

Salisbury, North Carolina
October 20, 2015

REGULAR MEETING

PRESENT: Mayor Paul B. Woodson, Jr., Presiding; Mayor Pro Tem Maggie A. Blackwell; Council Members Karen Kirks Alexander, William (Pete) Kennedy, and William Brian Miller; City Manager W. Lane Bailey; City Clerk Myra B. Heard, and City Attorney F. Rivers Lawther, Jr.

ABSENT: None.

Salisbury City Council met in Council Chambers in City Hall located at 217 South Main Street. The invocation was given by Councilmember Miller. The meeting was called to order by Mayor Woodson at 4:00 p.m.

PLEDGE OF ALLEGIANCE

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

RECOGNITION OF VISITORS

Mayor Woodson welcomed all visitors present.

CONSENT AGENDA

(a) Approval of Minutes

Approve Minutes of the Regular Meeting of October 6, 2015.

(b) Deputy Finance Officers

Appoint Misty Fields and Gayla Long as Deputy Finance Officers as allowed by North Carolina General Statutes 159-28(a) until such time as they are no longer employed within the Financial Services Department.

(c) Purchase – Tandem Axle Dump Truck

Award a contract to Charlotte Truck Center in the amount of \$142,726 for the purchase of a tandem axle dump truck.

Thereupon, Mr. Kennedy made a **motion** to adopt the Consent Agenda as presented. Ms. Alexander seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Meses. Alexander and Blackwell voted AYE. (5-0)

PRESENTATION – ROWAN COUNTY STUDENT LEADERS ORGANIZATION

Rowan County Student Leaders President Tarik Woods and Vice-president Cassidy Allen, addressed Council regarding the student organized and student led organization. Mr. Woods indicated the group received 112 applications its first year and selected 23 students from all over the county. Mr. Woods then presented highlights of the organization's work completed in the past year:

- 54 hours average community service per student
- Totals for the Year:
 - \$3,216 raised for non-profits
 - 613 cans of food collected
 - 14 middle school students mentored
 - 700 pieces of clothes collected

Mr. Woods thanked Councilmember Alexander and Rowan County Commissioner Judy Klusman for their work to support the Rowan County Student Leaders organization.

Mayor Woodson asked how many students are in the Rowan County Student Leaders and the number of high schools represented. Mr. Woods noted the group has 48 members from eight area high schools. Mayor Woodson thanked Mr. Woods and Ms. Allen for their presentation.

NON-VEHICULAR STREETS AND ALLEYS

Traffic Engineering Coordinator Vickie Eddleman explained staff is working with Downtown Salisbury, Inc. to investigate the possibility of restricting motorized vehicles from public streets or alleys where it would be desirable to restrict the public access to pedestrian use. She noted staff determined Chapter 13 of the City Code could be amended to allow this designation.

Ms. Eddleman stated the wording has been approved by City Attorney Rivers Lawther for Section 13-115 to define a non-vehicular street or alley, and for Section 13-365 to define the areas where the designation would apply. She commented Section 16-63 compliments the general definition and provides examples of motorized and non-motorized vehicles, which are not allowed on areas designated for pedestrian use.

Ms. Eddleman stated any request to designate a street or alley as non-vehicular would be brought before Council for approval. She indicated non-vehicular streets or alleys and the extent of the restriction would be added to Chapter 13, Article X, Section 13-365 of the City Code. She noted the proposed Ordinances would only affect public streets.

Councilmember Miller noted the proposal will put a process in place and does not pertain to any particular street. Ms. Eddleman agreed.

Thereupon, Mr. Miller made a **motion** to adopt an Ordinance adding Section 13-115, Article IV, Chapter 13, of the Code of the City of Salisbury, relating to non-vehicular streets or alleys. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Meses. Alexander and Blackwell voted AYE. (5-0)

ORDINANCE ADDING SECTION 13-115, ARTICLE IV, CHAPTER 13, OF THE CODE OF THE CITY OF SALISBURY, RELATING TO NON-VEHICULAR STREETS OR ALLEYS.

(The above Ordinance is recorded in full in Ordinance Book No. 25 at Page No. 74, and is known as Ordinance 2015-35)

Thereupon, Mr. Miller made a **motion** to adopt an Ordinance adding Section 13-365, Article X, Chapter 13, of the Code of the City of Salisbury, relating to non-vehicular streets or alleys. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Meses. Alexander and Blackwell voted AYE. (5-0)

ORDINANCE ADDING SECTION 13-365, ARTICLE X, CHAPTER 13, OF THE CODE OF THE CITY OF SALISBURY, RELATING TO NON-VEHICULAR STREETS OR ALLEYS.

(The above Ordinance is recorded in full in Ordinance Book No. 25 at Page No. 75, and is known as Ordinance 2015-36)

AGREEMENT – TRIBEK PROPERTIES

City Engineer Wendy Brindle explained Newsome Road currently ends at East Innes Street, and the North Carolina Department of Transportation’s (NCDOT) Transportation Improvement Program has approved funding to extend it to Bendix Drive in 2021. She noted a developer is interested in developing property located along the proposed extension area.

Ms. Brindle indicated NCDOT is willing to reimburse the City in 2021 for construction costs associated with extending Newsome Road if the City will pay for the costs now to allow the developer to proceed with the project. She explained the agreement would be with SBBHAK, LLC, the affiliate company of Tribek Properties, and the City would reimburse SBBHAK, LLC for the design and construction of the roadway. She noted in 2021 NCDOT would reimburse the City. She added the developer would purchase the property to construct the road and dedicate the right-of-way to NCDOT upon completion.

Ms. Brindle stated the City would begin making construction payments in the coming fiscal year. She added the developer plans to complete the road by the end of 2016. She added the estimated cost for the project is \$615,000.

Councilmember Alexander asked if the company would provide a bond to protect the City if the project is not completed. Ms. Brindle noted the developer must meet all NCDOT and City requirements for construction which would include insurance and bonding.

City Manager Lane Bailey stated the project would be constructed to NCDOT standards. He commented the City could be reimbursed sooner if NCDOT moved the project up in the Transportation Improvement Program. Mr. Bailey pointed out the developer would be responsible for right-of-way acquisition.

Councilmember Miller added the development will improve an area of the City that is extremely congested. He noted the second phase of the project will connect Newsome Road to Bendix Drive. He pointed out private property is located between pieces of the completed project, and the design of the private road contributes to traffic congestion in the area. He asked if the City would have an opportunity to address the congestion issues. Ms. Brindle noted congestion would be discussed as NCDOT and the City work with the developer.

Mr. Miller asked if there is a possibility that NCDOT would not reimburse the City for the project. Mr. Bailey noted the City would have a Municipal Agreement with NCDOT. He stated although NCDOT has withheld local funds in the past when it was over budget, he believes a one-year delay is more likely. He noted the reimbursement could also come sooner.

Mayor Woodson asked about the timeline of the project. Ms. Brindle noted the developer plans to have the road open to traffic by late 2016, and the City would make its first reimbursement payment after June 2016.

Thereupon, Mr. Miller made a **motion** to authorize the City Manager and City Clerk to execute an agreement with SBBHAK, LLC. regarding reimbursement for the cost of construction for the Newsome Road Extension project between Faith Road and East Innes Street based upon approval of a Municipal Agreement with the North Carolina Department of Transportation. Mr. Kennedy seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Meses. Alexander and Blackwell voted AYE. (5-0)

STORM DRAINAGE INCENTIVE GRANT – FIRST PRESBYTERIAN CHURCH

Street Maintenance and Stormwater Utility Manager Craig Powers and Utilities Engineer Chris Tester presented a proposed Storm Drainage Incentive Grant for First Presbyterian Church to Council. Mr. Tester explained:

- The City maintains storm drain systems on public right-of-ways and City-owned properties
 - Systems located on private property are the responsibility of the property owners
- Storm Drainage Incentive Grant funds are for improvements or repair to private property and are made possible through the City's Stormwater Utility
- The City bears no responsibility for drainage system maintenance
- City may award up to 50 percent of the construction costs
- Four applications were submitted in FY 2014-2015

Mr. Tester noted the Church plans to install a new Stormwater system for additional transfer of water from West Fisher Street to South Fulton Street to allow for greater storm capacity before flooding of the church buildings would occur.

- First Presbyterian Church is requesting \$27,558.50 of drainage grant funding or 50 percent of the \$55,117.00 construction cost
- \$22,307.50 is available for distribution
- Staff recommends awarding a minimum \$22,307.50 Storm Drainage Incentive Grant to First Presbyterian Church

Councilmember Miller questioned staff's recommendation of less than 50 percent of the proposed construction costs. Mr. Powers explained the Storm Drainage Incentive Grants are budgeted at \$25,000 and some of those funds have been expended. Mr. Miller pointed out the Stormwater Utility has funds that are not included in the Storm Drainage Incentive Grant Fund. He asked if Council would consider the 50 percent match.

Councilmember Alexander stated the majority of the work will be completed on the Church's property. Mr. Powers noted the project will improve the Church's property and the City's drainage systems allowing more water to leave from West Fisher Street. Ms. Alexander pointed out the proposed improvements would help the City's drainage system and surrounding property owners, and she supports a 50 percent match.

Mr. Miller noted the City has less drainage capacity on Fisher Street than on Fulton Street, and he pointed out the work would improve the City's drainage system. Mr. Tester explained the improvements would allow a larger storm event before flooding would occur.

Mr. Miller asked how funding would be allocated if Council grants a 50 percent match. City Manager Lane Bailey stated Stormwater funding would be shifted to cover the grant. He noted staff anticipates receiving an additional Storm Drainage Incentive Grant request that will be brought to Council for consideration.

Mr. Miller asked how the resources are allocated for multiple projects. Mayor Pro Tem Blackwell pointed out the application deadline for a 2015 Storm Drainage Incentive Grant has passed. Mr. Tester stated the deadline for a 2015 Storm Drainage Incentive Grant was September 1, 2015.

Thereupon, Mr. Miller made a **motion** to award a Storm Drainage Incentive Grant in the amount of \$27,558.50 or 50 percent of the construction costs to First Presbyterian Church. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Meses. Alexander and Blackwell voted AYE. (5-0)

UPDATE – FAIR HOUSING

Community Planning Services Director Janet Gapen addressed Council regarding fair housing and the City's Analysis of Impediments. She explained fair housing is guaranteeing or providing equal housing opportunities free from discrimination to anyone.

Ms. Gapen explained the City prepares an Analysis of Impediments which must be completed every five years to be eligible for CDBG and HOME Program funds.

Ms. Gapen reviewed the legal framework for fair housing and noted impediments to fair housing are Federally protected and include any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status, or national origin which restrict housing choices or the availability of housing choices.

Ms. Gapen pointed out the fair housing referrals for those who may have experienced discrimination are made through:

- United States Department of Housing and Urban Development (HUD)
- North Carolina Human Relations Commission
- Legal Aid of North Carolina

Ms. Gapen then reviewed impediments and suggested actions for the private sector:

- More frequent denial of home purchase loans to racial and ethnic minority residents
 - Educate buyers through credit counseling and home purchase training
- Lack of knowledge or access to the fair housing system
 - Contact Legal Aid of North Carolina to discuss possibilities for partnership on education and outreach
- Discriminatory terms, conditions, privileges, or facilities relating to rental
 - Enhance testing and enforcement activities to document the outcomes of enforcement actions
 - Continue to educate landlords and property management companies regarding fair housing law
 - Continue to educate consumers regarding their fair housing rights

Ms. Gapen pointed out the City must get fair housing information to its citizens and let them know who to contact if they have a problem. She reviewed impediments and suggested actions for the public sector:

- Insufficient understanding of Fair Housing Laws
 - Contact Legal Aid of North Carolina to discuss the possibility of a partnership regarding fair housing outreach and education
 - Publicize the Analysis of Impediments report
- Lack of interest in fair housing and affirmatively furthering fair housing
 - Host or participate in a public meeting related to fair housing each April, which is Fair Housing Month

Ms. Gapen reviewed actions the City has taken:

- Housing Advocacy Commission
 - Host public workshops and invited representatives from Legal Aid of North Carolina, and Charlotte Human Relations Commission to speak
 - Create a Fair Housing Brochure (in progress)
- Offer home ownership counseling and mortgage assistance
- Provide homeownership education
- Participate in the regional Analysis of Impediments process
- Publicize the City's Analysis of Impediments report on the City's website
- Partner with Legal Aid to conduct fair housing testing
- Distribute information to citizens
 - Monthly bills
 - ACCESS16 television
- Contact local lenders to promote investment in low-income areas
- Housing Advocacy Commission workshop

Ms. Gapen pointed out the strongest communities include mixed-income housing. She explained HUD recently announced new Federal housing rules which take meaningful actions to overcome historic patterns of segregation. She added the new Federal housing rules will take effect in 2017 or later.

Councilmember Kennedy asked who is responsible for contacting lending institutions to promote investment in low income areas. Ms. Gapen noted staff will work with the Community Development Corporation to contact lending institutions.

Mr. Miller stated banks are looking for loans wherever possible and many times the borrower's ability to repay the loan is the deciding factor. He pointed out resources are available, but homeowners are not always ready. He noted potential homeowners credit levels, income history, and down payment must meet the criteria required to obtain the loan. He suggested inviting local lending institutions to come to the CDC to learn about the programs offered.

Ms. Alexander noted the CDC works with local banks to create portfolio loans that may not qualify to be sold on the secondary market. She commented the family must complete one year of education to become a homeowner.

Mr. Miller pointed out the City could reach out to lenders proactively through the CDC to re-educate them regarding the program.

Councilmember Kennedy noted the program has helped many citizens purchase homes, and he pointed out the data suggests minorities are turned down at a higher rate. He asked how the City can reach out and help more people.

Mr. Miller acknowledged there are issues with the system, and he noted banks want to make loans regardless of a person's race.

PUBLIC COMMENTS

Mayor Woodson opened the floor for public comment.

Ms. Jehan Davis and Mr. Guanah Davis, addressed Council regarding their company, Bounce City. Mr. Davis stated Bounce City had over 25,000 customers in the past year and now has an additional offering for children ages 13 to 19. He explained Bounce City Nights is a safe place for teenagers to hang out and have fun. He noted Bounce City Nights will open the first Friday of every month from 9:00 p.m. until 12:00 a.m. Ms. Davis pointed out off-duty police officers will assist with security.

City Manager Lane Bailey asked about the cost of Bounce City Nights. Ms. Davis stated the cost is \$10, and she noted parents can drop their children off or stay at the facility.

Mr. Kenny Hardin, 107 Willow Road, stated Council acknowledged fair housing impediments, but seemed to place the responsibility on those who seek fair housing services. He commented the process should be reviewed to determine why more citizens are not taking advantage of the training that is offered by the Community Development Corporation.

Ms. Constance Johnson, 1100 Brindle Ferry Road, agreed with Mr. Hardin, and she noted people coming out of college should be targeted for home ownership programs. She stated housing programs are not accessible or welcoming, and more needs to be done to make citizens aware of home ownership options in the City.

Ms. Whitney Peckman, 120 East Innes Street, thanked Community Planning Services Director Janet Gapen for meeting with her to discuss concerns raised at a previous Council meeting. She asked if a citizen committee could meet with Ms. Gapen to discuss improving communications and reaching out to minorities regarding fair housing.

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

CITY MANAGER'S COMMENTS

(a) First Quarter Financial Update

City Manager Lane Bailey asked Financial Services Director Teresa Harris to present the first quarter financial update.

Ms. Harris referenced property tax values for the first quarter and noted \$2.782 million is budgeted, \$2.567 million had been billed, and \$2.799 million is projected to be billed. She explained the State collects the vehicle tax and distributes it to cities on a monthly basis.

Ms. Harris stated General Fund revenue is at 32 percent, or \$12,898,566 of the projected \$40,329,845 received, and 21 percent, or \$7,763,984, expended.

Ms. Harris reviewed the Water and Sewer Fund revenue for the first quarter and the monthly usage trend. She explained Water and Sewer Fund revenue is at 31 percent received, or \$7,164,983, of the budgeted \$22,776,024. She noted the Water and Sewer Fund is at 18 percent expended, or \$4,027,600.

Ms. Harris reviewed Fibrant revenues verses expenditures for the first quarter. She pointed out revenues were at \$1,445,505 and expenditures were at \$1,154,348, which included a \$605,000 debt service payment. She pointed out Fibrant is \$291,000 ahead of its expenses. She noted Fibrant had a slight decrease in customers billed in September due to cutoffs. She stated the uptime for Fibrant is at 100 percent, and the average revenue per user remained solid.

Ms. Harris explained Transit fare revenues are at 32 percent, or \$26,046, of the budgeted \$80,100, and expenditures are at 13 percent, or \$222,049, of the budgeted \$1,682,396 for the first quarter.

Ms. Harris reviewed Stormwater revenues for the first quarter. She noted revenue is at 25 percent billed, or \$312,254, of the budgeted \$1,246,200 and expenditures are at 15 percent, or \$181,828. She added expenses are under budget which will allow additional funding for Storm Drain Incentive Grants.

Mayor Woodson asked if water and sewer usage is budgeted by quarter. Ms. Harris explained monthly trends from previous years are reviewed to determine projected usage amounts. She pointed out the current usage is ahead of past usage.

Mayor Woodson stated Fibrant is billing approximately 3,400 customers. He asked how many customers were being billed last year at this time. Ms. Harris stated at the beginning of the last fiscal year Fibrant billed over 3,000 customers.

Councilmember Miller asked if Fibrant revenue and expenses take into consideration the expenses it shares with other departments. Ms. Harris noted the expense report only includes expenses charged to Fibrant. Mr. Miller requested staff include expenses shared with other departments in Fibrant's expense report. Mr. Bailey agreed. Mr. Miller noted cross-trained personnel should be accounted for in Fibrant's expenses.

Mr. Miller asked if the debt payments are equal throughout the year. Ms. Harris noted the City will make a principal payment in the second half of the year. She explained the \$605,000 payment was interest and the principal payment will be made in the third quarter.

Mr. Bailey stated he would like to hold a Planning Retreat in the first year of the new Council followed by a Budget Retreat, and then hold only a Budget Retreat the following year. He explained Council would be presented with a 10-year Capital Improvement Plan at the Budget Retreat that would include current expenses projected over a 10-year period for departments, personnel costs, debt service for the fiscal year, current revenues, and tax and fee increases needed to fund the Capital Improvement Plan. He added a Capital Improvement Plan will let Council view the impact its financial decisions will have on future funding and consider budgeting as a multi-year process. He explained there will be a separate Capital Improvement Plan for Salisbury-Rowan Utilities (SRU), Fibrant, and the Stormwater Utility.

MAYOR'S ANNOUNCEMENTS

(a) BlockWork

Mayor Woodson announced the Community Appearance Commission and Housing Advocacy Commission will sponsor the BlockWork Neighborhood Improvement Project on National Make A Difference Day Saturday, October 24, 2015, in the 800 and 900 blocks of South Jackson Street. If you are interested in volunteering for all or part of the day, please contact the Community Planning Office at 704-638-5242.

(b) Halloween Fun Fest

Mayor Woodson announced Salisbury Parks and Recreation Department, in partnership with Downtown Salisbury, Inc., will host Halloween Fun Fest in downtown Salisbury Saturday, October 31, 2015 from 3:00 p.m. until 6:00 p.m. in the Salisbury Post parking lot. Tickets are \$.50 each or \$5.00 for an unlimited pass. The Halloween Fun Fest will feature carnival games, face painting, trick or treating, hay rides, haunted trolley rides, a hay bale maze, a costume contest and more. For more information call 704-216-PLAY.

(c) Music at the Mural

Mayor Woodson announced Salisbury Parks and Recreation will host the final installment of "Music at the Mural" Saturday, October 31, 2015 at 7:00 p.m. in the 100 block of West Fisher Street. Bring a chair and enjoy music in the heart of downtown Salisbury. The event is free and open to the public.

(d) November 3, 2015 City Council Meeting

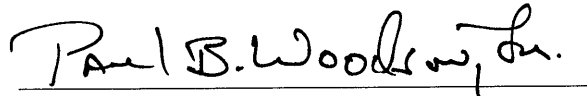
Mayor Woodson announced the next Council meeting is scheduled for November 3, 2015, which is Election Day, and the incumbent Council members will need to work the polls. He suggested rescheduling the meeting for Wednesday, November 4, 2015 at 4:00 p.m.

Councilmember Miller stated he has a work conflict and will be unable to attend the Council meeting on either day.

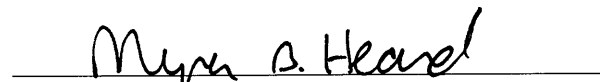
Thereupon, Mr. Kennedy made a **motion** to change the regularly scheduled Council Meeting of November 3, 2015 to Wednesday, November 4, 2015 at 4:00 p.m. in Council Chambers. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Meses. Alexander and Blackwell voted AYE. (5-0)

ADJOURNMENT

Motion to adjourn the meeting was made by Ms. Blackwell seconded by Mr. Kennedy. All council members in attendance agreed unanimously to adjourn. The meeting was adjourned at 5:43 p.m.



Paul B. Woodson, Jr., Mayor



Myra B. Heard, City Clerk