

Salisbury, North Carolina  
February 14-15, 2013

The City Council of the City of Salisbury met in special session at the Rowan Museum, 202 North Main Street, and in Council Chambers at City Hall, 217 South Main Street, Thursday and Friday, February 14-15, 2013 for the 28<sup>th</sup> Annual Future Directions and Goal Setting Retreat with the following members being present and absent:

**PRESENT:** Mayor Paul P. Woodson, Jr., Presiding; Mayor Pro Tem Maggie A. Blackwell, Councilmembers Karen Kirks Alexander, William (Pete) Kennedy, and William Brian Miller.; City Manager Doug Paris; City Clerk Myra B. Heard; and City Attorney F. Rivers Lawther, Jr.

**ABSENT:** None.

The meeting was called to order at 8:15 a.m. in the Rowan Museum, 202 North Main Street by Mayor Woodson. The invocation was given by City Clerk Myra B. Heard.

Staff present was:

|                   |   |
|-------------------|---|
| Jim Behmer        | Utilities Director                            |
| Tony Cinquemani   | Public Services Director                      |
| Rory Collins      | Police Chief                                  |
| Janet Gapen       | Interim Community Planning Services Director  |
| Elaney Hasselmann | Public Information and Communications Manager |
| Mike Jury         | Fibrant General Manager                       |
| Zack Kyle         | Asst. City Manager for Human Resources        |
| Dan Mikkelson     | City Engineer                                 |
| Robert Parnell    | Fire Chief                                    |
| John Sofley       | Asst. City Manager for Finance                |
| Gail Elder White  | Parks and Recreation Director                 |

## **OPENING REMARKS**

City Manager Doug Paris noted the theme for Council's Retreat is "Raising the Sail..." and he indicated Council has implemented many positive changes to move the City's ship forward. He presented a video noting the goals that have been implemented throughout the year.

Mr. Paris presented Council with a captain's hat as they take the helm to steer the City ship.

## **ONE-STOP DEVELOPMENT SHOP**

Interim Community Planning Services Director Janet Gapen introduced Planning and Development Services Manager Preston Mitchell to update Council on the One-Stop Development Shop.

Mr. Mitchell indicated the former Development Services Office is now known as the One-Stop Development shop and includes inspections, permitting, licensing, planning and zoning services. He introduced the One-Stop Shop staff members Senior Office Assistant Judy Jordan; Fats, Oil, and Grease (FOG) Coordinator Teresa Barringer, Business License and Bond Officer Patty Shuping, and Senior Planner Trey Cleaton. He noted Fire Inspector Rick Barkley, Fire Marshall Terry Smith and Rowan County Building Code Enforcement Director Pete Bogle also have work spaces in the One-Stop Shop office.

Mr. Mitchell reviewed a case studying explaining how the One-Stop Shop process works, and each team member described their role in moving a development project forward.

Mayor Woodson commented he thinks the implementation of a One-Stop Development Shop has done a great deal for the City. He stated he has heard many positive comments about the new process, and he thanked staff for implementing the change.

## **ENHANCED AND EXPANDED MARKETING EFFORTS - ROWANWORKS**

Mr. Robert Van Geons, Executive Director of the Salisbury-Rowan Economic Development Commission (EDC) reviewed the work of the EDC/RowanWorks.

Mr. Van Geons reviewed the previous commitments made by the EDC:

- Expanded marketing and recruitment efforts to pursue retail, service and hospitality related businesses

- Enhanced, expanded and potentially consolidated promotion of available buildings and sites
- Promote the advanced infrastructure of Fibrant, targeting high probability audiences with the goal of recruiting innovative, technology driven businesses
- Support for entrepreneurial development
- Facilitate redevelopment and expedited development of existing parcels

Mr. Van Geons introduced Marketing Specialist Laura Jollay who was recently hired by the EDC to work with retail development. Ms. Jollay reviewed the EDC's marketing objective:

- To raise awareness of our communities strong demand for additional retail, service business, creating new revenue and job opportunities
- To successfully attract new retail and service business that will occupy existing vacancies as well as redevelop older sites and develop new locations

Mr. Van Geons noted the EDC uses a multi-dimensional approach, and he reviewed the inventory promotion:

- Currently have identified 40 potential retail locations in the City of Salisbury
- Working with planning staff, the EDC is pursuing opportunities to redevelop existing sites and identify additional locations
- The EDC is crossing platforms to ensure that each parcel is receiving highest possible exposure
- If necessary, the EDC is creating materials for property owners – including video

Mr. Van Geons noted the resources used by the EDC/RowanWorks and its membership in several professional organizations. He added the EDC is prepared to provide entrepreneurial support and participate in incubator discussions.

Mr. Van Geons pointed out the EDC's active projects:

- Retail project at Summit Corporate Center
- Two existing industry expansions
- One new distribution project

He then reviewed the results that have been achieved:

- Integro (pending)
- The Driveshaft Shop
- Freshouse Foods
- Henkel (additional expansion)
- Turnkey Technologies
- Universal Forest Products
- Norandal

Council thanked Mr. Van Geons for the enthusiasm he brings to the economic development effort. Councilmember Miller indicated he would like to hear Mr. Van Geon's assessment of the City's inventory of assets and what challenges the City can address to obtain economic development projects. He added he would like to include Fibrant and Salisbury-Rowan Utilities in the process to determine those things that will drive success. He commented the City must grow the tax base that exists within the city limits, and Mr. Van Geon's help is needed to be a success. Mr. Miller stated he would like Council to work together with the EDC and the Rowan County Chamber of Commerce to determine four initiatives or areas that can be worked on too allow one issue to be addressed each quarter.

Mayor Woodson stated Council appreciates Mr. Van Geon's positive attitude.

### **COUNCIL DISCUSSION**

City Manager Doug Paris asked Council to share their initial thoughts from the first two presentations.

Councilmember Miller stated he would like more formal connections between the Salisbury-Rowan Economic Development Commission (EDC) and the utility partners to determine how the utilities can help the EDC be successful in the City limits. He commented he believes the option the Hutton Group has taken on property in the Summit Corporate Center is fully related to the positive experience they had with the One-Stop Shop Development Center.

Mayor Woodson stated the Hutton Group does not normally hold groundbreakings, but it wanted to have one for its Belk property because of the experience they had in Salisbury.

Councilmember Alexander commented it would be helpful if realtors and entrepreneurs were aware of the software mentioned by Mr. Van Geons because they could see a list of community assets and use those to find companies that fit.

Mayor Pro Tem Blackwell stated Mr. Van Geons provided very useful data.

### **DOWNTOWN: VISION, INVESTMENT, PROGRESS - DSI**

Mr. Mark Lewis, President of the Downtown Salisbury, Inc. (DSI) Board and Mr. Randy Hemann, Executive Director of Downtown Salisbury, Inc. updated Council on the work of DSI.

Mr. Lewis noted the City of Salisbury recently hosted the North Carolina Main Street Conference with 460 registered attendees, making it the largest North Carolina Main Street Conference to date.

Mr. Lewis reviewed recently completed projects:

- A Perfect Smoke
- Nashville Nights
- Gritz
- Lee Street Streetscape

He also noted Emma's of Salisbury and Go Burrito are currently under construction.

Mr. Lewis discussed the value of small area plans or Charettes, noting the Flowers Bakery Charette:

- Community initiated development
- Salisbury City Council agreed to purchase the Flowers Baker in June 1997 for \$504,000
- 45,000 square feet of buildings and 40,000 of land
- City sponsored, volunteer led initiative
- 44.5 million in direct investment
- \$15 million of additional development

Mr. Lewis pointed out Small Area Plans/Charettes were also used for:

- The 2001 DSI Master Plan
- Lee Street Warehouse District 2002 Plan
- Railwail/Lee Street warehouse District
- Art and Technology
- \$2.8+ million investment
- Lee Street Theater – a \$1.5 million investment that will bring vibrancy to the area
- Maxwell Chambers Charette
- South Main Street Corridor

Mr. Hemann reviewed the process for the Maxwell Chambers Charette and pointed out the similarities in the plans developed by two different groups.

Mr. Lewis updated Council on the Empire Hotel project:

- Repair roof on the 226-228 South Main Street portion
- Robertson Foundation funding
- Occupancy
- Current interest of two developers (both hotel development)

Mr. Lewis reviewed the potential development scenarios for the project:

- Three development tracks
  - Hotel
  - College/Institutional
  - Mixed Use/Divide and Conquer

He then noted potential development scenarios:

- Mixed Use – approximately 13,000 square feet, first floor restaurant, second floor residential or technology based space
- Boutique Hotel – approximately 52,000 square feet, 43 hotel rooms, lobby, meeting (ballroom), and retail spaces of 475, 913, and 924 square feet.

Mr. Lewis stated the Empire Projected is estimated to be a \$12 million to \$16 million project, and he noted the market will guide its development.

Councilmember Alexander indicated she liked the idea of letting the market decide what will ultimately locate in the building.

Mayor Pro Tem Blackwell commented the Charette for the Maxwell Chambers Trust was very collaborative and many talented people were involved.

Councilmember Miller stated DSI is an asset because 100 percent of its work is for the benefit of Salisbury. He stated DSI helps increase the tax base and focuses on positive outcomes. He thanked Mr. Lewis for his leadership and Mr. Hemann for his efforts. Mr. Miller commented the support Council gives DSI directly impacts the outcomes for the City.

Councilmember Kennedy stated it was important to hear the history of development with the Flowers Bakery and although there have been gaps, there has been steady growth. He commented it is important to look at the history and move forward to the future.

### **IMPLEMENTING THE TOURISM MASTER PLAN**

Mr. James Meacham, Tourism Development Authority Executive Director; Ms. Krista Osterweil, Rowan County Tourism Development Authority Chair; and Mr. Bill Burgin, Salisbury Tourism Development Authority Chair, thanked City Council for recognizing tourism as a sustainable and viable industry for Salisbury. They reviewed the Tourism Master Plan:

- From a Hotelier's Perspective
  - Support for the destination and the community
  - A Convention and Visitor's Bureau (CVB) that is focused on the visitor, businesses and the community
  - Collaboration and Cooperation are vital
  
- Partnerships
  - Success and growth through:
    - Sustainable partnerships
    - Core mission of economic and community development
    - Willing to take on new initiatives and expand scope
  - Rowan-Salisbury Tourism Authorities: KEY
  - Partnerships built upon partnerships
  
- Tourism's Mission
  - Economic Development through Tourism
    - Double the tourism impact in ten years
    - \$250 million a year by the end of 2023
    - Job creation
    - Higher quality of life
    - Increase local tax base
  
- Tourism's Focus
  - Completion and Connection: Ten year Visitor Industry Plan
    - Destination Marketing: Innovation and Strategy
    - Destination Development: Tourism Product
    - Destination Services: Fulfill visitors needs
    - Destination Partnerships: Sustainable Relationships
  
- Salisbury-Rowan Tourism Industry Today
  - Economic impact of \$136.62 million in 2011
  - Increase of 4.84percent from 2010
  - Ranked 29 in travel impact among North Carolina's 100 Counties
  - 1,180 jobs in Rowan County are directly attributable to tourism
  - \$20.67 million payroll 2011
  - State and local tax revenues from tourism in Rowan County amounted to \$11.39 million in 2011
    - Represents a \$82.52 tax saving to each county resident
  
- Salisbury-Rowan County Tourism Operations
  - Annual Operations FY 12-13 - \$790,000
    - Marketing, Convention and Visitors Bureau, Visitor Center, Downtown - \$556,000
    - Destination Development - \$100,000
    - Rowan Arts Council - \$94,000
    - Salisbury Trolley Works - \$40,000

- Salisbury-Rowan Tourism Core Partners
  - Visitors
  - Rowan County and the City of Salisbury
  - Tourism-Related Businesses, Sites, Attractions and Cultural Organizations
  - Development Partners: (Chamber, EDC, DSI, LandTrust, HSF)
  - Downtown Salisbury
  - Rowan Arts Council
  - Rowan County Municipalities, Villages and Districts
  
- Destination Marketing-Innovation and Strategy
  - Integrated: Use of multiple platforms
  - Expansion of digital, mobile, social and video
  - Connect experiences: package the product
  - Focus on visitor interests through packages
  - Partner support: Cooperative programs
  - North Carolina Tourism Marketing
    - Thomas the Train
    - Travel North Carolina – North Carolina’s newest statewide travel smart phone app, powered by *Our State*
  - Create marketing strategy for the Arts
  - Refine the Salisbury-Rowan County Brand
  - Upgrade digital infrastructure
  - Marketing workshops for tourism businesses
  - Greater connectivity between sites, attractions, events and organizations working to attract visitors.
  
- Destination Development: Tourism Product
  
- Destination Flagships: Downtown Salisbury
  - History and Art Trail
  - Wayfinding
  - Public Art
  - Regional approach for Downtown marketing and event marketing: connect with other area events
  - Digital Tours: (Walking/African-American/History & Art)
  - Authentic Visitor Experiences
  - Centerpiece
  
- Authentic Visitor Experiences:
  - Scrooge Trolley Tour and Santa Train
  - Earth Night Out and Touch A Truck and Earth Day Jam
  - Spring Night Out and Visual Art and Wine Festival
  - October Tour Night Out, October Tour and Transportation Museum Fall Excursion

- Destination Services: Fulfill Visitor Needs
  - Accommodating Friendly People and Places
  - Increase visitor connections and touch points with the destination
  - Provide information to visitors in the manner they prefer
  - Embrace technology and social media platforms
  
- Destination Services:
  - Digital visitor center
  - Kiosks (digital/static)
  - Mobile applications
  - Value added features/promotions
  - Accessibility (physical and digital)
  
- Destination Partnerships: Sustainable Relationships
  
- Partnerships are the key
  - Current structured partnerships:
    - Tourism Authorities
    - Rowan Arts Council
    - Downtown Salisbury, Inc.
    - Salisbury Trolley Works
  
- Establish Sustainable Partnerships
  - Always willing to explore new partnerships
  - Seek out and formalize new strategic partnerships
    - Focusing on new strategic partnerships with:
      - Chamber of Commerce
      - Economic Development Commission
      - North Carolina Transportation Museum Foundation

Mr. Meacham thanked Council for its support and allowing the creation of partnerships. He announced F&M Bank has just become a 10-year title sponsor for the trolley system, and he pointed out this is a good example of a public/private partnership.

Mayor Woodson stated the Tourism Development Authority has done so much, so quickly, and he appreciates the enthusiasm. He thanked the leaders of the City and County Tourism Development Authorities for all they do for Salisbury and Rowan County.

### **COUNCIL DISCUSSION**

City Manager Doug Paris led Council in discussion of the topics presented to Council.

Councilmember Miller stated Downtown Salisbury, Inc. (DSI) needs support to do its full job and not just enough to satisfy the minimum of its mission. He asked Council to consider giving DSI what it needs to thrive.

Mr. Miller commented the Tourism Development Authorities continue to find new and better partnerships. He noted Council needs to be supportive and leverage the skills to benefit the community.

Councilmember Alexander stated in hearing how effective it is for similar groups to be together it might a good idea to bring DSI and the Economic Development Commission (EDC) together since they both support business. She questioned if this would be an effective way to get more done with the same dollars.

Councilmember Kennedy commented the occupancy tax is sound and sustainable, and as growth comes more income will be generated to market the area.

Mr. Paris asked Council if they had any ideas they would like to share as they think about setting their goals tomorrow.

Mayor Woodson stated he would like to continue work on an incubator, and he noted he thinks it will help businesses without much money get started.

Mr. Miller indicated he would like to prioritize items that can be addressed to make the biggest difference in regards to economic development and moving the community forward. He added he would like to focus on one or two things rather than trying to move many ideas forward simultaneously.

Mayor Pro Tem Blackwell stated an improved tax base means enhanced or expanded services for citizens. She noted Council's mission statement refers to improving the quality of life, and she thinks a focus on improving the tax base will improve the quality of life for citizens.

Mayor Woodson stated the Economic Development Commission, Downtown Salisbury, Inc., Tourism Development Authority and Chamber of Commerce have been working together as a team in a joint effort to make things better for the community.

Ms. Alexander commented one theme she heard from each group is developing sustainable relationships. She added it is important to do so in a framework that will last beyond the current Council's service, but for future generations. She stated the decisions made today will create an outcome seen for many years, and Council will be lauded for its vision, or history will tell the story.

Mayor Woodson stated development of the airport is important for both Rowan County and Salisbury.

Mr. Kennedy indicated DSI mentioned funding for a small area plan, and he stated he wants to include it and funding for the I-85 Initiative to make sure the studies take place.

Mr. Miller stated he would like the City to approach the County Commissioners to ask how the two can partner to make good things happen. He noted he would like to set a goal to partner with the County to create a positive outcome for the airport because he believes working together much more can be accomplished.

Ms. Blackwell stated she would like to reinstate funding for grants for downtown businesses as mentioned by DSI.

Mr. Miller indicated he has a concept that would align the Municipal Service District (MSD) funds to DSI in order to create grants and seed money for streetscape projects. He commented he thinks the MSD needs to become something different.

### **RECESS**

Mayor Woodson asked for a motion to recess the meeting until 12:00 Noon in Council Chambers in City Hall, 217 South Main Street, Salisbury, North Carolina.

Thereupon, Mr. Kennedy made a **motion** to recess the meeting until 12:00 Noon in Council Chambers in City Hall. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, Woodson and Ms. Blackwell and Kluttz voted AYE. (5-0)

### **LUNCHEON – EXCEEDING EXPECTATIONS IN BUILDING PERMITTING**

Mayor Woodson reconvened the meeting. Reverend Doctor Nilous Avery provided the invocation.

Rowan County Chamber of Commerce Past President Greg Edds introduced Mr. Pete Bogle, Director of Rowan County Building Code Enforcement. Mr. Bogle indicated he recently began his position as Director of the Building Code Enforcement Department, and he noted his goal is to provide a new direction for Building Code Enforcement and improved relationships for development in the community. He pointed out the department's three main functions: permitting, plan review, and inspections.

Mr. Bogle reviewed the goals of customer service for the department:

- To be seen as an aid to construction quality and not as an unnecessary and time consuming hurdle
- To be problem solvers
- To offer solutions toward Code Compliance

Mr. Bogle stated there are many paths to Code compliance with the Residential, Commercial, Rehabilitation and Existing Buildings Codes, and his department's goal is to assist and offer solutions. He reviewed the various ways the Building Code Enforcement office can offer compliance assistance. Mr. Bogle discussed the importance of Chapter 34 – Existing Buildings Code as the City works to maintain its historic buildings.

Mr. Bogle stated the Building Code Enforcement Office hopes to implement new technology to allow for electronic plan submittal to assist the development community. He encouraged the City to continue installing fire lines behind existing buildings because redevelopment in the existing buildings will require sprinklers, and the availability of the fire lines will greatly assist developers.

Mayor Woodson thanked Mr. Bogle for his presentation.

### **RECESS**

Mayor Woodson asked for a motion to recess the meeting until 1:45 p.m. at the Rowan Museum, 202 North Main Street.

Thereupon, Mr. Kennedy made a **motion** to recess the meeting until 1:45 p.m. at the Rowan Museum, 202 North Main Street. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, Woodson and Mses. Alexander and Blackwell voted AYE. (5-0)

### **COUNCIL MEETING TIMES**

Mayor Woodson reconvened the meeting.

City Clerk Myra Heard presented information to Council regarding Council meeting times.

Ms. Heard noted Council established a goal for FY2012-2013 to study City Council meeting times in relation to citizen participation. She stated she led a team consisting of City Manager Doug Paris, Planning Director Emeritus Joe Morris and Deputy City Clerk Kelly Baker to develop a game plan for the study.

Mr. Heard reviewed the advancements that have been made in City Council meetings:

- February 1955 – Council sets its meetings for the first and third Tuesday of each month at 4:00 p.m. (This was a change from meeting weekly on Tuesdays at 4:00 p.m.)
- 2003 – City Council meetings streamed live on the Web
- 2006 – Council meetings broadcast on Access 16

- 2010 – Videos of Council meetings posted to website
- January 2012 – Live updates of Council meetings posted on Twitter
- August 2012 – City Council’s first paperless agenda published
- Upcoming – Live broadcast of Council meetings on Fibrant Channel 17

Ms. Heard indicated technology has redefined citizen participation and transparency resulting in unprecedented access and avenues for expressing opinions. She noted the changes in how citizens can express opinions:

- Redesigned City website
- City email addresses for council
- Access 16
- Live online streaming of Council meetings
- Online access to City staff and services
- Social Media (Facebook Twitter, Flickr and Vimeo)

Mr. Heard reviewed the meeting times of other local governments in Rowan County and then those of cities of comparable size who meet twice monthly. Those boards held meetings ranging from 8:30 a.m. through 7:00 p.m.

Mr. Heard discussed participation at City Council meetings dating back to 2006, the first full year after public comment sessions were required at Council meetings.

| <u>Year</u> | <u>Speakers at Public Comment Sessions</u> | <u>Speakers at Public Hearings on Specific Issues</u> |
|-------------|--|---|
| 2006        | 5  | 196*  |
| 2007        | 6  | 90  |
| 2008        | 26   | 190*  |
| 2009        | 21   | 82  |
| 2010        | 34   | 66  |
| 2011        | 15   | 66  |
| 2012        | 11   | 79  |

\*2006 – Henderson Grove Church road Voluntary Annexation and Rezoning  
 Mooresville Road Rezoning  
 Mitchell Avenue Rezoning

\*2008 – Hwy. 150 Area Annexation

She pointed out the number of speakers was driven by the issue and its impact on the community.

Mr. Heard summarized that citizen participation has been redefined and participation is issue driven. She noted the City has made advancements in expanding opportunities for participation through technical implementations, and she added technology has made it easier for citizens to participate and have their voices heard.

Mr. Heard recommended Council pilot a one-year program to conduct its first meeting of the month at 4:00 p.m. and the second meeting at 6:00 p.m. She indicated this will allow staff to continue to measure data to determine the impact of the change, and Council could revisit the issue to determine if adjustments are needed.

Mayor Woodson suggested trying the meetings at 4:00 p.m. and 5:00 p.m. because he thought fewer people would attend public comment sessions that were later in the evening.

Mayor Pro Tem Blackwell suggested staff could schedule public hearings, when possible, at the 4:00 p.m. meetings and public comment could be held at the later second meeting to help balance the length of the meetings.

Councilmember Kennedy stated he does not support changing the time of the meeting. He commented the time has worked well and he believes people are having their voices heard through media and technology. He added he does not think changing the meeting time to 6:00 p.m. would be effective, but if it is changed, he would prefer 5:00 p.m.

Councilmember Alexander asked if there was data available regarding the number of complaints regarding the meeting time.

Mr. Kennedy noted the issue was a political issue during the last election. Ms. Blackwell indicated she had heard from several citizens, and she asked the other Council members if they had received comments. Council members indicated they had not.

Ms. Blackwell suggested Council have a trial period for a 5:00 p.m. or 6:00 p.m. second meeting for three months and then reevaluate the issue. She noted if the change is not effective, Council can return to the 4:00 p.m. time.

Councilmember Miller commented he will support any meeting time Council prefers, but he would rather the time be the same for both meetings so there is no miscommunication with citizens.

Council agreed to delay this issue until a later meeting and requested citizens contact Council members to express their opinions on the change.

## **FUND BALANCE REVIEW**

Mr. John Sofley, Assistant City Manager for Finance, discussed Fund Balance with Council. He reviewed the official policy of the City:

- The City will maintain an unreserved fund balance of 10 percent of the General Fund Operating Budget.

Mr. Sofley then reviewed the Fund Balance – Historically:

- Fund Balance levels for Salisbury always have been kept at low levels
- Local revenues have always been fairly steady
- Minimal disruptions from State with either State shared revenues or changes in our ability to generate revenues
- Things have changed
  - Deep Recession
  - Very slow economic recovery
    - Decline in housing values
    - Continuing historically high unemployment
    - Willingness of State Legislature to change statutes and impact future revenues and expenditures
- Available Fund Balance (AFB) Definition
  - Total Fund Balance
  - Less Nonspendable items (Inventories and Prepaid Items)
  - Less Stabilization of State Statute
  - Equals Available Fund Balance
- Local Government Commission (LGC)
  - All municipalities required to file an annual financial information report
  - All municipalities required to file an annual Audit report
  - LGC compiles this information into a database that includes summary information by
    - Specific municipality
    - Size of municipality
    - All municipalities
- Data provided on Fund Balance
  - Available fund balance as a percent of expenditures is available
    - By specific municipality
    - As an average for their group of municipalities
    - As an average for all municipalities
  - Provides the ability to benchmark Salisbury's available fund balance to other municipalities

Mr. Sofley noted Salisbury's available Fund Balance in 2012 was approximately 15 percent, which is the highest it has been since before 2003. He reviewed how Salisbury's Available Fund Balance compares to area municipalities such as Concord, Kannapolis, Lexington and Statesville.

- Observations
  - Salisbury's AFB has been historically lean
  - Salisbury increased AFB by 53 percent last year, a big accomplishment
  - AFB showed strong financial management and cost control
    - Not tax increases or fee increases
  - Staff recommends a new goal of 30 percent
    - It will take many years
  - 30 percent would allow for greater continuity of services in a future recession
  - Services during last recession suffered due to Salisbury's low AFB
    - Was insufficient to carry operations forward until revenues could recover
  - Services are susceptible still to reductions if another recession or significant changes occurs in Raleigh

City Manager Doug Paris commented he would like to continue the fiscal responsibility trend requested by Council because it will give financial flexibility when there are hard economic times, or when Council would like to do a special project.

Councilmember Miler stated the fiscal notes added to Agenda items have been very valuable. He noted decisions need to be made in context with budgetary impacts in order to spend scarce resources in a way to provide the best benefit.

Mayor Pro Tem Blackwell stated she thinks having a long-term goal of 30 percent for Fund Balance is a great idea. She added she would like to see annualized goals to determine how the City is doing each year.

Mr. Paris indicated he will incorporate annualized goals for Fund Balance into his budget message when presenting the budget.

### **VIDEO SWEEPSTAKES OPERATORS**

Planning and Development Services Manager Preston Mitchell and Mr. Patty Shuping, Business License, updated Council regarding video sweepstakes.

Mr. Mitchell provided a brief history of Video Sweepstakes Operators (VSO) as provided by David Owens, JD, Professor of Public Law and Government, UNC-CH:

- GS 14-306.1 (2001): Law to ban VSO's and tightly regulate after South Carolina initiated similar ban
- GS 14-306.1 (2006): Repealed limits on video poker; banned video gambling 7/1/07
- Industry shifted from video poker to video sweepstakes

- GS 14-306.4 (2010): Expanded prohibition to include video sweepstakes
- February 21, 2012: Court of Appeals upheld Lumberton's Privilege License Fee
- March 6, 2012: Court of Appeals ruled ban unconstitutional
- December 14, 2012: Raleigh, NC: The North Carolina Supreme Court ruled that the state's ban on video sweepstakes games isn't an infringement on free speech. Sweepstakes halls have proliferated statewide since the state outlawed video poker machines six years ago, and operators said they plan to stay in business. (WRAL)
  - Becomes effective January 3, 2013
- UNC-Chapel Hill Institute of Government (IOG) – January 16, 2013 Webinar “Next Steps for Regulators”
- Effectiveness of North Carolina Supreme Court ruling centers on “Entertaining Display”
  - Plain text reveal
  - Reveal not a “game”
  - Reveal following the display (i.e. bow and arrow)
- Software designers/manufacturers re-designing/re-installing
- Zoning Implications
  - Preemption
    - State statute makes something “*expressly unlawful*” GS 160A-174(b)(3)
    - Unable to benefit as Nonconforming
  - New VSO's may be licensed/permitted if:
    - Verify claims of revised software
    - Sworn statement with revocation clause
  - Revised Land Development Ordinance (LDO) to address shifting tides
  - Not Banned
- Business License Implications
  - IOG encourages (w/zoning):
    - Criminal background checks
    - Employee listings
    - Machine serial number list (database)
    - Safety/Security inspections
- Yes, continue to renew if deemed lawful under zoning
- Local law enforcement to decide legality, not taxing authority
- Cannot be General Fund “revenue source”
- May tax using Gross Receipts
  - Typical 10-25percent
  - Any privilege license tax must be “just an equitable”
    - Suggests using Lumberton as ceiling
    - \$5,000 license fee/\$2,500 per gaming machine

Mr. Mitchell reviewed the peer fees of other cities throughout North Carolina with Lumberton being the highest at \$2,500 per machine and Matthews being the lowest

at zero. He noted that there are currently 191 machines in 6 Video Sweepstakes businesses in Salisbury.

Mr. Mitchell commented Salisbury became an attractive location for these businesses because of its low fees. He stated the location of the businesses could be restricted, but there is an issue of determining how to list the use in the LDO matrix.

City Manager Doug Paris stated it would be helpful if Council could provide parameters it could support in regard to fees for these businesses as staff begins working on the budget.

Councilmember Mill indicated he would like to see the fee increased and for the money that is received to be used to do something good for the community. He added the City should not rely on these funds as part of the General Fund because courts could rule differently on the legality of the business in the future.

Mayor Pro Tem Blackwell stated she would like to see the business classified specifically in the LDO, along with geographical restrictions.

### **YOUNG LUNGS AT PLAY**

Ms. Amy Smith, Health Specialist with Rowan County Health Department, and Mr. Jeff Jones, Parks and Recreation Advisory Board, presented the Young Lungs at Play initiative:

- In North Carolina secondhand smoke costs \$288.8 million annually
- Economic impact in the state due to smoking costs \$5.96 billion annually in healthcare and lost productivity costs
- The Toll of Tobacco in North Carolina
  - High school students who smoke – 15.5 percent (81,000)
  - Male high school students who use smokeless or spit tobacco - \$10.7 percent (females use much lower)
  - Kids (under 18) who become new daily smokers each year – 11,100
  - Kids exposed to secondhand smoke at home – 416,000
  - Packs of cigarettes bought or smoked by kids each year – 20.4 million
  - Adults in North Carolina who smoke – 19.8 percent (1,436,200)
- Deaths in North Carolina from smoking
  - Adults who die each year from their own smoking – 12,200
  - Kids now under 18 and alive in North Carolina who will ultimately die prematurely from smoking – 193,000
- Secondhand smoke contains more than 7,000 chemicals
  - Hundreds are toxic
  - About 70 are cancer causing chemical compounds

Ms. Smith noted cigarette litter represents over 20 percent of all litter collected in many community cleanup initiatives. She stated cigarette butts are deadly as the acetate (plastic) filters take many years to decompose and are specifically designed to accumulate toxins. She explained what this means to the community:

- Rowan County Top 4 Causes of Death
  - First – Diseases of the heart
  - Cancer – All Sites
  - Cerebrovascular disease
  - Chronic lower respiratory diseases
- 2012 Community Health Assessment Health Priorities
  - Chronic Disease
  - Teen Pregnancy
  - Physical Fitness
- Non-Smoking Rowan County Residents – 79percent
- Rowan County Smokers who, during the past 12 months have stopped smoking for one day or longer because they were trying to quit smoking – 65.8 percent
- In Rowan County, 73.1 percent of all residents surveyed want smoke-free playgrounds
- 52.6 percent residents want smoke-free outdoor sports venues
- North Carolina cities and counties are adopting tobacco-free policies for their buildings, grounds and parks
  - Durham
  - Macon County
  - Pinehurst
  - Black Mountain
  - Huntersville
  - Wake Forest
  - Concord
  - Cabarrus County
  - Mooresville
- Impact of smoking bans – percentage drop in hospitalizations (smoking laws were followed by decreases in hospitalization for various conditions)
  - Heart Attack – Decreased by 15 percent
  - Stroke – Decreased by 16 percent
  - Respiratory Disease – Decreased by 24 percent
- Rationale for Tobacco-Free Parks
  - Addresses Rowan County’s health priorities
  - Secondhand smoke (SHS) exposure is harmful
  - Parks should be healthy places for youth, families, pets and the community
  - Promotes positive role modeling for children
  - Reduces harmful cigarette litter and costs associated with cleanup
  - The public supports tobacco-free parks

Ms. Smith indicated the Parks and Recreation Advisory Board requests Council consider creating an ordinance to make the Greenway and Park facilities smoke-free.

Mayor Pro Tem Blackwell noted this problem came to light when Rowan Regional Medical Center became smoke-free and staff and visitors began going to Hurley Park to smoke.

Councilmember Miller stated he felt this was an easy decision, and he would like to move forward to set a public hearing to allow community feedback.

Councilmember Alexander suggested rethinking the logo from “Young Lungs at Play” to “Save Your Lungs” because the smoke affects all ages.

Mayor Woodson thanked Ms. Smith and Mr. Jones for their presentation.

### **PROJECT SAFE UPDATE**

Salisbury Police Chief Rory Collins presented a Project SAFE update to Council. He stated the program is in its tenth year, and 177 participants have been notified during this period. He added 69 percent have not re-offended. Chief Collins explained the program to City Council:

- What is Project SAFE Neighborhoods (PSN):
  - A federal program in which each U.S. Attorney throughout the country is tasked with supporting, by way of federal court prosecution, while working with local jurisdictions to reduce violent crime
  - The Project SAFE program is designed to enable local communities to reduce violent criminal activity by incarcerating offenders in federal prisons if they refuse to stop such activity after receiving fair warning
    - These warnings are provided via face to face meetings with offenders, known as “Notifications”
- How did Salisbury-Rowan land Project SAFE?
  - In January, 2003, a tragic incident occurred on the campus of Catawba College
  - Students from the college were engaging in a party, along with students of Livingstone College
  - At some point, an altercation occurred and a fight ensued. A Livingstone student went to his vehicle and retrieved a firearm and began firing into the crowd
  - Tragically, this event led to the death of Catawba football star, Darris Morris (known to his friends as “D Mo”)
  - This incident occurred on the heels of two other horrific events, in which a South Craige Street man was robbed and killed on his

- front porch trying to enter his home as well as a robbery at the store on Lincolnton Road, in which the clerk was shot and killed
- Following the tragedy at Catawba College, calls for help began to flood the offices of the Chief of Police, former City Manager Treme, and our Elected Officials
  - One call was a call to “help us” rather than to ask us to help the situation
  - U. S. Attorney, a Salisbury resident, who was well aware of the incidents and extended an offer to former Mayor Susan Kluttz to make Salisbury an official Project SAFE site
  - Though, we would be the smallest city in the United States to become a member of this program – we needed the help
  - Of course, the City of Salisbury jumped at the chance.
- Early Stages of Implementation – 2002 – Each Project SAFE program is designed and managed by individual sites, as needed by the community it serves.
    - First implementation step:
      - Creation of an Executive Committee, who would serve as the decision makers for this new program
        - Executive Director – Lt. David Belk, Salisbury Police Department
        - Elected Official – Mayor Susan Kluttz
        - City Manager – Mr. David Treme
        - Program Facilitator – Mr. Henry Diggs
        - District Attorney – Mr. William “Bill” Kennerly
        - Chief of Police – Mark Wilhelm, Salisbury Police Department
    - Second implementation step:
      - Creation of program partnerships from various elements of the community. This group is known as the “Community Intervention Team”. Examples of the early created Team were:
        - All members of the Executive Committee
        - Councilman William “Pete” Kennedy
        - Probation Officials
        - Program’s Resource Coordinator
        - NAACP
        - Juvenile Court Counselor
        - Youth Services Bureau
        - Rowan County United Way
        - Department of Prisons
        - Local Ministers

Chief Collins explained in 2003 the PSN Intervention Team determined the method of identifying offenders who were qualified to be called in for the “Notification”

meeting. He added that this process involved researching criminal histories by law enforcement and Probation, as it was essential for an offender to be currently serving a probationary sentence in order to force them to the “Notification” meetings. He noted that the first “Notification” meeting occurred in November 2003. Chief Collins explained how the “Notification” meetings work:

- Phase 1
  - Conducted by members of the community
    - Community Intervention Team (PSN Partners)
    - Various “help” agencies (Literacy; Goodwill Industries, etc.)
    - Other pre-selected members of the community
  - The Community’s Message During “Notification”
    - We are aware of your criminal behaviors and will no longer allow you to destroy our neighborhoods. Therefore, we want you to know that we are supporting law enforcement as they watch you and take the necessary actions to catch you and to send you to federal prison, if you continue your ways.
    - However, as members of this community, we are for you and would much rather see you succeed and become a productive member. Therefore, we are offering you resources to help turn you around from your life of crime....such as help gaining employment, education, drug/alcohol treatment, etc.
- Phase 2
  - Conducted by members of the Criminal Justice System, to include:
    - Law Enforcement officials from Salisbury-Rowan County
    - Law Enforcement officials from across Middle District of North Carolina
    - Rowan County Probation officials
    - Rowan County District Attorney
    - Federal Prosecutor for Middle District of North Carolina
  - The Criminal Justice Official’s Message During “Notification”
    - The Community has offered them an opportunity for a second chance to make their life what it should be and the resources to become a successful, productive member of the community. We strongly encourage them to accept this offer and take full advantage of it.
    - In the event that they do not accept the Community’s offer, and they continue to commit serious criminal offenses and plaque the neighborhoods of our community, we will use every resource we have to catch them, prosecute them, and rid our community of their behavior.

Chief Collins stated that after earning a grant to turn the part-time Community Resource Coordinator's position into a full-time position, the work of the Community Resource Coordinator changed to a new focus. He noted previously the main focus was monitoring the offenders who were "Notified," but with the full-time status, the Resource Coordinator was tasked with working with "at-risk" youth. He explained the goal of adding this focus upon youth was to save youth before they cross the line into engaging in criminal conduct and other destructive activities. As part of this new focus, Project SAFE "Family Days" were implemented at the YMCA.

Chief Collins noted in the fall of 2012, the PSN Executive Committee realized the need to make some changes in the program which were necessary because of items outside its control:

- The program's Community Resource Coordinator's position had been eliminated due to the lack of federal funding
- Without a Community Resource Coordinator, much of the work that had been taking place was being left undone and our ability to provide resources, as required for the program, was threatened
- Federal law changes forced a significant impact upon the criteria used in determining which offenders we "Notify"
- Though the Community Intervention Team has had great partners from the start, there were several critical partners needed in order to be as effective as we need to be
- Project SAFE Neighborhoods "Revamped"
  - First Change
    - Executive Committee recognized need to make program inclusive of entire county, not just Salisbury
  - Second Change
    - Executive Committee was revamped by adding crucial new partners that help to reflect the decision to be inclusive of the county and other municipalities
      - Executive Director – Rory Collins, Chief of Police
      - Elected Official – Mayor Pro Tem Maggie Blackwell
      - District Attorney – Ms. Brandy Cook
      - Sheriff - Kevin Auten
      - Chief of Probation – Catherine Combs
      - Minister – Reverend Henry Diggs
      - Minister – Reverend Nilous Avery
  - Executive Committee elected Chief Collins to continue to serve as the program's Executive Director
  - Program name change to Salisbury-Rowan Project SAFE Neighborhoods
  - Adjust the method used in determining which offenders will be summoned to the "Notification" meetings

- The Community Intervention Team's partner listing tweaked to add crucial new partners
- Adjust meeting frequency from bi-monthly to monthly.
- Adjust efforts with "at-risk" youth by discontinuing the Family Day events and replacing them with the newly created Police Athletic League

Mr. Nick Means shared with Council that the young man who was shot at Catawba College in 2003 was his best friend. He described the impact of the incident and how he came in contact with Chief Collins in 2003 and then again in 2012, which led to his involvement with Project SAFE Neighborhoods.

Mr. Antonio Foxx told Council he was one of the people who had been notified by Project SAFE and how he was able to turn his life around with the assistance provided by PSN. He indicated he now works full-time with the City of Salisbury and is committed to helping others.

Mayor Woodson thanked Chief Collins, Mr. Means and Mr. Foxx for sharing their stories.

### **RECESS**

Mayor Woodson asked for a motion to recess the meeting until 8:30 a.m., Friday, February 15, 2013 at the Rowan Museum, 202 North Main Street.

Thereupon, Ms. Alexander made a **motion** to recess the meeting until Friday, February 15, 2013 at 8:30 a.m. at the Rowan Museum, 202 North Main Street. Mr. Kennedy seconded the motion. Messrs. Kennedy, Miller, Woodson and Mses. Blackwell and Kluttz voted AYE. (5-0)

### **CALL TO ORDER**

Mayor Woodson called the meeting to order at 8:30 a.m. City Clerk Myra Heard provided the invocation.

### **SALISBURY YOUTH COUNCIL UPDATE**

Mayor Pro Tem Maggie Blackwell reviewed the process that led to the implementation of the Salisbury Youth Council. She noted 12 youth from Salisbury High School have been chosen to serve. Mr. Louis Sosa Andrade, Youth Council Advisor; Mr. Tarik Woods, President; Ms. Madeline Hoskins, Vice-Marketing Chair; Ms. Rosalyn D'Mello, Marketing Chair; and Mr. Abraham Post, Vice-President each described the roles of the Salisbury Youth Council:

- Mission
  - We are a group of youth who are trying to make a difference in Salisbury
  - It is our job to help improve youth-related issues around the city. We will do everything in our power to help this come to fruition.
- Future Plans
  - Appoint 18 new members this fall
  - Visit Youth Councils around the state
  - Create by-laws, Mission, Vision and Values of the Salisbury Youth Council
  - Become active in community service projects
- Our Interests
  - Assist in reducing hunger among high school students
  - Strive to get more students involved in the community
  - Decrease our city's drop-out rate and improve the education of our students
  - Assist with the tutoring program that uses Salisbury High School students to tutor Knox Middle School students in preparation for end of grade testing (EOG) and other tests.
- Our Officers
  - President of Youth Council – Tarik J. Woods
  - Vice-President of Youth Council – Abraham L. Post
  - Secretary – Charlotte Kaufmann
  - Finance Chair – Kate Grant
  - Program Chair – Samantha Washko
  - Program Vice-Chair – Emma Labovitz
  - Marketing Chair – Rosalyn D'mello
  - Marketing Vice-Chair – Madeline Hoskins
  - Social Chair – Quson Brown
  - Social Vice-Chair – Caleb Miller
  - Publication Specialist – Alexandra Warren

Mayor Woodson stated he is delighted the Youth Council is able to be a part of the Retreat, and he looks forward to the work they will accomplish. He thanked Mayor Pro Tem Blackwell for her work to bring the group together.

Ms. Blackwell indicated she was approached about taking the Youth Council countywide to include all high schools. She stated next year the program will expand to include students from other schools who live in Salisbury.

## CITIZEN ACADEMY

City Clerk Myra Heard and Assistant City Manager for Human Resources Zack Kyle presented information regarding a Citizen Academy to Council.

Mr. Heard explained that the academy is a new tool used by local governments to educate, inform and engage citizens, build positive relationships, increase communication between government officials and citizens, and inspire future municipal leaders.

Mr. Heard reviewed the benefits of a Citizens' Academy:

- Increased civic engagement
- Improved citizen understanding of local government, community issues and concerns
- Improved quality and quantity of citizen participation
- Improved diversity of citizen participation
- Improved lines of communication and relationship between citizens and their local government

She then described why citizens choose to participate:

- To effect positive change in the community and to be a resource for neighbors
- To learn more about local government
- To learn how to navigate departments, processes and procedures
- To expand leadership skills
- To meet new people and find ways to volunteer

Ms. Heard indicated many academies involve:

- Offering the citizens the opportunity to meet with various local government staff and elected officials to gain insight into local government services and operations
- Hands-on learning, including field trips to various facilities
- A comprehensive look at the role and structure of local government
- Providing citizens a unique perspective into the role of local government
- Preparation for service on a City board or commission

Ms. Heard stated sessions can be customized to provide information across the City spectrum, but might include:

- Public Safety
- Planning and Zoning
- Parks and Recreation
- Budget and Finance

- Transportation
- Fibrant
- Boards and Commissions
- One-Stop Shop Development

Mr. Heard reviewed results from a survey of citizens academies conducted by a Masters of Public Administration student at UNC-Chapel Hill:

- 37 percent of participants rated themselves as “not at all” or “not very” engaged prior to attendance
- That percentage dropped to 7 percent after attendance
- Citizen Academies can have an impact on civic engagement of all participants regardless of demographics
- Civic activities that saw the largest increases after participation in a citizen academy:
  - 67 percent – visiting website or Facebook to stay informed
  - 57 percent – working with others in community to fix a problem or improve conditions
  - 48 percent – talking about current events with family and/or friends
  - 47 percent – serving on committees or community groups or organizations
- Civic Activities with the smallest increases after participation in a citizen academy:
  - 6 percent – taking part in a protest, march or demonstration
  - 7 percent – running for office

Ms. Heard indicated the survey findings indicate citizens academies have a greater impact on community activities such as volunteering or serving on committees and a much smaller impact on political activities such as running for elected office or taking a stand regarding a political issue.

Ms. Heard summarized that with citizens academies local governments can:

- Use citizens academy alumni as a tool to communicate with citizens
- Recruit a diverse group of citizens to participate in citizens academies
  - Citizens academies can be used as a tool to increase the participation of populations that have less involvement, by making a special effort to recruit a diverse group of participants, especially those not normally represented in civic functions
- Continue to research the impact of citizen academies

Ms. Heard explained why it is a benefit to invest in a citizen academy:

- Public relations – citizens are informed and engaged and serve as informal ambassadors for the City
- Graduates often become more involved in government activities, and go on to serve on various boards and commissions
- Increased transparency – relationships of trust are formed between government staff and citizens
- Gain valuable feedback from citizens

Ms. Heard introduced Mr. Lana Hygh, Assistant to the Town Manager for the Town of Cary, who reviewed Cary’s citizen academy, “Cary School of Government.” She indicated there have been 186 graduates from their program and 62 of those have been appointed to serve on boards and commissions.

Mr. Heard then reviewed some of the considerations for implementation:

- Fees and Costs
  - Suggest program be free to encourage participation
  - \$4,000 to \$6,000 estimated costs (materials, refreshments, graduation)
- Class Size
- Enrollment and Selection
- Topics of Discussion
- Recruitment and Advertisement

Ms. Heard indicated the next step will be for Council to determine if a citizen academy is a tool it would like to explore and implement. She noted if Council would like to move forward staff will develop a plan for implementation.

Mayor Woodson thanked Ms. Hygh for sharing information about Cary, and he thanked Ms. Heard for her presentation.

### **CREATING SUSTAINABLE COMMUNITIES IN AN ERA OF ECONOMIC UNCERTAINTY**

Dr. James H. Johnson, Jr., University of North Carolina at Chapel Hill Kenan-Flagler Business School, addressed City Council regarding “Creating Healthy and Sustainable Communities in an Era of Economic Uncertainty.” He reviewed a 2007 study that indicated the most sedentary cities, top 25 fattest cities, top 25 fittest cities, states with the highest adult obesity rates, and states with highest rates of overweight and obese children aged 10-17 years. Dr. Johnson also reviewed North Carolina’s health indicators in adults for various years, 2003-2008, and North Carolina Health Indicators in children and adolescents.

Dr. Johnson reviewed the challenges to creating healthy, viable and sustainable communities:

- Triple Bottom-line Sustainability Principles
  - Do no harm to the environment and protect natural resources
  - Adhere to principles of social justice and equity
  - Return strong shareholder/stakeholder value
- Sustainable Places or Communities – Goals
  - Minimize ground water extraction, air and water contamination, use of agricultural and forest lands, and disruption of biodiversity and habitat
  - Compact development patterns
  - Transportation systems less reliant on the automobile and more dependent on public transit, walking and biking
  - Infill development and adaptive re-use of existing buildings
  - Protect and/or avoid ecological sensitive and hazard prone areas
  - Curtail land-use at the urban periphery
  - Minimize or cease to export waste and pollutants
- Sustainable Places or Communities – Characteristics
  - Nurture built environments and settlement patterns that are uplifting, inspirational, and memorable
  - Create a strong sense of place – a special feeling of attachment and belonging
  - Respect bioregional or natural and historical context
  - Strive to create and preserve places, rituals and events that foster attachment to the social fabric of the community
  - Look beyond narrow, conventional solutions to social and environmental problems and address them instead from a broad, holistic view
  - Pursue development with the interests of other places and the future in mind
  - Strive to eliminate environmental and other forms of racism
  - View population diversity as a strength
  - Promote a full cost-accounting of its decisions and policies

Dr. Johnson reviewed the civic entrepreneurial model of community health, competitiveness and sustainability:

- Characteristics of a Sustainable Community
  - Actively and aggressively pursues strategic alliances with other communities, domestically and especially internationally, with an eye toward developing not only cultural ties but also profit-centered activities that generate revenue and create jobs for the local citizenry
  - Creates a regulatory environment that promotes and supports the generation of new community wealth via civic entrepreneurial

ventures and innovations that are designed specifically to sustain and enhance the health, competitiveness, and vitality of the community

- Recognizes the need for, and is committed to continuous investment in, a world-class physical infrastructure that connects it to the regional, national, and international economy
  - Invests heavily in its education system (K-12, community colleges, and four-year institutions) to ensure the availability of education and training programs for its citizens so that they can compete for new economy jobs, thereby enhancing the community's attractiveness to businesses
  - Instills in its citizens, especially its youth, the attitudes, values, and beliefs about education and work that are key to upward mobility in the knowledge-based economy of the 21<sup>st</sup> century.
  - Strives to reduce, to the maximum extent possible, geographical, racial and/or ethnic, and class disparities by investing substantial resources in an array of community-building institutions (e.g., the YMCA, the YWCA, and the Boys and Girls Club) that seek to mend the social fabric and provide bridges to education and economic mainstream for its members, especially those who are socially and economically disadvantaged
- Community Capital Assets – Definitions
    - Polity Capital: commitments from local government organizations to continuously strive to enhance the health and socioeconomic well being of local residents and advance the competitiveness of the local community in the global marketplace
    - Physical Capital: the network of highways, railways, airports, and telecommunications systems (telephone, internet, etc.) as well as walking, jogging, and biking trails that form the infrastructure of the community. Also includes park and recreation areas, community/roof top gardens, and exercise facilities
    - Financial Capital: traditional and non-traditional sources of revenue that support the provision of services and promote future economic growth and community development (e.g., the Pennsylvania Fresh Food Financing Initiative)
    - Human Capital: individuals with the requisite education, training, and “soft” skills to compete for jobs in the highly integrated world economy
    - Cultural Capital: residents with the appropriate values, attitudes, and beliefs about their current life chances and their future opportunities in the local community
    - Social Capital: resources – personal and institutional – through which individuals maintain their social identity and receive emotional support, material aid and services, information and new social contacts

Dr. Johnson pointed out the implications for communities and community leaders:

- Implications for Communities
  - Change is the only constant
  - Competitive intelligence gathering is paramount
  - Speed
  - Agility
  - Flexibility
- Implications for Community Leaders
  - Competitive drive
  - Voracious consumer of competitive intelligence
  - Tenacity
  - Persistence
  - Entrepreneurial spirit
  - Soft skills
  - Hard work

Mayor Woodson thanked Dr. Johnson for his thought provoking presentation.

### **RECESS**

Mayor Woodson asked for a motion to recess the meeting until 12:00 Noon in Council Chambers in City Hall, 217 South Main Street, Salisbury, North Carolina.

Thereupon, Mr. Kennedy made a **motion** to recess the meeting until 12:00 Noon in Council Chambers in City Hall. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, Woodson and Mses. Blackwell and Kluttz voted AYE. (5-0)

### **LUNCHEON – DISRUPTIVE DEMOGRAPHICS**

Mayor Woodson reconvened the meeting, and Dr. Albert Aymer, Hood Theological Seminary, provided the invocation.

Dr. James H. Johnson, Jr. from the Kenan-Flagler Business School, UNC- Chapel Hill provided a presentation titled, “Disruptive Demographics: Implementations for Workforce Planning and Development.” Dr. Johnson reviewed demographic trends regarding six disruptive trends:

- The South Rises Again – the increase in percentage of the United States net population growth is highest in the Southern United States
- The Browning of America – the increase of the population of immigrants is growing most rapidly in the Hispanic population
- Marrying Out is “In” – the trend in inter-marriage couples is increasing, and the fertility rates for White-Not Hispanic is decreasing as the median age increases, while the birth rates for Hispanic is increasing

- The Silver Tsunami is about to hit – the average number of citizens in the United States turning 65 is 8,032 per day
- The end of men – male college completion rates have not changed in 35 years, and three times as many men of working age do not work at all compared to 1969
- Cooling water from Grandma’s Well – the percentage of children living with grandparent-headed households is increasing

Dr. Johnson reviewed the implications for workforce planning and development:

- Managing the transition from the “graying” to the “browning” of America
- Competition for talent will be fierce and global
- Successful recruitment and retention will hinge on the ability to effectively manage the full nexus of “diversity” issues

Mayor Woodson thanked Dr. Johnson for his presentation and presented him with a gift of Salisbury branded products.

## **RECESS**

Mayor Woodson asked for a motion to recess the meeting until 2:00 p.m. at the Rowan Museum, 202 North Main Street.

Thereupon Mr. Miller made a **motion** to recess the meeting until 2:00 p.m. at the Rowan Museum, 202 North Main Street. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, Woodson and Mses. Blackwell and Klutz voted AYE. (5-0)

## **FINANCIAL STATE OF THE CITY**

Mayor Woodson reconvened the meeting.

Ms. Teresa Harris, Financial Services Manager, stated the Management Team has worked hard to maintain budget and reduce expenditures. She informed Council that she projects a savings of \$300,000 to \$400,000 next year, which means no tax increase and no fee increase will be recommended. She stated as staff prepares the FY2013-2014 budget it will work on including the projects identified by Council, including the restoration of grants cut from the current budget. Ms. Harris commented the City’s finances are stabilizing, but there is still more work to be done.

Mayor Woodson thanked Ms. Harris, the Management Team, City Manager Doug Paris, and Assistant City Manager for Finance John Sofley for their work to improve the budget.

## REVIEW COUNCIL 2012-2013 GOALS AND OUTCOMES

Public Information and Community Relations Manager Elaney Hasselmann reviewed the current FY2012-2013 Goals and Outcomes, and members of the Management Team noted the status of each goal. Council discussed ideas they would like to add to the Goals and Outcomes, and modifications for existing goals.

Facilitator Warren Miller then asked Council to review the ideas presented throughout the Retreat to determine those items they would like to add to the list of Goals. Mr. Miller reviewed each Goal and members expressed their ideas:

### Better Housing and Neighborhoods

Mayor Pro Tem Blackwell stated she would like to fund and support the annual BlockWork project.

### Utilities and Community Infrastructure

Mayor Pro Tem Blackwell indicated she supports smoke-free parks. Councilmember Miller commented he believes this can be achieved before the end of the fiscal year.

Ms. Blackwell stated she would like to add as a goal crosswalks at the Civic Center and Lincoln Park in the Brooklyn South Square neighborhood. She noted a study has been performed and an update can be provided.

Mr. Miller indicated Council needs to do a better job of working with technology providers. He noted perhaps this is a departmental goal, but he would like to see a recurring schedule to provide information and build relationships with that community. He suggested Council consider appointing a liaison to Fibrant.

Councilmember Alexander indicated she would like to review the money spent in marketing to see how the branding for Fibrant can be increased. She stated the quality of the marketing needs to match the quality of the service, and needs to look more professional. She noted she would like to develop a comprehensive professional marketing plan for Fibrant.

Councilmember Kennedy stated a study of the reliability factor could also be a part of the marketing plan. Mr. Miller added he would like a goal for Fibrant to achieve 99.999 percent reliability.

Mr. Kennedy indicated the City also has a wonderful water source and a comprehensive marketing plan should also include Salisbury-Rowan Utilities.

### Economic Development

Councilmember Alexander indicated she would like to develop an Entrepreneurial Zone to implement small business entrepreneurial programs.

Councilmember Miller stated he would like to reinstate the Municipal Service District (MSD) and Innes Street Façade grants. He added he also supports a South Main Street Small Area Plan. Ms. Alexander noted this is a Planning Board goal, but Mr. Miller indicated he would like Downtown Salisbury, Inc. (DSI) to be engaged in the plans development. He added he would like to identify parties from the Planning Board and DSI to do a study as part of the goal.

### Financial Accountability

Council discussed setting a goal of 30 percent for Fund Balance, and Mayor Pro Tem Blackwell suggested annual benchmarks for reaching the goal. Assistant City Manager for Finance John Sofley stated annual percentages may be hard to define, but he would recommend a goal of at least \$500,000 annually.

City Manager Doug Paris commented this issue needs more analysis for the best way to set and measure the process for achieving a 30 percent Fund Balance, and he will bring more detailed information to Council during the budget workshop.

### Organizational Development and Partnerships

Mayor Pro Tem Blackwell stated she would like to implement a citizens academy.

Councilmember Miller stated he thinks there is a need to convene events for the greater community and to develop partnerships with other organizations to conduct community events. He added the Municipal Association currently discusses issues, but only includes elected officials and others are needed to participate. He indicated he would like to explore opportunities to create a community visioning partner.

Mayor Woodson stated the City must partner with the Rowan County Board of Commissioners if any results are to be achieved. He noted municipalities must work with the County Commissioners to try to sell the community. Mr. Miller added this could be a part of a community visioning and inventory process.

### Youth Involvement

Mayor Pro Tem Blackwell state she would like to support the Police Athletic League.

## REFLECTION AND DEVELOPMENT OF A ONE-YEAR TACTICAL PLAN

Facilitator Warren Miller asked Council to review the revised and proposed Goals to determine those they would like to add to a one-year tactical plan. The Goals identified by Council to include in the one-year tactical plan were:

1. Develop and implement a comprehensive marketing plan and message
2. Achieve 99.999 percent reliability for Fibrant
3. Work with the County Commissioners on asset inventory and visioning for the future
4. Develop an Airport Development Plan
5. Develop an incubator/entrepreneurial plan

By Consensus, Council agreed to add the noted Goals to its one-year tactical plan.

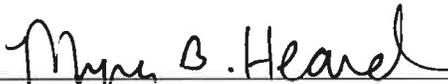
Mayor Woodson thanked Mr. Paris, the Retreat Committee and staff for their work on the Retreat.

## ADJOURNMENT

There being no further business, Ms. Blackwell made a **motion** to adjourn the meeting. Ms. Alexander seconded the motion. Messrs. Kennedy, Miller, Woodson and Mes. Alexander and Blackwell voted AYE. (5-0). The meeting was adjourned at 4:45 p.m.



Paul B. Woodson, Jr., Mayor



Myra B. Heard, City Clerk