The Smithfield Town Council met in Special Session on Thursday, July 11, 2024 at 6:30 pm in the Training Room of the Fire Station located at 111 South Fourth Street, Mayor Pro-Tem Wood presided.

Councilmen Present:
Marlon Lee, District 1
Sloan Sevens, District 2
Travis Scott, District 3
*Dr. David Barbour, District 4
John Dunn, At-Large
Stephen Rabil, At-Large

<u>Councilmen Absent</u> M. Andy Moore, Mayor Administrative Staff Present

*Michael Scott, Town Manager
Shannan Parrish, Town Clerk
Brian Eaves, Marketing & Communications Spec.

DSDC Board Present
Mary Reece, Vice Chairperson
Bill Johnson, Treasurer
Katie Smith, Secretary
Carter Jones
Jan Branch
Kay Kennedy
Brittany Lucas
Mike O'Dowd
Patrick Harris

DSDC Staff Present Heidi Gilmond, Executive Director

* Note Councilman Barbour and Town Manager Michael Scott also serve on the DSDC Board. The Town Manager currently serves as the Chairperson of the Downtown Smithfield Development Corporation

Call to Order

Mayor Pro-Tem Wood called the meeting to order at 6:30pm

Approval of the Agenda

Councilman Barbour made a motion, seconded by Councilman Dunn, to approve the agenda. Councilman Barbour, Councilman Dunn, Mayor Pro-Tem Wood, Councilman Stevens, Councilman Scott and Councilman Rabil voted in favor of the motion. Councilman Lee voted against the motion. Motion passed six to one.

Discussion Items:

1. Enhanced Communications between the Town and DSDC

Town Manager Michael Scott discussed the need for enhanced communication between the Town, the DSDC (Downtown Smithfield Development Corporation), and the Town Council. He acknowledged a disconnect between the DSDC board and the Town Council, which he aimed to address since joining the board less than a year ago. He highlighted that the DSDC served as a contractor to the Town, with most members volunteering their time to support downtown businesses. The Town Manager emphasized the importance of aligning DSDC's goals with those of the Town Council. He concluded by inviting the Town Council to ask questions or express any concerns regarding the DSDC's activities or any information they felt was lacking.

Councilman Stevens responded by suggesting that the question be turned around, asking the DSDC what the Town Council could do to improve their support.

The Town Manager acknowledged that board members had questions regarding the responsibilities of the Town Council versus those of the DSDC. Since joining the board, he had been trying to clarify these responsibilities, but there were still uncertainties about how the two entities could work better together.

Vice Chairperson Mary Reece provided examples to illustrate the lack of clarity regarding responsibilities, such as who should handle billboards and other marketing efforts that attract traffic to downtown. She emphasized the need for a clearer understanding of the Town Council's vision and how it aligned with the DSDC's goals, especially concerning events and downtown development.

Mayor Pro-Tem Wood noted that in the past, there had been budget requests from the DSDC without clear direction or plans on how the funds would be used. He emphasized the need for proactive planning by the DSDC and the importance of both the Town Council and the DSDC working together to ensure tax dollars are spent effectively. He clarified that the Town Council was willing to provide funds but required a well-thought-out plan.

Councilman Stevens suggested that any advertising efforts by the DSDC, such as promoting downtown Smithfield, could potentially be expanded into a town-wide campaign. It was his opinion that the DSDC could promote only downtown on its own.

Councilman Barbour raised a concern about the division of responsibilities between the Appearance Commission and the DSDC, noting that while the Appearance Commission was tasked with enhancing the Town's appearance, it seemed to exclude downtown. He suggested that the Appearance Commission's efforts should also include downtown to ensure a unified approach to beautification. He questioned the rationale behind the current division and emphasized the importance of a strong downtown area for attracting people to the town.

The Town Manager clarified that the Appearance Commission had not always excluded downtown and provided an example where the commission worked with the Town to install uplighting on Market Street.

Mary Reece highlighted improved post-COVID collaboration between the downtown design committee and the Appearance Commission, particularly on mural projects. She acknowledged ongoing cooperation but noted that clearer communication would be beneficial. Councilman Barbour suggested the need for regular communication with the Appearance Commission to ensure better collaboration and accountability.

Town Manager Michael Scott acknowledged recent challenges due to the transition to a full-time director but expressed optimism about the future with Heidi's recent arrival. Scott emphasized that improvements in communication and activities would take time, urging patience as Heidi settled into her role.

Councilman Scott thanked everyone for their participation and emphasized the importance of downtown development for Smithfield as the county seat. He stressed the need for positive leadership and collaboration, criticizing negative social media posts that attacked the Town staff and Town Council. He highlighted the importance of communication and urged the DSDC to focus on infrastructure improvements, such as lighting, murals, and storefront enhancements. He offered his support and emphasized the role of the DSDC as experts in downtown matters, encouraging continued cooperation for the Town's betterment.

Heidi Gilmond expressed gratitude for the warm welcome she received and emphasized the importance of good communication between the two boards involved in downtown development. She committed to ensuring strong communication and offered to act as a mediator for any issues, particularly those arising from social media conflicts. She encouraged collaboration, noting that working together would yield great results for the Town.

2. Signage

Town Manager Michael Scott acknowledged the challenges related to signage in downtown Smithfield due to strict regulations. He emphasized the need for temporary signage to promote events, as current rules limited effective advertising. He asked for the Town Council's assistance in finding solutions to allow better advertising for downtown events, particularly for residents who are not active on social media.

Councilman Scott expressed support for discussing and potentially amending signage regulations to enhance downtown's visibility, encouraging the board to bring forward recommendations. He also introduced another project idea, advocating for improved lighting in the downtown area. Scott suggested adding decorative lights across buildings to enhance the nighttime atmosphere. He emphasized that this could be a significant improvement for the downtown area and encouraged collaboration to move the project forward, noting that the Town's utility capabilities could support the electrical needs for such enhancements.

Mayor Pro-Tem Wood supported Councilman Scott's idea and suggested that Heidi Gilmond collaborate with the downtown business owners to create a "wish list" of desired improvements, particularly related to advertising and signage. He encouraged them to prioritize their needs and bring the list to the Town Council for consideration. Wood emphasized the importance of making changes that are uniform and aesthetically pleasing to promote downtown and attract visitors. He acknowledged that some current restrictions might hinder effective promotion and suggested that the Council could adjust these to better serve the community and visitors.

Councilman Stevens recognized the purpose of the UDO but noted that its practical application sometimes revealed the need for adjustments.

Councilman Scott mentioned that the planning department was complaint-driven and stressed the importance of being business-friendly, suggesting a review of advertising rules and expressing concern over staff monitoring social media for compliance issues.

Brittany Lucas expressed frustration with how rules were communicated to her as a new business owner. She mentioned that she was unaware of certain restrictions, like not being allowed to have a flag, and felt that the information was presented in a negative and rude manner. She suggested that better communication and more accessible information would help prevent such misunderstandings. Mayor Pro-Tem Wood apologized for the negative experience and emphasized that business owners should feel free to contact Town Manager Michael Scott or the Town Council directly if they have any issues with town staff.

Councilman Scott acknowledged the importance of being proactive and positive in communicating rules and regulations. He supported the idea of providing new business owners with a welcome packet containing essential information. Brittany Lucas reiterated that having a welcome packet with clear guidelines would have been helpful for her as a new business owner, allowing her to comply with regulations more easily.

The discussion concluded with optimism about improved communication, especially with Heidi Gilmond now in her role. The inclusion of new board members was seen as a positive step toward better collaboration and information sharing between the DSDC and the Town Council.

3. Special Projects Funding Expectations

Town Manager Michael Scott opened a discussion about the \$30,000 in special project funding for the DSDC, inviting the board to ask the Council any questions or share ideas on how the funds could be used.

Councilman Stevens mentioned that the funds were meant specifically for downtown projects and that the scope for their use was fairly broad, including appearance, attraction, and promotion efforts.

Mayor Pro-Tem Wood explained that the Council had placed some stipulations on how the money could be spent due to past concerns about a lack of planning and communication from previous leadership. However, he expressed optimism that with better partnership and communication, these restrictions could be relaxed over time.

Councilman Barbour acknowledged past financial concerns within the DSDC, which had led the Council to require more oversight before releasing funds. He praised Bill Johnson's efforts to improve financial management, which had restored the Council's confidence. He was optimistic that with improved budgeting, planning, and Heidi's leadership, the DSDC was moving in the right direction, positioning itself to effectively use the funding for downtown projects.

Katie Smith inquired about the possibility of establishing a "rainy day fund" for future large projects, such as the development of a master plan for downtown Smithfield. She highlighted the importance of securing funds to address major issues like Highway 70 and the need for consultants to help fulfill the town's vision. She also mentioned the need to demonstrate progress for Main Street accreditation, asking how the Council would handle larger budget requests in the future.

Councilman Scott acknowledged the importance of planning for larger expenses and encouraged board members to review the Town's budget to understand the full scope of available funds, noting that the budget was more substantial than just the \$30,000 or \$40,000 mentioned. He discussed ongoing projects, including the brickwork on Market Street and the Hastings House renovation, emphasizing the Council's commitment to these initiatives.

Town Manager Michael Scott clarified that the current budget included funds for replacing sunken bricks on Market Street with stamped concrete, not for widening the road.

Bill Johnson suggested using some of the available funds to attract new businesses to downtown by offering rent subsidies, particularly for retail businesses. He proposed a model where the fund could cover a portion of the rent, such as \$400 per month for six months, to help new businesses get established.

Councilman Scott supported the idea but raised concerns about fairness to existing businesses that might not benefit from such subsidies. He also noted the limitation of funds, mentioning that the grant program could only support a small number of businesses each year.

Town Manager Michael Scott added that the available funds for such initiatives are limited and would quickly run out after supporting a few businesses. He acknowledged the challenges in attracting businesses downtown, highlighting that the process required gradual efforts to overcome existing negative perceptions.

Councilman Lee inquired about minority representation on the board and among downtown businesses.

Town Manager Michael Scott acknowledged that while there are African American businesses downtown, there was currently no minority representation on the board. He expressed a desire for more participation from African American business owners but noted that they cannot be compelled to join.

Brittany Lucas mentioned that there were currently three vacancies on the board and suggested providing applications to interested individuals who might want to join.

4. Mural Approval Procedure

Mary Reece shared updates on a mural project funded by an \$8,000 grant, which would be installed on a building across from Leo Daughtry's office. The mural would depict elements of Smithfield's history and modern features, and the design was being finalized with input from a muralist. The project was expected to reach a point where it could be presented to the Council and property owner Allen Wellons for approval. Additionally, she mentioned plans for another mural on the side of the Howell Theater wall on Third Street.

Town Manager Michael Scott clarified that the Council's input on the mural design would be sought, as it's important to ensure that the project aligns with both the board's vision and the property owner's preferences.

Councilman Stevens inquired about the process for Council involvement in the mural project, asking whether the Council would have a say in choosing the final design or if they would only be presented with a few options to approve.

Town Manager Michael Scott explained that the goal was to narrow down the muralist's ideas to a few options that reflect downtown's history, which will then be presented to the Council for input. The process would involve the Council reviewing and selecting from the provided options.

Councilman Barbour expressed that while the Town Council's input should influence the decision, the ultimate responsibility for choosing the mural design should lie with the Downtown Development. He

emphasized that the DSDC should consider the Council's preferences to avoid potential conflicts but maintained that the decision should primarily be the DSDC's.

Councilman Stevens pointed out that if a controversial decision were made regarding the mural, the Council might be the one facing public criticism, highlighting the importance of careful consideration in the selection process.

Mary Reece reassured that the mural project was being carefully managed to avoid controversy. She emphasized that the mural will reflect important elements of the Town, such as the river, agriculture, and historical buildings, ensuring it aligns with the community's values.

Councilman Barbour assured the Council that as members of both the Council and the downtown board, he and Mike were committed to ensuring the mural project aligns with the Council's preferences. He expressed confidence that the current process was sufficient and that there's no need for additional procedures, as the downtown board is fully aware of the Council's stance.

5. DSDC Events

Town Manager Michael Scott discussed the positive outcomes of recent events, particularly the success of the fireworks displays and the Ham and Yam Festival, which attracted large crowds despite minimal advertising. He acknowledged the strong volunteer support for the events and expressed a desire to build on this success in future events. He also highlighted the amphitheater as a valuable resource for both the town and the DSDC.

Councilman Stevens suggested that the Council consider increasing funding for events like the fireworks display, given its popularity and the large turnout. He noted that the event on July 3rd seemed to be the best timing and proposed that the Town might take a more active role in organizing such events in the future, while still supporting the DSDC's involvement.

There was an acknowledgment of the success of other events like "Ham and Yam" and a discussion about whether to continue holding the fireworks on July 3rd or move it to July 4th, with considerations of how to maximize attendance and community benefit.

Heidi Gilmond proposed the idea of expanding the July 4th celebrations into a full day of events if they decide to move the fireworks to that date. She suggested activities like a parade, an ice cream social at the Hastings House, the "Red, White, and Brews" event on Third Street, and ending with a concert and fireworks at the amphitheater. The goal would be to keep people engaged and moving around Town throughout the day, rather than focusing on a single location.

Mayor Pro-Tem Wood mentioned that the choice of holding the fireworks on a day other than the 4th is often driven by cost savings, as fireworks tend to be cheaper on days other than the actual holiday. He acknowledged the financial considerations but noted that holding the event on a different day could offer unique benefits by giving people alternative options for celebrations.

Councilman Scott expressed a long-standing wish for the county's tourism department to collaborate with the town to organize a major event, suggesting that a unified effort could achieve more impact than smaller, budget-constrained initiatives. He noted that while existing events like fireworks are popular, there might be opportunities to explore unique or innovative approaches, such as using drones for future displays.

6. Potential Social District

Town Manager Michael Scott introduced the latest proposed map for the social district created by the DSDC, noting that it had been significantly scaled back from previous versions, with most parking lots removed. He sought feedback from the Council on whether the current geographic boundaries seemed appropriate before discussing further details like timing.

Councilman Barbour raised concerns about whether all businesses within the proposed district had been surveyed and whether there was data on their support or opposition. He suggested that the timing might be premature, given that the new executive director, Heidi Gilmond, had just started and needed time to settle into her role. He recommended postponing any decisions on the social district until she had a chance to review and provide guidance.

Councilman Stevens respectfully stated that Councilman Barbour was not going to be in favor of the social district in any manner it was proposed.

Town Manager Michael Scott clarified that the intention of presenting the map was not to delve into detailed discussions or survey data but to get initial feedback from the Council on the proposed geographic boundaries of the social district. He also sought the Council's input on potential operating hours and days for the district, emphasizing that any schedule decided upon would need to be clear and simple enough to be displayed on signage throughout the area. He asked for general guidance on the Council's thoughts, including whether they even supported the idea of a social district at all, to avoid wasting time if it wasn't something the council wanted to pursue.

Councilman Stevens strongly supported the social district as a tool to attract investment and revitalize downtown Smithfield. He emphasized the importance of providing investors with resources to bring in tax dollars and improve the area's appeal. While he agreed on the need for guidelines, he urged the council to establish the framework now, seeing it as a long-term strategy to generate interest and change perceptions of downtown.

Mike O'Dowd echoed Councilman Stevens' thoughts, acknowledging that while a social district might not benefit his business immediately, it could attract more foot traffic and new businesses in the future. He noted that Smithfield's current "nine to five" atmosphere limits activity, and while the district wouldn't have an immediate impact, it holds long-term potential. He pointed out that other towns in Johnston County have successfully implemented similar districts, suggesting that Smithfield could follow established models when ready.

Councilman Dunn raised concerns about the practicality of including certain areas in the social district, such as streets with primarily non-retail businesses like banks and offices. He suggested starting with a more focused area and expanding later if the district proveed successful, emphasizing the importance of careful planning to avoid unnecessary expenses on marketing and signage.

Katie Smith mentioned that the inclusion of boutiques in the social district could be beneficial, allowing people to shop while enjoying the social atmosphere.

Mayor Pro-Tem Wood expressed concerns about including the library and certain other areas in the social district, questioning the practicality and effectiveness of such a layout. He supported the idea of the social district but felt that some proposed areas, like crossing Market Street, would be difficult to manage and enforce.

Councilman Dunn shared similar reservations about including areas like the library in the social district, citing the challenges of crossing major streets safely. He suggested that the district could start small and expand if successful, rather than overextending from the outset.

Councilman Stevens proposed adopting a simple schedule for the social district, similar to Clayton's hours, and supported starting with a condensed version of the district, with the possibility of expanding later if it proves successful.

Mike O'Dowd discussed the current limitations of downtown Smithfield, noting that with most businesses closed at 5 PM, a social district might not have an immediate impact. However, he emphasized that in the long term, it could help attract new businesses and transform downtown into a more vibrant area. He pointed out that changing dynamics, such as the absence of the jail and shifts in traffic patterns, have altered the customer base. He acknowledged that while the social district wouldn't change day-to-day business immediately, it was a tool that could benefit future development by making downtown more appealing to potential investors.

Town Manager Michael Scott shared that one of the most successful past events was the wine walk, which allowed people to visit different businesses while enjoying a wine tasting. This event demonstrated the potential benefits of allowing alcohol in a controlled setting downtown, suggesting that a social district could similarly enhance business engagement and attract more restaurants to the area.

Brittany Lucas highlighted the lack of nightlife and evening activity in downtown Smithfield, noting that the Town becomes deserted after 5 PM, with businesses closing early even on Saturdays. She expressed that having a social district could encourage businesses to stay open later, creating a more vibrant atmosphere similar to neighboring towns where families enjoy the evening out, dining, and shopping.

Councilman Scott expressed concerns about the proposed social district, believing it to be too large and suggesting the Town should focus on getting its current affairs in order before implementing something new. He raised liability concerns for the Town and questioned the impact on areas frequented by less fortunate residents. He also mentioned that enforcing boundaries, particularly with crossing major roads, could be problematic. He questioned whether the Town was ready for this initiative, pointing out that there was no clear plan for who would administer the program and that there were other priorities the Town should address first.

Brittany Lucas countered that as a smaller town, Smithfield could use this opportunity to start small and learn from the process, potentially benefiting more from the experience than larger towns like Clayton.

Mayor Pro-Tem Wood supported the idea of starting with a very condensed version of the social district as a trial to see how it worked. He agreed with the need for careful planning and suggested that testing a smaller model would help the Town learn and adjust as needed, rather than jumping into a full-scale implementation. He emphasized the importance of moving forward thoughtfully, as the topic had been under discussion for several months without resolution.

Mayor Pro-Tem Wood further emphasized the importance of deciding whether or not to proceed with the social district, highlighting that the DSDC (Downtown Smithfield Development Corporation) should benefit businesses. He acknowledged the need for further discussion but stressed that the Council must start making decisions to avoid unfairly leaving business owners in limbo.

Bill Johnson agreed, stating that while he had his preferences for his business, he did not want to impose those on others. He emphasized that the Town needs to make a clear decision on whether to implement the social district and, if so, how it will proceed.

Katie Smith asked if the Council was generally on the fence about the social district and questioned whether they should pause discussions for a few months or continue and present it to the board next month.

Councilman Dunn expressed that he was not opposed to the social district and believed it could benefit downtown businesses over time, though it might take six months to a year to see the impact. He suggested a cautious approach, possibly reducing the size of the district and starting with restricted hours.

Mayor Pro-Tem Wood agreed with starting small, proposing a limited area and specific days as a test to see how the district performs. He supported the idea of using the district to cover most Town events to simplify the permitting process and suggested that they could expand or adjust the district based on its success.

Other Items for Discussion

Bill Johnson addressed the issue of social media conduct, pointing out that while businesses should avoid negative posts, Councilmembers should also refrain from making posts that undermine the Town's efforts. He emphasized the importance of showing collaboration between the boards.

Councilman Scott acknowledged the importance of maintaining professionalism and clarified that he personally avoids engaging in social media conflicts. He recognized the validity of Johnson's point, given that he raised the topic earlier.

Town Manager Michael Scott proposed establishing regular meetings between the Council and DSDC, suggesting at least one annual meeting to review progress, discuss successes, and maintain open communication.

Mayor Pro-Tem Wood supported the idea of meeting every six months, starting with this frequency to ensure alignment between the boards. He also suggested extending this practice to other committees and boards to improve overall communication and collaboration within the Town.

Katie Smith revisited the idea of making the DSDC director a shared employee between the town and the board, a concept discussed over the past few years. She suggested that this arrangement could help manage salary costs, potentially allowing for the hiring of an assistant while covering benefits like insurance and retirement. Smith proposed that this topic be reconsidered for future discussions.

Adjourn

Councilman Barbour made a motion, seconded by Councilman Dunn, to adjourn the meeting. The meeting adjourned at approximately 8:21 pm.

No a doub

Shannan L. Parrish, Town Clerk

M. Andy Moore, Mayor