixed-Use (CMX) to Corridor Mixed-Use (CMX) district; and apply a Conditional District (CD) overlay to a portion of the subject parcel, 9.124 acres, at unnumbered Lash Drive, establishing a Conditional District overlay to permit the development of a 84 unit multifamily residential campus style apartment development. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post and Sheffield voted AYE. (5-0)

ORDINANCE AMENDING THE LAND DEVELOPMENT ORDINANCE AND THE LAND DEVELOPMENT DISTRICT MAP OF THE CITY OF SALISBURY, NORTH CAROLINA, REZONING APPROXIMATELY 9.124 ACRES OF ONE PARCEL TOTALLING 24.286

ACRES FROM CORRIDOR MIXED USE TO CORRIDOR MIXED USE AND APPLY CONDITIONAL DISTRICT OVERLAY TO PORTION OF SUBJECT PARCEL, 9.124 ACRES, AT UNNUMBERED LASH DRIVE, ESTABLISHING A CONDITIONAL DISTRICT OVERLAY TO PERMIT THE DEVELOPMENT OF A 84 UNIT MULTIFAMILY RESIDENTIAL CAMPUS STYLE APARTMENT DEVELOPMENT (PETITION NO. CD-01-2020).

(The above Ordinance is recorded in full in Ordinance Book No. 29 at Page No. 18-19 and is known as Ordinance 2020-17.)

### **COMMUNITY DEVELOPMENT GOALS AND PRIORITIES**

Planning Director Hannah Jacobson provided Council a brief overview of the City's housing and community development programs that are funded through the Community Development Block Grant (CDBG) and HOME Program Fund from the United States Department of Housing and Urban Development (HUD). She mentioned it is a great opportunity to hear from organizations and members of the community on how to prioritize the funds in the upcoming five year consolidated plan.

Ms. Jacobson explained the City receives funds from HUD to provide housing, create suitable living environments, expand economic opportunities, and improve the quality of life for people with low and moderate income. She noted programs are meant to benefit residents below 80% of the area median income. She added income limits are based on the Rowan County metropolitan statistical area for the given year and vary according to the size of the family.

Ms. Jacobson stated the CDBG budget varies each year depending on the allocation the City receives from the federal government. She explained the City receives CDBG funds directly and the HOME Program Funds are allocated through the Cabarrus, Iredell, and Rowan Home Consortium. She noted the allocation for the coming year is unknown, but last year the City received \$454,000 in CDBG and HOME funds.

Ms. Jacobson noted approximately 54% of the CDBG funds went to the owner occupied rehabilitation program that is managed through the Salisbury Community Development Corporation (CDC). She added approximately 10% of the CDBG funds were used to support different public service agencies, and she pointed out the City is paying off the debt service on the Park Avenue Community Center and program administration. She mentioned the City is currently accepting applications for new public service providers for the next budget year.

Ms. Jacobson pointed out in the 2014-2019 consolidated plan, several neighborhoods were identified as revitalization neighborhoods and received priority funding for housing and infrastructure projects. She explained these places were identified by an analysis of housing conditions, median family income, and the percentage of individuals living in poverty. She stated the properties identified were the West End, Jersey City, Park Avenue, and East End communities.



Ms. Jacobson stated staff will present the Comprehensive Annual Financial Report (CAFR) which is a report and evaluation of past year accomplishments to Council annually. She added in coordination with the comprehensive plan, staff hosted public input sessions and surveys to determine citizen priorities. She explained citizens identified the construction of new affordable housing, home ownership assistance programs, additional code enforcement activity, increased community centers, renovating closed buildings, and funding for public service agencies as some of the highest ranking priorities along with the demolition of vacant and abandoned property.

Ms. Jacobson explained she will present a draft of the Consolidated Plan and the annual action budget to Council in April. She mentioned she would come back to Council May 5, 2020 with a final draft presentation and public hearing before submitting the plan to HUD on May 15, 2020.

Mayor Alexander convened a public hearing, after due notice thereof, to receive comments regarding the community goals and priorities.

Ms. Crystal Wooley, Executive Director of the Community Care Clinic, noted approximately 25% of the adult population in Salisbury do not have access to healthcare. She indicated most of the patients seen at the clinic are suffering from one or more chronic diseases which require expensive medication. She mentioned the Prescription Assistance Program provided \$6 million in free medication to patients and many other services through partnerships with Rowan Helping Ministries, the women's shelter, Capstone, and other organizations. She stated in 2019, the clinic had over 2,200 medical visits, 1,175 dental visits, and dispensed over 23,000 prescriptions.

Ms. Erica Taylor, Director of Community Relations at Rowan Helping Ministries, stated the organization is requesting \$25,000 to assist with the salary of full-time shelter case managers. She explained there are three full-time case managers who work to improve the quality of life for shelter guests by helping them move from homelessness to safe affordable housing. She noted last year 703 homeless men, women and children were provided with over 25,068 nights of shelter services. She stated in the last six months of 2019, 73 shelter guests secured employment and 290 guests were provided life skills and employment classes.

Ms. Renee Bradshaw, Executive Director of the Family Crisis Council of Rowan County, stated her organization uses CDBG funds to pay a portion of the salary for a third shift advocate at a 24 bed, emergency shelter for women and children who are victims of domestic violence, sexual assault, and human trafficking. She explained the advocate position is critical to maintain the safety and security of the shelter during the night, answer the crisis line, and assist law enforcement officers who need a safe place for victims. She noted Rowan County has seen a steady increase in domestic violence cases over the last few years. She added in 2017 there were over 2,176 domestic violence related calls received by 911 dispatch and by 2019 the number has increased to over 3,360 calls. She mentioned last year approximately 136 women and children stayed at the shelter.

Mr. Mac Leach stated he is with the Gateway Freedom Center which is a part of the Rowan County local re-entry counseling program. He thanked Council for its support through CDBG funding and explained the funds help provide housing for men who exit prison and are unable to find affordable housing. He mentioned the funds also allow the center to provide transportation, counseling, and other necessities to help clients reintegrate into society and become productive citizens.

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

Councilmember Miller requested a five minute recess. The meeting reconvened at 7:48 p.m.

### **ALLEY CLOSING-100 BLOCK OF SOUTH LEE STREET**

City Engineer Wendy Brindle stated there is a request for Council to adopt a Resolution of Intent to close a portion of an alley in the 100 block of South Lee Street. She noted the alley is 10-foot wide and located along the back of private businesses with a reserved utility easement in place. She explained the petition for the alley closing was sent to all businesses touching the portion of the alley to be closed and was signed by all but one of the business owners. She commented the business owner who did not sign the petition stated he is not against the closing but would like his portion of the alley to remain public.

Ms. Brindle indicated North Carolina statute requirements have been followed and the notice of the public hearing was published in the *Salisbury Post* for four consecutive weeks. She noted utility companies were notified and those affected by the closure are in the existing utility easement. She stated closing the alley or the right-of-way must not be contrary to the public interest and no individual shall be deprived of reasonable means of ingress and egress to his property. She added staff ensured the conditions have been met.

Mayor Alexander convened a public hearing, after due notice thereof, to receive comments regarding the alley closing.

Mr. Chris Ostle stated he is the owner of the Fish Bowl and he would like to close the alley in order to place a food truck there and to improve the area for customers.

Mr. Bryce Beard indicated he is a Property Manager for Wallace Realty and he is familiar with the property. He noted the alley has no purpose except to accommodate owners of the buildings in front of it and should be used to benefit the business owners.

Ms. Brindle noted because the alley is public property it cannot be blocked which restricts its use by adjacent business owners. She mentioned once the alley is closed it will become private property and the businesses can use their portion as they wish.

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

Thereupon, Councilmember Sheffield made a **motion** to adopt a Resolution pertaining to the acceptance of an offer of dedication for public use of an alley in the 100 block of South Lee Street. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post and Sheffield voted AYE. (5-0)

RESOLUTION PERTAINING TO THE ACCEPTANCE OF AN OFFER OF DEDICATION FOR PUBLIC USE OF AN ALLEY IN THE 100 BLOCK OF SOUTH LEE STREET.

(The above Resolution is recorded in full in Resolution Book No. 16 at Page No. 11, and is known as Resolution 2020-08.)

Thereupon, Councilmember Sheffield made a **motion** to adopt an Order closing a portion of the alley in the 100 block of South Lee Street. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post and Sheffield voted AYE. (5-0)

IT IS NOW, THEREFORE, ORDERED AND DECREED by the City Council of the City of Salisbury, Rowan County, North Carolina, pursuant to and in accordance with the authority vested in this Council by the General Statutes of North Carolina, Section 160A-299, that a portion of the alley located in the 100 block of South Lee Street, which is more particularly described as follows:

Beginning at an existing p.k. nail the north east corner of Wallace Properties 1, LLC (Deed Book 1188 Page 144 & Rowan County Parcel ID No. 0105 527) in the southern margin of a 12' wide alley, thence with said alley N 47° 26' 15" E, 10.00' to a point at the corner of a two story building belonging to Belle Realty Development Co., (Deed Book 377 Page 371) thence with Belle's line S 42°31' 48" E, 150.00' to a point, Steinman Dunn Properties, LLC (Deed Book 1164 Page 718}, south west corner, thence a new line crossing the existing alley S 47°28' 12" W, 10.00' to a new mag nail set in the line of Wallace Properties 1, LLC, thence with said line, N 42° 31' 48" W, 149.99' to the point and place of Beginning and Being 0.034 Acres {1500 Sq. Ft.) as per survey and map by Shulenburg Surveying Company, P.A. dated January 10, 2020.

Be and the same is hereby forever CLOSED.

This the 3<sup>rd</sup> day of March 2020.

CITY COUNCIL OF THE CITY OF SALISBURY,  
NORTH CAROLINA

BY: s/s Karen Kirks Alexander  
Mayor

s/s Tiffany Crook  
Deputy City Clerk

## **HISTORIC LANDMARK DESIGNATION-GRUBB-SIGMON-WEISIGER HOUSE**

Senior Planner Catherine Garner reviewed the presentation given at the last Council meeting regarding the Grubb-Sigmon-Weisiger House historic landmark designation. She reminded Council the local Historic Landmarks Program is authorized by State law for municipalities to designate local historic districts and local historic landmarks. She explained landmarks are buildings, structures, sites, areas or objects, deemed by the local preservation commission to be of special significance in terms of their historical architectural or cultural importance and that retain integrity of setting, workmanship and materials, feeling and or association.

Ms. Garner stated the information presented is from North Carolina General Statute 160a-400.5. She mentioned a consequence of landmark designation is the eligibility to apply for an annual 50% property tax deferral as long as the property's important historic features are maintained. She stated property owners are required to obtain a Certificate of Appropriateness (COA) from the Historic Preservation Commission (HPC) before making any significant changes, demolition, relocation, or additions to the property.

Ms. Garner noted the Grubb-Sigmon-Weisiger House was listed individually on the National Register in 1999, and the State Historic Preservation office reviewed the application for local historic landmark status and determined the minimum requirements for consideration had been met as set forth in North Carolina General Statute 160a-400.6. She stated on February 13, 2020 the HPC voted that the proposed landmark meets all requisite criteria for special significance and integrity.

Councilmember Miller asked if the property could be part of a local historic district instead of a landmark. He stated there are many homes in Salisbury that have historical significance and they cannot all be designated as landmarks.

Ms. Garner pointed out most local districts start as national register districts, are listed on the national register, and then the City would apply the historic overlay zoning and establish the regulatory framework for the COA. She mentioned the property in question has achieved its standalone status and is listed in the national registry individually and not as part of a district.

Councilmember Miller asked if there is sufficient inventory in this area for an approach that may include a national district or local district.

Ms. Garner stated the last architectural survey of Salisbury was completed in 2001 and included properties that were 50 years old and within the 1951 City limits. She pointed out the Grubb house was annexed into the City in 1953 and was not included or recommended as part of a district.

Mayor Alexander commented Council is not determining whether the property is significant because it is listed on the national register. She stated the problem is not having a comprehensive program in place outlining the requirements for landmark designation.

Councilmember Miller stated the house is historically significant and unique. He mentioned there are many properties in Salisbury that have historical significance and instead of designating each of them as landmarks they should be covered in groups or neighborhoods.

Councilmember Sheffield asked if properties listed on the national register or designated as landmarks are protected.

Ms. Garner explained the HPC can establish a 365 day delay in order to find an alternative to demolition, but at the end of the delay period the property can be torn down. She mentioned landmark designations and listing properties on the national register are steps in the right direction toward maintaining and protecting historic property.

Councilmember Sheffield pointed out old homes need more than tax savings for their upkeep and maintenance. She commented a new policy should be developed for future applications, and the current application should be evaluated based on current requirements which have been met.

Mayor Pro Tem Heggins stated she is in favor of the historic landmark designation of the Grubb-Sigmon-Weisiger House and agreed there should be a policy developed to protect historic districts and standalone properties.

Councilmember Post asked if a property would receive tax benefits if it is designated as a landmark and later becomes part of a historic district.

Ms. Garner indicated if a property is on the national register it will qualify for tax credits. She mentioned the 50% tax abatement is specifically available through the adoption of the local historic landmark ordinance which is property specific. She explained if the designation is adopted for the property and the entire neighborhood becomes a historic district in the future, the surrounding properties would be eligible for tax credits from the state and national park service and would not automatically receive the 50% tax benefit.

City Attorney Graham Corriher stated unless Council takes action to amend the Ordinance and remove the landmark designation, the property would still receive the local tax credit. He pointed out Council can repeal a landmark designation ordinance and apply a historic district overlay.

Councilmember Post suggested Council have a moratorium on the designation of local historic landmarks until there is a better process in place. Mr. Corriher stated in order to adopt a moratorium a public hearing must be noticed to the public.

By consensus, Council agreed to hold a public hearing for a moratorium at the next City Council Meeting.

Thereupon, Councilmember Sheffield made a **motion** to adopt an Ordinance designating the “Grubb-Sigmon-Weisiger House” located at 213 South McCoy Road in Salisbury, North Carolina, as a Local Historic Landmark. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post and Sheffield voted AYE. (5-0)

ORDINANCE DESIGNATING THE GRUBB-SIGMON-WEISIGER HOUSE LOCATED AT 213 SOUTH MCCOY ROAD IN SALISBURY, NORTH CAROLINA AS A LOCAL HISTORIC LANDMARK.

(The above Ordinance is recorded in full in Ordinance Book No. 29 at Page No. 20-22 and is known as Ordinance 2020-18.)

### **COMBINED ENTERPRISE SYSTEM REVENUE BOND**

Finance Director Shannon Moore reviewed the water and sewer projects to be funded by a revenue bond, and the 2009 and 2010 bond refunds. She pointed out the Local Government Commission (LGC) approved the City’s applications for the bonds. She noted the City received a rating upgrade to an AA- from Fitch and Standard and Poor’s Global Ratings.

Councilmember Post asked about the City’s ratings prior to the upgrade. Mr. Chad Cowan with Hilltop Securities commented the City had an A+ with Fitch prior to the upgrade, and he explained AAA is the highest rating one can receive along with pluses and minuses. He added the City received a high quality rating. Councilmember Post commented the City receives a lower interest rate by having a higher rating.

Councilmember Miller asked if the bond interest rate is known. Mr. Cowan commented there are estimates, but he is unsure with changes taking place in the last few weeks. He noted he thinks the range will be in the high twos. He added rates overall in the municipal market are at the lowest point in history.

Councilmember Miller asked if details will be provided once the bond Order is approved. Mr. Cowan pointed out following Council’s approval the preliminary official statement will be posted, the disclosure document will be sent to the investors the next day, and pricing will take place on March 12, 2020 for finalized details and closing by the end of the month.

Thereupon, Councilmember Miller made a **motion** to adopt an Order authorizing the issuance and sale of Combined Enterprise System Revenue Bonds not to exceed \$46.5 million and authorizing the execution of the delivery of certain documents in connection therewith. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post and Sheffield voted AYE. (5-0)

## GRANTS CREEK WASTEWATER TRAIN IMPROVEMENT PROJECT

Assistant Utilities Director Jason Wilson thanked Council for its support, and he thanked finance staff for assisting Salisbury-Rowan Utilities (SRU) to receive project funding.

Mr. Wilson commented staff received four bids for the Wastewater Treatment project at Grants Creek, and he noted Adams-Robinson Enterprise submitted the lowest base responsible bid for \$26,716,600 with two bid alternates provided related to multiple rake bar screens. He requested Council accept alternate two at an additional cost of \$122,000 for a total cost of \$26,838,600. He added Ms. Lauren Kennedy is with CDM Smith, the company approved in January to assist with the design and permitting, and will be conducting construction administration and observation of the project.

Mayor Alexander asked if the accepted bid was recommended by CDM Smith. Mr. Wilson commented staff worked with CDM Smith, City Attorney Graham Corriher, and the School of Government regarding the recommendations.

Thereupon, Councilmember Post made a **motion** to award a contract to Adams-Robinson Enterprise, Inc. for construction of the Grant's Creek Wastewater Train Improvement Project in the amount of \$26,838,600 contingent upon Local Government Commission (LGC) approval of the revenue bond sale. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post and Sheffield voted AYE. (5-0)

## WATER TREATMENT PLANT IMPROVEMENT PROJECT

Assistant Utilities Director Jason Wilson commented LaBella is the engineer for the Water Treatment Plant Improvement Project. He noted six bid tabulations were received for the project with Dellinger, Inc. as the lowest total base responsible bid in the amount of \$4,971,000 with four bid alternates. He commented Salisbury-Rowan Utilities (SRU) requests the acceptance of alternates two and four at an additional cost of \$2.5 million for a total cost of \$7,221,000.

Councilmember Post asked if the requested bid is \$2.5 million higher than the lowest bid. Mr. Wilson agreed, and he explained the Water Plant has 12 filters and the base bid includes replacing four filters. He added SRU wanted to replace the eight additional filters so all 12 filters would be replaced at the same time.

Thereupon, Councilmember Post made a **motion** to award a contract to Dellinger, Inc. for the construction of the Water Treatment Improvement Project in the amount of \$7,221,000 contingent upon Local Government Commission (LGC) approval of the revenue bond sale. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post and Sheffield voted AYE. (5-0)

## **BOARDS AND COMMISSIONS**

Mayor Alexander pointed out Mayor Pro Tem Heggins will not be available to serve as Council liaison to the Salisbury-Rowan Community Action Agency (SRCAA), and she noted Councilmember Post will be the new Council liaison.

### Alternate Methods of Design Commission

Upon a motion by Councilmember Post. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Sheffield, and Post voting AYE, the following re-appointment was made to the Alternate Methods of Design Commission:

Mr. Rodney Queen

Term Expires 03/31/2023

### Planning Board

Upon a motion by Councilmember Post. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post, and Sheffield voting AYE, the following re-appointments were made to the Planning Board:

Mr. Bill Burgin

Term Expires 03/31/2023

Mr. Bill Wagoner

Term Expires 03/31/2022

### Housing Advocacy Commission

Upon a motion by Councilmember Sheffield. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post, and Sheffield voting AYE, the following re-appointments were made to the Housing Advocacy Commission:

Ms. Barbara Perry

Term Expires 03/31/2023

Ms. Kendra Coney

Term Expires 03/31/2023

### Tree Board

Upon a motion by Mayor Pro Tem Heggins. Mayor Alexander, Mayor Pro Tem Heggins and Councilmembers Miller, Post, and Sheffield voting AYE, the following appointments were made to the Tree Board:

Ms. Kelli Isenhour

Term Expires 03/31/2023

Ms. Cindi Adames

Term Expires 03/31/2023

Mr. Jonathan Barbee

Term Expires 03/31/2023



Human Relations Council

Upon a motion by Mayor Pro Tem Heggins. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post, and Sheffield voting AYE, the following re-appointment was made to the Human Relations Council:

Ms. Debra Ellison Term Expires 03/31/2023

Community Appearance Commission

Upon a motion by Councilmember Sheffield. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post, and Sheffield voting AYE, the following appointment was made to the Community Appearance Commission:

Ms. Phyllis Miller Term Expires 03/31/2023

Hurley Park Advisory Board

Upon a motion by Mayor Alexander. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post, and Sheffield voting AYE, the following re-appointments were made to the Hurley Park Advisory Board:

Ms. Jane Riley Term Expires 03/31/2023  
Ms. Jane Ritchie Term Expires 03/31/2023  
Ms. Linda Sufficool Term Expires 03/31/2023

Parks and Recreation Advisory Board

Upon a motion by Mayor Alexander. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post, and Sheffield voting AYE, the following appointments were made to the Parks and Recreation Advisory Board:

Mr. Jerry Lawson Term Expires 03/31/2023  
Mr. Joseph Nalini Term Expires 03/31/2023  
Ms. Mary Rosser Term Expires 03/31/2023

Historic Preservation Commission

Upon a motion by Mayor Alexander. Mayor Alexander, Mayor Pro Tem Heggins, and Councilmembers Miller, Post, and Sheffield voting AYE, the following re-appointments were made to the Historic Preservation Commission:

Mr. Andrew Walker Term Expires 03/31/2023  
Mr. Acey Worthy Term Expires 03/31/2023  
Mr. Larry Richardson Term Expires 03/31/2023

## CITY ATTORNEY'S REPORT

City Attorney Graham Corriher indicated he had nothing to report to Council.

## CITY MANAGER'S REPORT

### (b) Pickleball Courts Update

City Manager Lane Bailey provided an update regarding the Pickleball and Tennis courts. He noted the City is working to apply for United States Tennis Association (USTA) grants and is looking at possible private grants for improving tennis court lighting. He pointed out the plan is for resurfacing to take place at one time, but there has to be five consecutive days with 65 degree temperatures for the resurfacing to occur. He commented he will report back with further information when it is available.

### (a) 2<sup>nd</sup> Quarter Financial Update

Finance Director Shannon Moore presented the second quarter financial update. She reviewed the General Fund, and she added revenues are reporting well against the budget. She noted an increase of \$1.3 million this year which is contributable to the sales tax revenue and property tax. She commented the General Fund is at 52.29% and in line with the three-year trend. She noted \$2.5 million in expenses below budget which is contributable to the larger projects that do not get started until the second half of the year.

Ms. Moore reviewed the current property tax receipts which are trending above last year's amounts, and she added the City was in a reevaluation year. She commented FY2020 year to date amounts are approximately \$2.2 million above last year's amounts. She indicated current property taxes are slightly higher than last year's percentages relating to billed-to-collected rates.

Ms. Moore presented sales tax receipts for the current fiscal year and noted receipts indicate approximately \$138,000 more has been received compared to last year. She commented this is an area that continues to experience growth in the City, and she noted staff would be able to slightly increase budget projections for the next fiscal year.

Ms. Moore referenced General Fund expenditures, and she noted most City departments are trending 50% under budget at the end of the second quarter.

Ms. Moore commented the Storm Water Fund has a small fund balance appropriation of \$162,000 related to a project carried forward from last year. She noted when that amount is removed the fund is at 50% of the revenue for the year. She added Stormwater expenses are trending below budget which is mostly related to two large rehabilitation projects that have not begun.

Ms. Moore indicated the Water and Sewer Fund has a fund balance appropriation of nearly \$5 million for large projects that partially began last year and carried forward into the current budget, including large expenditures in the first half of the year where the trend is up.

Ms. Moore stated Transit Fund revenue will increase for the next quarter, and she added revenues in the first half of the year are related to the State Maintenance Assistance Program (SMAP) funding and revenues from fares and ticket sales. She noted expenditures are at 45.5%, and should be on target by the end of the year.

Councilmember Miller asked why the estimate for Transit Fund revenue increased by \$300,000 from 2019 to 2020. Ms. Moore explained the capital expense for the purchase of buses is included in this year's budget. City Manager Lane Bailey added the increase is from Transit bus grants the City received. Ms. Moore commented there is a small fund balance appropriation of \$29,000 in the Transit Fund carried forward from last year for expenditures.

Ms. Moore pointed out the three-year historical trend for the Fibrant Fund is difficult to compile due to the transition from full service operations to a lease. She commented the first quarter for FY2019 includes July, August, and September of 2018 as the last three full months the City operated the fund. She pointed out the City is at 44.5% in revenue and trending well against the budget. She noted there are currently minimal expenses besides the debt service payments. She added the largest portion of the debt service payment is paid in the third quarter and why expenses are trending so low.

Mr. Bailey referenced a previous discussion regarding the City receiving quarterly payments within a 15-day turnaround, but due to the timeline not being feasible, a principal 45-day agreement was reached with Hotwire Communications. He encouraged residents to sign up for Fision services. He commented it will help the financial condition greatly if Hotwire has more customers.

Ms. Moore commented the Hotwire Broadband Lease Revenue includes the first quarter of \$107,975, and the second quarter of \$129,248 which includes drop credits. She added Hotwire Communications took their first bad debt write off since operating the lease with nearly \$12,000 that came out of the net check to the City. She reviewed the subscriber counts from Hotwire which show an increase from July 2019 to December 2019.

Councilmember Post pointed out the City makes 70% on internet revenue as opposed to 10% on video and phone. He added acquiring Hotwire services is an important economic aspect that can be done for the City. He suggested staff work with Hotwire to market its services.

Mr. Bailey commented he is pleased with the new bond rating the City received. He pointed out the Fund Balance is in sound shape right now, and he noted his concerns are with the projections that expenditures will not keep pace with revenues. Mayor Alexander commented there are unfunded state mandates for personnel retirement. Mr. Bailey agreed, and he explained there are there are budget challenges ahead.

## **ANNOUNCEMENTS**

### (a) **Fire Department Memorial Service**

The Salisbury Fire Department will hold a memorial service to honor Victor Isler and Justin Monroe Saturday, March 7, 2020 at 8:30 a.m. at the Firefighters Memorial located at 1402 South Main Street.

### (b) **Spring Clean 2020**

The Community Appearance Commission and the Salisbury Public Works Department will host "Spring Clean 2020" Saturday, March 21, 2020. Check in will be at City Hall located at 217 South Main Street from 8:00 a.m. until 12:00 p.m. For more information call Stephen Brown at 704-638-4481 or email [sbrow@salisburync.gov](mailto:sbrow@salisburync.gov).

### (c) **Ring in Spring**

Ring in Spring will take place Saturday, April 4, 2020 from 11:00 a.m. until 2:00 p.m. at Gateway Park located at the corner of East Innes and North Depot Streets. The alternate location for inclement weather is City Hall Council Chambers. For more information call Vivian Koontz at 704-638-5294 or email [vkoon@salisburync.gov](mailto:vkoon@salisburync.gov).

### (d) **Hurley Park Spring Celebration**

The Salisbury Parks and Recreation Department and the Hurley Park Advisory Board will host the annual Hurley Park Spring Celebration Sunday, April 5, 2020 from 2:00 p.m. until 4:00 p.m. at Hurley Park. For more information call Danelle Cutting at 704-638-4459.

## **COUNCIL COMMENTS**

Councilmember Sheffield commented the Community Appearance Commission (CAC) and the Tree Board hosted its Bi-Annual Awards Banquet last week. She added the Tree Board presented awards in memory of Ms. Judy McDaniel and Mr. Johnny Safrit, two members who passed away. She noted the Mayor's award was presented to Mr. Bill Burgin. She thanked everyone who worked to make the event a success.

## **MAYOR PRO TEM COMMENTS**


Mayor Pro Tem Heggins thanked Fire Chief Bob Parnell for the incredible work conducted by the Fire Department in the rescue of the man who fell 75 feet near I-85. She noted the event received national attention and it speaks to the level of training and professionalism of the first responders, fire department, and police department the City has and the incredible work they do.

**MAYOR'S COMMENTS**

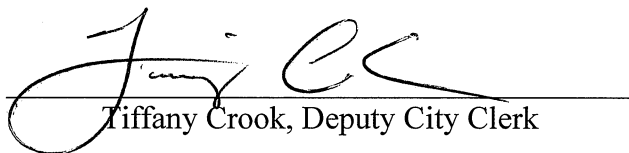
Mayor Alexander had nothing else to report to Council.

**ADJOURNMENT**

Motion to adjourn the meeting was made by Councilmember Miller. All Council members in attendance agreed unanimously to adjourn. The meeting was adjourned at 9:21 p.m.



Karen Alexander, Mayor



Tiffany Crook, Deputy City Clerk