

Salisbury, North Carolina
November 21, 2023

REGULAR MEETING

PRESENT: Mayor Karen K. Alexander, Presiding; Mayor Pro Tem Tamara Sheffield; and Council Member Anthony Smith; City Manager Jim Greene, Jr., City Clerk Connie B. Snyder; and City Attorney J. Graham Corriher.

ABSENT: Councilmembers David Post and Harry McLaughlin.

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 6:07 p.m. A moment of silence was taken. Councilmember Post attended the meeting via Zoom.

PLEDGE OF ALLEGIANCE

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

ADOPTION OF THE AGENDA

Thereupon, Mayor Pro Tem Sheffield a **motion** to adopt the Agenda as presented. Mayor Alexander, Mayor Pro Tem Sheffield, and Councilmember Smith voted AYE. (3-0)

RECOGNITION – BARBARA PERRY

Mayor Alexander read a Proclamation honoring Ms. Barbara Perry for her outstanding contributions to the City through her 40 years of service on multiple boards and commissions. She then presented Ms. Perry with Key to the City and a framed copy of the Proclamation.

Council expressed its thanks and appreciation to Ms. Perry for all she has done for the City and its citizens.

RECOGNITION – PLANNER MALIKIA CHERUBALA

Council recognized Planner Malikia Cherubala for receiving the Marvin Collins Award from the North Carolina Chapter of the American Planning Association. Planning and Neighborhoods Director Hannah Jacobson stated Ms. Cherubala is a tremendous asset to the organization and she is excited about the work she is doing to make the City a better place.

Council congratulated Ms. Cherubala and thanked her for all she does for the City.

RECOGNITION – HEALTHIEST EMPLOYER AWARD

Human Resources Business Partner Jennifer Silva and Administrative Specialist Claire Karriker informed Council that Salisbury received the Charlotte Business Journal Healthiest Employer Award. Ms. Silvia noted the City has been established as one of Charlotte’s healthiest employers since 2020. She explained the award recognizes employees and organizations taking a proactive approach to employee health and wellbeing. She thanked the Health and Wellness Committee, the City’s Nurse Practitioner and employees for serving as a driving force in implementing health initiatives that work to reduce health issues and support wellbeing for all employees.

Ms. Karriker noted the Health and Wellness Committee works to promote education initiatives, programs, and resources that inform, educate and help meet the needs of employees.

Mayor Alexander congratulated employees, and she stated initiatives help lower health insurance premium costs. Mayor Pro Tem Sheffield thanked Ms. Silva and Ms. Karriker for their work with the Health and Wellness Committee and working to educate employees. Councilmember Smith congratulated employees on the continued recognition.

PROCLAMATIONS

Mayor to proclaim the following observances:

SMALL BUSINESS SATURDAY	November 25, 2023
NATIONAL IMPAIRED DRIVING PREVENTION MONTH	December 2023

CONSENT AGENDA

- (a) Minutes

Approve Minutes of the regular meeting of November 8, 2023.

(b) Donation to the Fire Department

Accept a donation of five Humat hydrant valves from the Oakhurst Fire Department. The Oakhurst Fire Department discontinued their use of the Humat hydrant valves and would like to donate five Humat valves to the Salisbury Fire Department.

(c) Update Employee Pay Grade Classification Schedule

Approve an update to the adopted Employee Pay Grade Classification Schedule to add the position of Emergency Vehicle Mechanic/Trainer at Pay Grade 13.

(d) Stop Conditions and Parking – Old Wilkesboro Road and Partee Street

Adopt an Ordinance amending Chapter 13, Article X, Section 13-332 of the City Code related to stop conditions at Old Wilkesboro Road and Partee Street and an Ordinance amending Chapter 13, Article X, Section 13-338 of the City Code related to parking areas along the 500 block of Partee Street.

ORDINANCE AMENDING CHAPTER 13, ARTICLE X, OF THE CODE OF THE CITY OF SALISBURY, RELATING TO STOP SIGNS.

(The above Ordinance is recorded in full in Ordinance Book No. 31 at Page No. 331, and is known as Ordinance 2023-76.)

ORDINANCE AMENDING CHAPTER 13, ARTICLE X, OF THE CODE OF THE CITY OF SALISBURY, RELATING TO PARKING.

(The above Ordinance is recorded in full in Ordinance Book No. 31 at Page No. 332, and is known as Ordinance 2023-77.)

(e) Sale of Surplus Equipment

Adopt a Resolution declaring specific equipment as surplus and authorize the sale of P79701, a 500KW Kohler Generator, on Govdeals.com.

RESOLUTION AUTHORIZING SALE OF SURPLUS PROPERTY WITH POTENTIAL VALUE OF \$30,000 OR MORE.

(The above Resolution is recorded in full in Resolution Book No. 16 at Page No. 40, and is known as Resolution 2023-32.)

Thereupon, Councilmember Smith made a **motion** to adopt the Consent Agenda as presented. Mayor Alexander, Mayor Pro Tem Sheffield, and Councilmember Smith voted AYE. (3-0)

PUBLIC COMMENT

Mayor Alexander opened the floor to receive public comments.

Ms. Annie Boone Carroll thanked everyone who worked to make BlockWork a success. She noted approximately 200 people attended, and she thanked Council for all it does for the community.

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

UPDATE – DIVERSITY EQUITY AND INCLUSION STRATEGIC ACTION PLAN

Diversity, Equity, and Inclusion (DEI) Director Anne Little presented the DEI Strategic Action Plan to Council. She noted the document is designed to address Council's goal to integrate diversity, equity, and inclusion into every aspect of the organization and is intended to be intertwined into the City's Strategic Plan, Council priorities, and internal and external policies and practices. She noted the plan was completed with the support of WPR Consulting.

Ms. Little explained the plan includes a vision statement, "A city that champions all dimensions of diversity and fosters inclusion for an equitable workplace and community and a mission to shepherd the City Government's commitment and resources for a diverse, equitable and inclusive workforce, workplace and community." She noted the goals of the Strategic Action Plan will be reviewed on a regular basis for progress and for relevancy.

Mayor Pro Tem Sheffield thanked Ms. Little for her leadership and her work with DEI. Councilmember Smith expressed his gratitude for a City that is working to address inequity and injustice. Councilmember Post thanked Ms. Little for her work, and he asked if she is satisfied with the progress that is being made and what can be accomplished. Ms. Little agreed, and she noted the work will evolve and change to help create a Salisbury for all.

Mayor Alexander thanked Ms. Little for her work with DEI and for all she does for the City. City Manager Jim Greene thanked Ms. Little and staff for all they do to promote DEI in the City. He thanked Council for its direction, support and funding of the City's DEI Program. He added the City is fortunate to have its partnership with WPR Consulting as it continues its DEI journey.

UPDATE – FORD CITY MOTOR LOFTS

Planning and Neighborhoods Director Hannah Jacobson provided an update on the Ford City Motor Lofts project. She noted at its December 5, 2023 meeting Council will be asked to hold a public hearing and vote on two ways the City can support the project.

Ms. Jacobson stated the project is located in the 400 block of South Main Street in the Downtown Local Historic District and just outside the Municipal Service District. She noted as a result of the City's Brownfields Grant an assessment was completed at the site. She noted Ms.

Tanya Haddock with Cadence Development has proposed to build mixed-income housing at the site, primarily for seniors and those who are 55 and older and can live independently. She added there is a strong partnership with local organizations to provide quality of life activities such as gardening, sewing, and golf.

Ms. Jacobson stated the project has a total of 64 units, which will be distributed between several onsite buildings. She indicated there will be an opportunity for new construction to add additional units to the site. She provided a project overview, and she noted the project is currently in the development review process. She indicated the project has faced financing challenges and is taking advantage of financing options that include a Housing and Urban Development (HUD) Section 202 award for senior housing, low income housing tax credits, historic tax credits, a traditional bank loan, and developer equity. She added the City will issue tax exempt bonds for construction financing.

City Attorney Graham Corriher noted at its December 5, 2023 meeting Council will hold a public hearing and consider adopting a Resolution approving the City as the issuer of bonds for the project. He explained the City will act as a conduit for the bonds and its only obligation is to adopt the Resolution and to issue the bonds on its behalf. He stated the City has no liability for the \$9.5 million bonds. He added the liability is on the investors that purchase the bonds and the revenue would come from the payments once the project is completed. He clarified the City will participate by issuing the bonds, but there is no debt or payment obligation for the City.

Ms. Jacobson pointed out the project has a financing gap. Ms. Haddock noted things have happened during the two years the project has been in the planning stages including an increase in interest rates and construction costs and the funding options are not enough to cover the total cost of the project. She noted Cadence Development is looking for funding sources for an additional \$1 million that is needed to complete the project. She indicated vapor mitigation needs to be completed as part of the Brownfields Program, and she asked if the City would consider waiving its permitting fees or using Community Development Block Grant (CDBG) funding to help with the project. She indicated Cadence Development is pursuing a Save Treasures Grant through the National Park Service, and hopes to begin construction in the first quarter of 2024.

Ms. Jacobson noted staff recommends Council consider approving a letter of intent at its December 5, 2023 meeting to contribute \$200,000 of CDBG funding to the project. She explained the commitment would be for future year entitlement funds, and she pointed out the City has available CDBG funds that will provide flexibility to support this project while also continuing to support other projects it has supported in the past. She indicated the funds would be distributed throughout construction and if the project does not take place the City will reallocate the funding.

Ms. Jacobson commented the presentation is for information only and staff will be back before Council on December 5, 2023 for the public hearing and to request its support of the letter of intent and the issuance of the bonds.

Mayor Alexander thanked Ms. Jacobson for her presentation.

REALLOCATION OF FUNDS – INCREASE CITY’S 401K CONTRIBUTION

City Manager Jim Greene addressed Council regarding the reallocation of funds previously budgeted for Social Security to increase the employer 401K contributions from 4% to 5% for all eligible employees, and to provide an additional 1% one-time lump sum appreciation bonus for employees hired before July 1, 2023. He added Council is also asked to consider adopting a budget Ordinance amendment to the FY2023-2024 budget in the amount of 12,000 to transfer funds from the General Fund to the Transit Fund to cover these costs.

Mr. Greene noted earlier members of the Fire Department asked the City to consider allowing them to reevaluate their participation in Social Security, and to fund the City’s part if the decision was approved by fire fighters. He added Council agreed and \$335,000 was budgeted for the City’s contribution to the fire fighter’s Social Security. He added if the fire fighters approved Social Security it would be a recurring cost. He stated all eligible employees other than firefighters, participate in Social Security, and he explained the City pays 6.2% and the employees pay 6.2% to support the program.

Mr. Greene stated City Attorney Graham Corriher led the process and an individual from the Social Security Administration met with firefighters to explain benefits, costs, and to answer questions. He noted the required vote was held on August 31, 2023 and fire fighters elected not to participate in Social Security. He explained the \$335,000 that was allocated for the Social Security is available to be reallocated or to be allocated to Fund Balance.

Mr. Greene recommended Council consider using the \$335,000 to increase the City’s 401K contribution to 5% and a one-time 1% bonus later in the year to show appreciation for employees. He pointed out the 401K contribution would be reoccurring and the 1% bonus would be a one-time expense and the funds would be available for Council to re-budget next year.

Finance Director Wade Furches noted employees are always looking for added benefits and value for their work and the City looks for long-term employees who will retire here. He stated firefighters and all other City employees, except sworn police officers would be getting an additional 1% added to their 401K. He explained the City currently contributes 5% to sworn police officer’s 401K as required by state law. He pointed out surrounding municipalities are contributing 5% to employee’s 401K in an effort to retain and recruit talent. He noted the additional 1% 401K contribution will cost the City approximately \$216,000 annually. He indicated Stormwater and Salisbury Rowan Utilities (SRU) have sufficient funds to absorb the costs, but the Transit Fund will need a transfer from the General Fund. He stated the increase would become effective January 12, 2024 if approved.

Mr. Furches noted staff is also recommending using the remainder of the \$335,000 in the General Fund to give a one-time 1% bonus to employees hired before July 1, 2023. He added employees would receive the bonus on June 14, 2024. He stated the 1% bonus is a one-time event that would not impact the FY2025 budget.

Councilmember Post asked if employees are required to match the 401K contribution. Mr. Furches explained the City’s 401K program does not require an employee match. He explained the

5% contribution is already in place for sworn police officers, and other eligible employees currently receives 4%. He indicated with the additional 1% everyone who is eligible for the 401K program would receive a 5% City contribution.

Mayor Pro Tem Sheffield stated she is pleased the appreciation bonus will be available to part-time employees. She added the goal is to make the City the employer of choice and this is a step in the right direction. She thanked Mr. Greene and Mr. Furches for their work on the proposed bonus and additional 401K contribution.

Thereupon, Councilmember Smith made a **motion** to approve the reallocation of funds budgeted for Social Security to increase the employer 401K contribution from 4% to 5% for all eligible employees and to provide an additional one-time, lump-sum 1% appreciation bonus for employees hired before July 1, 2023. Mayor Alexander, Mayor Pro Tem Sheffield and Councilmember Smith voted AYE. (3-0)

Thereupon, Councilmember Smith made a **motion** to adopt an Ordinance amending the FY2023-2024 Budget Ordinance of the City of Salisbury, North Carolina in the amount of \$12,000 to increase the transfer from the General Fund to the Transit Fund. Mayor Alexander, Mayor Pro Tem Sheffield and Councilmember Smith voted AYE. (3-0)

ORDINANCE AMENDING THE 2023-2024 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA TO INCREASE THE TRANSFER FROM THE GENERAL FUND TO THE TRANSIT FUND.

(The above Ordinance is recorded in full in Ordinance Book No. 31 at Page No. 333, and is known as Ordinance 2023-78.)

CITY MANAGER'S COMMENTS

City Manager Jim Greene wished Mayor Alexander, Council, and community members a Happy Thanksgiving. He added he is excited about the 'Tis the Season Spectacular Parade that will take place tomorrow.

COUNCIL COMMENTS

Councilmember Smith stated he hopes everyone enjoys the Thanksgiving weekend with their family and friends.

Councilmember Post wished everyone a Happy Thanksgiving, and he stated he has enjoyed working with Council and staff.

MAYOR PRO TEM'S COMMENTS

Mayor Pro Tem Sheffield stated Thanksgiving is a time of reflection, and she encouraged citizens to shop local. She wished everyone a Happy Thanksgiving.

MAYOR'S ANNOUNCEMENTS AND COMMENTS

Mayor Alexander wished everyone a Happy Thanksgiving, and she encouraged citizens to be safe when traveling to see family and friends.

(a) Housing Survey

Mayor Alexander announced residents of Salisbury are encouraged to share their thoughts on housing in the City by taking an online survey. The survey will help shape future policies and spending priorities related to housing and community development. The survey is available at www.salisburync.gov/housing. The survey launched October 16th and will remain open through the end of November.

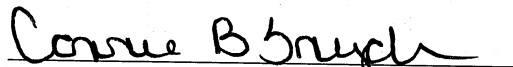
(b) 'Tis the Season Spectacular

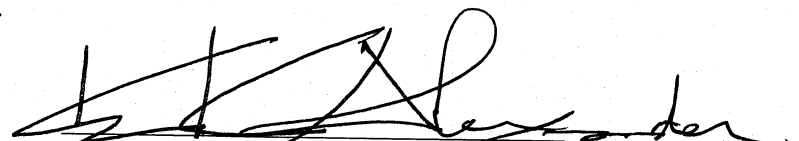
Mayor Alexander announced the 'Tis the Season Spectacular community event will take place Wednesday, November 22nd with a parade beginning at 3:00 p.m. in Downtown Salisbury. Festivities will continue at Bell Tower Green with the official tree lighting taking place at 6:00 p.m. The event runs from 4:00 p.m. until 8:00 p.m.

ADJOURNMENT

Motion to adjourn the meeting was made by Mayor Pro Tem Sheffield. Mayor Alexander, Mayor Pro Tem Sheffield and Councilmember and Smith voted AYE. (3-0)

The meeting was adjourned at 7:11 p.m.


Connie B. Snyder, City Clerk


Karen Alexander, Mayor