REGULAR MEETING

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

ABSENT: None.

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

PLEDGE OF ALLEGIANCE

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

RECOGNITION OF VISITORS

Mayor Heggins welcomed all visitors present.

ADOPTION OF THE AGENDA

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

Mayor to proclaim the following observances:

NATIONAL MENTORING MONTH

JANUARY 2019

Mayor Heggins read and presented the National Mentoring Month Proclamation to Parks and Recreation Director Nick Aceves and Human Resources Director Ruth Kennerly.

SPECIAL RECOGNITION

ALEXANDER “ALEX” CLARK AND
ALISHA BYRD-CLARK DAY

JANUARY 2, 2019

Mayor Heggins read and presented Mr. Alexander Clark and Ms. Alisha Byrd-Clark the Alexander “Alex” Clark and Alisha Byrd-Clark Day Proclamation.

Mayor Heggins recognized Mr. and Mrs. Clark for their work to transform the lives of youth and families in the Rowan-Salisbury Community through the Gemstones and COMPASS Leadership Academy and presented them each a Key to the City.

Mayor Pro Tem Post commented Mr. Clark is an inspiration to the community and is someone who has a great story. Council agreed.

CONSENT AGENDA

(a) Minutes

Adopt Minutes of the Special meetings of November 26, December 4, and December 6, 2018 and the Regular meeting of December 4, 2018.

(b) Agreement – North Carolina Department of Transportation

Authorize the City Engineer to extend agreements with North Carolina Department of Transportation (NCDOT) concerning maintenance of signs (Schedule A), of markings and markers (Schedule B), of traffic signals (Schedule C), and of the computerized traffic signal system (Schedule D).

(c) Right-of-way Encroachment – AT&T

Approve a request from AT&T to install directional bored duct, pole attachments and down guys within the City Right-of-Way in accordance with Section 11-24 (27) of the City Code.
(d) **Contract – Alley Williams Carmen and King, Inc.**

Authorize the City Manager to enter into a contract with Alley Williams Carmen and King in the amount of $100,823.47 to provide services associated with Old Concord Road Sidewalk.

(e) **Budget Ordinance Amendment – Parks and Recreation**

Adopt a Budget Ordinance amendment to the FY2018-2019 budget in the amount of $25,000 to appropriate a Parks and Recreation donation.

**ORDINANCE AMENDING THE 2018-2019 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA APPROPRIATE DONATION FOR PICKLEBALL COURTS.**

(The above Ordinance is recorded in full in Ordinance Book No. 28 at Page No. 1 and is known as Ordinance 2019-01.)

(f) **Budget Ordinance Amendment – Parks and Recreation**

Adopt a Budget Ordinance amendment to the FY2018-2019 budget in the amount of $27,000 to appropriate a Parks and Recreation donation for Hurley Park.

**ORDINANCE AMENDING THE 2017-2018 BUDGET ORDINANCE OF THE CITY OF SALISBURY, NORTH CAROLINA TO APPROPRIATE DONATION FOR HURLEY PARK.**

(The above Ordinance is recorded in full in Ordinance Book No. 28 at Page No. 2 and is known as Ordinance 2019-02.)

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

**BOARDS AND COMMISSIONS**

**Economic Development Commission**

Upon a motion by Mayor Pro Tem Post, seconded by Councilmember Miller. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voting AYE, the following appointment was made to the Economic Development Commission for a term to begin December 31, 2018:

Mr. Breck Dorton

Term Expires 12/31/21
CITY ATTORNEY’S REPORT

City Attorney Graham Corriher provided suggestions to Council to change the existing Resolution Establishing Rules of Procedure for Public Comment. He commented the changes reflect the public comment session will begin at 6:00 p.m. and close once no one is signed in to speak. He noted another change reflects that there are two public comment sessions held monthly, and he added State law only requires one public comment a month.

Mayor Heggins pointed out the idea of the public comment period beginning at a specific time is for the public to know exactly when it begins.

Mayor Pro Tem Post stated the Council meeting was moved to 6:00 p.m. for the public comment to follow the perfunctory items and not in between other items on the agenda. He added the general public would know the meeting time since agendas are published and the public comment is open for 30 minutes once it begins.

Councilmember Miller asked if the public comment period would reopen if the meeting has moved on and someone signs in within the 30 minutes allowed for public comment. Mayor Heggins stated it would not reopen. She added public comment will remain open for 30 minutes to allow the public an opportunity to sign-in and if no one else signs in, the public comment will close and the meeting will continue with the next item on the agenda.

Councilmember Miller commented if public comment begins at 6:00 p.m., the public can sign-in before or during the meeting, and he stated the intent is to not to reopen public comment. He shared he thought the reason to move the meeting time to 6:00 p.m. is to have the public comment near the first order of business so it did not need to be time specific.

Mayor Pro Tem Post pointed out the order of the current agenda shows public comment following the adoption of the consent agenda. Councilmember Miller commented that the order is consistent with what has been conducted this past year.

Mr. Corriher suggested rather than the resolution stating public comment will be held at a specific time, it can be changed to reflect that it will be held immediately following ceremonial items, adoption of the agenda, and adoption of the consent agenda items.

Councilmember Sheffield commented she is in favor of public comment not opening at a specific time and being held in the order of the agenda following the adoption of the agenda and consent agenda. Councilmember Alexander agreed, and she stated it gives the public from 6:00 p.m. to whenever the public comment is opened to sign-in.

Mayor Heggins mentioned leaving public comment open for 30 minutes. Councilmember Alexander disagreed.

Mayor Heggins suggested leaving public comment open for 30 minutes would allow people to know they have a specific amount of time to sign-in before public comment concludes, and the public comment period will close if no one else has signed in.
Mayor Pro Tem Post suggested the Resolution read “public comment will remain available until all speakers have signed in and had an opportunity to speak.” Mayor Heggins requested the Resolution include verbiage that allows citizens to sign-in until the public comment period closes.

Mr. Corrider stated he will change the date of adoption and make changes to amend the Resolution to state the public comment will begin following ceremonial items, adoption of the agenda and adoption of the consent agenda, and that the public sign-in sheet will remain open until the public comment period ends.

Thereupon, Councilmember Miller made a motion to adopt a Resolution Establishing Rules of Procedure for Public Comment. Mayor Pro Tem Post seconded the motion. Mayor Heggins, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

RESOLUTION ESTABLISHING RULES OF PROCEDURE FOR PUBLIC COMMENT PERIODS

(The above Resolution is recorded in full in Resolution Book No. 16 at Page No. 1 and 2 and is known as Resolution 2019-01.)

PUBLIC COMMENT

Mayor Heggins opened the floor to receive public comments.

Ms. Dee Dee Wright shared her concerns regarding the optics of the dais with City Clerk Diane Gilmore being apart from the rest of the Council, and she expressed her concern regarding City Hall departments relocating with limited access for meetings and parking.

Mayor Pro Tem Post stated he does not think City Hall departments were relocated to make it more difficult for the public to have access to them, but to allow more people to be in the same location.

City Manager Lane Bailey commented changes have been made to the Main Street entrance of City Hall building to have a person available to assist citizens and encourage public access.

Mr. Mike Martelli thanked Council for their concerns to make Council meetings more accessible to citizens even though there are some citizens who work nontraditional hours. He suggested public comment period remain open until there are no further citizens signed in to speak.

Mayor Pro Tem Post stated the Council has already determined that the public comment period would remain open until no further citizens were signed in to speak. Councilmember Miller and Councilmember Alexander agreed. Mayor Heggins stated citizens will be able to sign-in and speak during public comment until the public comment period closes.
Judge Larry Ford shared he agreed with the celebration of Martin Luther King, Jr.’s birthday, and he noted there are more great people to be honored at a later date.

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

CITY MANAGER’S REPORT

(a) Council Retreat Discussion

City Manager Lane Bailey indicated Council is looking at Tuesday, February 12, 2019, to hold its Annual Retreat, and he suggested the meeting start at 9:00 a.m. He noted traditionally the first part of the goal-setting Retreat involves Council determining its plan for the upcoming year. He commented it may be challenging to complete the Retreat in one day, and he noted staff will work to locate a venue for the Retreat.

Councilmember Miller asked if it is possible to have a dinner the evening before the Retreat. Mr. Bailey commented having a meeting the afternoon before the Retreat may help accommodate the workload for the meeting. He suggested working with Council to see if the evening before February 12, 2019 would work.

Mayor Heggins shared she would like to make sure the Retreat is being held at a time that will accommodate the public. She suggested the meeting begin at a later time in the evening to help accommodate public attendance.

Mayor Heggins commented Council has not resolved the issue of the City’s Vision and Mission statement. She commented the City’s Vision and Mission statement has been made available at recent Chit, Chat, and Chew community engagement events, and she commented there has not been enough time given for participants to provide input around the Vision and Mission statement. She noted at the last Chit, Chat, and Chew the original Vision and Mission statement was provided, but somehow revisions had been made to the Vision portion that included bullet points. She noted after last year’s Annual Retreat a Vision statement was drafted by the participating group, and she wants to make sure information from last year’s Retreat is being used correctly.

Mayor Heggins suggested the meeting start at 12:00 noon or 1:00 p.m. Mr. Bailey commented a later start time could happen, but the later the meeting starts the more challenging it will be to finish the details of the Retreat, and he suggested the meeting begin the evening before to accommodate nontraditional work schedules. Mayor Heggins commented if the meeting begins at noon and lasts until 9:00 p.m. it could accommodate those different schedules.

Councilmember Alexander stated an earlier start time could allow more people to attend. Mayor Heggins suggested starting the meeting later in the afternoon and going later into the evening could accommodate more work schedules.
Councilmember Alexander asked if the proposed day and a half meeting could be combined into a one-day meeting and start at 8:30 a.m. and end at 8:30 p.m. Mr. Bailey commented the meeting could conclude when Council is finished. Mayor Heggins asked if the meeting can begin at 1:00 p.m.

Councilmember Miller suggested creating the agenda and setting the order of agenda items to accommodate a specific time for public input. He commented it can be difficult to accommodate everyone’s schedule.

Mr. Bailey asked Council to look at their schedules for the afternoon of February 11, 2019.

Mayor Heggins asked if Councilmembers are available on the afternoon of February 11 from 6:00 p.m. until 9:00 p.m. Mayor Pro Tem Post and Councilmembers Alexander and Miller agreed.

Councilmember Miller asked if a location has been determined. Mr. Bailey commented staff is working to secure a location for the Retreat meeting.

Mayor Pro Tem Post and Councilmembers Alexander and Miller suggested the February 12 meeting begin at 9:00 a.m.

Mayor Heggins asked Mr. Bailey if he was estimating the need for a 12 hour meeting. Mr. Bailey commented he hoped the meeting would be less than 12 hours but it is dependent on the meeting topics and the duration of discussions.

Mayor Heggins suggested the meeting on February 12 start at 12:00 noon and last until 6:00 p.m.

Councilmember Alexander stated setting a day with standard business times would work best. Mayor Pro Tem Post agreed.

Councilmember Sheffield asked for clarification regarding the suggestion to have two evening meetings for the Retreat. Mayor Heggins commented two evening meetings would accommodate as many people as possible.

Thereupon, Councilmember Miller made a motion to meet February 11, 2019, at 6:00 p.m. until 9:00 p.m. and February 12, 2019, at 9:00 a.m. until the meeting is concluded and publish an agenda in advance with time specifics slots. Mayor Pro Tem Post seconded the motion. Mayor Pro Tem Post and Councilmembers Alexander, Miller, and Sheffield voted AYE. Mayor Heggins voted NAY. (4-1)

(b) Council Goals and Outcomes for FY2018-2019

City Manager Lane Bailey presented Council with Goals and Objectives for FY2018-2019. He noted the Goals and Objectives topics for FY2018-2019 include:
• Sustainable Economic Development.
• Engaged, Connected, Equitable Community Development
• Well-Maintained Community Infrastructure
• Strong City Organization

Mr. Bailey reviewed the City would continue to promote the sale and redevelopment of the Empire Hotel into a viable residential commercial and retail space and revitalize downtown. He commented the Master Lease was approved by Local Government Commission (LGC) in October 2018 and documents were signed by the City and developer in October 2018. He noted the City has worked with a lending pool and appraiser to renew the loan and the developer is in the application process with United States Department of Housing and Urban Development (HUD).

Mr. Bailey commented the City will continue to enhance the appearance, accessibility, and livability of downtown by investing in streetscape and infrastructure improvements that support economic and residential growth efforts including Bell Tower Green, the Empire Hotel and expansion of passenger rail service. He noted staff has completed a Request for Proposals (RFP) for consultant services for Main Street re-design and streetscaping, with work on streetscape anticipated to begin in 2019. He added staff has continued to work closely with the Robertson Foundation for Bell Tower Green Master Plan.

Mayor Pro Tem Post asked for clarification regarding work on streetcapping. Mr. Bailey commented some of the information is in anticipation of the North Carolina Department of Transportation’s (NCDOT) paving schedule that could be later in the calendar year versus the fiscal year.

Mr. Bailey indicated the City has received a $350,000 Parks and Recreation Trust Fund (PARTF) grant for the Bell Tower Green park amenities and work continues with NCDOT Rails Division on the Transportation Improvement Program (TIP) project for a second canopy at The Depot to enhance passenger rail service.

Mr. Bailey shared the City has completed an RFP for work on a comprehensive parking study for the Municipal Service District. He reviewed VHB, an engineering consultant company located in Charlotte, has been selected as the parking study consultant. Mr. Bailey indicated parallel parking along South Church Street has been changed to diagonal parking. He indicated the City is exploring incentives to encourage the use of downtown commercial space and reduce vacancies and is working with Sanford Holshouser to review current incentives.

Mr. Bailey indicated the City is working to promote workforce development with help from the Parks and Recreation Department and Rowan-Cabarrus Community College (RCCC) and will host a spring Trade Skill Construction class. He commented the City is working with the Economic Development Commission (EDC) to offer free transportation for initial interviews and employment. He commented the City will continue to support efforts made to maintain the availability of valuable economic development sites for future development.

Mr. Bailey commented five Chit, Chat and Chew town hall forums were held in various locations in the City with four more planned through summer of 2019 to meet with citizens and
hear their concerns. He noted the Community Action Team (CATS) group held a resource fair in August 2018. He noted staff participates in weekly community engagement walks, as weather permits, in neighborhoods throughout the City. He noted the City continues to encourage, support and promote efforts of the Salisbury Youth Council (SYC), and he added the SYC completed a year-end service project and have set a working calendar for 2019. He noted representatives from the SYC will attend the National League of Cities Conference in March 2019.

Mr. Bailey indicated Council adopted the Resolution of Intent to Establish a Fair Housing Committee and one of its initial tasks will be to assist in updating the Analysis of Impediments to Fair Housing with the Centralina Council of Governments (CCOG). He added applications are being accepted and will be presented to Council in January 2019.

Mr. Bailey commented Downtown Salisbury, Inc. (DSI) continues to work with the Intelligent Design and Evolution Awareness (IDEA) center for its implementation and has explored small business loans, Federal and State grants and ways to attract and identify Angel Investors. He shared City representatives participated in a tour of Flywheel at Davidson College in November 2018 and has had business model discussions with the Empire Developer, IDEA Center Director, and board members.

Mr. Bailey indicated the Human Relations Council is working to review and revise the current Human Relations Ordinance through a subcommittee.

Mr. Bailey commented the City will be implementing a housing rehabilitation pilot program for owner-occupied and rental properties. He noted the program is underway in the West End and North Main Street with five rehabs taking place and four more applications in process. He added one application has been received for North Main Street. He commented residents in both neighborhoods received notification letters in November that the projects are had been expanded into additional blocks.

Mr. Bailey shared the City would adopt and begin implementing the new Comprehensive Plan titled Salisbury Strong. He indicated the final draft from the consultant needs considerable refinement by staff under the purview of the new Planning Director. He noted applications for the Planning Director position would be reviewed at the first of next week, and he commended interim Planning Director Brian Hiatt for his great work.

Mr. Bailey stated the City continues to work with the West End Neighborhood and stakeholders to identify priority improvements from the West End Transformation Plan. He reviewed completed projects of the Greenway section that extend from Kelsey Scott Park to Jake Alexander Boulevard. He commented a $132,000 grant was received from the Carolina Thread Trail for the design of the V.A. Greenway section with discussions regarding a nature trail from Jake Alexander Boulevard to Salisbury Community Park. He indicated sidewalks along Old Plank Road have been designed and environmental reviews are complete, and he added Public Services will be installing the sidewalks with funding from the Community Development Block Grant Program (CDBG). He shared the Monroe Street sidewalk from Grim Street to Brenner Avenue has been partially funded in the FY2019 CDBG budget with remaining funds to be budgeted in FY2020 and work is anticipated to begin in the summer of 2019.
Mr. Bailey referred to efforts to support schools, including pre-K, and he noted Council approved additional funding for Rowan-Salisbury School System (RSSS) Science, Technology, Engineering, and Mathematics (STEM) training and teacher stipends. He stated Council met in a joint meeting with the RSSS board on November 26, 2018 to discuss school initiatives. He reviewed the City would continue to collaborate and support RSSS efforts including the promotion of trade education in area high schools and exploring a Charter School District.

Mr. Bailey reviewed Council’s goal to enhance the community’s safety by supporting staffing for the Police Department, and he stated Council approved a budget amendment to staff 85 sworn positions and two additional civilian positions. He commented training for new officers has been a challenge, and he added there has been an increase to the training budget. He noted those officers who lack experience will need additional training on a regular basis. He indicated there is a need to monitor and study the job market and consider incremental adjustments to prevent significant staffing loss, and he added at Council’s next meeting Police Chief Jerry Stokes will present Council a Police Department update.

Mr. Bailey stated discussions continue regarding the Federal Energy Regulatory Commission (FERC) license with Cube Hydro, and he added City Attorney Graham Corriher is working with outside counsel to ensure the City is protected under the new FERC relicensing agreement.

Councilmember Miller asked if a written history has been provided to the City. Mr. Bailey commented a document is being prepared to share with Council that will include history.

Mr. Bailey reviewed the partnership with Hotwire that fully leverages the utility’s 10 gig capabilities and noted progress with the transition from Fibrant to Hotwire. He commented Hotwire anticipated completion by January 1, but now anticipates an additional three to four months to complete the transition of existing Fibrant customers over to the Hotwire platform. He indicated as of January 1, 2019, Fibrant employees have now transitioned to Hotwire.

Mr. Bailey commented the City will develop a plan for priority infrastructure improvements along the City’s principal gateway corridors and is currently soliciting proposals for Main Street to coincide with NCDOT’s resurfacing schedule. He noted this proposal will be used to help leverage funds for the Main Street Corridor, and he added it is one of the reasons the City is moving forward with streetscape. He commented there is a possibility of a roadway reduction to make the area more pedestrian friendly. He reviewed the City has received a $132,000 grant from Carolina Thread Trail for the design of the V.A. section and staff is exploring other extension projects with funding from Carolina Thread Trail. He stated Salisbury has received a total of $875,000 in Transportation Alternatives Program (TAP) funds for the construction of Greenway between Kelsey Scott Park and Catawba College.

Mr. Bailey stated staff is drafting a proposal to change the Land Development Ordinance (LDO) to allow future development to use pay-in-lieu sidewalk funds throughout the City.
Mr. Bailey commented Transit is working on a long-range Transportation Master Plan that kicked-off November 14, 2019. He added the City has met with Piedmont Natural Gas to discuss the introduction of compressed natural gas vehicles to the City’s fleet.

Mr. Bailey referenced an increased living wage for staff with a specific interest for the Public Service Department because of recruitment and retention challenges. He stated adjustments were made July 1, 2018, to bring full-time employees to the North Carolina living wage rate. He indicated challenges with the Fire Department’s 24-hour shifts created lower hourly wages and these will be adjusted January 1, 2019.

Mr. Bailey noted the City continues to implement training for staff and is starting an equity and inclusion committee. He added staff is working with a contractor to finalize a staff-wide training plan. Mayor Heggins asked the name of the contractor and if the City was currently working with a contractor. Mr. Bailey commented the City is having conversations with Dr. Bryant who is based in Atlanta, Georgia, but an agreement has not been formalized. Mr. Bailey noted the City is working with the National League of Cities for recommendations.

Mr. Bailey shared staff will continue to seek staff opportunities through the University of North Carolina Chapel Hill (UNC) School of Government (SOG) that may be beneficial to Council and staff. He noted the City would continue to maintain a fair and equitable hiring process for all positions, and noted staff uses diverse panels for the interview process to provide varied perspectives for candidates. He commended the Salisbury Way (Sway) initiatives developed and led by employees who now hold each other accountable for the organizational culture.

Mr. Bailey reviewed the fifth class of the Citizen’s Academy graduated November 2018, and he added community engagement continues through Chit, Chat & Chew town hall meetings.

Councilmember Alexander asked about North Carolina Railway programs relating to additional stops at the Train Depot. Mr. Bailey noted there has been a discussion about the options relating to streetscapes by relocating bus stops to be closer to the Depot for easier access. He noted the City will be getting a second platform to help speed up rail service and it will be located on the opposite side of the Depot as part of the high-speed rail program. He reviewed the City agreed to match funds and because of the capped match, it makes Salisbury more competitive than surrounding communities. He noted passenger rail service is going to be a very big part of the community’s future and added studies are being done for the right-of-way for the second platform.

Mayor Pro Tem Post mentioned a discussion between former Community Planning and Development Manager Preston Mitchell and Planning Board Chair Bill Wagner about modernizing the LDO and a report to be provided. Mayor Pro Tem Post asked if that report would still be provided to Council. Mr. Bailey stated that the information will be shared with Council.

Mayor Pro Tem Post asked if a study was in process to review transportation options. Mr. Bailey commented the study has begun, and he indicated Transit services do not reach all areas of the City. He commented the current Transit service enters two neighboring towns and no funds are provided in return for those Transit services. He commented his preference would be to extend services within the City rather than entering neighboring towns.
Mayor Heggins asked how far the City’s Transit service goes into the neighboring towns. Mr. Bailey commented Transit services are going well into the Spencer and East Spencer communities. Transit Director Rodney Harrison commented Transit services are routed through a large portion of Spencer and a fair majority of East Spencer. Mayor Pro Tem Post commented those communities rely on the City’s Transit services.

Mayor Pro Tem Post asked which areas of the City are unserved by Transit. Mr. Harrison indicated the Woodleaf and Westcliffe communities are two areas that Transit does not serve. Councilmember Alexander commented she received calls from Oak Park residents regarding senior citizen’s transportation needs. Mr. Harrison added residents who are near Rowan-Cabarrus Community College are also unserved by Transit.

Mayor Pro Tem Post asked if the buses are full. Mr. Harrison commented he could not provide how many passengers are on buses, but has made the request to see how many people are on the buses per hour. Mr. Bailey commented he believes some information was shared last year that indicated at times the buses are fairly full. Mayor Pro Tem Post asked if there was a way information could be gathered that recorded how many passengers enter and exit a bus. Mr. Harrison commented the department needs to improve its electronic fair system and the current system is manual. He noted the Transit Services Department is working with a consultant to make recommendations for vehicle size and types.

(c) Update – Project Care

City Manager Lane Bailey introduced Rowan Economic Development Commission (EDC) Vice President of Operations Scott Shelton.

Mr. Shelton addressed Council regarding an Incentive Grant update for Project Care. He reviewed Council approved a Level 2 grant for Project Care in October 2018. He noted the grant stated 80% of new taxes would be returned in the form of a grant over five years. He noted as a part of the original proposal the EDC was told the company would create 59 new jobs, maintain existing employment levels with an average annual salary of $46,042 and the company would invest $68 million in new construction and equipment.

Mr. Shelton stated since the initial grant was approved, the EDC has been told the project parameters have changed. He commented the current revision now proposes the creation of 35 new jobs with a $45.2 million capital investment. He commented there could be the possibility of an additional $20 million in new investment and 20 new jobs through the transfer of an existing production line to Salisbury, but is on hold indefinitely according to company representatives.

Mr. Shelton commented based on the current City incentive agreement policy it is estimated that the City would collect $1,467,983 million over five years with an incentive grant of $1,174,387 million and the City would retain $293,596. He pointed out the 10-year incentive analysis indicates the City would collect an estimated $3,094,280 less the incentive grant of $1,174,387 with $1,919,893 estimated in City revenue.
Mr. Shelton noted that the EDC requests Council set a public hearing for January 15, 2019 to receive comments relating to the revised incentive agreement for Project Care.

Thereupon, Councilmember Miller made a motion to establish a public hearing on January 15, 2019 to allow public input to receive comments regarding Project Care. Councilmember Alexander seconded the motion. Mayor Heggies, Mayor Pro Tem Post, and Councilmembers Alexander, Miller, and Sheffield voted AYE. (5-0)

Councilmember Sheffield asked if the new proposal included an 80% payback over 5 years. Mr. Shelton indicated it did. Councilmember Sheffield reviewed the original incentive proposal included the creation of 59 new jobs with $68 million in revenue, and she added that has been reduced to 35 jobs and $45.2 million in revenue. She asked if the same percentage in reduction should be taken from what the City pays the company. Mr. Shelton commented it would be at Council’s discretion. He reviewed the different levels of grant tiers. He noted when talking with the company it understands a reduced investment would mean a reduction in grant funding. He noted leaving the proposal at 80% would be an aggressive plan for the project.

Councilmember Sheffield asked if the proposal would be less revenue than the original proposal even with the possibility of 20 additional jobs and $20 million in investment. Mr. Shelton commented the proposed offer with the additional possibilities would be less than the original offer. He noted the numbers presented are based on the $45.2 million. Councilmember Sheffield asked if the new proposal would change grant tier level. Mr. Shelton commented it would be based on the current proposal of $45 million, and the new proposal would be considered a Level 1 Grant which is 75% versus 80%. He added when factoring in the additional $20 million it would push it over the Level 1 Grant threshold to a Level 2 Grant.

Councilmember Miller asked if the company would have received a smaller incentive and not qualified for a Level 2 Grant if the request had not been revised. Mr. Shelton noted if the jobs did not meet the State agreement there would be a portion reduction. Councilmember Miller reviewed that the company has to report documentation to justify the criteria that was proposed. Mr. Shelton commented the investment itself is documented by the tax office, but regarding jobs, the company would need to supply documentation to show job creation goals have been met including language that indicated a reduction to the grant accordingly if goals are not met.

Mayor Pro Tem Post referred to the company making a second request and asked if it would be treated independently or added together cumulatively. Mr. Shelton commented he believed it might be best for the proposal to be considered as a Level 1 Grant and then treat the additional $20 million and 20 new jobs as a separate project.

Mayor Pro Tem Post referenced Project Arizona, an incentive agreement approved by Council in October 2018, which included a roadway expansion with the work to be performed by the North Carolina Department of Transportation (NCDOT). Mr. Shelton noted the company indicated with the revised project the road project is not needed. He noted the additional $20 million project would need the roadway.
ANNOUNCEMENTS

Communications Director Linda McElroy announced all interested community members are encouraged to complete the online applications to serve on the Fair Housing Committee. Applications are available on the City’s website or by calling 704-638-5218.

Communications Director Linda McElroy announced Salisbury Transit has partnered with AECOM, a transportation planning, and engineering firm, to provide a comprehensive long-range public transportation master plan for its transportation system. The ultimate focus of the project is to improve the City’s fixed-route and demand-responsive services and engage the public to determine a strategic focus to meet the needs of the Salisbury community in the next 20 years. Included in the project is the understanding of the overall ridership, system satisfaction, rider and population demographics, as well as development patterns and plans within the service areas and the surrounding communities. As part of the long-range planning, a community survey, available in English and Spanish, will be provided online at salisburync.gov/Transit. The intent is to gain as much local community feedback as possible in order to craft a plan that will meet the Salisbury Transportation System mobility needs.

Communications Director Linda McElroy announced Salisbury Parks and Recreation Department and Rowan-Cabarrus Community College will host a Light Construction Building Trades Class information session on Thursday, January 3, 2019 at 10:30 a.m. at NC Works Rowan located at 1904 South Main Street. The information session will answer questions about the four month class which will introduce students to construction building trades. The class is for anyone 18 years and older and free to Salisbury residents. For more information, please contact Rowan-Cabarrus Community College at 704-216-7201.

Communications Director Linda McElroy announced that the Dr. Martin Luther King, Jr. parade will be held Saturday, January 19, 2019. The parade will begin in downtown Salisbury at 11:00 a.m. until noon at the corner of Liberty Street and North Main Street and will end at the Civic Center, located at 315 South Martin Luther King, Jr. Avenue. Following the parade, activities celebrating Dr. King will be held from 12:30 p.m. until 2:30 p.m. at the Civic Center. The Salisbury Human Relations Council will host the Dr. Martin Luther King, Jr. Breakfast, Monday, January 21, 2019 at 7:00 a.m. The Breakfast will be held at the J.F. Hurley YMCA, located at 828 Jake Alexander Boulevard. Tickets are $10. To purchase tickets or for additional information please call 704-638-5218.

COUNCIL COMMENTS

Councilmember Sheffield referenced an approved consent agenda item relating to Old Concord Road Sidewalk project and noted the project continues to move forward.

Councilmember Sheffield thanked Mayor Heggies for acknowledging National Mentoring Month.
Councilmember Sheffield acknowledged Alexander Clark and Alisha Byrd-Clark as founders of Gemstones and COMPASS Leadership Academy, and she commended them for their work and for being great role models in the community.

Councilmember Sheffield wished everyone a Happy New Year.

**MAYOR PRO TEM COMMENTS**

Mayor Pro Tem Post announced the Salisbury Youth Council will participate in a mock City Council meeting on January 14, 2019. He noted Interim Planning Director Brian Hiatt is helping coordinate the meeting to provide the youth council examples of what the government does. He commented some Salisbury Youth Council members will attend the National League of Cities Conference held in Washington, D.C. in March 2019.

Mayor Pro Tem Post commented on incentives for closed Downtown Stores that would discourage vacancies in the downtown and attract business. He commented some downtown stores were closed during the Holiday season, and he asked if Downtown Salisbury, Inc. could encourage merchants to consider opening.

**MAYOR’S COMMENTS**

Mayor Heggins wished everyone a Happy New Year, and she thanked staff for their work.

Mayor Heggins thanked the downtown merchants and businesses that were open over the holiday season and for encouraging citizens to shop downtown.

**ADJOURNMENT**

Motion to adjourn the meeting was made by Councilmember Miller. All Council members in attendance agreed unanimously to adjourn. The meeting was adjourned at 7:39 p.m.

[Signature]
Al Heggins, Mayor

[Signature]
Diane Gilmore, City Clerk