

Salisbury, North Carolina
February 9-10, 2012

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 9-10, 2012 for the 27th 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 Susan W. Kluttz, Councilmembers Maggie A. Blackwell, William (Pete) Kennedy, and William Brian Miller, and Paul B. Woodson, Jr.; Interim 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 Interim City Manager Doug Paris.

Staff present was:

Jim Behmer	Utilities Director/Interim Fibrant Director
Tony Cinquemani	Public Services Director
Rory Collins	Police Chief
Elaney Hasselmann	Interim Public Information Officer
Zack Kyle	Human Resources Director
Dan Mikkelson	City Engineer
Randall Moran	Information Technology Manager
Joe Morris	Community Planning Services Director
Robert Parnell	Fire Chief
John Sofley	Assistant City Manager
Gail Elder White	Parks and Recreation Director

OPENING REMARKS

Interim City Manager Doug Paris noted the theme for Council's Retreat is "Looking for Opportunities..." and he indicated Council is eager to look for opportunities for the community. He stated the City was hit hard during the economic decline, but he thinks things have begun to improve, and it is important to build momentum.

Mr. Paris presented Council with a framed copy of an original Mark Brincefield cartoon depicting Council.

RETREAT OBJECTIVES/EXPECTATIONS

Retreat Facilitator Warren Miller asked Council to share their expectations for the Retreat and what opportunities they hoped to explore.

Councilmember Blackwell indicated she appreciated the additional opportunities for Council discussion throughout the Retreat schedule.

Mayor Woodson stated his goal is economic development, and he is interested in hearing information regarding a one-stop shop for developers.

Councilmember Kennedy commented he looks forward to the Youth Advisory Board presentation and opportunities to use the youth's skills and talents. He noted he thinks there is also an opportunity for tourism to build revenues without a great deal of infrastructure.

Mayor Pro Tem Klutz stated the Retreat subjects are exciting, and she looks forward to hearing each presentation.

Councilmember Miller noted he looks forward to the opportunity to evaluate choices. He stated he thinks Council should have fewer goals with broader themes so staff can focus directly on the core mission. He added he would like to develop clear steps to accomplish Council's goals next year.

DOWNTOWN SALISBURY, INC. AND ECONOMIC DEVELOPMENT

Ms. Paula Bohland, Past President Downtown Salisbury, Inc. (DSI), and Mr. Randy Hemann, DSI Executive Director, updated Council on DSI's role in economic development. Mr. Hemann stated he recently had an opportunity to make a presentation at a National Preservation Conference and to share the City of Salisbury's story on a national level.

Mr. Hemann reviewed Cumulative Statistics 1980-2012:

- Over \$117 million in investment
- \$55 million of that total is since 2011 when the Master Plan was adopted
- Over 1,000 jobs net gain since 1980
- 313 net business gain since 1980

Mr. Hemann pointed out Salisbury is ranked third in the State for retail sales per capita, only behind Asheville and Wilmington.

Mr. Hemann noted the Municipal Service District Tax Base Increase:

- 1989 Value = \$31.5 million
- 1885 Value = \$41.4 million
- 2001 Value = \$56.4 million
- 2011 Value = \$84.7 Million

He indicated the value has increased 169 percent since 1989.

Mr. Hemann noted the tax base value per acre for various locations:

- Suburban House - \$122,000 per acre
- Lake House (waterfront) - \$404,000 per acre
- Strip Shopping Center - 580,000 per acre
- Historic House - \$1,008,000 per acre
- Downtown - \$1,022,000 per acre

He reviewed the development and value of the Kluttz Drug Store:

- 1,960 square foot footprint
- First floor restaurant
- Second floor office
- Third floor residential
- Tax Value: \$238,681

Mr. Hemann noted the tax value and taxes generated for developments:

- Big Box Development - \$580,000 per acre (tax value)
- Downtown Development - \$1,022,000 per acre (tax value)
- Big Box Development - 13.3 jobs per acre (320 employees/24 acres)
- Downtown Development - 155 jobs per acre (7 employees/.045 acre)
- Vacant Land - Tax value \$45,000 ± - \$635 property taxes
- Mixed-use Residential - Tax value \$3,278,000 - 446,250 property taxes
- Single-Family Suburban Housing - \$122,000 per acre (tax value)
- Mixed-Use Residential - \$6,945,000 per acre (tax value)

Ms. Bohland reviewed statistics and events for Downtown Salisbury:

- First floor occupancy is at approximately 95%
- Recent new business include:
 - The Sweetest Thing
 - Grayshores Trading Co.
 - Great Finds and Designs
 - Peanut Doodles
 - Faye's on Main
 - This and That Gifts
- Seven Night Out events
 - Stores open late, car shows, bands, moon bounces, etc.
 - Average 2,000 to 3,000 attendance
- 6 Holiday events
- Pops at the Post
- Blues and Jazz Festival
- OctoberTour

Ms. Bohland noted the demographics from Salisbury's primary market, which is the area within a 15-minute drive:

- 84,650 Total Population
- Includes Salisbury, Spencer, etc.
- \$54,169 Median Household Income
- 38.7 Median age
- 14.6% with B.A. Degree

Ms. Bohland asked Council how the DSI model could be expanded to take its success in economic development and job creation to other areas of the City. She noted DSI works to promote downtown Salisbury, and the Economic Development Commission promotes economic development county-wide, but there are no efforts for the area of the City between downtown and the City limits.

Mayor Woodson thanked Ms. Bohland and Mr. Hemann for their presentation.

LEE STREET DEVELOPMENT UPDATE

Urban Design Planner Lynn Raker updated Council on the Lee Street Development. She reviewed the history of the 300 and 400 blocks of North Lee Street (Rail Walk area):

- Efforts by Downtown Salisbury, Inc. (DSI) and City to encourage redevelopment – Lee Street Charrette 2002, DSI Master Plan

- Significant private investment since 2006 (art studios and galleries, theater, high-tech companies, National Sportswriters and Sportscasters Association)
- Number of jobs more than doubled (more hires in last few months)

She then reviewed activities in the 300 block of North Lee Street:

- Urgent need for pedestrian access (sidewalks absent or inaccessible)
- City/private partnership to bury overhead utilities – 2009 (approximately \$110,000)
- Traditional funding sources unavailable (Transportation Equity Act, general fund)
- Received \$290,000 from state/North Carolina Department of Transportation (NCDOT) contingency funds (July)
 - Safety and economic revitalization
- Stakeholders meeting (August 2011)
- Municipal agreement executed (September 2011)
- Prepare plan for final reviews: NCDOT, stakeholders, City Council
- Bid and award project

Mr. Raker discussed the 300 block of North Lee Street Pedestrian Improvements:

- Widen sidewalk area on east side (24' road remains 2-way, informal parking on west side)
- Raise granite curb to standard 6 inches
- Improve drainage
- New sidewalks both sides
- New driveway surfaces
- Mid-block crosswalk
- Pedestrian-scale lighting
- Street trees
- Electrical power sources
- Mast arm on east side at Kerr Street
- Street furniture (trash cans, bike rack, etc.)

Ms. Raker shared the requests and concerns from the Stakeholders meeting:

- Access for police during construction (possible gate in fence between gravel lot and Police Department)
- 20 parking spaces reserved for Police Department in Ketner's gravel lot
- Stamped asphalt crosswalk (same as East Innes Street at Long Street)
- Address area prone to ice at end of the Police Department driveway
- Limited grade difference between street and floor elevations on some buildings

Ms. Raker reviewed the next steps for the project:

- Bryan Alston assisting with design for drainage improvements (near completion)
- Review turning radii with Wendy Brindle
- Finalize plan and written specifications (near completion)
- Submit construction package to NCDOT for final review
- Meet with stakeholders to review final plan and discuss proposed construction schedule
- Present to Council
- Advertise for bids
- Council awards project to lowest responsive, responsible bidder
- 90-day construction schedule

Mr. John Ketner, Rowan Investments, thanked Council for its support of the Lee Street project.

Mayor Woodson stated he thinks staff can move forward with the project and there was no need to bring the final plan back to Council. By consensus, Council agreed and noted its support of the project.

COUNCIL DISCUSSION

Retreat Facilitator Warren Miller asked Council to reflect on the opportunities to increase the tax base presented during the morning session.

Mayor Woodson stated in the past Council had discussed a Retail Recruiter. He commented he does not want to add staff to the City, but perhaps Downtown Salisbury, Inc. (DSI) or the Economic Development Commission (EDC) could create a Retail Recruiter position to recruit for the entire City.

Councilmember Miller noted there is an intense focus downtown and a good commercial focus, but no one is focusing on the area from downtown to the City limits. He stated DSI is a successful advocate for downtown and questioned if there is a bigger role for DSI as a project advocate. He commented he would like Council to discuss how it can increase its tax base with fixed boundaries, and how the City can grow within its limits. Mr. Miller stated DSI is a product and it must be sustained in order for it to grow. He added DSI is 100 percent focused on increasing the tax base in downtown, and he questioned if DSI's approach could work elsewhere.

Mayor Woodson commented entrepreneurs are looking at Salisbury, and there needs to be someone who can handle their inquiries.

Councilmember Kennedy stated that as Mr. Hemann is attending national events, the City needs to market its Fibrant and Water/Sewer Utilities to let others know what Salisbury has to offer.

Councilmember Blackwell noted in the new economic reality Salisbury is fighting with other cities who also want growth. She asked if there are other models that have been successful.

Mr. Hemann stated there are many models available and most cities have an economic development component. He added Salisbury is one of the few cities that do not. He stated DSI is limited to helping people within the Municipal Service District (MSD) because its funding comes from the MSD tax. He commented it is frustrating to receive a call for assistance outside of the downtown area, and suggested a citywide data base of available properties.

Mayor Pro Tem Kluttz stated it is amazing to look back at what has happened downtown. She commended Mr. Hemann and DSI for their work. She commented DSI has done an exceptional job, but it will also take private investors to buy into the idea. She noted Council has discussed the need for a City economic development recruiter in the past. She suggested using the DSI model for the entire City be an issue that is moved up on Council's priority list.

Mr. Miller stated government cannot do this, but must facilitate the process. He noted the City needs a streamlined development process, and needs to look at development as a way everyone can benefit. He stated the City must take a business friendly attitude and build its reputation as a welcoming city around the State.

Ms. Blackwell noted it is important to work with business owners on this issue and to be as welcoming as possible.

NEIGHBORHOOD BASED PLANNING – WEST END TRANSFORMATION PLAN

Community Planning Services Director Joe Morris, Salisbury Housing Authority Executive Director Sam Foust, and Senior Planner Janet Gapen updated Council regarding the Choice Neighborhood Planning Grant and the West End Transformation Plan.

Ms. Gapen noted the core goals of the Choice Neighborhood Grant:

- Housing
 - Mixed income
 - Range of housing
 - Affordable
 - Energy efficient
 - Physically and financially viable over the long term

- People
 - Positive outcomes for families
 - Access to public transportation
 - Education opportunities
 - Health services
 - Jobs
 - Re-training programs

Mr. Foust indicated he is Chair of the People Committee, and he stressed the importance of education, particularly from the cradle to kindergarten. He stated the goal of the Plan is to help families become self-sufficient in order to break the cycle of poverty, and he added education is the best and most effective way to break the cycle.

Mr. Gapen reviewed the remaining core goals:

- Neighborhood
 - High quality cradle to college education programs
 - Parks
 - Recreation
 - Sidewalks/Greenways
 - Business activity
 - Low crime

Ms. Gapen reviewed the process to date for developing the West End Transformation Plan:

- Public Forum held September 26, 2011
- Civic Park Resident needs survey (66 of 72 households)
- Housing/People/Neighborhood working groups
- Site visits to High Point, North Carolina and Kingsport, Tennessee
- Design charrette October 19-20, 2011

Ms. Gapen displayed several schemes developed for Civic Park. She also noted a proposed adaptive re-use plan for Duncan School to include apartments, commercial space, townhouses, and a central park. She also reviewed conceptual drawings for the J.C. Price American Legion site and a revitalized commercial district on West Horah Street.

Mr. Morris indicated the group has been working diligently to develop the West End Transformation Plan. He noted the application seeking the Choice Neighborhoods Implementation Grant is due April 10, 2012. He stated a contract has been developed for residents that ensure they will have a place to live during construction if the Plan is implemented. He noted there is a need for transportation improvements to provide access for the residents to the services.

Mayor Woodson commented he thinks additional streetlights would be very helpful.

Mayor Pro Tem Kluttz congratulated the Steering Committee and staff, and noted this is a tremendous opportunity that goes beyond housing. She added if the City is awarded the Implementation Grant it would be incredible, but even if the grant is not awarded, the City has the advantage of having brought all of the partners together.

Councilmember Miller commented this is an opportunity for the private sector to work with the City and to be successful there must be public/private partnerships. He thanked everyone for their work on the plan and commented the Plan is potentially generational changing.

Councilmember Blackwell stated there are visionaries, but Mr. Foust is a visionary who is a man of action. She noted when Salisbury applied for the Planning Grant no one believed a city this size would be awarded one, but Salisbury did. She commented Council received a presentation from Ms. Suzanne Morse four years ago at its Retreat regarding poor education leading to poverty and crime. She added education is a key component to begin improvements.

Mr. Morris noted the children in the West End neighborhood attend three different elementary schools. He stated there is no sense of community around education. He commented he is confident the City will submit a competitive application, and staff will keep working until the goal is achieved.

Mayor Woodson thanked Mr. Foust, Mr. Morris and Ms. Gapen for their work.

YOUTH ADVISORY BOARDS

Mayor Pro Tem Kluttz introduced former Gastonia Mayor Jenny Stultz to discuss the Gastonia Mayor's Youth Leadership Council. Ms. Stultz noted the Youth Council began in 2001 when a group approached City Council with a request for a skate park. She stated each Council member initially appointed youth from their districts to serve on the Council, and thereafter the Council became self-appointing. She commented the Council is comprised of up to eight students from each of the four area high schools, and it provides an opportunity for the students to work together in a non-competitive atmosphere.

Youth Council member Juliana Perez described how the Youth Council took on the issue of drop-out prevention. Youth Council member Stephen Carpenter shared some of the projects the Youth Council has undertaken, such as helping the homeless, raising money for the local homeless shelter and feeding the elderly. Youth Council member Pooja Deva stated the members of the Youth Council have experienced the various issues being addressed and understand why things are happening. She added they work with local Boys and Girls Clubs to guide younger students in making good decisions.

Ms. Stultz stated the Youth Council has taken on tasks that others might not, and they understand the problems occurring in the local high schools. She indicated Council budgets \$1,500 for the Youth Council, and the Youth Council raises all of the funds for its projects.

Councilmember Kennedy asked if members of the Youth Council are chosen from only the schools within the city limits. Ms Stultz responded the members are chosen from the four high schools located within the city limits. She indicated when the Youth Council was first formed there was discussion of including private schools, but staff found the issues there were not the same as in the public schools.

Councilmember Blackwell commented a key to ensuring youth want to return to their community is by making them feel they are a part of it. She noted the State has a mini-grant available to help start youth councils. She asked Ms. Stultz who served as advisors for the Youth Council. Ms. Stultz responded she, the Mayor Pro Tem, and Parks and Recreation staff work with the group.

Mayor Woodson stated he sees the need for jobs for students. Ms. Stultz commented she thinks the students who are members of the Youth Council are more employable because of their service on the Youth Council. Councilmember Kennedy noted the Community Action Agency administers the Workforce Development Act to place students in employment and the biggest problem is finding businesses to hire the students.

Councilmember Miller asked the students what they felt were the most important reasons the Youth Council is successful. Miss Perez stated she felt they were successful because they decided what they wanted to do. Mr. Carpenter stated he felt they were successful because the group has nothing to do with politics, and they make their own decisions. Miss Deva stated she felt it was because they lead, and they choose.

Council thanked Ms. Stultz, Miss Perez, Mr. Carpenter and Miss Deva for sharing information about the Youth Council.

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 – PURPOSE BUILT NEIGHBORHOOD PLANNING

Thereupon, Ms. Blackwell made a **motion** to reconvene the meeting. Mr. Kennedy seconded the motion. Messrs. Kennedy, Miller, Woodson and Ms. Blackwell and Klutz voted AYE. (5-0) Interim City manager Doug Paris provided the invocation.

Community Planning Services Director Joe Morris introduced Mr. Greg Giornelli, Chief Operating Officer of Purpose Built Communities.

Mr. Giornelli indicated Purpose Built Communities seeks to transform neighborhoods through comprehensive community redevelopment. He described the East Lake Meadows neighborhood and its transformation process. He noted in 1995 there were 1,400 residents, with 650 units, 40 percent of which were unlivable, in the East Lakes community. He stated the crime rate was 18 times higher than the national rate, and 90 percent of families were victims of a felony each year. He noted the community had 13 percent unemployment, 59 percent of adults were on welfare, and the median income was \$4,536. He pointed out 5 percent of the 5th graders met state math standards, and there was a 30 percent high school graduation rate.

Mr. Giornelli then displayed photographs of the Village of East Lake community today. He noted there are now 2,100 residents in 542 units, 50 percent of which are affordable housing and 50 percent are sold at market rate. He pointed out there is a 98 percent occupancy rate. He stated there has been a 73 percent reduction in crime, 90 percent lower violent crime, and the crime rate is 50 percent lower than the City of Atlanta. Mr. Giornelli noted the community has 70 percent employment, with the remainder in training for employment or are classified as elderly or disabled. He stated the average income of the assisted households is \$15,830. He indicated 98 percent of 5th graders met state math standards, and 860 students served in high performing three-year old to eighth grade school.

Mr. Giornelli noted the impact the development has had on the surrounding community, and indicated there has been \$144 million in new residential development, \$31 million in new commercial investment and home values have increase 3.8 times their original value.

Mr. Giornelli indicated two new projects in New Orleans and Indianapolis indicate the Purpose Built Communities model is replicable and can be successful.

Mayor Woodson thanked Mr. Giornelli for his presentation.

RECESS

Mayor Woodson asked for a motion to recess the meeting until 1:30 p.m. at the Rowan Museum, 202 North Main Street.

Thereupon, Mr. Miller made a **motion** to recess the meeting until 1:30 p.m. at the Rowan Museum, 202 North Main Street. Ms. Kluttz seconded the motion. Messrs. Kennedy, Miller, Woodson and Meses. Blackwell and Kluttz voted AYE. (5-0)

TOURISM DEVELOPMENT AUTHORITY MASTER PLAN

Thereupon, Councilmember Blackwell made a **motion** to reconvene the meeting. Mr. Kennedy seconded the motion. Messrs. Kennedy, Miller, Woodson and Meses. Blackwell and Kluttz voted AYE. (5-0)

Rowan County Convention and Visitors Bureau (RCCVB) Chair Michelle Patterson, RCCVB Executive Director James Meacham, Salisbury Tourism and Cultural Development Commission (STCDC) Chair Mark Lewis, and consultant Gary Smith updated Council on the development of the Tourism Development Authority Master Plan.

Mr. Lewis indicated a great deal of progress has been made since the Salisbury Tourism Development Authority (STCDC) was created two years ago. He noted the County and City Tourism Development Authorities have developed a strong working relationship and have undertaken a Tourism Development Authority Master Plan which is almost ready for presentation.

Mr. Meacham noted the objective for the two Tourism Development Authorities is to build an economic impact of tourism in Rowan County to a quarter of a billion dollars by 2022. He noted tourism's economic impact has doubled in 15 years, increasing from \$66 million to \$124 million between 1995 and 2010.

Mr. Meacham and Mr. Smith reviewed how data was gathered to develop the Tourism Master Plan. They then reviewed the key issues noted in the information obtained:

Key Issues:

- Focus – Rowan County and Salisbury have excellent “table stakes” for family and upscale visitors. However there is no “hook” evident. The variety of appealing assets is undifferentiated and undistinguished – not only from competitive destinations, but critically they are undifferentiated from each other by emphasis within the community
- Organization – The unusually productive structure of combining tourism authority for City, County and Arts is based largely on existing relationships, personalities and willingness. The agreement under which this structure was achieved is specific to the conditions that existed at the time it was drafted. We need to move further to a structural, administrative and financial framework that will continue to be useful – which will in fact get stronger – as municipalities and corridors throughout the county develop their own facilities and visitor revenue streams

- Drag – Nostalgia for its big-industry past, pre-existing financial commitments and allegiance to individual assets and organizations – rather than to a future in which the rising tide raises all boats – add up to an environment in which there are substantial diversions from moving forward effectively. In addition, the issue of “Drag” includes low awareness of the potential benefits of a visit industry, the skills and attitudes called upon from citizens (“Accommodating/Friendly People”) and the presence of an organized path to achieving its potential
- Agrarian Definition – Rowan County and Salisbury present a relationship to the land that is deeply American and far more than simply rural or “country.” The combination of nature, agriculture and civilization calls for an inspired, “ownable” identity. Many potential visitors desire what is authentic here. Offering it effectively will call for insight and a breakthrough in cooperative action
- Sense of Place – Economic development can occur passively, simply by widening all of Interstate 85 as an example. This type of development is almost certain within the ten-year scope of the plan. However, an undeniable community of interest exists, both in the City and the County, for solidifying and even growing the identity of Salisbury and Rowan County as a place in its own right, rather than merely a Charlotte suburb, or a brightly lit place on the corridor between Charlotte and Winston-Salem. One form of development is virtually inevitable; the other takes work. Both forms of development can proceed with planning. Done properly, each form of development will enhance the other

Mr. Meacham and Mr. Smith reviewed the Initiatives proposed in the Master Plan:

- Years 1-3: Asset and Structural Development
 - Solidify a lasting Administrative Structure
 - Establish Sustainable Partnerships
 - Cultivate Business Economy/Business Traveler
 - Establish 3 Flagships
 - Downtown Salisbury (Arts/Culture Key)
 - Agri-Scenic Outdoor
 - Family Sports
 - Assemble 3 Collections
 - Rail
 - Light Adventure
 - Festival/Events (Connect and Incentivize)
- Years 3-5: Infrastructure Improvement
 - Our Towns
 - Bike-light adventure friendly City
 - Develop Greater Heritage Connections
 - Scenic Agrarian Route
 - First Frontier Light Adventure

- Connect the Dots
 - Local Cuisine/Wineries
 - Family Sports
 - Town-Gown Connection
 - Others
- Years 5-10: Secondary Development
 - Expansion of Regional Alliances
 - High-Speed Rail Partnership
 - Mountain Connection
 - Charlotte Mainline
 - Conference Connections
 - Our Towns (continued)
 - Creative Economy as a Demand Driver

Mayor Woodson thanked Mr. Lewis, Mr. Meacham, Ms. Patterson and Mr. Smith for their presentation.

PLANNING FOR VISION 2020 AND BEYOND

Community Planning Services Director Joe Morris introduced Mr. Glenn Harbeck of Glenn Harbeck and Associates. He noted Mr. Harbeck worked with the City to create the Vision 2020 Comprehensive Plan.

Mr. Harbeck reviewed several issues that are likely to be growth issues as Salisbury begins planning beyond Vision 2020:

- Changes in housing – how might changing demographics lead to more accessory dwellings and multifamily housing? What are the strategies to address an aging housing stock?
- Aging in Place – building new or converting existing developments to senior friendly places
- Broadband Utility – managing and implementing a significant new service
- Post Annexation Strategies for Growth – do new limitations to city boundary growth lead to higher densities?
- Retrofitting the Suburbs – will aging and isolated suburbs lead to more rental housing? How will access to goods and services be improved?
- Economic Development – are there ways to recession-proof the local economy? Focus on jobs creation
- Homeland Security – local preparation and readiness initiatives to respond to this national concern
- Sustainable Development – building a “greener” community of permanence
- Open Space and Urban Agriculture – trend toward passive recreation, land preservation, local foods, etc.
- Water Supply – specific short and long range strategies for protecting and managing this strategically important resource

Council discussed the issues and ranked the top five issues. Council chose the following as its top issues:

1. Broadband Utility
2. Economic Development
3. Post Annexation Strategies for Growth
4. Changes in Housing
5. Aging in Place

Council also discussed the importance of environmental issues, rail, improving the development process, and historic preservation in the planning process.

DISCUSSION

Facilitator Warren Miller asked Council to reflect on the information that had been shared during the afternoon sessions.

Councilmember Miller referred to the Purpose Built Communities presentation, and commented a foundation was designated as the agent for change, but it did not divorce itself from the project. He noted he liked the fact that the change agent remained engaged.

Mayor Pro Tem Kluttz commented Council heard that in order to improve an area, a comprehensive plan including education, health and wellness, and jobs must be in place. She noted government cannot solve the problem alone and needs funding partnerships to be successful. She stated if the City does not receive the Implementation grant for the West End project it will have the plan in place in order to seek other funding sources.

Mr. Miller stated the model is how to successfully operate a not-for-profit mission with a for-profit motive.

Ms. Kluttz stated she is happy the City pursued legislation to institute an occupancy tax because it is great way to bring in another source of revenue.

Mr. Miller commented the Tourism Master Plan will provide structural connections for the different organizations.

Councilmember Kennedy clarified the Tourism Master Plan is being prepared with no funds from the City. Mr. Miller indicated this is correct.

Mayor Woodson stated he thinks the Economic Development Commission, Downtown Salisbury, Inc., Convention and Visitors Bureau and the Chamber of Commerce could pool funds to pay for an economic recruiter.

Ms. Kluttz referred to Vision 2020, and noted it is clear the City has experienced significant changes the Plan needs to address.

Mr. Kennedy stated the Vision 2020 Plan needs to be flexible to allow for changes when there are needs to be addressed.

Councilmember Blackwell noted although Council members are very different individuals, they consistently chose the same issues throughout the planning exercise with Mr. Harbeck.

Mr. Miller stated he thinks those things that contribute to the tax base need to be supported, adding Council should support the divisions that are performing.

RECESS

Mayor Woodson asked for a motion to recess the meeting until 9:00 a.m., Friday, February 10, 2012 at the Rowan Museum, 202 North Main Street.

Thereupon, Mr. Miller made a **motion** to recess the meeting until 9:00 a.m. at the Rowan Museum, 202 North Main Street. Ms. Blackwell 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 9:00 a.m. Interim City Manager Doug Paris provided the invocation.

COUNCIL DISCUSSION

Councilmember Blackwell indicated she thought about Councilmember Miller's comments yesterday regarding the number of City Goals. She stated as she reviewed the Goals it seemed some were Goals and some were Core Values. She commented it might de-clutter the Goals if the Core Values are listed separately. She suggested a Council Committee to review the Goals to identify the items that could be included in the Core Values. She added this will reduce the action items for the year to a list that can be accomplished.

Mayor Pro Tem Kluttz noted the Goals are a blueprint for staff to follow to help ensure they are meeting Council's expectations. She stated the reason there are so many Goals is to have guidelines for staff, and without the Goals it would be hard to measure accomplishments.

Councilmember Kennedy agreed with Ms. Kluttz and stated he felt the Goals should remain the same.

Mayor Woodson commented he would like to add street lighting to the Goals because it is needed Citywide.

Ms. Kluttz pointed out Council specifically cut funding for street lighting last year in an effort to balance the budget. She noted Council should be careful making budget decisions this year because the City will be further behind, and it needs to maintain infrastructure.

Interim City Manager Doug Paris stated the amount to bring street lighting up to date is \$32,000.

Councilmember Miller stated his idea is to focus the set of Goals, with a subset of directives. He noted there are some Goals that are on-going and should be a part of the City organization. He stated he thinks the Goals should be broader, and the subset of directives could have more detail. Mr. Miller indicated he is not seeking to reduce the number of Goals, but to organize them differently so that they might be more focused and concise.

Ms. Kluttz commented one reason citizens think Council gets along so well is because it spends two days at the Retreat making these decisions. She added what citizens see is staff bringing back the results of Council's decisions from its Retreat. She stated if Council cuts items from the Goals it may leave departments without direction.

STREET CRIME UNIT UPDATE

Police Chief Rory Collins updated Council on the Police Intervention Team (PIT). He introduced Captain Sheila Lingle, Lt. Brian Stallings, Sgt. Lanier, and Assistant Team Leader Chris Schenk.

Lt. Stallings reviewed the PIT Teams Focus:

- Gang surveillance and enforcement
- Street level drug interdiction
- Elevated visibility and enforcement in high crime areas
- Covert surveillance to augment both general investigations and the narcotics unit

Lt. Stallings then noted the steering mechanism for the PIT:

- Information gained from the community
 - Salisbury Neighborhood Action Group (SNAG) meetings
 - Calls form involved citizens

- Information gained by officers about specific activity and where things are taking place
- Crimes statistics

Sgt. Lanier reviewed a recent project in the Brooklyn South Neighborhood between December 21, 2011 and January 29, 2012:

Suspicious persons/vehicles	75
Traffic stops originating in area	120
Drug complaints	9
Arrests made	36 (including 2 DUI's)
Warrants served	19
Drugs seized	Schedule II – 6 gm. Schedule VI – 32.5 gm.
Citations issued	84
Money seized	\$331
Directed/Foot patrol	291 combined hours
Search Warrants	124 North Shaver Street, 302 B North Shaver Street, 121 B South shaver Street, and 419 South Long Street

He then noted the calls for service during a one month period compared to last year:

- Burglary down by 66.7%
- Disturbances down by 42.8% (nature unknown, loud noise, shots fired, fights, 911 hang-ups)
- Warrant service up 850%

Sgt. Lanier shared the overall productivity of the PIT Team March 11, 2011 through January 1, 2012:

Arrests	377
Warrants	196
Driving While Impaired	17
Schedule II (cocaine)	193.3 gm. *Street value \$9,665
Schedule VI (marijuana)	901 gm. **Street value \$9,010
Pills	295 seized ***Street value between \$2,950 - \$11,800
Paraphernalia	123 items/charges
Weapons	30
Money	\$4,415
Citations	1,058

Based upon a bulk sell at \$50 per gm. ** Based upon a bulk sell at \$10 per gm. *Varies upon dosage unit and type of pill.*

Chief Collins informed Council the PIT Team will participate in security for the Democratic National Convention in Charlotte, and the City will be reimbursed for the expense.

Mayor Woodson noted Police in Washington, D.C. have instituted a text number so crimes could be reported via text messages. He noted the Washington Police Chief has indicated the text number has helped cut the crime rate 40%.

Chief Collins then presented Council with a Challenge Coin carried by each member of the Police Department.

ADVANCED METERING INFRASTRUCTURE

Salisbury-Rowan Utility (SRU) Director Jim Behmer, Engineering Manager Jason Wilson, Engineer Jeff Jones, and Assistant System Maintenance Manager Mike West presented information regarding Advanced Metering Infrastructure (AMI).

Mr. Wilson reviewed SRU's current methods of data collection for water meters:

- The water meter is SRU's only way to measure a customer's usage
- Moving parts wear out over time
- Accurate billing begins at the meter
- Recommended industry practice is meter replacement every 15 years
- SRU does not currently have a proactive meter replacement program
- Meter changes have been driven by response to complaints or meter failure

Mr. Wilson noted traditional meter reading has one output, a bill. He stated with AMI the focus is customer information and customer service. He then reviewed the benefits the City would gain from AMI:

- Fewer billing adjustments
- Detailed water measurement will help focus efforts to reduce "non-revenue" water loss
- Enforce compliance with emergency water restrictions
- Capital planning based on real numbers for maximum day and hourly demands

He then pointed out the Customer benefits:

- Gallon billing is easier to understand
- Usage information/history is readily available through the internet
- Much earlier notification of potential customer leaks
- Standard billing periods (i.e. 30 days)

Mr. Wilson described the future capabilities AMI would provide:

- Remote shutoff
- Water pressure monitoring
- Water quality monitoring
- Water main leak detection
- District metered areas

Mr. Wilson shared information regarding pilot test areas:

- Hersey Meters
 - 330 meters
 - Fixed network
- Badger Meter
 - 47 meters
 - Migratable Drive-by

He noted the next step will be a full scale pilot project to include:

- Billing integration
- Customer portal
- Hybrid system
- China Grove – fixed network
- Highway 70 – migratable drive-by

Councilmember Kennedy asked if the meters would be installed system wide. Mr. Wilson stated he anticipates the replacements would be phased in over several years.

Councilmember Blackwell asked about the current inventory and if there is a market for the old meters. Mr. West indicated there are approximately 21,500 meters in inventory. He added there is no market for the meters and they are probably worth more as scrap metal.

Mayor Woodson thanked Mr. Behmer, Mr. Wilson and Mr. West for their presentation.

EXPRESS REVIEW

Community Planning Services Joe Morris introduced Ms. Stephanie Currier, Development Services Customer Service Center Manager for the City of Raleigh, and Project Managers Rene Haagen and Jack Newsome. Ms. Currier provided Council with an overview of the express review process in Raleigh.

Ms. Currier described the types of projects eligible for express review:

- New construction
- Additions
- Alterations
- Interior completion (fit-up)
- Change of use
- Site review mass grading

Ms. Currier reviewed the pre-requisites for the express review:

- Must be complete no less than five business days prior to the review
- Pre-requisites include:
 - Construction drawings, site plan and Recorded plats
 - Demolition permit/Demolition of buildings
 - Legal documents
 - Compliance with tree conservation and building accessibility

Ms. Currier noted the keys to success for those who use express review:

- Read the process on the City of Raleigh website
- Have only one contact person
- Do not schedule a review if you cannot meet the pre-requisites
- Submit accurate information
- Have all required attendees present at the start of the review
- Have plans signed, sealed, and bound

She pointed out some of the common reasons for delays in permitting:

- Addressing problems
- Tree protection holds
- Square footage on application does not match the plans
- Plans not sealed, signed, or bound
- Administrative holds
- Complex projects require additional time

Ms. Currier then reviewed the fees:

- Deposit = 1 hour of review time (due at time of application)
- Balance due following the review
- No payment = No permits
- Failure to pay also disqualifies the client from future Express Review services
- All reviews require a one hour minimum fee and are billed in quarter-hour increments thereafter

- New building (building with site)
 - \$1,200 per hour
- Building without site (such as alterations)
 - \$800 per hour
- Site (grading)
 - \$800 per hour

Mayor Woodson thanked Ms. Currier, Mr. Haagen and Mr. Newsome for sharing Raleigh's process for express permitting.

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

LUNCHEON – CITY OF ROCK HILL BUSINESS MODEL

Thereupon, Ms. Kluttz made a **motion** to reconvene the meeting. Mr. Kennedy seconded the motion. Messrs. Kennedy, Miller, Woodson and Meses. Blackwell and Kluttz voted AYE. (5-0) Reverend Doctor Grant Harrison provided the invocation.

Mayor Woodson introduced Mr. David Vebaun, Rock Hill City Manager. Mr. Vebaun discussed the City of Rock Hill's "Open for Business" initiative to become a business friendly city.

Mr. Vebaun noted Rock Hill has a population of 66,154 and is the fourth largest city in South Carolina. He stated it is a full-service city with both electric and water/sewer utilities. He noted it has a budget of \$179 million, with 898 employees.

Mr. Vebaun described the reorganization in Rock Hill to streamline the development process. He then shared their experiences to date:

- More than 100 clients served in 18 months
- Approximately 25% of these clients have opened
- 86 location feasibility reports completed
- Positive response from the real estate/development community

Mr. Vahaun reviewed the Developer/Business centered initiatives:

- Rock Hill's Planning and Development Department has identified staff persons to assist new business owners in navigating Planning and Development, Utility Services, and Business License. This single point of contact will help new business owners navigate Rock Hill's processes in a single location without requiring the customer to traverse the City Hall corridors
- Planning and Development has added a checklist to their Open for Business brochure that allows future business owners to have a simple list of the requirements for doing business in Rock Hill
- For competitive purposes – Rock Hill reviewed the International Code Council (ICC) building code as adopted by South Carolina and found it to be largely parallel with the same code for the State of North Carolina
- Staff investigated the fresh air intake issues for buildings in reuse to see if there are acceptable alternatives that might make things easier on contractors and developed an optional calculation that is more amenable to contractors
- Modified Rock Hill's policy requiring all vacant buildings to be inspected prior to a new Certificate of Occupancy being issued. The requirement for inspection has been extended from 6 months to 12 to 18 months, depending upon proposed use and other circumstances
- When structures are remodeled and the cost of the remodeling is less than 75% of the current assessed value of the building, then the developer does not have to meet zoning requirements with regard to providing certain additional parking spaces, paving of graveled lots, landscaping islands, nonconforming signage, etc.
- When structures are expanded and the expansion is less than 50% of the current gross square footage, then the developer does not have to meet zoning requirements with regard to paving of graveled lots, landscaping islands, nonconforming signage, etc.
- Major site plans in approved "master planned" business will be reviewed and approved by staff instead of requiring the change move through the Planning Commission process
- City Council has agreed to allow for a 15% reduction in the business license fee for all business licenses paid on or before the due date in the coming year
- City agreed to pay for the cost of upsizing all water and sewer lines if, in the City's opinion, the need for a larger line is required for future water and sewer service in the area
- Signage
 - Temporary signage restrictions are being relaxed to allow for a no-cost permit and streamers, pennants, flags, balloons and similar exhibits for grand openings. In addition, there will be no waiting period before a business can place their regular temporary sign on the site

- The temporary use of banners in lieu of permanent signage is being relaxed to allow for a 60-day by-right usage
- Regular use of temporary banners or signs for individual businesses is being relaxed to allow for a cumulative total of 90 days per year
- City Council has eliminated the examination and renewal card fees for plumbers and mechanical contractors, thus eliminating a unnecessary level or bureaucracy
- City Council has changed the sewer fee for all customers (typically those in strip malls) that are covered with a master meter. This change will provide for a more equitable way of allocating the fee and will provide a significant reduction in the monthly fee paid by tenants
- The City Council agreed to a new fee structure for building permits that provides for a third tier to calculate rates and reduces the plan checking fee from 50% of the permit fee to 25% of the permit fee

Mayor Woodson thanked Mr. Vebaun for his presentation and for sharing Rock Hill's success story.

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. Miller 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. Blackwell and Kluttz voted AYE. (5-0)

FINANCIAL STATE OF THE CITY

Thereupon, Mr. Miller made a **motion** to reconvene the meeting. Ms. Kluttz seconded the motion. Messrs. Kennedy, Miller, Woodson and Mses. Blackwell and Kluttz voted AYE. (5-0)

Assistant City Manager John Sofley and Ms. Teresa Harris, Budget and Performance Management Manager, updated Council on the financial state of the City.

Mr. Sofley informed Council property values and sales tax have both generated more revenue than budgeted. He stated, based on what he has seen to date, even if the City spends 100 percent of its budget, he anticipates a positive increase in revenues. He pointed out there will also be an increase in expenses such as for gas and electric costs.

Mr. Sofley indicated the increase in revenue does not take into consideration new personnel, or new or unfunded Council Goals.

Ms. Harris stated the increase in revenue does not include merit for employees, the four police officers previously paid through Community Oriented Policing (COPS), street lighting, compost site, parking lot for a central school office, retail recruiter or additional Downtown Salisbury, Inc. funding, or additional requirements for stormwater management.

Mr. Sofley stated the increase in revenue should create a surplus of approximately \$100,000.

Councilmember Miller asked what a 1 percent merit would cost. Ms. Harris stated a 1 percent merit increase would cost approximately \$100,000 this year, if it goes into effect in December, or \$200,000 for the fiscal year. Interim City Manager Doug Paris noted he is working with Human Resources Director Zack Kyle to address employee compensation that is cost effective while being equitable. Mr. Kyle commented one suggestion is to offer a flat-rate amount.

Mr. Paris informed Council he will bring a balanced budget for its deliberation. He added the budget should be presented in May. Mayor Woodson requested Council be given updates prior to May in order to be prepared for the budget worksession.

Councilmember Blackwell asked how much it would cost to reinstate the street lighting program. Ms. Harris indicated it will cost \$32,000 to bring the program up to date.

Ms. Harris stated the cost of the stormwater management program is not yet known. She indicated the net cost of the four police officers is \$134,000.

Ms. Blackwell asked if the City is paying to have compost hauled from the landfill. Mr. Sofley responded a private hauler picks up the compost at no cost to the City. Ms. Blackwell asked if there is the potential for the City to sell the compost. It was noted there are only a few facilities permitted for selling compost, and a permit is difficult to obtain.

Mayor Woodson asked staff to update Council regarding stormwater management so Council members are not surprised. Mr. Paris noted this is the year to look at stormwater costs, and staff will prepare a plan for Council to review.

REVIEW COUNCIL 2011-2012 GOALS AND OUTCOMES

Interim City Manager Doug Paris reviewed the current FY2011-2012 Goals and Outcomes, and he 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 led Council through a discussion of those items reviewed or new ideas they would like to pursue.

Councilmember Miller stated he would like to identify four to five Core Mission Goals that municipal government provides. He suggested:

- Better Housing and Neighborhoods
- Public Safety and Health
- Utilities and Community Infrastructure
- Economic Development
- Financial Accountability and Sustainability

He stated he thinks all of Council's current Goals fit into these categories, and he suggested using something similar to these categories in order to have a different graphic presentation of the established Goals.

Mayor Pro Tem Kluttz asked where Council's Goals regarding employees, youth, supporting the schools and the relationship with Rowan County would fit into these categories. She commented if the Goals are over simplified Council may lose what it is trying to convey to staff. She noted if the Goals are too broad, it puts staff in a position of bringing things to Council it has not requested.

Mr. Miller suggested determining which items will fit into the categories and which do not, and developing categories for those that do not.

Councilmember Blackwell suggested determining the categories at a later date. She suggested staff develop the categories and bring to Council.

New Goals

Mayor Woodson stated he would like to bring Downtown Salisbury, Inc., Economic Development Commission, Tourism Development Authority and the Chamber of Commerce together to develop a plan to fund a Project Advocate/Retail Recruiter.

Mayor Pro Tem Kluttz recommended a study to recommend a plan for economic development in fixed boundaries.

Councilmember Miller stated he supports efforts to plan and implement a one-stop or express review process. He added a Development Advisory Committee should be part of the process.

Mayor Woodson asked staff to review Washington, D.C.'s program for reporting crimes via text to the Police Department.

Councilmember Blackwell stated there are two Goals she would like to bring forward for consideration:

- Improve accountability and transparency
 - Every proposed project presented to Council will have financial information associated with it included in the Agenda packet
 - Return on Investment for major projects
 - Reconsider Council meeting times to be available to citizens
 - Consider making Council's contact information available online
- Implement Youth Advisory Council
 - Seek availability of a mini-grant from the State for implementation

Mr. Miller indicated he would also like to discuss hazardous dog breeds, and noted there is a gap between hazardous dog breeds and when animal control begins. He recommended a study for an animal control nuisance ordinance.

REFLECTION AND DEVELOPMENT OF A ONE-YEAR TACTICAL PLAN

Mr. Miller asked Council to determine tactical goals from the existing list of goals or new ideas that it would like to see addressed during the upcoming year. The areas noted by Council for the one-year tactical plan included:

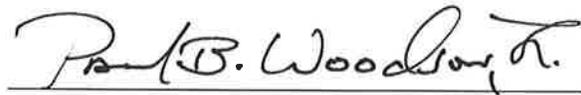
1. Youth Advisory Council/Support Youth and Gang Prevention
2. Fibrant
3. Economic Development Strategy
4. Recruiter/Express Review for Development
5. Animal Control/Nuisance Ordinance
6. Engage Commissioners on partnership efforts

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

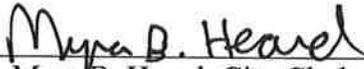
Mayor Woodson thanked Mr. Paris, the Retreat Committee and staff for their work on the Retreat.

ADJOURNMENT

There being no further business, Ms. Blackwell made a **motion** that the meeting be adjourned. Ms. Kluttz seconded the motion. Messrs. Kennedy, Miller, Woodson and Mses. Blackwell and Kluttz voted AYE. (5-0). The meeting was adjourned at 4:04 p.m.



Paul B. Woodson, Jr., Mayor



Myra B. Heard, City Clerk