

Salisbury, North Carolina

March 18-19, 2014

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, Tuesday and Wednesday, March 18-19, 2014 for the 29<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 8:30 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
Wendy Brindle	City Engineer
Tony Cinquemani	Public Services Director
Rory Collins	Police Chief
Janet Gapen	Community Planning Services Director
Elaney Hasselmann	Public Information and Communications Director
Mike Jury	Fibrant General Manager
Ruth Kennerly	Human Resources Director
Zack Kyle	Assistant City Manager
Robert Parnell	Fire Chief
John Sofley	Assistant City Manager

## **OPENING REMARKS**

City Manager Doug Paris announced the theme for Council's Retreat is "Stepping Up to the Plate." He indicated Council has stepped up to the plate on several key goals throughout the year, and he shared a video with each Council member discussing a key goal and how those goals were implemented in the past year.

Mr. Paris presented Council with a baseball hat and a wooden baseball bat engraved with their name.

## **RAMPING UP HOUSING AND NEIGHBORHOOD REVITALIZATION**

Community Planning Services Director Janet Gapen, Code Services Manager Chris Branham and Community Development Corporation (CDC) Director Chanaka Yatawara discussed proposed efforts to improve housing and neighborhood revitalization.

Ms. Gapen stated the proposed approach is two-prong and includes ridding neighborhoods of vacant boarded houses and starting a pilot project to redevelop a transitional area with strong market potential to stimulate private sector investment.

Mr. Branham reviewed photographs of some of the abandoned and dilapidated structures that exist throughout the City. He noted the abandoned and boarded houses attract crime, are a source of area decline and are a drain on City resources.

Mr. Branham explained the first part of the approach will be blight removal where multiple cases can be bid in bulk to leverage City resources for a better rate. He explained the vacant lots would then be sold for redevelopment. He added this effort would also include stabilization of homes to rehabilitate the structures to sell, lease purchase or rent with the Salisbury Housing Authority providing property management.

Mr. Yatawara noted a deteriorated home nets \$5,000 after it is rehabilitated, while a dilapidated home results in a \$10,000 loss at sale. He pointed out both will result in higher tax values for the properties which will increase the City's tax base.

Ms. Gapen stated it has been found that there is a housing availability mismatch and explained:

- Young families, professionals and downsizing households moving outside the City or to other counties – City lacks product consumers want
- Trends favor walkable neighborhoods, close to services, smaller lots
- Need more housing at price range that is competitive in this market
- Move-in ready
- Developer and private investor confidence is weak
- Too little investment in areas where it is most needed

Mr. Gapen reviewed the Cooke Street Development, a two-block area in Raleigh that formerly consisted of vacant lots and dilapidated houses and located adjacent to a historic district and within an easy walk to downtown Raleigh. She stated for Cooke Street the City of Raleigh assembled the land, established a master plan, established design and materials standards, and sold the lots to developers at both market-rate and income restricted rates. She added this resulted in a popularity that triggered interest in adjacent blocks.

Mr. Gapen proposed a Pilot Revitalization Project for Salisbury. She stated part of the process would be to identify a pilot location that should be close-in, walkable, and a stable area with good market potential, but lacking investment. She noted with the pilot project the City and CDC would acquire properties, create a master plan and would have a mixed income focus. She stated the investment would be in housing rehabilitation, along with demolition and infill, and would encourage private developers to purchase lots or houses at potentially fixed prices. Ms. Gapen noted the anticipated results would be:

- Retain and preserve existing housing
- Strengthen neighborhoods
- Add to the tax base
- Improve community appearance
- Instill confidence among private investors
- Build market base for downtown
- Stabilize income levels near City core

Mayor Woodson asked what price range is needed in neighborhoods. Mr. Yatawara indicated a market-rate up to \$120,000 to \$150,000 is needed.

Councilmember Miller commented a master plan will remove the risk of how surrounding properties will develop in the future and provide confidence for investors.

Councilmember Kenney noted there is a big difference between someone who rents versus someone who owns, and if the properties could include rent-to-own it would make a big difference.

Mayor Pro Tem Blackwell noted Ms. Gapen indicated a neighborhood needed to be stable to be considered for the pilot project, and she stated there is also a need to stabilize fragile neighborhoods so they are ready for redevelopment when the time is right.

Councilmember Alexander indicated the City provided money last year for the Chestnut Hill neighborhood to begin a planning study. She added now that this study has momentum, the neighborhood might be a good candidate for the pilot project.

Mr. Kennedy commented the City is only as strong as its weakest community.

## DOWNTOWN LIVING – TURNING MORE LIGHTS ON UPSTAIRS

Community Planning Services Director Janet Gapen, Planner Catherine Garner and Salisbury-Rowan Utilities Director Jim Behmer discussed residential space downtown.

Ms. Garner described how an inventory was conducted to determine the estimated existing residential and the estimated potential space available.

Ms. Gapen indicated although downtown Salisbury occupies less than 1 percent of all developable property within the City's borders, it generates approximately 3.26 percent of the City's property tax base, even with 47.25 percent of the downtown Municipal Service District (MSD) being tax exempt. She added downtown development helps keep taxes low.

Ms. Gapen explained downtown residential incentives help get investment in a desired product which leads to local jobs in construction and an uptick in real estate activity. She added housing choices will then open up bringing more people into downtown on nights and weekends which creates a higher demand for restaurants and retail. She reviewed a project recently highlighted in the *Independent Tribune* where the Concord City Council approved the sale of an old building for \$1.00 with the consideration of a \$100,000 grant in addition to an economic development incentive grant. She noted the rehabilitated project could be valued at \$2.3 million upon completion.

Ms. Gapen reviewed the existing downtown development incentives for Salisbury:

- Façade grants
- Parking/streetscape improvements
- Historic Tax Credits

She then proposed new downtown incentives:

- Fireline grant
- Downtown Residential grant
- Building Rehabilitation grant
- Land Incentives

Mr. Behmer reviewed the 2013-2014 Fireline Grant Program:

- \$50,000 budgeted to assist with fireline extensions within Downtown Salisbury that would serve multiple buildings/parcels (public purpose)
- Incentive grant is a 50 percent match of the actual project costs
- Initial focus area would be 6 blocks within the downtown MSD and downtown fire district where fire loops have already been proposed
- Based upon the interest of the pilot program, additional funding/participation may occur in future funding year

Ms. Gapen reviewed the proposed Downtown Building Rehabilitation grant:

- Promote building rehabilitation in the MSD
- Grant of 25 percent of total rehabilitation cost, capped at \$25,000
- Commercial, residential or mixed use
- Improvements must exceed \$50,000
- Respect architectural integrity/historic features
- Municipal Service District properties eligible
- Based partly on our Industrial Building Revitalization grant

She then discussed the proposed Downtown Residential Incentive grant:

- To promote the creation of new residential units in the MSD, or upgrades to existing units
- Can be combined with the Building Rehab grant
- Grant calculated at \$7 per square foot for residential use
- Maximum grant capped at \$100,000
- MSD properties eligible
- Owner-occupied or for-rent units
- Meet minimum quality standards for upfit/finishes
- Respect architectural integrity/historic features

Councilmember Miller commented the incentives could be what bring people to Salisbury rather than Raleigh or Charlotte. He added this could be a game-changer for Salisbury.

### **GROWING TRANSIT – CONNECTING PEOPLE AND PLACES**

Public Services Director Tony Cinquemani and Transit Manager Rodney Harrison updated Council on the transit routes and proposed changes to the routes.

Mr. Harrison reviewed the current routes:

- Route 1 (Green) – South Main Street/Spencer/Rowan Cabarrus Community College
- Route 2 (Red) – Salisbury Mall/Innes Street Market
- Route 3 (Blue) – East Spencer, Veterans Administration Medical Center

Mr. Harrison then reviewed the proposed changes for the routes and noted the changes would alter service so no one on the existing routes is denied service, while offering new opportunities for riders.

Mr. Harrison noted the proposed changes:

- Support Rowan County/City of Salisbury Community Transportation Services Plan
- Improve the overall system by expanding our geographical service area
- Proposed route will reduce back-tracking
- Responds to public requests

Mayor Pro Tem Blackwell asked how the changes will be communicated. Mr. Harrison indicated the information will be displayed inside the bus on bus runners, drivers will communicate with passengers, and Transit will participate in city-wide events to share information.

Councilmember Alexander asked if Saturday service will be offered, and Mr. Harrison responded that all three routes will run on Saturday.

Councilmember Miller asked if the changes will have any costs associated. Mr. Harrison indicated there will be a slight increase of approximately \$40,000 per year as an initial cost estimate.

## **COUNCIL DISCUSSION**

Facilitator Warren Miller led Council in a discussion regarding the morning presentations in order to determine potential goals. He reviewed the items discussed as potential goals:

- Initiate a blight removal program
- Create a neighborhood revitalization pilot project regarding the redevelopment of a transitional area with the intent of stimulating private investment near more fragile areas
- Offer a building rehabilitation grant to incentivize the rehabilitation of downtown buildings in the Municipal Service District
- Offer downtown residential incentive grants to promote new units or upgrade of existing units in the downtown area

Council agreed with the potential goals.

Councilmember Miller commented all of the initiatives are important, but Council will have to determine how to implement them with economic realities. City Manager Doug Paris noted once Council sets its goals staff will meet to determine how they can be implemented without damaging the City's financial security.

Mayor Pro Tem Blackwell recommended adding a project to stabilize neighborhoods in order to make them eligible for the pilot project, or to make the stabilization part of the pilot project and blight removal goal.

Councilmember Miller indicated he thinks there is a need for urban parks and downtown green space. He added he would like to develop an urban park over a period of time that would become a destination.

Councilmember Alexander stated she would like master plans for concentrated areas of development to implement green building practices.

### **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.

Thereupon, Mr. Kennedy made a **motion** to recess the meeting until 12:00 Noon in Council Chambers in City Hall, 217 South Main Street. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, Woodson and Mses. Alexander and Blackwell voted AYE. (5-0)

### **LUNCHEON – SLOW DEMOCRACY**

Mayor Woodson reconvened the meeting. Police Chief Rory Collins provided the invocation.

Mayor Woodson introduced Ms. Susan Clark, author of *Slow Democracy*, who discussed how slow democracy leads to local decision making that is inclusive, deliberate and empowering. She described examples of successful civic engagement in various municipalities across the United States. She noted successful citizen engagement leads to community sustainability, economic health, resilience in crisis and improves civic health and citizen responsibility.

Mayor Woodson thanked Ms. Clark for her presentation and presented her with a gift bag containing Salisbury brand items.

## **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. Alexander seconded the motion. Messrs. Kennedy, Miller, Woodson and Mses. Alexander and Blackwell voted AYE. (5-0)

## **SLOW DEMOCRACY**

Mayor Woodson reconvened the meeting.

Ms. Susan Clark, author of *Slow Democracy* discussed the slow democracy process and noted it is inclusive, deliberative, and empowering. She discussed aspects of public input sessions that were not very successful, and those that were. She discussed how national associations and colleges are now providing a focus on civic engagement as part of their programs. Ms. Clark discussed the importance of planning for citizen engagement to bring the right group together to develop community plans. She noted this includes preliminary assessment to convene diverse stakeholders to ask for suggestions on public engagement, and then taking the responses into consideration.

Council thanked Ms. Clark for her presentations during the Retreat.

## **FINANCING LIVABILITY**

Assistant City Manager John Sofley discussed options to finance livability in the City. He noted the website Livability.com uses eight elements to evaluate livability of a community:

- Economics
- Healthcare
- Housing
- Civic Capital
- Education
- Amenities
- Demographics
- Infrastructure

Mr. Sofley explained infrastructure is what all other elements are built upon and include utilities, parks/open space, sidewalks, streetscapes, roads and parking. He noted Salisbury has historically made significant investment in its various utilities, but only three times in the past 25 years has it invested significantly into roads, parks, sidewalks,

streetscapes or parking without the use of grants. These three investments were \$3,000,000 for Salisbury Community Park in 1997, \$1,000,000 in park improvements in 2000, and \$725,000 for downtown parking in 2008.

Mr. Sofley indicated Council has received many requests for improvements during the past 10 years, and has used existing funds to fund road improvements, road repaving, replacement sidewalks, new neighborhood parks and improvements to existing parks. He added with grant funding the City has built additional sidewalks, Greenways, replacement sidewalks, and streetscape improvements.

Mr. Sofley reviewed the current/outstanding requests:

- Downtown green space
- Downtown sidewalk replacement/streetscapes
- Construction of new sidewalks
- Expanded repaving
- Left turns at the Square
- Improvements to East Innes and Long Streets
- Park Master Plans
- Downtown parking
- Streetscape improvements
- Greenways

He noted the only two options to fund significant infrastructure requests like these are Lease Purchase Financing and General Obligation bonds. He stated the preferred option would be General Obligation bonds which require voter support and allows improvements to be made on assets that have collateral value.

Mr. Sofley reviewed infrastructure projects undertaken in the City of Greenville, South Carolina to improve its downtown sidewalks and streetscapes. He pointed out the cost of debt for Salisbury, based on the current market, is that one cent of taxes equals approximately \$2.7 million.

Mr. Sofley indicated with the current debt markets, and the City's financial position, now is the time to consider these infrastructure projects and improve the City's livability.

Councilmember Miller commented if the City invests in itself, others will invest in the City too.

Councilmember Alexander pointed out paying for these projects through General Obligation Bonds would leave money in the General Fund to fund other grant programs.

City Manager Doug Paris explained debt cannot be used for an asset the City does not own and must result in a tangible public asset.

Mayor Woodson asked if a General Obligation bond issue would be placed on the November 2014 ballot. Mr. Sofley indicated the bond issue could go on the November ballot.

Mayor Woodson asked if sidewalks can be widened and extended into Main Street. City Engineer Wendy Brindle indicated the concept was one that could be done on Main Street.

Mayor Woodson commented for this type of General Obligation bond to pass, it would have to be for City-wide projects and not just the downtown area.

Mr. Sofley stated the downtown would be an area of focus but would not be the only area.

Mr. Miller commented the concentration does not have to be downtown, but this is something that could bring a paradigm shift in investment that encourages others to invest.

### **COUNCIL DISCUSSION**

Facilitator Warren Miller led Council in a discussion of the topics presented throughout the day.

Mayor Woodson indicated the Retreat sessions have been great, and he is very intrigued by the new grants for downtown. He added he also wanted to do something to improve housing conditions in the City.

Councilmember Kennedy commented the proposed housing project could change the dynamic of the City throughout its neighborhoods and be a plan of action to move forward.

Mayor Pro Tem Blackwell stated she is pleased to hear some of the redeveloped homes will be rentals because the City's rental inventory is low and below the demand.

Councilmember Miller stated the City needs to do the little things that impact the big things and needs to get citizens involved. He added Council cannot let the opportunity of the current market conditions pass, and he noted if Council waits to finance improvements it will only cost more in the future. He commented sometimes leaders have to lead, and Council may not know how well these things work until long into the future.

Councilmember Alexander stated the City has great staff and leadership and the best citizens who will step up to the plate to make the City a success. She stated Council can only fail if it does not move.

Mayor Pro Tem Blackwell noted all that has been discussed is tangible and that will win support of voters to implement General Obligation bonds because it will be improvements they can see.

## **RECESS**

Mayor Woodson asked for a motion to recess the meeting until 8:30 a.m., Wednesday, March 19, 2014 at the Rowan Museum, 202 North Main Street.

Thereupon, Mr. Kennedy made a **motion** to recess the meeting until Wednesday, March 19, 2014 at 8:30 a.m. at the Rowan Museum, 202 North Main Street. Ms. Blackwell seconded the motion. Messrs. Kennedy, Miller, Woodson and Meses. Alexander and Blackwell voted AYE. (5-0)

## **CALL TO ORDER – MARCH 19, 2014**

Mayor Woodson called the meeting to order at 8:30 a.m. Wednesday, March 19, 2014. City Clerk Myra Heard provided the invocation.

## **TAKING A BITE OUT OF ANIMAL NUISANCE ISSUES**

Community Planning Services Director Janet Gapen and Code Services Manager Chris Branham updated Council on the work of the Nuisance Animal Study Committee.

Mr. Branham explained the Committee was organized through a Resolution of Intent adopted by Council, and consisted of members Matthew Dellinger, Nina Dix, Rebekah Julian, Susan Norvell, Theresa Pitner, Lorraine Reidda, and Brian Romans.

Mr. Branham reviewed the Committee's preliminary research:

- Committee members were given several municipalities across North Carolina to contact regarding their nuisance animal codes
- Municipalities chosen had a population size ranging from 18,000 to 50,000; Salisbury has a population of approximately 33,700
- Focus points were on loose animals, fines, tethering, and the number of animals allowed
- Total of 31 communities contacted

Mr. Branham noted a public workshop was held May 30, 2013 with more than 40 citizens attending. He stated, as a result of the workshop, 21 specific items were discussed. He indicated from these 21 items, the top 9 problems were identified and solutions developed for each:

1. Feral cats – Implement a trap/neuter/release program
2. Lack of education – Put together informational brochures for citizens and neighborhoods, explore possibility of having a column in the Salisbury Post on animal treatment
3. Fines – Implementing a graduated fines system
4. Loose animals – To be addressed with the graduated fines
5. Tethering – Adopt an ordinance that strictly regulates or bans it all together
6. Humane treatment – Adopt an ordinance that supports this
7. Barking – To be addressed with the graduated fines
8. Wild animals – Some of this is addressed with housing ordinances, requires contacting the North Carolina Wildlife group
9. Waste – Research ordinances from other areas

Mr. Branham then reviewed the initial recommendations made by the Committee to Council in June 2013:

- Humane Treatment Ordinance (amending current city ordinance, chapter 5)
  - Feral cats
  - Number of animals
  - Tethering
- Training for City staff on humane treatment of animals at-large
- City to work with local rescue organizations
  - Grant writing and private funding
- Graduated system of fines that target habitual offenders
- Ask that City Council allow this committee to continue to meet

Mr. Branham reviewed how other governmental agencies handle their animal control along with their fines and whether they restrict pets, allow tethering and require registration.

Mr. Branham reviewed the proposed amendments to the current Code:

- Division 1 – General
  - Definitions updated to reflect amendments
  - Nuisance defined as:
    - Gets into or turns over garbage containers
    - Walks on and/or sleeps on automobiles of another
    - Damages gardens, foliage or other real or personal property
    - Continuously or frequently roams or is found on the property of another
    - Is maintained in an unsanitary condition so as to be offensive to sight or smell
    - Is not confined to a building or secure enclosure while in estrus

- Chases, snaps at, attacks or otherwise molests pedestrians, bicyclists, motor vehicle passengers, farm stock, or domestic animals
    - Urinates on private property without the permission of the owner
    - Is diseased or dangerous to the health of the public
    - Is maintained outside less than 10 feet from a public street, road, or sidewalk and poses a threat to the general safety, health, and welfare of the general public
  - Police Department and Code Enforcement given authority to enforce the code
- Division 2 – Animal creating a public nuisance
  - Running at large
  - Public nuisances
    - Chases, snaps at or otherwise molests pedestrians, bicyclists, motor vehicles, farm stock or domestic animals; or
    - Turns over garbage pails; or
    - Damages gardens, laws, or other foliage or other real or personal property; or
    - Barks or howls for a continuous time period (one or more times per minute, each minute, during a ten minute period)
    - Causes fouling of the air by odors; or
    - Cause unsanitary conditions of enclosures or surroundings
  - Waste
    - It shall be the responsibility of the custodian of an animal to remove feces from public or private property. The custodian must have a bag or other container in his/her possession that closes and is suitable for removing feces when not on personal property
- Division 3 – Humane Treatment
  - Animal Cruelty
    - It shall be unlawful for any person to willfully overdrive, overload, wound, injure, torture, torment, deprive of necessary sustenance and shelter, abandon, cruelly beat, needlessly mutilate or kill or cause or procure to be overdriven, overloaded, wounded, injured, tortured, tormented, deprived of necessary sustenance and shelter, abandoned, cruelly beaten, needlessly mutilated or killed as aforesaid, any useful beast, fowl or animal. This is not intended to prohibit the lawful taking of animals under the jurisdiction and regulation of the wildlife resources commission nor the process of animals for food under humane conditions

- Abandonment in a vehicle
  - Estimated American Veterinary Medical Association estimated vehicle interior air temperature versus elapsed time
- Division 4 – Shelter and Tethering
  - Shelter is clearly described and prohibits “ad hoc” substitutions such as underneath the exterior steps, inside or underneath a vehicle, inside a building with no windows or adequate ventilation
  - Tethering highlights the proper use of a chain or tether such as it cannot be made of rope, twin, cord or similar material and must be appropriate for the size of the animal
  - When tethered or kept in a shelter, it cannot be within 10 feet of the property line or right-of-way
- Division 5 – Dangerous and Vicious
  - Only change is to not allow an owner to have more than one register dangerous dog per household
  - City Council would need to designate a board to hear appeals from the Animal Control Officer such as the Zoning Board of Adjustment
- Division 6 – Impoundment and Citations
  - Fee structure changes
    - Public Nuisance
      - Written warning
      - \$50
      - \$100
      - \$200
      - Impoundment
    - All other violations
      - Written warning
      - \$100
      - \$200
      - \$500
      - Impoundment

Mr. Branham indicated in 2012 the calls for service for Animal Control were 238 to the Salisbury Police Department and 2,120 for Rowan County Animal Control. He stated currently neighborhoods are becoming plagued with inhumane animal living conditions. He added neighborhoods have reported an increase in stray dogs and cats that are causing a nuisance after hours. He noted some loose animal cases are reported but many are not due to the assumption that nothing will be done. He stated under the current contract with Rowan County there is no requirement to respond to loose animal calls after hours because it is not considered an emergency.

Mr. Branham reviewed the City's current contract with Rowan County and those areas of the contract not being met:

- Section 1(c): County and City personnel will work together to develop a single set of animal control regulations that apply across the city and county; and, that will be adopted by both the Salisbury City Council and the Rowan County Commissioners
- Section 2(f): Provide a quarterly report listing the number and types of calls handled by County Animal Control Officers from service requests within the City. These reports will be forwarded to the Chief of the City Police Department

Mr. Branham noted Police Chief Rory Collins has sent two letters to Rowan County Animal Control Supervisor Clai Martin since September 2013 requesting a meeting to discuss the contract and the sections that have not been met, but to date no response has been received. Mr. Branham pointed out Mr. Martin was an original member of the Nuisance Animal Study Committee but resigned in May 2013.

Councilmember Kennedy asked for the definition of a dangerous dog. Mr. Branham explained it is one that has bitten someone or acted maliciously towards someone and has gone through the act of causing harm. He added it is not breed specific, but based on the act of the animal.

Councilmember Miller commented the proposed ordinance would give enforcement capabilities that currently do not exist. He explained currently these problems do not become an animal control issue unless someone has been hurt.

### **BUILDING A DIGITAL CITY: CHATTANOOGA'S EXPERIENCE**

Ms. Danna Bailey, Vice-President of Corporate Communications for Electric Power Board (EPB) in Chattanooga, Tennessee, spoke to Council to describe how Chattanooga became a "Gig City."

Ms. Bailey described how Chattanooga reached its low point in 1969 when the federal government declared it had the dirtiest air in the nation. She explained efforts to revitalize the City that began with construction of the Tennessee Aquarium beside the Tennessee River in the 1990s. She noted the plan that was put in place in the 1990s has created a destination with the City's 21<sup>st</sup> Century waterfront that grew around the Aquarium.

Ms. Bailey stated EPB began as an electric utility that installed fiber optics to create an electric grid. She noted EPB then moved into internet service and is now a "Gig City" that boasts the fastest internet in the country. She noted Chattanooga has over 500,000 residents and EPB passes over 100,000 homes.

Ms. Bailey described a few of the efforts EPB has undertaken to market its service including a contest for small business start-ups that has sense moved from a contest to an annual event, and providing gifts to its subscribers, such as increased bandwidth, on the anniversary of the utility. She noted EPB works collaboratively with the Chamber of Commerce, the City and other community groups to meet the needs of large projects.

Ms. Bailey indicated EPB currently has approximately 3,100 gigabyte customers. She explained the “gig” is still a mystery to many users, but is in use by large businesses. She added the “gig” is more about what it represents for the possibilities that exist for the community. She stated she thinks the “gig” has had a bigger impact on the community as a whole, rather than just on market share.

Council thanked Ms. Bailey for sharing Chattanooga’s success story.

### **A CITY SPECIFIC ECONOMIC DEVELOPMENT FOCUS: RALEIGH’S STORY**

Mr. James Sauls, Economic Development Manager for the City of Raleigh, discussed how the City of Raleigh began its economic development program after a partnership with the Chamber of Commerce. He described the city’s recruitment process and how the city is marketed.

Mr. Sauls discussed Raleigh’s successes in attracting businesses and how his office recruits. He noted they work to create a business culture where companies and their employees want to be located. He stated this includes promoting the cost of living, housing choices, quality of life and the 12 colleges and universities in the Raleigh area.

Mr. Sauls noted economic development is a collaborative effort in Raleigh, and his office routinely partners with private business, the Chamber of Commerce, and the North Carolina Department of Commerce.

Councilmember Alexander asked Mr. Sauls what the first step should be for Salisbury. Mr. Sauls responded that the City should start from the bottom up, find out what businesses want and why they stay, and develop those strengths.

Mayor Woodson thanked Mr. Sauls for his presentation.

### **COUNCIL DISCUSSION**

Facilitator Warren Miller asked Council to share those things that had made an impression on them from the morning sessions.

Mayor Pro Tem Blackwell stated the theme of involving citizens keeps coming up.

Councilmember Alexander commented the significant change seen by Raleigh in a short period of time is inspiring for what Salisbury can do to build on its strengths. She noted she liked the idea of meeting with office landlords to barter high speed internet for office space, adding these opportunities exist for Salisbury:

Councilmember Kennedy stated there is a need to create Salisbury as a digital City because it has Fibrant and needs entrepreneurs to come to Salisbury to build businesses.

Mayor Pro Tem Blackwell indicated she liked the idea Chattanooga uses of giving a gift, such as increased bandwidth, to subscribers each year on the anniversary of the utility.

City Manager Doug Paris stated staff is seeking guidance from Council on the animal control issue. He noted there are challenges with the current contract, and staff would like feedback from Council.

Ms. Alexander asked if it is possible to take Animal Control back from Rowan County. Mr. Paris stated it is possible.

Ms. Alexander commented citizens are not pleased with response times and are not getting the level of service that was expected. Mr. Paris indicated staff will review the contract and what is needed to bring the service in-house and bring the information to Council during the budget process.

Ms. Blackwell suggested a goal for animal control be general in nature, and Mr. Paris suggested a goal to study or improve animal control. By Consensus, Council agreed.

Ms. Blackwell commented when she was first elected to Council staff conducted a Fibrant University to review the broadband system. She stated it may be time to conduct another Fibrant University in order to have a greater understanding of the utility's potential.

Mr. Kennedy asked to hear from staff. Fibrant General Manager Mike Jury stated Salisbury could offer a Gig, but he does not think that is the next step for the system. He questioned the number of subscribers who would understand or want a Gig.

Ms. Blackwell commented the power of the Gig is not in the number of users but in the presence of having it. She added, for Chattanooga, the use of the Gig was the buzz it generated and the national coverage it drew.

Ms. Alexander stated she would like to know the costs associated with the Gig of service. Mr. Paris indicated staff will develop information for Council.

Councilmember Miller asked Mr. Paris to include the Economic Development Commission in the economic discussion.

Mr. Miller commented the City needs to recreate its entrepreneurial focus and noted it used to have that focus with Cheerwine and Stanback.

Ms. Alexander asked if an economic study can be put together quickly because it is important for all groups to participate in order to have full buy-in to be successful.

Mr. Paris noted Mr. Sauls stated it was important to have an individual voice in an economic development conversation, and this seems to be what he is hearing from Council's conversation. He noted it would be helpful to have a goal from Council to have City specific economic development and the area they would like staff to focus on.

Mr. Miller commented the level of collaboration in the community has been frustrating, and he believes much more can be accomplished working together. He noted City specific sounds like Mr. Paris is proposing the City have its own economic development entity. He stated collaboration has to work in both directions and sometimes there is a need to accommodate and not always have control. He noted there is a need for economic development for the overall community with a Salisbury specific element, but the City must still work with the other areas of the County.

Mr. Paris noted the Raleigh model was not an "either/or" model but an "and" in order to augment the City strategy.

Ms. Alexander pointed out Mr. Sauls was very clear that he collaborated with the Chamber of Commerce and other groups.

Mr. Kennedy commented the Council is trying to create jobs for citizens and promote Fibrant technology. He stated, although the City does not have the Tennessee River, it does have plenty of water.

Mr. Paris stated the goal is to make investments that result in returns, and the end strategy would be tangible and positive for the City and County.

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

## **LUNCHEON – BRINGING NEIGHBORHOODS BACK – A HOLISTIC APPROACH**

Mayor Woodson reconvened the meeting. Chief Rory Collins provided the invocation.

Mayor Woodson introduced Ms. Shirley Franklin, Chief Executive Officer and Board Chair of Purpose Built Communities and former Mayor of Atlanta.

Ms. Franklin discussed the transformation of the East Lake Meadows community in Atlanta and how that led to the Purpose Built Communities model. She stated the Purpose Built Communities model requires mixed-income housing, a seamless education pipeline from pre-K to college, and community wellness to be successful.

Ms. Franklin stated the East Lake community went from a crime rate that was 18 times the national average to one that is half that of the City of Atlanta. She noted the neighborhood school went from 69th place, which was last, to first place and one of the best with the highest test scores, even with 60 percent of the students qualifying for free lunch. Ms. Franklin stated East Lake is now a community that others strive to live in and is no longer a drain on the City. She noted the Purpose Built Communities model is now being used in Charlotte, North Carolina; Spartanburg, South Carolina; Birmingham, Alabama; Indianapolis, Indiana; New Orleans, Louisiana; Rome, Georgia; and Omaha, Nebraska.

Ms. Franklin encouraged Council and community leaders to think big and noted she has found the bigger the idea, the more likely it is it will get done.

Mayor Woodson thanked Ms. Franklin for her presentation and presented her with a gift bag of Salisbury brand items.

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

## **BRINGING A SCHOOL BACK – FROM 69<sup>TH</sup> TO 1<sup>ST</sup> IN ATLANTA**

Mayor Woodson reconvened the meeting.

Ms. Carol Naughton, Senior Vice-President of Purpose Built Communities and Board member of the Charles R. Drew Charter School, spoke to Council about the Purpose Built Communities model.

Ms. Naughton noted that poverty continues to undermine the American dream, and 48.8 million Americans, or one in 10, live in poverty. She stated 42 percent of children born to parents in the bottom fifth of the economic distribution remain in the bottom as adults, and 23 percent only rise to the second fifth. She indicated 16.1 million children live in poverty with 50 percent of poor children living in concentrated poverty. Ms. Naughton stated poverty has dire implications for children and 86 percent of 3<sup>rd</sup> grader who live in concentrated poverty read below grade level. She pointed out twice as many adults living in areas of concentrated poverty lack a high school diploma, and residents of these areas can experience a homicide rate 12 times higher than average.

Ms. Naughton stated it is estimated that childhood poverty raises health expenditures by \$150 billion, raises the cost of crime by \$160 billion, and reduces productivity and economic output by \$160 billion per year.

Mr. Naughton reviewed statistics for East Lake Meadows before and after the Purpose Built Communities model was implemented. She noted in 1995:

- Safety
  - 18 times the national crime rate
  - 90 percent of families victims of a felony each year
  - \$35 million a year drug trade
- Housing
  - 100 percent public housing
  - 1,400 residents in 650 apartments
  - 40 percent of units unlivable
- Employment
  - 13 percent employment
  - 59 percent of adults on welfare
  - Median income of approximately \$4,500
- Education
  - One of the lowest performing schools in Georgia
  - 5 percent of 5<sup>th</sup> graders meet state math standards
  - 30 percent graduation rate

She then reviewed the present statistics for the community:

- Safety
  - 73 percent reduction in crime
  - 90 percent lower violent crime
  - 50 percent lower crime than Atlanta

- Housing
  - High-quality, privately managed housing
  - Mixed-income (50 percent public housing, 50 percent market rate)
  - 1,400 residents in 542 apartments
- Employment
  - 75 percent employment in public housing, remainder in job training, elderly or disabled
  - Median income of approximately \$15,000 in public housing households
- Education
  - Approximately 1,330 in pre-K through 9<sup>th</sup> grade
  - 98 percent meet or exceed state standards
  - A top performing school in Atlanta and the state

Ms. Naughton emphasized the Purpose Built Communities model includes mixed income housing, a cradle-to-college education pipeline, and community wellness. She described the cradle-to-college pipeline created for East Lake and noted to ensure an effective pipeline there must be direct control of the school, a neighborhood focus, an emphasis on high-quality Early Childhood Education, and a seamless coordination between each aspect of the pipeline. She reviewed the statistics for Drew Charter School, the school created through the Purpose Built Communities model for East Lake Meadows, and noted Drew is ranked first in the state of Georgia for schools serving both low-income and minority students.

Ms. Naughton noted how education sustains revitalization:

- Attracts families with choice to the neighborhood
- Residents pass up other new housing developments to rent at Villages of East Lake
- Attracts additional public and private investment in the community
- Builds bonds throughout the community
- Mixed income plus great schools combat brain drain

She then reviewed the Drew Charter School difference:

- Part of a holistic neighborhood revitalization
- Early learning and pre-K: language and literacy
- Excellent teachers and leaders
- Science, Technology, Engineering, Art and Math (STEAM) and project-based learning
- Longer school day and year
- Seamless transitions from cradle-to-college
- Public/private partnerships

Ms. Naughton indicated she studied data for schools in the City of Salisbury and noted they are underperforming:

- All schools perform significantly below the district and state averages
- Only 30 percent of 3<sup>rd</sup> graders in Salisbury read at grade level
- Significant achievement gap
- Only 10 percent of low income students passed all end of course tests at Salisbury High School

Ms. Naughton commented the issues at Salisbury High School are not an education problem but an opportunity problem. She reviewed what can be done to move education forward:

- Can governance models impact performance?
  - Traditional public school district
  - Charter schools
  - Pilot schools
- Education Essentials
- Community Strategies

Mr. Naughton then reviewed the existing school models:

- Traditional Public Schools
  - Governed by an elected board who hire a superintendent to run the system
  - Budget and policy matters approved by the board
  - Authority to raise taxes to increase revenue
  - May or may not have site based management orientation
  - May operate traditional, magnet, theme or alternative schools
- Public Charter Schools – North Carolina
  - Authorized by state
  - Serve all students
  - State funding with small local contribution
  - Operated by a nonprofit
  - Increased flexibility in return for increased accountability
  - No taxing authority
  - Separate board hires principal. Principal hires teachers
  - No tenure. Principal has hire/fire authority
  - Nimble, responsive to needs, determines where to spend its resources
  - Statutory protection
- Pilot Schools
  - Contractual arrangement; no statutory protections
  - Local school council controls budget and has input on principal selection
  - Principal has hire and fire authority

- Principal and staff are district employees
- Greater site based control than traditional public schools

Ms. Naughton noted those things she thinks are essential for educational excellence:

- Principal selection
- Budget flexibility
- Faculty – high quality and one year contracts (continuous evaluations)
- Partnerships and strategic stakeholders
- Curriculum
- Extra time on meaningful task – calendar decisions
- Organizational structure (i.e. PreK-5, PreK-8)
- Facility – environment matters

Mayor Pro Tem Blackwell asked if charter schools receive public money and if it is at the same level as public schools. Ms. Naughton stated they do receive some public funds, but typically not at the same level as public schools.

Ms. Blackwell commented when Ms. Naughton pointed out that environment matters, she thought of Knox Middle School.

Councilmember Alexander asked Ms. Naughton if the Drew School was supported by the school board when it began. Ms. Naughton stated the process was very hard in the beginning, and there was a lot of resistance because it was something new and different.

Council thanked Ms. Naughton for her presentation and for sharing the success of Drew Charter School and the Purpose Built Communities model.

## **FINANCIAL STATE OF THE CITY**

Financial Services Manager Teresa Harris informed Council that the City is holding its own financially, and revenues are about the same as last year. She stated staff will continue work to keep expenditures down and will present a balanced budget to Council.

City Manager Doug Paris noted that once Council confirms its goals, staff will develop a plan to fund them in a way that is financial sustainable.

Councilmember Alexander indicated the savings realized are perpetual and provides money to do special things or invest in long-term ventures. She stated it is important to invest in the small things today and to also keep looking to the future.

Ms. Paris commented the type of issues discussed by Council will be those that invest in the City's growth which is a technique that is financially sustainable.

### **REVIEW COUNCIL 2013-2014 GOALS AND OUTCOMES**

Mayor Woodson noted in the past Council concluded its Retreat by reviewing its old goals, and he proposed allowing staff to go through the old goals and make a presentation back to Council. He suggested creating six new goals from the items discussed during the Retreat to serve as the priority goals. By Consensus, Council agreed.

Facilitator Warren Miller reviewed the items discussed during Retreat for Council's consideration as its working goals:

1. Pursue as a concept for further review, a General Obligation bond initiative for key infrastructure.

Council noted the improvements must be City-wide and not just downtown.

2. Develop a City specific economic development focus like Raleigh that also leverages Salisbury's broadband infrastructure.

Council stated it is important to be collaborative with the City's external economic development partners, and any changes should help the City be more efficient and effective.

3. Implement a two-pronged approach on housing blight and revitalization.
4. Work with the School Board to implement a new school model.

Council noted the model may not be just like the Drew Charter School but needs to focus on the results rather than the model, with the results being educational attainment. Council recommended meeting with the School Board to see how the City can help.

5. Study improving animal control services including considering bringing the service in-house.

Council indicated the need to determine what will provide the best service and outcome for Salisbury's citizens.

6. Implement new downtown incentives to spur downtown growth.

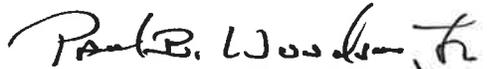
Mr. Miller (facilitator) indicated staff will take these goals and incorporate them into the existing goals, with these being the priority goals for the year.

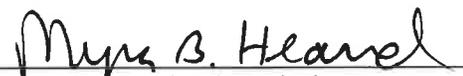
Mayor Pro Tem Blackwell referred to the Boards and Commissions goals that were presented to Council earlier in the year, and she noted she would like to propose protecting Salisbury's cultural strengths as a goal.

Mayor Woodson stated the Retreat had been very interesting throughout the two day event, and he thanked Council, Mr. Paris and staff for their outstanding work on the Retreat.

### ADJOURNMENT

There being no further business, Mr. Kennedy made a **motion** to adjourn the meeting. Ms. Alexander seconded the motion. Messrs. Kennedy, Miller, Woodson and Mses. Alexander and Blackwell voted AYE. (5-0). The meeting was adjourned at 4:01 p.m.

  
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Paul B. Woodson, Jr., Mayor

  
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Myra B. Heard, City Clerk