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; Interim City Manager John Sofley; 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 meeting was called to order by Mayor Woodson at 4:00 p.m. The invocation was given by Councilmember Kennedy.

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.

CHANGES TO THE AGENDA

Mayor Woodson announced the public hearing advertised for LDOZ-05-2014, Zaxby’s, has been cancelled because the petitioner withdrew the application.
PROCLAMATIONS

Mayor Woodson proclaimed the following observances:

FIRe PREVENTION WEEK October 5-11, 2014
RUMBLE QUAKE III DAY November 8, 2014

CONSENT AGENDA

(a) Approval of Minutes

Approve Minutes of the Special Meeting of September 11, 2014 and the Regular Meeting of September 16, 2014.

(b) Resolution – BlockWork

Adopt a RESOLUTION to recognize the BlockWork event in the 900 block of West Horah Street as the City of Salisbury’s 2014 Make a Difference Day project.

RESOLUTION TO RECOGNIZE BLOCKWORK AS THE CITY OF SALISBURY 2014 MAKE A DIFFERENCE DAY PROJECT.

(The above Resolution is recorded in full in Resolution Book No. 14 at Page No. 23, and is known as Resolution 2014-21)

(c) Budget Ordinance Amendment – Hurley Park Donations

Adopt a Budget ORDINANCE amendment to the FY2014-2015 budget in the amount of $1,500 to appropriate Hurley Park donations.

ORDINANCE AMENDING THE 2014-15 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA TO APPROPRIATE DONATIONS FOR HURLEY PARK.

(The above Ordinance is recorded in full in Ordinance Book No. 24 at Page No. 111, and is known as Ordinance 2014-44)

(d) Interlocal Agreement

Approve an Amended Interlocal Agreement with the Salisbury Tourism Development Authority and Rowan County Tourism Development Authority regarding the purchase of two motorized trolleys.
Interim City Manager John Sofley explained Council entered into an Agreement with the Salisbury Tourism Development Authority and Rowan County Tourism Development Authority regarding the purchase of two motorized trolleys. He noted staff received a request for a two-year extension to the purchase agreement. He emphasized if the extension is approved it will not impact the City financially.

Councilmember Miller pointed out the extension will allow the Salisbury Tourism Development Authority and Rowan County Tourism Development Authority to complete other projects that will benefit the City.

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

**SUP-02-14 – WEST END PLAZA**

SUP-02-14 – West End Plaza, 1935 Jake Alexander Boulevard West

Mayor Woodson explained Council left the public hearing open in case additional evidence was needed. He emphasized the Special Use Permit (SUP) hearing is not like a regular public hearing where citizens can present their opinions. He noted to address Council a citizen must present a legal opinion and information that is pertinent to the case. He acknowledged members of the Chamber and local veterans who were in the audience to show their support for the proposed SUP. He indicated he would allow one representative from each group to address Council.

(a) **Swearing In**

Mayor Woodson indicated anyone who wished to speak for or against this item must be sworn in, and he asked those who would like to speak and were not sworn in at the last meeting to come forward. Mayor Woodson administered the oath to the following:

Mr. Rodney Queen
Mr. Rick Johnson
Mr. Kenneth Hardin

(b) **Ex Parte Disclosure**

Mayor Woodson asked Council members if anyone had knowledge of this case they wished to disclose.

Councilmember Alexander stated citizens tried to start a conversation with her regarding the SUP, but she did not give an opinion.

Mayor Pro Tem Blackwell noted she was approached by citizens, but she did not participate in the conversation.
Mayor Woodson indicated he received several emails from veterans, and he heard from citizens but he did not join in the conversation.

Councilmember Kennedy stated he read information on social media and articles in the Salisbury Post. He added he has not spoken with citizens regarding the matter.

Councilmember Miller stated he had a phone conversation with a veteran, and he has spoken to citizens in person, but he did not give an opinion regarding the SUP.

Mayor Woodson added he also read the Salisbury Post. He pointed out many citizens do not understand why Council cannot speak to them regarding the issue. He emphasized the SUP before Council is an important issue that affects the entire City.

There were no other ex parte disclosures.

Mayor Woodson emphasized if any member of Council has a fixed opinion they should ask to be recused. He then opened the floor to receive additional testimony.

Mr. Rick Johnson, Rowan County Veterans Service Officer, explained the SUP directly affects his office. He noted there are approximately 13,000 veterans and their families living in Rowan County. He stated the current Veterans Service Office is approximately 300 square feet and accommodates two Veterans Service Officers. He explained there is not enough space in the office to adequately serve two veterans at the same time and discuss private medical information. He stated current estimates by the VA Medical Center and the Department of Defense predict the veteran population in North Carolina will increase significantly over the next three years creating a greater need. He pointed out a larger facility would allow the Veterans Service Office to adequately serve local veterans and their families.

Mr. Rodney Queen, 101 Ferncliff Drive, stated the standards for decision were met at Council’s last meeting, and Rowan County Planner Ed Muire presented the facts well. He explained the Vision 2020 Plan refers to older buildings not the oldest buildings. He added the former mall is an older building. He pointed out Belk moved from an older building into a new building.

Mr. Queen stated he is knowledgeable regarding the intent of the Vision 2020 Plan and the Land Development Ordinance (LDO). He explained some citizens believe the Vision 2020 Plan is a downtown document, but it extends into the Extra Territorial Jurisdiction (ETJ). He noted the LDO and the Vision 2020 Plan set the standards for citizens outside the ETJ who wish to be voluntarily annexed into the City. He emphasized the LDO covers older buildings. He explained standards were included in the LDO for rehabilitation of older buildings, and the mall is an older building. He stated Rowan County taxpayers own the mall, and opinions vary regarding its purchase. He added he supports the purchase of the mall but some citizens believe the County paid more than it should have to purchase it. He noted opinions are speculation, and Council must deal with the facts.
Mayor Woodson clarified Council must address the facts. He thanked Mr. Queen for his thoughts but pointed out Council must consider facts and evidence.

Mr. Queen stated he is countering Michael Young’s testimony from the last meeting. He pointed out the Vision 2020 Plan and the LDO cover older buildings. He added Rowan County taxpayers own the property, and Council should support the SUP.

Mr. Kenneth Hardin addressed Council on behalf of the 233 members of the Chamber. He emphasized the Chamber is committed to improving the community. He noted the Chamber is aware of the different opinions regarding the SUP and its potential to have a negative impact on the community. He explained the Rowan County Literacy Council has been approved to relocate to the former mall. He noted the Rowan County Literacy Council has worked with Dr. Lynn Moody and the Rowan-Salisbury School System to create a strong plan for the transition. He stated he may not meet the criteria for judicial information but wanted to make Council aware of the potential plans to move the Rowan County Literacy Council to the former mall. He added the Rowan County Literacy Council may have to consider other options if the situation is not resolved and forgo the work that has taken place.

Mayor Woodson asked if the Rowan County Literacy Council is a non-profit. Mr. Hardin stated it is. Mayor Woodson pointed out the use is already allowed at the West End Plaza and that approval or denial of the SUP will not affect the Rowan County Literacy Council’s relocation. Mr. Hardin noted the Rowan County Literacy Council does not want to get caught up in the animosity surrounding the SUP by putting a positive program into a negative situation.

Mr. John Dees, Ketner and Dees Attorneys, attorney for the applicant, addressed concerns presented at the last Council meeting. He noted he met with Rowan County Planner Ed Muire regarding Council’s apprehensions. He explained a proposal was developed and presented to the Rowan County Board of Commissioners which could alleviate Council’s concerns.

Mr. Muire reviewed the basis of Findings of Fact. He noted the County reviewed the City’s LDO and Vision 2020 Plan relative to the standards Council will use to make its decision. He noted the use must meet all required principals and specifications of the LDO:

- SUP applications for Government Services are the LDO standard of review when no expansion or new structures are proposed
- SUP for Governmental Services are reviewed to determine their general appropriateness based upon three general subjective criteria
  - No specific standards are required for the application
  - No additional use standards required per Chapter 3 of the LDO

Mr. Muire pointed out there is no proposed expansion of the structure. He added if the County was requesting to expand the structure it would use a Conditional District (CD) Overlay application.
Mr. Muire noted a portion of the first criteria addresses the Vision 2020 Plan. He noted he was confused by a point in the Vision 2020 Plan that references the areas of East Innes Street and the West End Plaza as ugly congested commercial strips. He stated the County believes the proposed conditions the County is offering as Findings of Fact will meet the goals of the City. He reviewed the Vision 2020 Plan Policy C-8:

- The City shall encourage appropriate landscaping and reconfiguration of large, un-landscaped parking areas. Landscaped pedestrian walkways from car to store or across a parking area shall be encouraged
  - The County will provide a combination of ornamental trees and small shrubs equivalent to 238 landscaping points as noted on the accompanying site plan
  - The County will re-stripe all existing crosswalks at the West End Plaza

Mr. Muire stated the County will consent to landscaping as noted on the site plan. He added the additional planting is not required by the LDO. He explained based upon the landscape scoring matrix a maximum of 238 points will be provided through ornamental tree plantings supplemented with small bushes. He added the County will coordinate the plantings with the City’s Landscape Architect and the Cooperative Extension Director. He indicated the planting would be completed based upon weather and seasonal planting times no later than one year after the issuance of the SUP. He reviewed a map of the area, and he pointed out existing islands that have Crepe Myrtle trees and Juniper rug in place, and the proposed locations of the additional plantings to enhance the area.

Mr. Muire referenced the Vision 2020 Plan and noted Policy C-9:

- The City shall encourage the provision of convenience clusters for pedestrians, bicyclists and taxi/bus riders at appropriate locations in existing commercial areas
  - The County will provide a convenience cluster at the main entrance to the West End Plaza near Thelma’s restaurant

Mr. Muire pointed out Policy C-15 of the Vision 2020 Plan:

- The City shall provide for technical and financial assistance to targeted commercial areas at critical locations. “With so much emphasis given to downtown areas of Salisbury, it is easy to forget about the revitalization and redevelopment of other commercial areas in the City. This may be particularly important when addressing major gateway corridors into the City”
  - The County respectfully recognizes the City’s vision for its jurisdiction and contends the West End Plaza is keeping with that vision by stabilizing the loss of retail and vacancy of commercial buildings in the area by supplementing Highway Business (HB) uses with Governmental Services at the West End Plaza
Mr. Muire displayed photographs of vacant buildings along West Jake Alexander Boulevard, and he pointed out there is an abundance of vacant commercial buildings:

- 1400 West Jake Alexander Boulevard – 10,000 square feet
- 1504 West Jake Alexander Boulevard – 3,420 square feet
- 1538 West Jake Alexander Boulevard – 124,000 square feet
- 1514 West Jake Alexander Boulevard – 11,600 square feet

Mr. Muire referenced the Vision 2020 Plan Policy PT-2:

- Site planning that incorporates transit stops and convenience clusters shall be required, where appropriate
  - Similar to Policy C-9, the County will provide a convenience cluster and will coordinate the relocation of the transit stop with Salisbury Transit System

Mr. Dees indicated the County analyzed the uses permitted by-right in HB and these uses include outdoor amusements, equipment rental, light manufacturing, and metal products fabrication. He noted it is the County’s position that Government Services is a less intensive use and more consistent with professional services permitted in HB districts. He pointed out Governmental Services is permitted in all 16 zoning classifications as a special use, and as such, is conclusive on the policy question of general use compatibility pursuant to North Carolina case law.

Mr. Muire pointed out HB is an open district that prohibits 10 uses out of 83 possible uses. He added aside from the landscaping improvements there are no exterior modifications proposed. He noted the County consents to the additional condition recommended by the Planning Board for screening any outdoor storage at the rear of the facility.

Mr. Dees referenced the elevation difference between the West End Plaza and the surrounding area. He emphasized with Government Services outdoor storage is restricted to the rear of the building, and the County agrees to screen the rear outdoor storage from neighboring residential areas. He stated during a site visit the County determined there is a 20 to 24 foot drop from the mall site to the residential areas. He emphasized anything in the screened area would not be visible from the residential units. He pointed out the City has a maintenance shed on North Fulton Street in the middle of a residential neighborhood that needs to be addressed.

Planning and Development Services Manager Preston Mitchell explained the City’s Maintenance Shed is a pre-development condition. Mr. Muire indicated the County consents to screening the rear outdoor storage area.
Mr. Muire noted the public health, safety and welfare will be assured and the proposed development will not substantially injure the value of adjoining property and associated uses if located where proposed. He added:

- All interior up-fits will be designed, reviewed and inspected in adherence with the North Carolina Building Code and subject to inspections by the Salisbury Fire Marshal and Rowan County Building Inspections
- Pursuant to testimony of Jerry Rowland, North Carolina licensed general appraiser, the West End Plaza has outlived its useful economic life as solely retail
  - This is supported by the number of vacant retail buildings along Jake Alexander Boulevard
- Continued maintenance of the building and providing mixed uses will stabilize the subject property and adjacent area by increasing pedestrian and vehicular traffic, benefiting current West End Plaza tenants and the surrounding area
- The proposed change in use will not substantially injure the values of adjoining properties, but would stabilize the area

Mr. Dees stated as a voluntary condition the County consents to limiting the total area of the SUP application to 40,000 square feet, which is the current anticipated need for Rowan County Board of Elections, Veterans Services, and County maintenance facilities. He noted additional expansion of Government Services beyond 40,000 square feet would require the County to seek an amendment to its SUP. He indicated he confirmed with the City’s Planner that limiting the SUP application to 40,000 square feet can be implemented as opposed to limiting specific government uses at the site.

Mayor Woodson clarified the County is proposing to put three offices in 40,000 square feet of the West End Plaza. Mr. Dees stated 40,000 square feet is probably 3,000 square feet more than is actually needed for Veteran Services, Rowan County Board of Elections, and County maintenance facilities. He pointed out the County was unsure if the 40,000 square feet would be inclusive or exclusive of outdoor storage, so it requests 40,000 square feet of interior space for the three proposed plans.

Mr. Kennedy inquired about the total square footage of the facility. Mr. Dees noted the facility is 326,000 square feet.

Ms. Blackwell requested clarification from Mr. Dees regarding the 40,000 square feet. Mr. Dees indicated the 40,000 square feet does not include outdoor storage because the applicant does not know if outdoor storage will be needed. He pointed out if outdoor storage is more than 10,000 square feet the Plan would have to go through City review.

Ms. Blackwell asked City Attorney Rivers Lawther what Council should do with contradictory testimony. She pointed out two weeks ago Rowan County Commission Vice-Chair Craig Pierce assured Council there would be no outdoor storage, and Mr. Dees now says the County does not know if there will be outdoor storage. Mr. Lawther stated Council must decide.
Mr. Dees noted he reviewed his notes from the meeting and re-watched the video. He indicated he does not recall that specific statement, but he would not consider it contradictory evidence. He emphasized the 40,000 square feet being discussed is for internal space exclusive of outdoor storage because the County does not know if it will need outdoor storage.

Mayor Woodson stated if the SUP is approved for 40,000 square feet of Government Services, the County would have to come back before Council if it needs outdoor storage that exceeds 10,000 square feet. Zoning Administrator David Phillips clarified if there is any development to the building footprint that exceeds 10,000 square feet it must be reviewed. He noted at Council’s last meeting it was noted outdoor storage in the HB district is an incidental use that could be conditioned, but is a permitted use.

Mr. Muire noted the County has agreed with the Planning Board’s recommendation to screen outdoor storage for Government Services in the rear of the property. Mr. Dees pointed out currently space could be rented to United Rental and equipment could be stored in the front of the property as a permitted use based upon current HB zoning.

Mayor Woodson asked for clarification. Mr. Phillips pointed out if the footprint of the building is increased by 10,000 square feet or more, the plan would have to come back as a major site plan review. He added outdoor storage is allowed in the HB district as an incidental use with the condition placed upon it by the Planning Board that it be screened from all view. He explained the LDO requires outdoor storage be screened from street view.

Mayor Woodson asked if the County can use 49,000 square feet if the SUP is approved. Mr. Phillips explained the County is indicating it will limit Government Services to 40,000 square feet inside the building. He added if the County increased the building footprint by 10,000 square feet it would require a major review of the site plan.

Mr. Mitchell pointed out some of the confusion comes from the use of square footage while talking about physical development and use. He added the County is offering to limit Government Services to 40,000 square feet. He explained the West End Plaza is 326,000 square feet. He pointed out the County is offering to limit Government Services to just over 12 percent of the square footage. He added if the County decides to expand Government Services over 40,000 square feet it would have to amend the permit. He emphasized the 10,000 square feet does not relate to use.

Mr. Dees pointed out the 40,000 square foot restriction was a good faith attempt to convey the County’s intentions to Council that any subsequent expansion of Government Services would come before Council. He pointed out Council and the County Commission would work together at that time with regards to Government Services for more than 40,000 square feet.

Mr. Mitchell pointed out an amendment to the SUP would be heard by the Planning Board before it is brought before Council as a quasi-judicial hearing.

Mayor Woodson opened the floor for additional testimony.
Mr. Michael Young, 117 Maupin Avenue, stated Commission Vice-Chair Craig Pierce has announced if Council denies the SUP request it will be appealed. He asked that the letter written by Mr. David Post and featured in the Salisbury Post be included as part of the official record. (Mr. Young did not provide a copy of the article)

Mr. Todd Paris stated he is with La Resistance. He noted he read the article by David Post featured in the Salisbury Post. He emphasized La Resistance agrees with Mr. Post’s analysis of the law in this case. He asked that Council deny the request because it sets a bad precedence for the future. He questioned why the County does not use the former theater it owns on the site to house the Veterans Service Office and the Board of Elections.

Mr. David Post, 121 East Corriher Avenue, referenced his article in the Salisbury Post, and he noted there were deficiencies in the presentation of evidence. He added there was no evidence presented by the Fire Marshall or a structural engineer. He emphasized he respects Mr. Dees and Mr. Muire and trusts their judgment, but there was no legal evidence from a structural engineer or the Fire Marshall. He indicated he likes the idea of the mall being developed, but he does not think the legal requirements have been met.

Ms. Blackwell pointed out she did not read Mr. Post’s article. She asked Mr. Post to present his points as new information.

Mr. Post indicated he made five points in his article. He stated the first point addressed the evaluation criteria that stated the use meets all required principals and specifications of the Ordinance, one of which is fiscal responsibility and better services according to Section 1.2 of the LDO. He question the meaning of the word “better” and noted an attorney would say Council must determine the definition. He indicated the second point is HB does not intend for Government Services as a use, it does not satisfy the intent of the assigned district category, therefore requiring an SUP. He referenced the third point according to Policy C-2 of the Vision 2020 Plan that encourages a flexible yet compatible development environment that supports new businesses formation. He emphasized Government Services does not equal business. He added the proposed use is not a new formation, it is a relocation and when something is relocated it creates a vacancy somewhere else. Mr. Post pointed out Government Services does not qualify as new business formation as stated in Policy C-2 of the Vision 2020 Plan. He stated Mr. Queen addressed the City’s older commercial areas, and he pointed out the definition of older could be argued. He added he does not believe allowing Government Services at the mall constitutes growth or that the former mall site should be considered an older commercial area. He noted there are many areas in the City that are older than 29 years. He asked how Government Services preserves the spirit of “large-scale commercial development.” He stated one would have to determine government equals commercial. Mr. Post pointed out the property will contain a mixture of retail, office, restaurants, and service uses. He added he does not believe the term “service uses” includes Government Services. He noted in his opinion it means hair salons, restaurants and the like. He added if Government Services was intended, Policy C-23 would have included Government Services. Mr. Post emphasized since an SUP is required to allow Government Services it clarifies the term “service use” does not include Government Services. He noted the LDO stated relative to the public health, safety, and welfare the associated use requires approval from the Fire Marshall and must be North Carolina Building
Code compliant. He asked if the County has to comply with the Fire Marshall today or at some point in the future and added he thinks it means today. He added he is not a structural engineer, but he does not think the requirements for the SUP have been met. He indicated there was no evidence other than the testimony of Mr. Muire and Mr. Dees, and neither are experts on Fire and Building Codes.

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

Mr. Mitchell suggested striking Mr. Young’s comment regarding Mr. Pierce’s statement as hearsay without confirmation. Mr. Kennedy asked for clarification. Mr. Mitchell noted there was a statement by Mr. Young in his testimony claiming Mr. Pierce stated he was going to do something, but it is hearsay without confirmation. He recommended striking the comment.

Councilmember Alexander stated Council received a lot of information, but she does not believe there is sufficient evidence to meet the burden of proof. She pointed out Mr. Dees explained specific standards are required for SUP hearings so Council can apply the same standard to every application. She noted in consideration of the City’s matrix, it has been said that since Government Services is in every district its use should be automatic. She indicated she disagrees, and she pointed out if it were allowed it would be listed as a permitted use. She emphasized when an SUP or CD Overlay is required there are 20 or more uses that are classified Government Services. She indicated if Council issues an SUP for Government Services, the SUP will not block any Government Services use, and as an architect and an urban planner she is concerned. She explained with an SUP the County could put anything on the property including a garbage dump. She noted the County is considering a water system and with the mall being 17-acres, the County could put a water treatment plant on the site.

Ms. Alexander noted she does not believe an SUP is appropriate for the property. She added a CD Overlay would allow the County to do what it started and eliminate the quasi-judicial process. She stated a CD Overlay includes the technical review process and allows City staff and the property owner to work out an appropriate plan. She emphasized the decision before Council is not a simple SUP, and Council’s decision will affect the community for decades.

Ms. Alexander pointed out North Carolina Building Code will require changes to the exterior of the building. She emphasized, as an architect, she deals with this situation daily and when an occupancy changes all of the criteria for the change must be met. She explained an occupancy change from retail to office will require additional exterior openings which will change the appearance of the property and could be handled through a CD process.

Ms. Alexander emphasized she does not think Council has enough evidence to make a decision regarding an SUP because it needs competent, substantial and material evidence. She pointed out Mr. Pierce mentioned the County hired an architect and is conducting a space needs study. She stated it seems premature to make a decision regarding an SUP when the County has not determined its actual needs and how much square footage will be needed in each part of the building for Government Services. She emphasized there are 7.6 acres of property under roof, and changing the occupancy of that much property will require changes to the building by the
North Carolina Building Code, but no one knows what the changes will be, and she thinks evidence is lacking.

Ms. Alexander stated there is 300,000 square feet with 15 acres of parking. She pointed out the County has shown trees around the edges of the property on the landscape plan. She noted interior trees were required to alleviate the sea of asphalt at the Wallace Commons, Big Lots and Kmart parking lots which are also zoned HB. She stated this parking lot is almost 15 acres of asphalt. She added if the SUP is granted today it will be on the corner of a very busy intersection where 17,000 vehicles per day travel Statesville Boulevard and 20,000 vehicles per day travel Jake Alexander Boulevard. She asked if Government Services is appropriate for one of the City’s busiest commercial corridors.

Ms. Alexander pointed out County representatives stated they decided to seek an SUP because the design and infrastructure of the building are in place, but it is not in place if the whole point is to change the use of the building. She stated she thinks a CD Overlay is a more appropriate choice. She added the County is requesting to downzone commercial property on this busy corridor of the City. She added she does not think the fiscal responsibility or betterment of services will be met by relocating Government Services from one side of the City to the other. Ms. Alexander indicated she wants to know what specific Government Services are to be included in the relocation because otherwise it is irrelevant. She read Section 15-18 of the LDO, “special uses are land uses that are generally compatible with the land uses permitted by right in a zoning district but require individual review of their location design and configuration so as to evaluate the potential for adverse impacts on adjacent properties and uses.” She pointed out special uses insure the appropriateness of the use at a particular location within a given zoning district.

Ms. Alexander stated the plan does not have enough information to ascertain whether Government Services would be appropriate or not. She added any city, municipality or county is concerned with tax producing property and its revenue. She pointed out if this 300,000 square foot commercial property becomes Government Services, the County and City will lose tremendous revenue annually, and she would not call that financial betterment or fiscal responsibility.

Ms. Alexander pointed out if Government Services is allowed the County will have to make sure the property is North Carolina Building Code compliant, and no one knows how many changes will be made to the exterior of the building. She referenced Mr. Rowland’s testimony where he emphasized the SUP should be approved because the County will maintain the appearance and upkeep of the old Salisbury Mall. She added that is not evidence, it is opinion because he no longer works for the County and has no control over what it maintains. She pointed out there is cracked asphalt in the parking lot. She indicated Mr. Rowland explained all values are based upon fact, but he noted he could not assign a value when a property is not zoned properly for the use at the time of the appraisal. Ms. Alexander stated Mr. Rowland also clarified that he was not asked to assign a value to the West End Plaza. She added he supported the SUP because in his words, “he would guarantee the building is maintained.” She stated he cannot make that guarantee. She noted Mr. Rowland indicated it is very difficult to find mall sales to assign a value to the property so he did not give a value. She pointed out Councilmember
Miller asked Mr. Rowland for pertinent information regarding how he would value the property whether through a rental, sales, or cost approach. She added Mr. Rowland stated he was only asked to offer an opinion on the surrounding property values, but even this would have to be done on a substitute rental value basis. Ms. Alexander added substitute rental value would be based on opinion and could not be considered hard evidence. She noted if substitute rent is used for the mall then governmental rent would be at a lower price per square foot than retail or commercial rent, and Council cannot use this as evidence. She indicated Mr. Rowland emphasized that comps are very important in the appraisal process, but he noted that a 30-year old mall it is almost fully depreciated so the value would depend on rental income where the property would be valued for much less.

Ms. Alexander referenced surrounding properties and noted K&W Cafeteria is closing because it does not have the customer base it had when the property had a commercial use. She noted vacant property is less expensive. She stated Mr. Miller also asked Mr. Rowland how outside storage of vehicles would impact surrounding property values, and Mr. Rowland stated it was his opinion it would impact them. She added Mr. Miller then asked Mr. Rowland if the property value would increase and Mr. Rowland stated it would not. She noted Mr. Dees then passed a note to Mr. Rowland which can be viewed on the meeting tape, and Mr. Rowland then clarified his earlier statement that based upon the approval of the SUP, he did not think values of the surrounding properties will substantially change or decrease.

Mayor Woodson asked Ms. Alexander to clarify her last statement. Ms. Alexander noted during Mr. Rowland’s conversation with Mr. Miller he indicated in prior cases outdoor storage spaces were restricted to certain locations. She noted Mr. Dees passed Mr. Rowland a note and at that point Mr. Rowland said that based on the approval of the SUP he did not think the values of surrounding properties will substantially change or decrease which is exactly the opposite of what he said to Mr. Miller on page 19 of the Minutes from the last Council meeting as transcribed.

Ms. Alexander indicated Mr. Pierce spoke about plans for the mall. She noted these plans have not been voted on so they are subject to change, and Mr. Pierce is a single member of a five-member Commission. She stated the County decided to move the Sheriff’s containment site to a different location so an impound lot would not be placed at the West End Plaza. She added Mr. Pierce indicated the County’s capital need would be over 250,000 square feet in the next decade. She indicated the County is planning to offer space for a business incubator, but the only thing noted in the plan Council received is that the County was going to make two interior renovations for the Veteran Services Office and the Rowan County Board of Elections. Ms. Alexander noted Mr. Pierce said the County is in the process of completing a space needs study. She questioned why the County is not waiting until the study is complete before decisions are made. She added Mr. Pierce also mentioned the County is considering moving the Department of Social Services and the Health Department from Innes Street into the former Belk and J.C. Penny’s locations. She added to move that many people into an office area will require a substantial amount of new exits. She added no one will want to live and work without windows, and she thinks additional windows will be needed. Ms. Alexander emphasized the request does not meet all of the criteria for approval, and if only one criteria is not met it is subject to denial. She added because information is lacking, issuance of the SUP would not be appropriate. She
indicated Mr. Pierce said the County was offering the Rowan Museum storage space. She emphasized there were many different things that may or may not go into the property but Council does not know for sure. She added this is 300,000 square feet of commercial property.

Councilmember Miller noted his service as a Councilmember is shaped by having served six years on the Planning Board, four years as a member and two years as the Chair, where he was involved in the Land Development Ordinance Committee (LDOC). He stated he is approaching this as a planning issue. He noted the issue before Council is whether Government Services is an acceptable use. He added he would accept one of the facts provided by the County Attorney that based upon the use matrix for uses permitted by-right in HB, the introduction of Government Services is less intensive and is consistent with professional services that are permitted by-right.

Mr. Miller indicated Council is not being asked to determine the appropriate place for a Veteran Services Office or a Board of Election office or where those jobs should or should not be located. He added Council is considering a planning and zoning issue and if the use is appropriate at this place. He indicated what the property owners do with this use is not Council’s prerogative. Mr. Miller indicated Council is not to debate the appropriateness of the purchase of the property. He noted his 15 to 20 years of experience as a commercial loan officer tells him there is a move in new urban uses, but mixed uses are not normally mixed in this way. He referenced Ms. Alexander’s comments about people needing access to doors and windows, and he noted this is not how mixed-use development is done by having office, storage, Bath and Body Works, K&W Cafeteria all together. He indicted uses do not like this type of co-mingling, and he has never known it to work. He pointed out he is not the most experienced commercial real estate lender, but he has never known it to work this way.

Mr. Miller noted he thinks the purchase of the property and the way the County is approaching how to use it shows a lack of experience in commercial real estate matters. He recognized there is a lot of interest in the community regarding the issue and many people want Council to make sure it does not happen, but that is not Council’s job. Mr. Miller emphasized Council’s job is to decide a planning issue, and if this use is appropriate in this place. He added he does not think office use introduced into this site materially changes the area. He emphasized he does not like it and he does not think it is wise, but he does not think it materially changes the site. He added he feels the CD Overlay is a better process because it defines exactly what can happen at the location. He added his understanding of planning tells him the County chose the SUP because it was a less expensive option because a CD Overlay would require drawings and other expenses.

Mayor Pro Tem Blackwell pointed out the County would not be able to appeal a CD Overlay. Mr. Miller added that may be another reason the County chose an SUP. Ms. Alexander clarified a CD Overlay can be appealed.

Mr. Miller stated a CD Overlay is a more intensive process for approval, where an SUP is a paper form and requires planners to determine if the use meets the Code. He emphasized he does not like the use, he does not want the use, he would prefer not to have the use, and he would prefer not to be a shareholder in this property, but he cannot find this is an unreasonable request.
by the property owner. He added he would prefer a CD Overlay. He stated the facts presented to him do not lead him to deny the request. He added if the State was locating jobs at the proposed site Council would probably allow it. He noted if the VA Medical Center wanted to put a call center on the mall site Council would probably accept it. He stated the issue is that the change might cause a loss in jobs in the downtown area, and it is causing citizens to have a problem with the request. He indicated the County’s willingness to limit its use of Government Services to 40,000 square feet gives him some comfort.

Mr. Miller indicated his mind is not fixed, and he is listening to the testimony of Council but he is prepared to vote based upon what he understands at the moment. He commended Ms. Alexander on her points and added he looks forward to the rest of Council’s comments, but he does not see a reason the County cannot move forward with its request. He commented he does not like it and, and he wishes Council would not have to deal with it, but he can accept it.

Ms. Blackwell noted she also served on the Planning Board. She emphasized that no matter what decision Council makes it does not reflect a respect or lack of respect for veterans. She noted the County needs more space for its veterans. She stated she served on the Planning Board and feels the decision should reflect the three requirements needed to issue an SUP. She added she has an issue with whether the use meets the required standard that states the use meets the principles and specifications of the Ordinance and any adopted land use plans and is in harmony with the general purpose and intent and preserves its spirit. She stated she does not think the requirement has been met. She pointed out the requirement that the proposed plan be visually and functionally compatible to the surrounding area has not been met.

Ms. Blackwell stated there is an apartment complex near the rear parking lot, and if storage is placed in the rear parking lot it will face those apartments. She indicated there is a parking buffer between the apartment building and the mall, but if storage is placed in the parking area it will be right against the apartments which is not visually or functionally compatible with surrounding areas. She indicated Mr. Rowland made a statement at Council’s last meeting that government offices would be a higher and better use than an abandoned mall. She stated a member of Council asked if it would be a higher and better use than a thriving mall, and he acknowledged the answer was no. She stated the mall is not South Park Mall, but its age should not affect its use. She indicated South Park Mall was built in 1970 and on Black Friday it is the most highly congested mall in the United States. She pointed out the age of a mall does not affect its use. Ms. Blackwell added the mall site was compared to industrial buildings on Jake Alexander Boulevard as proof the retail strip is outdated. She indicated the mall is retail and comparing it to industrial buildings is not an accurate comparison. She pointed out Council’s decision is based upon whether the three conditions for an SUP have been met, and in her observation they have not.

Mayor Woodson noted something will have to be done with the mall. He added he is concerned that all of the findings to issue an SUP have not been met. He commended Council for the points it made, and he noted the mall site and the industrial buildings on Jake Alexander Boulevard are not the same. He pointed out the building will need additional windows and other renovations. Mayor Woodson noted Council must do something to allow the County to use the facility, but he cannot support an SUP. He added the County should consider a CD Overlay in
order to work out some of the details. He stated the County spent $3.5 million on the mall, and a compromise must be reached.

Mr. Mitchell stated before Council makes a motion it must address its standards for decision regardless of the decision. He added if Council does not find in favor of one of the standards it is obligated to deny the SUP, but if it finds in favor of all three standards it must approve the request. He emphasized Council must still go through the Findings of Fact process.

Mayor Woodson stated he does not think he can vote on this as an SUP. He noted he does not agree with all of the findings.

Councilmember Kennedy noted the standard states that the proposed plan as submitted and approved must be visually and functionally compatible to the surrounding area. He stated he felt comfortable when the petitioner stated they would only use 40,000 square feet of the 326,000 square feet for Government Services at this time. He noted in his 21 years on Council he is usually presented with a plan, but he has not seen a plan for 326,000 square feet. He added there is a possible plan for 40,000 square feet, but he is not comfortable with that. He noted he trusts the County will do what it says it will do and come back before Council if it needs more than 40,000 square feet for Government Services. He emphasized the County owns the building and Council will have no control if an SUP is approved. Mr. Kennedy explained once the County begins work it will not have to come back to Council. He pointed out there is going to be an election and the Commissioners who indicate they would come back before Council may not be in office in six months, and that makes him uncomfortable. He added he cannot support the SUP request at this point because he does not see a plan for 326,000 square feet.

Mayor Woodson noted the 40,000 square feet for Government Services offered by the County was a good faith effort.

Mayor Woodson asked if a member of Council would provide the Findings of Fact.

Thereupon, Ms. Alexander made a motion for the following Findings of Fact as evidenced by the following testimony. She noted she does not believe there was sufficient evidence regarding the fiscal responsibility and better services as per the Salisbury LDO. She added she does not think the intent as it has been presented satisfies the district categories, specifically the HB.

Ms. Alexander asked if she needed to be more specific since her comments are in the record. Mr. Mitchell noted Ms. Alexander needs to state that she finds that the use meets or does not meet the standards and why.

Ms. Alexander stated she did not find in favor of the fiscal responsibility and better services as per the Salisbury Land Development Ordinance because of a lack of evidence. She added Mr. Rowland did not supply Council with sufficient information regarding the actual property values. She indicated she finds that it does not satisfy the intent of the assigned districts category, specifically HB. She noted there are too many different government uses, and it is not clear what will ultimately be at the location. Ms. Alexander emphasized more information needs
to be provided. She stated additional standards need to be included, specifically where uses will change and drawings are needed that depict the new exterior of the building. She added additional window and door openings will be required to meet the North Carolina Building Code. She indicated there is not sufficient evidence to convince her that this is an appropriate reuse of commercial property. She added the County has not proven the use will support new business formation or growth in the City particularly in this commercial area. Ms. Alexander added K&W Cafeteria is rumored to be closing since the County purchased the property. She stated she agrees that large-scale commercial developments contain a diverse mixture of retail, office, restaurant, and service uses; however, the service uses spoken about in the Code are not government uses or there would be no reason to have an SUP or a CD Overlay process to allow Government Services as a use.

Mr. Mitchell asked Ms. Alexander if she is applying her Findings of Fact to the first standard. Ms. Alexander stated her Findings should be applied to the first standard.

Ms. Alexander noted she did not think the burden of proof was met regarding the statement that large-scale commercial development contain a diverse mixture of retail, office, restaurant, and service uses which are in the City Code. She added those service uses are not specific to government uses and if they were there would be no need to require an SUP or CD Overlay process for Government Services. She stated for that reason she does not think that burden of proof was met. Therefore, Ms. Alexander made a motion that number one does not meet the required evidence. Ms. Blackwell seconded the motion. Messrs. Kennedy and Woodson, and Mses. Alexander and Blackwell voted AYE. Mr. Miller voted NAY (4-1)

Ms. Alexander noted the proposal as submitted will not be visually and functionally compatible to the surrounding area as evidenced by testimony that the petitioner is going to change uses which will have to comply with the North Carolina Building Code that will require additional exits and other changes to the exterior of the building. She added Council has no supporting evidence to prove what the changes will be and this does not meet the requirement that the appearance of the building is to be maintained as is. Ms. Blackwell added the language of the requirement states the proposed plan “as submitted” and she noted Council has not received a plan. Ms. Alexander noted the plan is non-existent. She added the site plan is incorrect because it shows the total amount of square footage including the K&W Cafeteria which the County does not own. She emphasized one of the plans submitted is incorrect. Thereupon, Ms. Alexander made a motion that the SUP should be denied as a result of not meeting the burden of proof. Mr. Kennedy seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Alexander and Blackwell voted AYE. (5-0)

Ms. Alexander indicated the public health, safety and welfare will be assured, and the proposed development will substantially injure the value of adjoining property. Thereupon, Ms. Alexander made a motion to deny the request. Mr. Kennedy seconded the motion. Messrs. Kennedy and Woodson, and Mses. Alexander and Blackwell voted AYE. Mr. Miller voted NAY (4-1)

Mr. Mitchell stated since Council has made its findings and voted against all three standards Council is obligated to deny the SUP.
Thereupon, Ms. Alexander made a motion to deny a Special Use Permit allowing the use of Government Services on property located at 1935 Jake Alexander Boulevard West based on all general standards of the Salisbury Land Development Ordinance not being met. Ms. Blackwell seconded the motion.

Mr. Miller asked for clarification. He asked if he voted in favor of one standard if he would have to vote for denial. Mr. Mitchell clarified Mr. Miller does not have to vote in a particular way. He explained the approval or denial is by a simple majority. Mr. Miller noted it does not meet all general standards. Mr. Mitchell explained Council, as a body, will have to approve or deny the request. He added the legal obligation is that since the standards have not been met it should be voted down. Mr. Kennedy stated if the request does not meet one of the qualifications then it fails.

Messrs. Kennedy and Woodson, and Mses. Alexander and Blackwell voted AYE. Mr. Miller voted NAY (4-1)

Mayor Woodson stated Council needs to discuss how to proceed with this item in the future.

Mr. Mitchell offered clarification regarding the proposed plan as submitted. He stated the lack of a site plan that would typically be submitted during a CD Overlay or site plan approval was not due to any error by the County or lack of preparation. He explained for an SUP on pre-developed properties where the petitioner is not proposing to add or remove parking or square footage, it is common to use the existing foot print, parcel lines, and information as the plan, since it is strictly use-based.

Mayor Woodson noted Council is seeking another way to handle the situation. He noted he does not want Mr. Muire and Mr. Dees to think Council does not want to work with the County. He added the County owns the mall and has a lot of money invested in it, but Council has concerns.

Mr. Dees asked what direction the County should use for the plan. Ms. Alexander noted she mentioned in her comments the County may want to consider a CD Overlay because it would give Council the information and evidence it needs to approve the project at each stage of completion. She pointed out CD revisions go before the Planning Board giving the County more options to work through the process without a quasi-judicial proceeding.

Mr. Muire stated the confusion that exists on the part of the County is that what Council considers to be a lack of a plan is allowed by City Ordinance. He added City Ordinance does not require the County to do anything but come before the board with an application. He added the County would love to meet a standard or metric in the Ordinance, but one does not exist. He indicated the County spoke with City staff and the SUP was suggested as the appropriate plan of action. Mr. Muire noted he does not understand how a CD Overlay would do anything different than the proposed SUP. He emphasized the County suggested placing limits on the square footage and presented landscape plans. He pointed out the CD Overlay is similar to the SUP but
there was no requirement that the County do those things upfront. He noted the County made a good faith effort and is doing things correctly. He referenced the Cohen Building and noted there are a variety of other buildings the County has redeveloped. He added he hopes Council will consider those buildings.

Mayor Woodson noted the County has renovated other properties in the City well, but as an elected body Council would be more comfortable with another direction. He added he knows the Planning Department told the County what it thought was correct, but Council would rather go another way.

**LAND DEVELOPMENT DISTRICT MAP AMENDMENT CD-04-2014 ROWAN-SALISBURY SCHOOL SYSTEM**

Planning and Development Services Manager Preston Mitchell explained CD-04-2014 is a request to rezone properties at 504 North Main Street. He displayed a map of the area and noted the property is comprised of seven parcels, three located along North Main Street, two along West Cemetery Street, and two along North Church Street. He noted the request is to:

- Maintain the existing Downtown Mixed-Use (DMX) and Corridor Mixed-Use (CMX) base zoning districts
- Establishing a new Conditional District (CD) Overlay to allow the development of a new Rowan-Salisbury School System Administrative building approximately 47,000 square feet
  - Government Services
    - Requires a Special Use Permit (SUP) or a CD Overlay

Mr. Mitchell noted the request is for new development which typically goes through a CD Overlay, and if adopted the CD Overlay will establish a permanent overlay on the site.

Mr. Mitchell reviewed the Master Plan, and he pointed out the building will be located on the corner of North Main and West Cemetery Streets. He added parking and service areas will be located to the rear along West Cemetery Street with additional parking along North Church Street.

Mr. Mitchell displayed a rendering of the project, and he pointed out its proximity to local businesses. He noted the property is located in the 500 block of North Main Street, and the primary entrance would be at the intersection of Cemetery and North Main Streets. He pointed out four buildings along North Main Street that will remain in place and a building at the corner of North Main and Cemetery Streets scheduled for demolition. He added the demolition permits have been obtained and another building is slated for demolition to make room for parking. He noted the stone wall along North Church Street is considered historic and as part of the Historic Preservation Commission (HPC) review will not be altered. He added the applicant is proposing to pay-in-lieu of sidewalks so the wall can remain as is.
Mr. Mitchell explained the Conditional District Overlay:

- Floating overlay zone
- Master Plan is required
- Allows alternative design
- Certain provisions of the Land Development Ordinance (LDO) may be altered or removed
- Conditions may be added at time of approval
  - Recommended by staff and the Planning Board
  - Adopted by Council
  - Agreed upon by petitioner

Mr. Mitchell explained the request meets all elements of the LDO and no design alternatives are requested as part of this petition. He added the Government Services use mandates either an SUP or CD Overlay.

Mr. Mitchell explained the property is split-zoned, and the split-zoning runs through an existing alleyway. He noted a portion of the alley has been through the closing process, and the petitioner is proposing to use part of the alley as a means of ingress and egress to the property. He pointed out the building, service area, and the majority of the parking will be located in DMX zoning with additional parking in CMX zoning. Mr. Mitchell noted the local historic overlay applies to the 500 block of North Main Street. He indicated the petition was taken to the HPC who recommended approval and issued a Certificate of Appropriateness.

Mr. Mitchell reviewed the proposed uses under DMX/CMX CD Overlay:

- All uses other than Government Services will be prohibited on the site
- The CD Master Plan and Overlay establishes and sets the development type and all uses to exactly what is proposed

Mr. Mitchell referenced the Vision 2020 Plan and noted:

- Policy D-1: The City shall encourage a compatible, diverse mixture of retail, office, institutional, residential, dining, services, entertainment, and public open space in the downtown area
- Policy D-6: The City shall maintain a tangible presence and commitment to the downtown through the location of the City’s major municipal offices there. The City shall also encourage other local, state and federal governments to maintain similar commitments to the downtown

Mr. Mitchell noted the Downtown Master Plan 2010 Update has no specific policies to address this area. He stated the Planning Board convened on September 9, 2014 and recommended approval.

(b) Mayor Woodson convened a public hearing, after due notice thereof, to receive comments regarding CD-04-2014.
Mr. Bill Burgin, 317 Mahaley Avenue, explained the project was previously presented to Council on a different site. He pointed out it is the same building on the north side of town instead of the south side of town. He noted the Plan has gone through all of the approvals for alley closing and HPC review. He stated the petition is for a CD Overlay which is required for a government building. He added all other standards to locate in the downtown have been met.

Mr. David Post, 121 East Corrider Avenue, stated he serves on the Planning Board and voted to approve the request. He noted construction costs have risen approximately 25 percent since the item was discussed for 329 South Main Street. He indicated it is unfortunate the total square footage will be 47,000 square feet when 60,000 square feet is needed.

Mr. Michael Young, 117 Maupin Avenue, commended Council for staying the course. He added it is disappointing the project will not be as large as originally planned or in the original location, but it is a good plan.

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

Mayor Woodson stated the City and the County need this building to further education in the community. He thanked everyone who worked on the project.

Mr. Miller stated the City Council hereby finds and determines that adoption of an Ordinance to rezone the property as described herein by establishing a Conditional District Overlay is consistent with the goals, objectives, and policies of the Vision 2020 Comprehensive Plan, is not inconsistent with the 2010 Downtown Master Plan Update, and that adoption of the Ordinance is reasonable and in the public interest. Thereupon, Mr. Miller 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, by rezoning approximately two acres (seven parcels) at 504 North Main Street by establishing a Conditional District Overlay to permit the development of a 47,268 square foot Government Services Administration Building, identifying the development documents, identifying permitted uses; identifying the development conditions; providing an effective date; and for other purposes. Ms. Blackwell seconded the motion.

Councilmember Kennedy thanked Mayor Woodson and Council, Rowan County Commissioners, and the citizens who worked on the project.

Councilmember Alexander commended Mr. Burgin for his work on the project. She added it is a beautiful building.

Messrs. Kennedy, Miller, and Woodson, and Mses. Alexander and Blackwell 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 TWO ACRES (SEVEN PARCELS) AT 504 NORTH MAIN STREET BY ESTABLISHING A CONDITIONAL DISTRICT OVERLAY TO PERMIT THE
DEVELOPMENT OF A 47,268 SQUARE FOOT ‘GOVERNMENT SERVICES’ ADMINISTRATION BUILDING, IDENTIFYING THE DEVELOPMENT DOCUMENTS, IDENTIFYING PERMITTED USES; IDENTIFYING THE DEVELOPMENT CONDITIONS; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

(The above Ordinance is recorded in full in Ordinance Book No. 24 at Page No. 112-114, and is known as Ordinance 2014-45)

RELOCATION AND EXPANSION ASSISTANCE AGREEMENT – NEW SARUM BREWING COMPANY

Salisbury-Rowan Economic Development Commission Executive Director Robert Van Geons and Downtown Salisbury, Inc. President Paula Bohlman reviewed a request for incentive grants from New Sarum Brewing Company. Mr. Van Geons reviewed the project:

- Approximately $2.2 million potential investment by the Company
- An estimated $130,000 +/- of new tax revenue for the City, over the next 10 years
  - Based on a $0.6569 tax rate
- An opportunity to further diversify the City tax base and promote tourism
- Rapid creation of 10 jobs
- A longtime vacant building will be improved and occupied

Mr. Van Geons recognized Mr. Gianni Moscardini, CEO New Sarum Brewery, and Mr. Luke Fisher, President Carrol Fisher Construction, who were in the audience. He reviewed New Sarum Brewery:

- Established in 2014
- A Rowan County-based nano brewery offering locally crafted beers
- Currently operating in leased space at 115 South Lee Street
- Company has six signature beer recipes
- The naming of these beers reflects Rowan County’s vibrant history and culture
  - 142 Blonde Ale is named after the number of alcohol licenses that were granted by the Rowan County courthouse between the years of 1753 and 1772
- Since its inception the demand for New Sarum’s product has far outweighed supply
- The owners decided to expand its offerings and explored the viability of a micro-brewery complete with bottling and full production craft beer development
- This expansion will require a building larger than its current facility
- Upon offering their product on a larger scale the company received orders for the supply equal to and exceeding production projections
- The company is currently leasing space and has one full-time employee.
- After a comprehensive search, New Sarum has identified the former Tractor Building at 109 North Lee Street as a potential location for its new facility
- The company would like to purchase this facility and renovate the building
Ms. Bohland pointed out:

- In addition to purchasing the Tractor Building, New Sarum would like to purchase approximately 2,100 square feet of the City-owned lot adjacent to the building
  - Portion of Parcel 010 283
- If successful in purchasing these sites, New Sarum plans to renovate the Tractor Building and expand onto the additional property
- The improvements would create a 7,500 square feet headquarters and brewery on the site designed to accommodate production and bottling of craft beers
- In addition to the option to purchase City-owned property, New Sarum is requesting $50,000 in assistance from the Building Renovation Incentive program
- The Company also requests a no-cost ground lease for approximately 1,300 square feet of property in the City-owned lot at the Gateway Building
- The size of this land is roughly equal to eight parking spaces

Mr. Van Geons noted the expansion cost includes equipment that is semi-permanent. He added it will be a long-term lease that coincides with operations at the site.

Ms. Bohland indicated:

- Three of the parking spaces will be used to house chiller and boiler equipment for the facility
- Three additional parking spaces will be used as a loading zone for deliveries and shipment of product
- The remaining parking spaces will be used as a brick-screened dumpster area
- The Company requests that a new entrance be created in the Gateway parking lot off of North Lee Street to provide easier access for its trucks
  - If agreeable – to be acted on at a subsequent meeting

Mr. Van Geons pointed out if Council votes to approve the package it includes endorsing the new entrance into the Gateway parking lot. He noted the project will be a $2.2 million investment in the community that will create 10 new full-time jobs with an average annual salary of $42,000. He added the New Sarum Brewery would also create a tourist attraction. He displayed a map of the area, and he pointed out the proposed location of the New Sarum Brewing Company.

Mr. Van Geons stated New Sarum Brewery will work with the City and Rowan County Building Inspections to navigate the review and permitting process. He added there are no components of the proposed project that appear outside of the normal scope of operations for this type of facility. He reviewed the incentives request:

- New Sarum is requesting that the City of Salisbury sell approximately 2,100 square feet of City-owned land to the company
  - Portion of Parcel 010 283
- The land is adjacent to the Tractor Building and its estimated tax value is $10,000
• As part of the incentive package the City sell the land for $1,000
• In addition to the option to purchase City-owned property, New Sarum is requesting $50,000 in assistance from the Building Renovation Incentive program
• The Company also requests a no-cost ground lease for approximately 1,300 square feet of property in the City-owned lot at the Gateway Building
• The space in this requested lease is equal to eight parking spaces in the Gateway parking lot
• The Company requests that the City create a new entrance into the Gateway Building parking lot off of North Lee Street to provide easier access for its trucks
• With the addition of the Brewery, there will be an increased need for parking in the area surrounding the Gateway Building
• The City-owned Gateway Parking Lot, located on Depot Street, is directly across the street from the New Sarum Brewery site
  o It is requested that the City provide increased access to that parking lot through the installation of a cross walk to connect the Brewery with the Gateway parking lot
• Additional lighting for the lot, a curb cut to provide handicap access for pedestrians, and an emergency call button is requested

Mr. Van Geons noted a Fiscal and Economic Impact Analysis was conducted for the proposed project. He pointed out the City has the right to re-purchase the parcel within two years for the purchase price if the project is not completed. He noted the benefits to the City during the construction year:

• The City will collect $1,000 for the sale of land to New Sarum Brewery
• During the construction year (FY 2015-16), the facility would generate no additional tax revenue for the City

Mr. Van Geons pointed out the benefits to the City after construction:

• After the construction year, the facility would generate $14,452 of new revenue annually for the City
• Modeled with a 10-year horizon, the City would collect an estimated $130,066 of new revenue

Mr. Van Geons added the expansion will create 10 new jobs and an additional 7.4 jobs throughout the community. He noted the Rowan County Board of Commissioners approved an incentive grant for New Sarum Brewery that recognized its positive impact on the local economy.

Mayor Pro Tem Blackwell noted there is currently an opening in the Gateway Parking lot that is almost big enough for a car. Mr. Van Geons stated that opening will be renovated into an access for vehicles.
Ms. Blackwell asked if there were other emergency call buttons in the City. Interim City Manager John Sofley stated there are none currently. She asked if staff has looked into the cost of help buttons. Mr. Sofley stated they have not.

Mayor Woodson asked if the help button sounds an alarm. Ms. Blackwell stated the help buttons contact the Police Department. Mr. Van Geons explained the buttons are common on college campuses or large parking decks. Ms. Blackwell pointed out help buttons were a topic of discussion at the Geek Table talks and would utilize Fibrant to improve public safety. Councilmember Alexander asked if the property owners could tie the help button into their security system. She stated she would not feel comfortable committing to a program where the City does not have the information it needs.

Mr. Sofley noted the proposed agreement before Council does not include the help buttons. Mr. Van Geons emphasized the company is asking Council to endorse moving forward with those conversations. He added the company is looking to work with Council to expand other things into this quadrant of downtown.

Mayor Woodson stated it is a great project. Ms. Bohland pointed out it is a new industry for the community. She added beyond the impact of 10 jobs, it means another industry for the City.

Councilmember Miller asked if trash trucks in the Gateway parking lot will create additional maintenance. Mr. Sofley stated staff does not want the trash trucks to have to make sharp turns in the parking lot so the latest design includes a straight in and out design to eliminate sharp turns. Mr. Miller asked if the parking lot can withstand the traffic. Mr. Van Geons pointed out the Gateway Building currently receives delivery trucks. He added the plan works to avoid heavily weighted vehicles making sharp turns. He noted delivery trucks will come to the rear of the property on the Depot Street side.

(b) Mayor Woodson convened a public hearing, after due notice thereof, to receive comments regarding the proposed Relocation and Expansion Assistance Agreement for New Sarum Brewing Company.

Mayor Woodson asked who was in favor of the expansion and nine people in the audience raised their hands.

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

Mr. Miller stated it is a wonderful investment that will repurpose a downtown building.

Thereupon, Ms. Blackwell made a motion to approve a Relocation and Expansion Assistance Agreement with New Sarum Brewing Company. Ms. Alexander seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Alexander and Blackwell voted AYE. (5-0)

Mayor Woodson thanked New Sarum Brewery for investing in the City.
Mr. Sofley stated there is one additional item for Council’s consideration. He explained when the property was sold to the Fishers there were deed restrictions that may conflict with the incentive agreements. He noted Council will need to authorize staff to modify the deed to allow the expansion.

Thereupon, Mr. Miller made a motion to direct staff to work to modify the deed allowing expansion to occur. Ms. Alexander seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Alexander and Blackwell voted AYE. (5-0)

2014 STORM DRAINAGE INCENTIVE GRANTS

Street Maintenance and Stormwater Utility Manager Craig Powers and Utilities Engineer Chris Tester presented the proposed 2014 Storm Drainage Incentive Grants to Council. Mr. Powers explained:

- The City maintains storm drain systems located on public right-of-ways and City owned properties
  - Systems located on private property are the responsibility of the property owners
- Storm Drainage Incentive Grants are funded through the City’s Stormwater Utility for improvements or repair to private property
- The City is not responsible for perpetual liability or maintenance of the drainage system
- The City may award up to 50 percent of construction costs to improve drainage on private property
- Two applications were submitted in FY2013-2014
- Four applications were submitted before the September 1, 2014 deadline for FY2014-2015

Mr. Tester noted repairs made to Castlewood Townhomes:

- Replace failed 12 inch metal pipe with 12 inch HDPE pipe
- Replace eroded grass channel with Rip Rap stone
- Repair washout area at 40 inch pipe inlet with Rip Rap Stone
- Remove soil from silted-in ditch line to allow for positive drainage

Mr. Tester noted the property owners received a low bid of $27,766.67. He added staff recommends awarding a Storm Drainage Incentive Grant to Castlewood Townhomes for $13,883.

Mr. Tester stated the Olde Salisbury Development has a drainage ditch that runs through the property which is beginning to erode. He noted the neighborhood is looking to reestablish the ditch and:

- Remove debris from drainage way
- Reshape drainage way
- Restore banks to 2.1 slope
- Reseed and straw

Mr. Tester noted the property owners received a low bid of $6,400, and staff recommends awarding a Storm Drainage Incentive Grant to Olde Salisbury Development for $3,200.

Mr. Tester reviewed the repairs for 101 Wildwood Drive, a private residence:

- Remove failed pipe from yard and replace with new pipe
- Backfill all areas
- Reseed and straw work area

Mr. Tester indicated the property owner received a low bid of $7,828, and staff recommends awarding a Storm Drainage Incentive Grant to 101 Wildwood Drive for $3,914.

Mr. Tester pointed out the repairs to Hidden Creek Home Owners Association:

- Repair storm sewer junction box
- Backfill all areas
- Reseed and straw work area

Mr. Tester stated the Hidden Creek Home Owners Association received a low bid of $3,850, and staff recommends awarding a Storm Drainage Incentive Grant to Hidden Creek Home Owners Association for $1,925.

Mr. Tester indicated staff recommends awarding a total of $22,922 in 2014 Storm Drainage Incentive Grants.

Mayor Woodson asked about the budget for Storm Drainage Incentive Grants. Mr. Powers noted $25,000 is included in the annual budget for the Stormwater Utility to cover the grants. He added the maximum grant for all four projects is within the budget.

Councilmember Alexander asked if there are requirements for developers regarding drainage specifications. Mr. Powers stated there are no requirements in place for private property except no structures can be built within a certain area of the drainage pipes. Ms. Alexander asked if requirements could be added for subdivisions to make the developer responsible for a certain quality. Mr. Powers noted staff has reviewed this, but it would need to be reviewed by an attorney because requirements made to private property could be considered taking ownership.

Thereupon, Mr. Miller made a motion to award 2014 Storm Drainage Incentive Grants to Castlewood Townhomes for $13,883, Olde Salisbury Development for $3,200, 101 Wildwood Drive for $3,914, and Hidden Creek Homeowners Association for $1,925. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Alexander and Blackwell voted AYE. (5-0)
Councilmember Miller noted new brick and wrought iron gates were installed on Brenner Avenue by the VA Medical Center. He explained a portion of the concrete at the base of the wall washed away due to erosion. He asked if staff could look at the area because during a heavy rain the water flows onto Brenner Avenue creating a potential safety issue.

Mr. Powers stated he noticed problems in the area when the VA Medical Center installed the fence. He added he does not know if the size of the ditch was changed and staff will look at the area.

RECRUITMENT OF A NEW CITY MANAGER

Assistant City Manager Zack Kyle explained at its last meeting Council requested information on firms to assist with the search for the next City Manager. He indicated he provided information to Council on Developmental Associates of Chapel Hill, North Carolina and Slavin Management Consultants. He explained Developmental Associates priced the search at $17,500 to $20,325, and Slavin Management Consultants priced the search at $14,050 to $21,777.

Mr. Kyle stated the searches conducted by Developmental Associates are typically in North Carolina while Slavin Management Consultants searches nationwide.

Mayor Woodson noted the cost is similar for both firms. He added Developmental Associates performs psychological testing on its candidates.

Mayor Pro Tem Blackwell added Slavin Management Consultants has 178 references while Developmental Associates has 23 references. She pointed out Slavin Management Consultants is a national company, but it has placed managers in many North Carolina cities.

Mayor Woodson stated both companies are strong, but he prefers the North Carolina company. He added he likes that they perform psychological testing on all applicants.

Councilmember Miller asked how many search firms were reviewed. Mr. Kyle noted staff reviewed a third firm but the price was much higher.

Councilmember Alexander asked how the firms compared regarding the services provided. Mr. Kyle noted there was not much difference in scope but there was a difference in how candidates are vetted.

Mayor Woodson noted Rowan County did its own recruitment by placing ads around the State and the Country. He noted if the City conducted its own search it would have to spend money for advertisement and that expense is included in the price of a search firm.

Ms. Blackwell indicated the County's search shows initiative and an emphasis on savings. She added Council will be making the hire, and she would like to use a professional search firm.
Mayor Woodson noted the prices are reasonable to screen the applicants and advertise for the position.

Ms. Blackwell noted the prices are in line with the last search which cost $17,500.

Councilmember Kennedy asked to table the discussion until the next meeting to give him time to review the information.

By consensus, Council agreed to defer action until its next meeting

APPOINTMENTS TO VARIOUS BOARDS AND COMMISSIONS

This item was postponed.

Mayor Woodson encouraged all citizens interested in serving on a Board or Commission to apply.

ADDITIONAL COMMENTS REGARDING HIRING NEW CITY MANAGER

Mayor Woodson noted citizens have asked him if they can sit in for the final interviews as Council searches for the next City Manager. He noted Council may need to consider this.

Councilmember Miller noted Council would have to define who is and who is not eligible to attend the meetings. He added as the elected body of the City, Council should be responsible for hiring the City Manager.

Councilmember Kennedy agreed with Mr. Miller.

INTERIM CITY MANAGER'S COMMENTS

There were no comments.

MAYOR’S ANNOUNCEMENTS

(a) Bell Tower Concert Series

Mayor Woodson announced the new summer Bell Tower Concert Series will be held on the second and third Thursday of each month from 5:00 p.m. until 7:00 p.m. through October 16, 2014. The next concert will be held Thursday, October 9, 2014 and the featured band will be Life House. The Josh Sanders Band will be featured Thursday, October 16, 2014. Bring a blanket or chair and enjoy this great time for the whole family. This free event is sponsored by Guitar USA.
(b) October Tour Night Out

Mayor Woodson announced the Rowan County Tourism Development Authority will host October Tour Night Out Friday, October 10, 2014 from 5:00 p.m. until 9:00 p.m. in downtown Salisbury.

(c) Let Me Take A Selfie

Mayor Woodson announced the Salisbury Parks and Recreation Departments will host a “Let me take a Selfie” Expo in conjunction with October Tour Night Out Friday, October 10, 2014 at Fisher Street. Selfies should be submitted by Wednesday, October 8, 2014 to play@salisburync.gov. For more information contact (704) 216-PLAY.

(d) October Tour 2013

Mayor Woodson announced the Historic Salisbury Foundation will host its 39th annual October Tour of Historic Homes Saturday, October 11, 2014 and Sunday, October 12, 2014. For more information contact the Historic Salisbury Foundation at 704-636-0103.

(e) “Second Saturday Screenings”

Mayor Woodson announced the Salisbury Parks and Recreation Department will host “Second Saturday Screenings” beginning Saturday, September 13, 2014 at Hall Gym located at 1402 West Bank Street. Bring a blanket or chair and enjoy the featured movies “The Incredibles” and “Tangled.” The first movie begins at 3:00 p.m. The event is free and open to the public.

(f) Housing Workshop

Mayor Woodson announced the Salisbury Housing Advocacy Commission and the Human Relations Council will sponsor a Housing Workshop Thursday, October 16, 2014 from 4:30 p.m. until 7:30 p.m. at City Hall, 217 South Main Street. The focus of the workshop will be “Improving Standards” and will address housing issues within the community. Please RSVP by Friday, October 10, 2014 by calling 704-638-5240.

(g) 2014 BlockWork

Mayor Woodson announced the Community Appearance Commission will sponsor the BlockWork Neighborhood Improvement Project on National Make A Difference Day Saturday, October 25, 2014, in the 900 block of West Horah Street. If you are interested in volunteering for all or part of the day, please contact the Community Planning Office at 704-638-5242.
(h) **Brown Bag Lunch Jam**

Mayor Woodson announced the Salisbury Parks and Recreation Department will host the “Brown Bag Lunch Jam” concert series at Gateway Park every Wednesday through October 29, 2014. Entertainment will be from 12:00 noon until 1:30 p.m. Evan Bloom will be featured Wednesday, October 8, 2014 and Chelsea Childers will be featured Wednesday, October 15, 2014. Bring a lunch and enjoy some of Salisbury’s best local talent. This event is free and open to the public.

**CLOSED SESSION**

Mayor Woodson asked for a motion to go into closed session to consult with an attorney as allowed by NCGS 143-318.11(a)(3).

Thereupon, Ms. Alexander made a **motion** to go into closed session to consult with an attorney as allowed by NCGS 143-318.11(a)(3). Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Alexander and Blackwell voted AYE. (5-0)

**RETURN TO OPEN SESSION**

Thereupon, Ms. Alexander made a **motion** to return to open session. Mr. Miller seconded the motion. Messrs. Kennedy, Miller, and Woodson, and Mses. Alexander and Blackwell voted AYE. (5-0)

Mayor Woodson announced no action was taken in closed session.

**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 8:45 p.m.

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Paul B. Woodson, Jr., Mayor

Myra B. Heard, City Clerk