

CITY COUNCIL AGENDA
CITY OF SANFORD, NORTH CAROLINA

July 19, 2016, 7:00 P.M., CITY HALL



- 1. **MEETING CALLED TO ORDER**
- 2. **INVOCATION**
- 3. **PLEDGE OF ALLEGIANCE**
- 4. **PUBLIC COMMENT**
- 5. **APPROVAL OF AGENDA**
- 6. **CONSENT AGENDA**
 - A. Approval of City Council Workshop Minutes Dated May 24, 2016– (Pages 3-8)
 - B. Approval of City Council Workshop Minutes Dated May 31, 2016 – (Pages 9-14)
 - C. Approval of City Council Meeting Minutes Dated June 7, 2016 – (Pages 15-23)
 - D. Approval of Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2016-2017 – (Demolition of 103 First Street, 105 First Street, 113 First Street); (809 Tryon Street - Jaycee Hut (City) and 807 Tryon Street (County) - (demolition of cost will be split 50/50 between City & County) – (Pages 24-25)
 - E. Approval to Modify the Water and Sewer Disconnection Policy – (Pages 26-27)
- 7. **SPECIAL AGENDA**
Introduction of John Maxwell, New CEO for Duke Life Point (Central Carolina Hospital) – (Page 28)
- 8. **CASES FOR PUBLIC HEARING**
- 9. **DECISIONS ON PUBLIC HEARINGS**
Application by Wil-Kat Properties, LLC to rezone from Office & Institutional (O&I) to General Commercial (C-2) 6.5 ± acres off of NC Hwy 87. The subject property

includes portions of two tracts of land with frontage on NC Hwy 87, opposite Commerce Drive, which are described as follows:

- Tract 1 is a 12.7 ± acre tract of land addressed as 4563 and 4599 NC Hwy 87 and identified as Tax Parcel 9660-59-1002 that currently has 2.2 ± acres zoned General Commercial (C-2) and 10.5 ± acres zoned Office & Institutional (O&I). The proposed rezoning would increase the area zoned General Commercial (C-2) from 2.2 ± acres to 8.0 ± acres and reduce the area zoned Office & Institutional (O&I) from 10.5 ± acres to 4.7 ± acres. The portion of this tract to be rezoned equals 5.8 ± acres. – (Pages 29-32)
- Tract 2 is a vacant 11.4 ± acre tract of land identified as Tax Parcel 9660-58-2607 that currently has 2.0 ± acres zoned General Commercial (C-2) and 9.4 ± acres zoned Office & Institutional (O&I). The proposed rezoning would increase the area zoned General Commercial (C-2) from 2.0 ± acres to 2.7 ± acres and reduce the area zoned Office & Institutional (O&I) from 9.4 ± acres to 8.7 ± acres. The portion of this tract to be rezoned equals 0.7 ± acres. The property is the same as depicted on Lee County Tax Maps 9660.01 and 9660.02, a portion of Tax Parcels 9660-59-1002 and 9660-58-2607 Lee County Land Records. It is also portions of Tract 1 and Tract 2 on a survey map recorded in Plat Cabinet 2010, Slide 160, Lee County Registry of Deeds. (Pages 29-32)
- Consider Ordinance Amending the Official Zoning Map of the City of Sanford, North Carolina – (Pages 33-35)

10. REGULAR AGENDA

- A. Consider Sale of Vacant Property off Daisy Street – (Pages 36-39)
- B. Consider Offer Received to Purchase Block G Lot 8 Vance Street and Resolution Authorizing the Advertisement of an Offer to Purchase Lot 8 Block G Vance Street, Brick Capital Redevelopment Area No. 1 – (Pages 40-45)
- C. Consider Update on 109 South Third Street – (Pages 46-48)

11. NEW BUSINESS – (Items for discussion and action will only be taken if necessary. Otherwise, these items will be placed on the next agenda for approval.)

12. OTHER BUSINESS

13. ADJOURNMENT

CITY COUNCIL WORKSHOP MINUTES OF THE
CITY OF SANFORD, SANFORD, NORTH CAROLINA
Tuesday, May 24, 2016

The City Council held a workshop on Tuesday, May 24, 2016, at 5:30 P.M., in the West End Conference Room, of the Sanford Municipal Center, located at 225 East Weatherspoon Street, Sanford, North Carolina. The following people were present:

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| Mayor T. Chet Mann | Council Member James Williams (Left at 8:30 P.M.) |
| Mayor Pro Tem Sam Gaskins | Council Member Norman Charles Post III |
| Council Member Rebecca Wyhof | City Clerk Bonnie Davis |
| Council Member Charles Taylor | City Manager Hal Hegwer |
| Council Member Byron Buckels | City Attorney Susan Patterson (Left at 7PM and came back at 8 PM) |
| Council Member Jimmy Haire | |

Mayor Mann called the meeting to order.

Mayor Mann presented Council Members with a copy of the various Boards and Commissions applications (Exhibit A) received to date. He mentioned that council needs to seek some good, qualified applicants to fill the vacancies which will occur on June 30. Mr. Hegwer stated that Community Development Director Marshall Downey spoke about decreasing the number of members of the Historic Preservation Commission from seven to five to have a quorum; however, he may come back with some different ideas.

City Attorney Patterson explained that the Federal Building has been appraised at \$345,000. She is seeking direction from Council if they want to sell the Federal Building and if so, which method they would like to use to sell the building. She said there are five methods of which the City can sell real property; however, only four apply to real estate. The methods are (1) Offer Advertisement and Upset Bid which is the method we typically use to sell vacant lots; (2) Advertisement for Sealed Bids, and Council has the right to reject any and all bids; (3) Public Auction of which you can set a minimum; (4) Exchange – this is when you exchange that property for something else. Of all the four methods, she suggested the sealed bid method. We received an email from the Department of Energy for the grant that was used to improve the efficiency of the lighting in the building and, as far as she understands, the City does not have to repay that grant because it went into a building component; they are not interested in the personal property being removed from the building. She needs consensus on how they would like to pursue selling the building. The tax value is \$532,900 with one-half acre of land with limited parking. It has some issues with the floodplain and it has restrictive covenants on it. In the event the building is demolished or sold, the cornerstone has to go back to the Federal Government unopened.

It was the consensus of Council to use the sealed bid method with the right to reject any and all bids.

Council Member Taylor stated that we need to have a conversation with Lee County at some point regarding these tax evaluations; he could understand when it is a couple of thousand dollars off but when it is 20 to 30 percent off of the appraisal, something is wrong.

City Manager Hegwer referred to an email sent to Council to answer a question about how the City of Sanford's water and sewer rates compare to Harnett County's rates. The City's rates are lower than Harnett County's; however, the City of Dunn, which operates a separate utility in Harnett, is lower than Harnett County and the City of Sanford.

The question of increasing the cost-of-living adjustment from .05 to 1 percent, would add \$105,000 which would derive from: General Fund -\$78,882; Utility Fund - \$25,105 and the Golf Fund - \$1,578.

Council Member Taylor expressed concern over the slight increase of 2 percent in water and sewer rates; it is significant to low-income areas and individuals on social security. We need to be cognizant of the increases. Mr. Hegwer stated that Mr. Buckels has also expressed concern about the increase and how it affects the people who are really struggling. At one time, the City talked about a program that could benefit those types of people. We have non-profits who work through the Finance Director that help people who need assistance with their water and sewer bills. Finance Director Beth Kelly stated that people can donate money through rounding up their bills or just donations.

Council Member Taylor suggested raising the water rates on County customers. Mrs. Kelly stated that you would have to raise the rates higher than 2 percent because you do not have many outside customers that are on sewer. Mr. Taylor asked how much it would have to be to offset the 2 percent the City residents are being charged. Mrs. Kelly replied it would be a lot because you do not have nearly the usage in the County as you do inside the City.

Mr. Hegwer said that the biggest issue we face is in the collection system. We have been rehabilitating a lot of our lines; our system has been in place since 1909. We have old infrastructure; however, we still have some nagging issues of capacity in our system and Little Buffalo is one of them. Some of what is predicating the rate increase is the State of North Carolina wants to know when you have an overflow, what your plans are to address the problem in future. This is the reason you will see \$3.5 million in the budget. Mrs. Kelly added that this is one portion of it.

Mr. Hegwer answered a question by Mr. Haire regarding the income from treating leachate. Mr. Hegwer stated that there is no guarantee that we will treat the leachate. They are paying us to do it now but there are other options for them to handle it. It is not a stable source of revenue. Mr. Kelly stated that we received \$55,000 last month and she included a conservative estimate in the budget based on previous payments received. We added an employee to the budget for NC811 utility locations because it is a purely regulatory issue that we must have two employees to perform these duties for line location.

Council Member Buckles stated he understands the increase and is not against it; however, he expressed concern for the elderly and low income residents and asked what are we going to do or are we going to put in place something for those that cannot afford it.

Ms. Wyhof asked is there a set of customers, with minimum bills, such as an elderly lady with a fixed income that actually does not use the minimum amount of water; is there a structure to lower the minimum bill for them but not punish the system overall.

Mr. Buckels stated that the University of North Carolina has a program called CAPS that has certain programs in it and are we familiar with that program. Mr. Hegwer replied no, but we could look into it.

Mr. Williams asked if the minimum bill would be raised \$.60. Mrs. Kelly replied yes, on the total bill. Mrs. Kelly stated that we have a lot of churches that help with water bills.

Mrs. Kelly stated that we do not have a lot of consumption growth; the majority of our growth has been commercial, which are not always high water users. The revenue has to be there to continue to meet our debt service coverage. With all the capital we have, looking out five years, it won't be much longer before we have to upgrade the Water Treatment Plant to expand it or spend some big dollars to get it up to par. Looking on the horizon, it is just whether Council wants to do small increases because the sewer rehab money – we are looking at a total of \$18 million over a period of time – worst case. These are overflows that if we do not eventually address, we will have bigger issues and spend more money fixing it fast. It is looking at the capital needs, and what we have done in the past is to fund some with cash but we used a lot for those projects lately.

Mayor Mann said everything he has seen in this budget has to go to tax base expansion. The problem is we have flat growth. Anything we can do to boost economic development, residential housing, marketing, and promotion; those are the things that will get us back in the growth mode. It will be so much easier to get tax base expansion. Installing the sewer out at the Central Carolina Enterprise Park is our best chance of getting 2,000 jobs; this will help us derive the revenue. The questions is do you risk that growth not happening and hit the lower income residents with a 6 percent increase next year instead of 2 percent this year.

Attorney Patterson clarified that when you set your rate, you can have different categories of rates for different types of customers but you have to have uniform rates throughout your system. Mayor Mann commented that you cannot charge one citizen different no matter what their economic status is. Attorney Patterson added that the way you can help is by people donating money or rounding up your bill.

Mr. Kelly advised that the increase will result in about \$300,000.

Mr. Hegwer indicated that you will continue to see increases in the cost of water, safe water, clean water, and wastewater. The regulations are not changing and are not going to get less; they are going to get stricter and you are going to see more merger of systems because the small entity cannot keep up. The State of North Carolina is going to force you to take care of your systems and make sure you are spending the money appropriately; they are not going to help you if you are not doing the right things.

Mr. Buckels felt there is enough cash on hand even if we did not do anything for the next two years. He expressed concern if this is the right timing with everything going on.

Mr. Hegwer replied that the cash is a different story altogether than your debt service coverage ratio required now; in a sense it creates cash. You have a coverage outside of your expenditures to cover it and they want to see you are doing more than that. Before we had bond debt, you had more flexibility.

Mrs. Kelly stated that in her projections, you projected some of that cash. She knew it would cost us less for a project so she built in her projections using what cash she felt the City could afford over the next five years and the capital and this is still what she has figured as far as the debt service coverage goes.

Mr. Hegwer said that the problem with it is when you borrow again, they are looking at your debt service coverage ratio. The fear factor is once you get behind, catching up is tough.

Mr. Gaskins commented to keep in mind that we have \$6.7 million of your debt service this coming year; \$300,000 does not have a lot of effect on almost \$7 million. Even if we have unstable money coming in for the leachate, Duke is wanting to bury it on site rather than ship it; it may never come here, which isn't a bad thing. It is an unstable source of income.

Mr. Post added that he is concerned if we do not increase rates this year by 2 percent, then next year it could be way more.

Mr. Taylor said that we need to look at it from a five-year standpoint. Mrs. Kelly stated that we have to have projections out for years for the rating agencies.

Mayor Mann noted that staff will get more information together and come back to Council.

Council Member Taylor indicated that we have made a concerted effort with the salary study and adjustments; however, it did not cure all of them. There is some clean up that needs to happen primarily with fire and police. Compression still exists between a supervisor and another employee. We still need to address those areas. He would like to know what it would take to clean that up. Mr. Hegwer noted that there are also positions in Finance and Public Works with compression.

The meeting was recessed for a 10 minute break at 7:22 P.M. The meeting was reconvened at 7:34 P.M.

Mr. Haire referred to his memo (Exhibit A) he presented Council regarding sidewalk being installed along Charlotte Avenue from Second Street to Third Street where WITS Construction renovated three houses. Mr. Hegwer said that if you are going to run sidewalk from Second to Third Street, you need to do First Street to Second Street because it would tie directly from that area to Downtown. The cost is estimated at \$31,040.

Mr. Taylor said that he sees more delineation on what we are funding and don't fund. We are doing a lot of arts and historical related items. He felt it would be nice to hear from United Way because we are giving money and we do not know who United Way is funding and who they are not funding. We could be duplicating efforts.

Mr. Gaskins said that what has been discussed in the past is County functions versus City functions. With the exception of Boys and Girls Club, there was a clear issue about reducing police force, but the others were pretty much health and human services type related, which we avoided.

Mr. Hegwer noted that Lee County did fund several groups (Exhibit B) totaling \$41,000. He included the following in the City's budget: Lee County Arts Council - \$2,700; Railroad House - \$2,700 and Temple Theatre - \$18,000.

Mayor Mann stated that regarding SAGA, he is a proponent that we try and continue to fund any additional funding to SAGA, which would be used in marketing. We did give \$25,000 to the visitor's tourism center, so he is not going to push for an increase. He may come back to Council in the future for a budget amendment depending on how things shake out during the course of the next fiscal year. We do not need to back off businesses bringing jobs. Mr. Gaskins noted that we need to see what will happen with the Occupancy Tax. It was noted that the non-profits need to include a narrative of their services.

Mr. Hegwer stated that with the changes in the regulations by the state, it may be necessary to suspend the compost facility. We are studying the issue to see if it is feasible to operate. It may be mid-year before staff comes back with a recommendation.

Mr. Taylor asked that staff look at what it would cost to bring the Brick Capital functionalities under City staff. He said that in the last three years they had one lot listed on the MLS and now everything is up for sale. Mr. Taylor stated that we asked them to sell the properties that UNC recommended.

Mr. Taylor asked for a copy of the previous Capital Improvement Plans to see the items requested by the various divisions. Mr. Hegwer said that when staff submits the items, they put a priority number on them.

Mr. Taylor suggested holding a meeting at the Fire Department because he felt Council would see a lot of things that are happening. One thing disconcerting to him were the beds in Fire Station #2 on Woodland Avenue. They are falling apart. They are Murphy Beds; the frames are from 1971. Mrs. Kelly and Mr. Hegwer stated that the furniture was replaced in the common areas last year. They have included \$3,200 in the budget for eight mattresses. Mr. Taylor asked that someone look at the Murphy Beds. The fire chief has budgeted \$3,000 each year to replace furniture. Mr. Taylor said it will not touch the Murphy Beds. Discussion was held regarding the construction of a new fire station and about constructing a building to house the 1925 Betsy Fire Truck.

Mr. Taylor asked if we ever considered contracting out the cleaning for the fire station and other facilities. Mr. Hegwer replied that if you recall, staff has changed to where instead of city employees running the WTP and WWTP, cleaning and maintaining the facilities, the grass, etc.; we prefer for those operators to spend more time running the plant instead of cutting grass. We have transitioned the whole city towards contracting those types of things out. We can get these things done cheaper than you can hire custodian type individuals to do the work; however, it was too expensive to include in the budget this year. Mr. Hegwer said he will find out how it was priced for those facilities and he will get the numbers on it. He would prefer employees being experts at what they do.

Mr. Taylor said we have gone four budget years since the space needs study was done. There has been no relief yet. Mr. Hegwer said that we are still waiting to hear back on utilizing the BB&T building in Jonesboro. Mr. Taylor stated that we have two sallyports being used for parking now. Have we looked at taking that sallyport and converting part of that into an energy area that they can use immediately,

because you have three brick walls; there is no better area than to put an interview area in the bricked-in area. Mr. Hegwer replied that we have not looked into that yet because it is a short-time fix. Council has heard that the interview area is a problem and nothing has been done to it. Mr. Hegwer commented that we can look at it.

It was discussed about increasing the round of play at the golf course by \$.25. Mr. Taylor expressed that he felt the rates should be increased for people who live out-of-town.

Mr. Post felt that the Golf Fund should be moved from the Enterprise Fund to the General Fund. The golf course has to pay for City water which is about \$30,000. Mr. Hegwer stated that the bond rating agencies raised a lot of questions as to why the golf course was not under the General Fund.

Mr. Taylor felt staff should look at waiving fees for a developer that goes into low-income areas and renovates low-income homes.

Council Members raised various questions regarding all the departments. Council and staff did a recap of the meeting of items they wished to see addressed.

Recess

The meeting was recessed at 9:20 P.M. until Tuesday, May 31, 2016 at 5:30 P.M., in the West End Conference Room, upon the motion of Rebecca Wyhof and seconded by Mayor Sam Gaskins and unanimously carried.

ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THESE MINUTES.

Respectfully Submitted,

T. CHET MANN, MAYOR

ATTEST:

BONNIE DAVIS, CITY CLERK

CITY COUNCIL WORKSHOP MINUTES OF THE
CITY OF SANFORD, SANFORD, NORTH CAROLINA
Tuesday, May 31, 2016

The City Council held a budget workshop on Tuesday, May 31, 2016, at 5:30 p.m., in the West End Conference Room, of the Sanford Municipal Center, located at 225 East Weatherspoon Street, Sanford, North Carolina. The following people were present:

Mayor Pro Tem Sam Gaskins	Council Member Byron Buckels
Council Member Jimmy Haire	Council Member Norman Charles Post III
Council Member Charles Taylor	Council Member James Williams
Council Member Rebecca Wyhof	City Manager Hal Hegwer
City Attorney Susan Patterson	City Clerk Bonnie Davis

Absent:

Mayor T. Chet Mann

Mayor Pro Tem Gaskins called the meeting to order.

Discussion Regarding Budget (Exhibits A and B)

Handouts were provided summarizing questions from the May 24 budget workshop, along with responses from staff.

Golf (Exhibit C)

Golf Course Manager David Von Canon proposed the following fee increases:

- Weekday ride and play 18 holes- from \$24.75 to \$25.00;
- Weekend ride and play 18 holes- from \$29.75 to \$30.00;
- Monday through Thursday ride and play 18 holes for seniors- from \$20.00 to \$22.00.

Mr. Von Canon proposed no increase in membership fees, which run from July 1 through June 30 annually. He also noted that members have had an option to pay fees in three installments (July, September, November) but he would not be opposed to collecting half in July and half in December in order to reduce the amount of paperwork required.

Council Member Taylor noted the high number of players from out-of-town and suggested that any increases be passed along to them. Mr. Von Canon stated that this strategy was not well received when it was implemented years ago and that out-of-town guests also visit other area businesses and restaurants. Council Member Rebecca Wyhof suggested that rather than “penalizing” out-of-town guest players, we could offer a discount to city and possibly to county residents. City Manager Hegwer suggested that staff conduct more research on this issue and report back to Council.

Utility Rates

Financial Services Director Beth Kelly, in response to questions regarding the possibility of raising rates only for county residents (rather than city residents), explained that it would take a nine percent increase to raise the same amount of revenue as the proposed two percent increase

to all customers. She noted that there are very few county residents who have sewer service and that this proposal would have significant implications for our large industrial clients.

Regarding a proposed customer assistance program, Mrs. Kelly explained that the city's next software update, currently scheduled for early December, would include the capability to allow customers to round their bills up to the next dollar or donate a fixed amount monthly to a customer assistance program. Funds could be administered by a non-profit third-party, subject to direction and criteria established by Council, including use of a charity-tracking program to prevent those receiving assistance from manipulating the system. Public Information Technology Officer Kelly Miller could work to educate customers on how to make donations and also instruct customers how to apply for assistance through the program.

Mr. Hegwer stated that with constant regularly changed, technology updates and the increasing cost of materials, it is unrealistic to expect water and sewer rates to remain unchanged for years at the time. Mr. Hegwer and Mrs. Kelly both confirmed that if the proposed rate increase is not implemented this year, a higher increase would likely be required next year. Although many costs have increased (including five to seven percent increases for water and wastewater facilities' utility bills), we have held rates unchanged for the past two years. Mrs. Kelly also noted that proposed capital expenses are for rehabilitation of water and sewer, not for any expansions to the plant facilities. She also noted that work on a rate model showing the ten year history is ongoing and is due soon.

Compression

City Manager Hegwer followed up on the compression issue previously discussed by Council, noting that the lack of merit (performance based) raises in the past few years has resulted in longer-term employees' salaries being very near those of newly hired employees' base salaries. He also addressed the issue of some supervisors earning less or only slightly more than some of the long-term employees they are responsible for supervising. He explained that both of these issues are complex and will require additional study outside of this budget workshop session.

Radios

Financial Services Director Beth Kelly informed Council that Motorola is offering a discount of \$13,000 if all 24 radios are purchased before July 14. City Manager Hegwer stated that the budget includes the cost to replace twelve this year and twelve next year, noting that support for the software expires in 2019. Council Member Taylor pointed out that improved technology may be available before that time.

Leasing Fire Truck

City Manager Hegwer explained that while leasing a truck may not reduce costs, it would offer more financing flexibility and quicker replacement of a vehicle if one was needed. Financial Services Director Beth Kelly noted that leasing would provide a fixed debt payment versus one large lump sum outlay in a single budget year.

Tuition Reimbursement Program

City Manager Hegwer followed up on the question of how many employees are taking advantage of the tuition reimbursement program by stating that nine employees were reimbursed in the 2014-2015 budget year and twelve were reimbursed in the 2015-2016 budget year.

Sidewalk Repair Priorities

City Manager Hegwer confirmed that the sidewalk repair on Charlotte Avenue, from First Street to Third Street recently requested by Council Member Haire, was included on the sidewalk repair priority list which classifies repairs into three categories. This project was shown as "priority one" (the highest rating). A total of \$100,000 was included in the proposed budget for sidewalk repairs (including grant funds received from DOT), with \$15,000 of that designated for the Charlotte Avenue project. Another \$15,000 was added since this segment serves as a visible connection to the downtown area.

Brick Capital

City Manager Hegwer, responding to Council Member Taylor's question as to whether Brick Capital's functions could be handled by city staff, confirmed that staff could handle those responsibilities and it is in Council's discretion to provide direction on this option. He noted that the proposed budget includes no funding to Brick Capital and more research would be required to determine the cost of providing those services in-house.

Repairing areas disturbed during streetscape (Exhibit D)

City Manager Hegwer stated that the estimated cost of repaving areas disturbed during the streetscape project are between \$90,000 and \$100,000 for publicly-owned areas and approximately \$100,000 for privately-owned areas (approximately 42,000 square feet). He noted that some areas were not in prime condition even before the project. Council Member Wyhof suggested offering a cost-sharing option to private owners and including the city's share of that expense to the loan previously approved by Council, which Financial Services Director Beth Kelly will be finalizing soon. Mr. Hegwer noted that Council could elect to repair only the high-profile privately-owned lots and postpone repair to the city-owned lots. He suggested that staff research the issue further in order to narrow the scope and report back to Council.

Compost

Council Member Taylor questioned whether the amount budgeted would be removed if Council decides to discontinue the program. City Manager Hegwer explained that the figure is included only as a noted placeholder and if Council discontinues the program, it will take some time to phase it out of operation. He agreed with Council Member Taylor that the program is more heavily regulated than in the past. Mr. Hegwer stated that the knuckleboom truck included in the budget would still be needed for pick-up of bulk trash, as well as for leaf and limb.

Inmate Labor

City Manager Hegwer informed Council that no additional labor is available through the inmate program at this time and stated that they do a great job and bring a lot of value through their service.

Code Enforcement

Addressing the possibility of adding another position in the department, City Manager Hegwer stated that he doesn't believe that adding another staff member would make a significant difference in resolving blight and appearance issues: by the time a problem is visible (such as grass that needs cutting or overall neglect), the damage has been done and another employee would not prevent it. He suggested alternate strategies such as acquiring properties for demolition or an incentive program to encourage private investment. Council Member Wyhof added that the awning program offered by DSI for awnings is an example of a successful incentive for façade improvement. Mr. Hegwer also stressed that the department's number one priority is for the health, safety and welfare of all citizens living in blighted areas.

Utility Fund Capital Outlay

Council Member Taylor questioned why only two items were not funded in the entire outlay. City Manager Hegwer explained that when dealing with drinking water, there can be no system interruptions: it is an entirely different level of health, safety and welfare. There is no option for equipment to be out of operation at the water treatment plant or at the wastewater treatment plant. He noted that he is more liberal with capital needs in this department due to the importance of these services.

Warehouse

Financial Services Director Beth Kelly stated that inventory control is handled through monthly reconciliations, along with an annual physical inventory where testing is done from the floor to the sheet and also from the sheet to the floor.

Water and Sewer at Enterprise Park and Triassic Park

Council Member Williams questioned whether the entire \$4.7 million dollar estimate was for extensions to the proposed Enterprise and Triassic parks. City Manager Hegwer explained that \$1.2 million of that is for extending water line, which is considered a system improvement since it will allow connection from the existing industrial park to Colon Road, regardless of when Enterprise Park is developed. He also stressed that these figures are only estimates since the project has not yet been opened for bids.

Mr. Hegwer also informed Council that the county has recently delayed committing to provide improvements at the park entrance. After learning this, \$87,000 previously budgeted for the sidepath at the park was removed and will be used toward an additional 0.5 percent cost-of-living adjustment (COLA) for city employees, bringing the total COLA to one percent.

Utility Kiosks

Council Member Byron Buckels noted that only one utility kiosk is included in the proposed budget and questioned whether another unit could be added. City Manager Hegwer stated that until a decision is made on possibly re-locating the utility administration to Jonesboro, only one is included and the location is in Council's discretion. Financial Services Director Beth Kelly confirmed that the cost is for an outside unit, which will be reduced if it is placed indoors.

Public Works Administration

In response to Council Member Taylor's request for feedback on the departmental realignment, City Manager Hegwer stated that he thinks organizing by function rather than by department will be more efficient but since it is more time-consuming for accounting purposes, we will confirm that the benefits outweigh this factor.

Water Treatment Plant

Council Member Taylor questioned whether we have any difficulty complying with state and federal regulations. City Manager Hegwer responded that there was no problem with compliance but there are constant changes and that any reductions at the federal level are merely passed down to the state and local level. He also noted that when the bonds were sold, the city was due a 35 percent interest credit on the Build America Bonds and 45 percent on the Recovery Zone Economic Development Bonds, totaling approximately \$85,000 annually and these funds have not been received due to the sequester several years ago, which is still in effect.

Water Capital Improvements

City Manager Hegwer explained that water line rehabilitation includes replacing the old one- and two-inch water lines which we have attempted to do over the years. The goal is to replace all undersized water lines.

Little Buffalo Outfall

City Manager Hegwer explained that the main outfall line (15 and 16 inch pipe, eventually reducing to 12 inch) runs parallel to the Little Buffalo Creek and needs to be upsized. A tremendous amount of rehabilitation has been done to prevent overflows; \$3.5 million is included in the proposed budget plan for the first phase but the entire project may take as much as \$15 million to complete.

Central Business District (Municipal Service District)

City Attorney Susan Patterson explained that new state regulations for Municipal Service Districts ("MSD") include several requirements: more input from those in the district; the addition of language in the budget ordinance explaining how the rate was set and exactly how the funds will be used; and providing a "RFQ" (Request for Qualifications) process soliciting non-profit agencies to administer the MSD. The administrator will be required to identify any subcontractors they use and will also agree to audits. Administration of our MSD has been handled by Downtown Sanford, Inc., the non-profit established by the city for that purpose. These changes are to be implemented with this year's tax levy for 2016.

City Manager Hegwer noted that there appeared to be consensus on the following:

- Implementing the proposed utility rate increase beginning January 1, 2017, along with a Customer Assistance program;
- Postponing construction of the sidepath at Central Carolina Enterprise Park and applying the estimated cost of \$87,000 toward another 0.5 percent COLA for city employees (bringing the total COLA to one percent);

City Council Workshop
May 31, 2016

- Implementing the golf rate increases as proposed by Golf Course Manager David Von Canon, and researching the possibility of increasing rates for out-of-town guests or offering discounts to city and possibly to county residents;
- Voting on whether to transfer the golf department out of the Enterprise Fund into the General Fund; and
- Researching with other city managers how they manage issues of compression and salary disparity between supervisors and long-term employees.

ADJOURNMENT

Council Member Taylor made the motion to adjourn the workshop. Seconded by Council Member Post, the motion carried unanimously.

**ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED
BY REFERENCE AND MADE A PART OF THESE MINUTES.**

Respectfully Submitted,

T. CHET MANN, MAYOR

ATTEST:

BONNIE DAVIS, CITY CLERK

MINUTES OF MEETING OF THE
CITY COUNCIL OF THE CITY OF SANFORD
SANFORD, NORTH CAROLINA

The City Council met at the Sanford Municipal Center, 225 E. Weatherspoon Street, on Tuesday, June 7, 2016, at 7 P.M., in the Council Chambers. The following people were present:

Mayor T. Chet Mann	Council Member James Williams
Mayor Pro Tem Sam Gaskins	Council Member Rebecca Wyhof
Council Member Jimmy Haire	Council Member Norman Charles Post, III
Council Member Charles Taylor	City Manager Hal Hegwer
Council Member Byron Buckels	City Attorney Susan Patterson
City Clerk Bonnie Davis	

Mayor Mann called the meeting to order. Council Member Taylor delivered the invocation. The Pledge of Allegiance was recited.

PUBLIC COMMENT – (Exhibit A)

Susan Hardy residing at 552 Summitt Avenue, Phil Yarborough residing at 637 Sunset Drive, Joni Martin residing at 1313 Bickett Road, Craig Shore residing at 530 Sunset Street and Richard Hayes residing at 2004 Vantage Pointe, all spoke in favor of the City owning the lot formerly known as “Horner Park.” They would like to see the City beautify and maintain the park for green space in that area.

APPROVAL OF AGENDA

Mayor Mann stated that we need to add a closed session to the agenda. Council Member Wyhof made the motion to approve the amended agenda. Seconded by Mayor Pro Tem Sam Gaskins, the motion carried unanimously.

SPECIAL AGENDA

Proclamation Honoring the Life of William Worth “Butch” Johnson, Jr. – (Exhibit B)

Mayor Mann gave a background of Butch Johnson’s life. He was special to this community and a proclamation cannot catch the real essence of his life. He was a citizen that made Sanford and Lee County a special place. Mr. Johnson was dedicated to public service and served as police officer for the City of Sanford before becoming a Magistrate for the State of North Carolina. He was very proud of his children and grandchildren.

Mayor Mann read the proclamation honoring William Worth “Butch” Johnson and presented a copy to his wife, Charlene, and daughter, Renee Thomas.

CASE FOR PUBLIC HEARING

Public Hearing – Proposed Annual Budget Ordinance for Fiscal Year 2016-2017 – (Exhibit C)

City Manager Hegwer stated that this is the public hearing for the proposed FY 2016-2017 budget. The total budget is \$58,197,501. The budget does not include a property tax increase; however, there are slight increases in the Golf and the Community Development Departments. The proposed ordinance reflects the change of moving the Golf Department from the Enterprise

Fund to the General Fund. Included in the budget are two additional employees in the 911 communication center, which will improve communications and the safety of the overall public; a 2 percent increase in the water and sewer rates; and an additional employee in the Utility Locator position to meet the requirements of the NC 811 requirements. There are capital improvements of \$8 million in the Utility Fund for \$4.5 million for the Central Carolina Enterprise Park and \$3.5 million for the Little Buffalo sewer line. There is a 1 percent cost-of-living adjustment for all employees and the potential of a 2 percent merit option to coincide with their annual review period. Several workshops were held with council members to prepare the budget.

Financial Services Director Beth Kelly explained the changes to the budget ordinance from what was originally presented to Council (Exhibit D).

Community Development Director Marshall Downey explained that Council received a copy of a letter from David Montgomery and a copy of the survey results for the Downtown Sanford Municipal Services District (MSD) (Exhibit E). There has been some General Statute changes as it relates to Municipal Services District. Specifically, the General Statutes now requires that the City of Sanford set the Municipal Services District tax rate after an annual public input from residents and/or property owners within the MSD, so the City does not accumulate excess funds. Excess funds does not necessarily connote carrying a fund balance nor does it prevent saving money for identified long-term capital needs. General Statute §160A-542 (d) requires the City Council to set a tax rate based on current needs, long-range plans and goals for the service district. Funds collected shall be used only for meeting the needs of the district, as determined by the City Council. In order to meet this standard, based on this requirement, and the short amount of time in this budget window, staff used a survey monkey and used an on-line public survey. A total of 200 surveys were sent out and the City received 44 responses, for a response rate of 22 percent. They had less than a week to turn the survey in. We will do this annually and you can contract up to five years once we go through this process.

Mayor Mann opened the public hearing on the proposed budget. Mr. Buckels expressed concern about what the City is charging for late fees. He noted that there are low-income and elderly people who are on a fixed income. He understands the increase in fees; however, the late fee charges are astronomical compared to the same cities we compare our rates. The City charges a late fee of \$20. He asked that Council look at reevaluating those late fee charges.

Mayor Mann asked Mr. Buckels if he was okay with the utility fees and would he be satisfied with a workshop on this matter. Mr. Buckels said he is okay with the fees but not the late fees. If we are saying we are moving forward and not considering making some type of evaluation, he is not okay with it.

Council Members Taylor, Wyhof and Gaskins echoed the same concern that Mr. Buckels had on the late fees. Mayor Mann felt there was a consensus to come back and make this an agenda item to address late fees and evaluate our schedules.

Mr. Hegwer explained that there are ways we can help with some individuals' bills by a voluntary program through our water billing department to round up their utility bills or through donations.

Charlie Hayes, spoke at the public hearing. He moved to Sanford in 2011. For someone who pays utilities when they sign up they understand the fees. There can be some adjustments made but Sanford is left with logistics of scale; Sanford is a blue collar community. The City of Sanford makes their money by selling utilities; that is a bulk of its income. He did not care if you are on a small budget or big budget; it does not matter, you are on a budget. You know that bill has to be paid and there will be late fees. There can be adjustments made but we have to take into consideration, Sanford still has to have the income and if the money is not paid, Sanford has to come up with the money from somewhere else to meet the budget. He ask Council to take that into consideration when they take up the matter.

With no one else requesting to speak, the public hearing was closed.

- Consider Motion to Move the Golf Fund from the Enterprise Fund to the General Fund – (Page 6)
Mayor Pro Tem Gaskins made the motion to move the Golf Fund from the Enterprise Fund to the General Fund. Seconded by Council Member Post, the motion carried in favor with a five to two vote with Council Members Taylor and Haire casting the dissenting votes. Mayor Pro Tem Gaskins noted that when staff went to the bond ratings agencies, it raised a red flag that the Golf Fund was in the Enterprise Fund and he did not want the red flag to be raised.
- Consider Adoption of Annual Budget Ordinance for Fiscal Year 2016-2017 - (Exhibit F)
Council Member Haire made the motion to adopt the annual budget ordinance for Fiscal Year 2016-2017. Council Member Wyhof seconded the motion. Mr. Gaskins clarified that the budget ordinance includes the amendments. Mayor Mann replied yes. The motion carried in favor six to one with Council Member Taylor casting the dissenting vote.

DECISIONS ON PUBLIC HEARINGS

Consideration of Amendments to the Unified Development Ordinance, Article 11 Sign Regulations, Section 11.8.2: Wall Signs by adding a new Subsection 11.8.2.6 Additional Wall Sign Permitted in NC, CBD, TNC, and PUD Zoning Districts and amending Table 11.2: Standards for Permanent Signage in the NC, CBD, TND, and PUD Zoning Districts to reflect that change.- (Exhibit G)

Long Range Transportation Planner David Montgomery explained that a public hearing was held on May 17, 2016, jointly with the Planning Board to add a new proposed amendment to Article 11 Sign Regulations - Section 11.8.2: Wall Signs. It would add a new Subsection 11.8.2.6 Additional Wall Signs Permitted in the NC, CBD, TNC, and PUD Zoning Districts and amending Table 11.2 Standards for Permanent Signage in the NC, CBD, TND, and PUD Zoning Districts to reflect that change. It would allow interior lots in those districts to have an additional wall sign in an off-street parking lot or alley. The Planning Board voted unanimously to recommend approval of the proposed text amendment.

- Consider Ordinance Amending the City of Sanford Unified Development Ordinance – (Exhibit H)
Council Member Buckels voted to approve the ordinance. Seconded by Mayor Pro Tem Gaskins, the motion carried unanimously.

Consideration of an Amendment to the Unified Development Ordinance, APPENDIX A - DEFINITIONS to add a definition of a “**Yard Sale**”. The purpose of this amendment is to clarify that yard sales shall be permitted as an accessory to any residential use and shall not require a zoning permit. Design standards shall be included within this definition.

Community Development Director Marshall Downey explained that a public hearing was held on May 17, 2016, jointly with the Planning Board to add a definition of a “Yard Sale.” The purpose of this amendment is to clarify that yard sales shall be permitted as an accessory to any residential use and shall not require a zoning permit. It furthers clarifies and allows more tools for staff to use to meet with residents to explain what you can and can’t do in the neighborhoods. The Planning Board voted unanimously to recommend approval of the proposed text amendment.

- Consider Ordinance Amending the City of Sanford Unified Development Ordinance – (Exhibit I)
Mayor Pro Tem Gaskins made the motion to approve the ordinance. Seconded by Council Member Wyhof, the motion carried unanimously.

Application by AGA Corporation - to rezone three vacant tracts of land totaling 86 acres +/- off of Commerce Drive from the current zoning of Light Industrial (LI) and Barrington Park Conditional Zoning District (Design #4) to Residential Single-family (R-14). The property is the same as depicted on Lee County Tax Map 9660.01 as Tax Parcels 9660-18-0558-00, 9660-08-9755-00 and 9660-08-5884-00 Lee County Land Records. The subject property is the same as illustrated as Tracts Six, Seven, and an adjoining 76.46 acre tract of land on a survey map recorded in Plat Cabinet 2007, Slide 265 of the Lee County Register of Deeds Office. – (Exhibit J)

Design Review Coordinator Amy McNeill stated that a public hearing was held on May 17, 2016 and the Planning Board recommends that the City Council support the request to rezone three vacant tracts of land totaling 86 acres off Commerce Drive from the Light Industrial (LI) and Barrington Park Conditional Zoning District to Residential Single-family (R-14), to allow for the development of the property in a residential manner even though it is not consistent with the 2020 Land Use Plan designation as Industrial-Commercial-Office and Industrial Park. The request appears to be reasonable and in the public interest based on the availability of public utilities, the surrounding land uses and the zoning patterns in the area. Rezoning the subject property to a residential zoning district would appear to allow the owner to make reasonable use of the land while acknowledging that this area appears to be transitioning away from commercial.

Ms. Wyhof asked if she could discuss what the Planning Board talked about regarding the comments the residents had concerning the traffic pattern at the public hearing. Ms. McNeill replied that the Planning Board discussed the possible future extension of Commerce Drive to Lee Avenue which was a concern to several residents at the public hearing. They commented that the proposed preliminary plat for the subject property, which will be reviewed next, did not actually connect to Lee Avenue and when and if there was a connection from Commerce Drive to Lee Drive, the NCDOT would review the connection and make sure the connection was as safe as possible. Staff did contact the NCDOT after the public hearing to relay these concerns and comments to them so they were aware.

Mr. Hegwer stated regarding the problem with speed on Lee Avenue, staff wrote a letter to the NCDOT requesting them to investigate the speed and make sure it is appropriate for that area. We want to ensure that the DOT will look at this closely.

- Consider Ordinance Amending the Official Zoning Map of the City of Sanford, North Carolina - (Exhibit K)
Mayor Pro Tem Gaskins made the motion to adopt the ordinance. Seconded by Council Member Taylor, the motion carried unanimously.

REGULAR AGENDA

Consideration of a Preliminary Major Subdivision Plat for a 23-Lot Residential Single-family Subdivision Labeled The Park at South Park to be served by public water, public sewer and public streets (all City maintained) with a connection to Commerce Drive. The subject property is a portion of an 86 acre +/- site requested to be rezoned to Residential Single-family (R-14) for which the public hearing was held on May 17, 2016. – (Exhibit L)

Mayor Mann noted that since the Council just approved the rezoning request, this preliminary plat is for Council's consideration.

Design Review Coordinator Amy McNeill explained that Council Members have an 11 x 17 copy of the preliminary plat at their seats. The rezoning request for this subject property was just approved. The developer/owner AGA Corporation is seeking approval of a plat for a 23-lot residential subdivision located within the City limits. All lots are proposed to be served by public water, public sewer, and city maintained streets. There is a total of 15.6 acres within the area and the minimum building setbacks for R-14 are 30 feet from the front; 20 feet from the rear; and 12 feet from the left and right sides. The plat was reviewed by the Planning Board on May 17, and the overall design was allowed to move forward with the board's approval with the condition that all the Technical Review Committee technical comments be addressed prior to recording the final plat. She noted that even though the site has been rezoned to R-14, the developer has expressed a desire to not construct or include sidewalks, which is allowed under the UDO as the average lot size is used to determine if the project is required to provide sidewalks along one side of the street and based on the proposed plat, the average lot size is greater than 20,000 square feet. Therefore, sidewalk and curb and cutter will not be required within this residential subdivision.

- Consider Adoption of Subdivision Plat for a 23-Lot Residential Single-Family Subdivision Labeled The Park at South Park
Mayor Pro Tem Gaskins made the motion to table the subdivision plat. Council Member Williams seconded the motion. Mr. Taylor asked for clarification that if we table the item, what is our next action on what we will do. Mayor Mann said it would stay on the table until someone removes it from the table for discussion. Mr. Gaskins stated that he felt the reason for the hesitancy on the motion was because it has no sidewalks and curb and gutter.

Attorney Patterson stated that the preliminary plat approval is based upon compliance with the ordinance and if it complies with the ordinance, approval is something that Council does not have a lot of discretion on. You may always table a matter for more information and take it up at a later date, so there is no issue with tabling. If our current zoning ordinance does

not require sidewalk, curb and gutter, in the current zoning category, you cannot make it a condition of approval unless you change the UDO ordinance. It has been submitted under the current ordinance which does not require curb & gutter and sidewalks. Council should study the information provided and if it meets the ordinance, Council must approve it.

The vote was six to one in favor to table the preliminary plat, with Council Member Haire casting the dissenting vote.

Consider Request for Right-of-Way Encroachment at 3020 Lee Avenue – (Exhibit M)

City Engineer Paul Weeks informed Council that this is a right-of-way encroachment request from the E-T-N Group located on Juno Street and Lee Avenue. Their consultant would like to install a groundwater monitoring well on the north side of Cameron Drive. They want to do some monitoring of the groundwater in the facility of their former location as required by the NC Department of Environmental Quality.

Mayor Pro Tem Gaskins made the motion to approve the request. Seconded by Council Member Post, the motion carried unanimously.

Consider Resolution to Award the Contract for City of Sanford Sidewalk Improvements Project 01: Horner Boulevard – (Exhibits N & O)

City Engineer Paul Weeks explained to Council that bids were opened on May 19, 2016 and four bids were opened. He referred to a map showing the locations of the project on Horner Boulevard. After reviewing all four bids, the lower bidder at that point and time was Carolina Earth Movers. However, it was found there was a discrepancy in the bid documents; they did not include a unit price on their bid. This makes their bid non-responsive, so staff had to throw their bid out. With three bids left, Jymco Construction Company was the apparent low bidder in the amount of \$141,349. Staff has worked with Jymco before and staff is happy with their work; they are located in Smithfield, NC. They did the sidewalk work at Autumn Oaks.

Mr. Weeks noted that this is a DOT funded project; they are providing about \$114,000 for this work. Council is being asked to consider these bids and award the contract to Jymco Construction Company in the amount of \$141,349, contingent upon Department of Transportation approval. He said we do have the money in the budget for this project and it falls within the budgeted amount.

Mr. Weeks updated Council on the Woodland Avenue and Courtland Drive project. Mr. Buckels asked staff to look at the section located on the end of Washington Avenue and Horner Boulevard at the Stewart Manor apartments. It is a small area of about 10 yards that needs to connect with Horner Boulevard. Many people walk the path and some on electric wheel chairs. Mr. Weeks stated that it is not considered as part of the Horner Boulevard project; however, if there is money left over from the bond sidewalk project, it can be utilized in that area. Mr. Buckels asked staff to consider the project.

Council Member Wyhof made the motion to award the contract to Jymco Construction Company in the amount of \$141,349 contingent upon DOT approval. Seconded by Mayor Pro Tem Gaskins, the motion carried unanimously.

Consider Ordinance Amending the Annual Operating Budget for the City of Sanford Fiscal Year 2015-2016 – (Legal) - (Exhibit P)

Financial Services Beth Kelly informed Council that this ordinance appropriates funds from the Fund Balance in the amount of \$12,000 to the Legal Department to pay for contractual services related to outside counsel. Council Member Taylor made the motion to approve the ordinance. Seconded by Council Member Wyhof, the motion carried unanimously.

Consider An Ordinance to Amend Various Sanford City Code Sections to Clarify Enforcement Mechanisms – (Exhibit Q)

City Attorney Patterson explained that we have been reviewing our ordinances to modernize and improve the ordinances and we have made some changes to our door-to-door sales ordinances, and we will be looking at some changes to our sign ordinances; but this ordinance contains a clarification of enforcement mechanisms to various sections throughout the code. The City has had a section in our ordinance for many years that says each ordinance passed thereafter (since the 80s) will state whether it is to be enforced through civil penalty collected in the nature of a debt owed to the City, or by a criminal penalty. Almost all of our ordinances are enforced civilly. The School of Government has recommended that you amend your code and specifically state that it shall not be a violation of Chapter 14-4 when you violate a civil ordinance, because the General Statutes has a catch-all provision that says “all City ordinances/violations can constitute a violation of the criminal code. The City collects the ordinance violations through enforcement of the debt owed to the City. We are not actually enforcing the ordinance itself, we are forcing non-payment of the debt. This is a comprehensive ordinance that ended many sections of the code. The ordinance lists the general sections and adds a phrase that would state “and it shall not be a violation of NCGS 14-4.” It goes through the different sections of the City code adding that language; it would also remove in the general catch-all provision that a violation of each code would not constitute a misdemeanor, and violations would be punishable by a fine not exceeding \$500 and not carrying an imprisonment or a term of 30 days, which is currently in the ordinance. This is for Council’s consideration to decide whether you want to make these changes. This is the School of Government’s recommendation.

Council Member Taylor made the motion to approve the ordinance. Seconded by Mayor Pro Tem Gaskins, the motion carried unanimously.

Consider First Addendum to Commercial Lease Agreement – (Exhibit R)

City Attorney Patterson explained that staff received a request from Progressive Development Company, LLC, to amend our current lease with them at the Buggy Factory, where we have our one-stop shop for City and County Planning and Land Use Departments. There is some additional square feet that we are occupying that they would like to be paid for. The calculations for the square footage has been divided by the City and the County and the City’s share annually would be approximately \$492.17.

Mayor Pro Tem Gaskins made the motion to approve the first addendum to the Commercial Lease Agreement. Seconded by Council Member Post, the motion carried unanimously.

Consider Request by Progressive Contracting Company to Lease Suite 302, Third Floor in the Sanford Buggy Company Building - (Exhibit S)

Attorney Patterson stated that the current lease with Progressive Contracting Company has a requirement that the landlord seek our approval before they lease space to other tenants. Progressive has submitted a request to lease 2,126 square feet on the Third Floor to Dr. Patterson for his medical office, and this request is before Council tonight for approval.

Council Member Post moved to approve the request. Council Member Post seconded the motion.

Council Member Haire asked how many parking spaces would be required for the new tenant. Joni Martin replied they have six employees and she felt there was adequate parking on the side lot where she parks; usually there are six available spaces on the side lot.

The vote was unanimous to approve the request by Progressive Contracting Company.

Consider Contract for Design Services for Assistance with Sanford Area Wayfinding Plan – (Exhibit T)

Long Range Transportation Planner David Montgomery explained that at Council's retreat, a presentation was made on wayfinding signage and the sentiment was to look at a comprehensive wayfinding signage plan. Staff sent out RFQs soliciting design professional services for the plan. A group of individuals reviewed and evaluated the RFQs and based upon the evaluation, staff is recommending Bizzell Design Incorporated. Staff is seeking approval to negotiate a contract with Bizzell not to exceed \$35,000. The comprehensive wayfinding plan should be completed within eight months with an emphasis on ten signs Downtown to be designed within 60 to 90 days; this is what staff proposed last year for this fiscal budget. As a reminder, staff and the consultant intend to work with the design committee throughout the development of this plan.

Council Member Taylor noted that he spent the weekend in Charlottesville, Virginia and they have done a very nice job with their wayfinding signage and especially their Downtown redevelopment area. He hopes that staff will look at Greenville, South Carolina and Charlottesville, Virginia to consider what they have done.

City Manager Hegwer stated that whatever we do, we need to look at a much larger view of the whole City and how this would progress over time. We do not want to go back and change things. He hopes whatever we decide, we can move forward with it and it would be a signage and platform for the whole City in the future.

Mayor Pro Tem Gaskins made the motion to approve the contract design services. Seconded by Council Member Buckels, the motion carried in favor six to one with Council Member Taylor casting the dissenting vote.

NEW BUSINESS – (Items for discussion and action will only be taken if necessary. Otherwise, these items will be placed on the next agenda for approval.)

Mayor Mann asked if there was any new business to discuss.

Council Member Taylor said that in fairness to the applicant on the AGA project, he would like to see it on the next agenda. In the best interest to the applicant, the applicant applied and did everything he is supposed to do and we need to give guidance and answer accordingly.

Mayor Mann said we have a couple of items that need to be added: (1) Late fees on water and sewer; (2) the sidewalk extension connecting Horner Boulevard and Washington Avenue.

OTHER BUSINESS

Council Member Taylor praised the Police Department for their hard work on the recent shootings in Sanford and how swift they moved to apprehend. It is a great testament to our employees working hard.

Mr. Hegwer thanked Council Members and staff on the countless hours spent on the completion of the budget.

Mayor Mann announced that the City of Sanford, led by Financial Services Director Beth Kelly, has received another Certificate of Achievement for Excellence in Financial Reporting, which is the highest honor you can reach. He thanked Council for working together on the budget and adopting it tonight.

Closed Session

Council Member Haire made the motion to go into closed session in accordance with N.C.G.S.143-318.11(a)(5) to instruct the public body's staff or negotiating agents concerning the position to be taken in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property. Seconded by Mayor Pro Tem Gaskins, the motion carried unanimously.

ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THESE MINUTES.

ADJOURNMENT

Council Member Haire made the motion to adjourn the meeting; seconded by Council Member Post, the motion carried unanimously.

Respectfully Submitted,

T. CHET MANN, MAYOR

ATTEST:

BONNIE DAVIS, CITY CLERK

**AN ORDINANCE AMENDING THE ANNUAL OPERATING BUDGET
OF THE CITY OF SANFORD FY 2016-2017**

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina in regular session assembled.

Section 1: The following amounts are hereby amended to ordinance 2016-24 per G. S. 159-15 for the continued operation of the City of Sanford, its government, and activities for the balance of the fiscal year 2016-2017.

**GENERAL FUND
APPROPRIATION OF FUNDS**

REVENUES			EXPENDITURES		
100045 32012	Receipt Lee County	4,900	10015000 00000	Public Building	4,900
Total Appropriation		<u>\$ 4,900</u>			

**GENERAL FUND
TRANSFER OF FUNDS**

<u>Transfer from the Following Accounts:</u>			<u>Transfer to the Following Accounts:</u>		
10016650 69900	Contingency	29,000	10015000 00000	Public Building	29,000
Total Appropriation		<u>\$ 29,000</u>			

Section 2. This ordinance shall be in full force and effective from and after the date of its adoption.

ADOPTED this, the 19th day of July, 2016.

ATTEST:

T. Chet Mann, Mayor

Bonnie Davis, City Clerk

Susan C. Patterson, City Attorney

2016-2017 BUDGET ORDINANCE AMENDMENT**GENERAL FUND****Appropriation of Funds - results in increasing of budget****Revenues**

Receipt Lee County	4,900	Revenue to be received from Lee County for item described below
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Expenditures

Public Building	4,900	To budget funds for the demolition of Lee County owned property at 807 Tryon Street
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GENERAL FUND**Transfer from the Following Funds - results in decreasing of budget**

Contingency	29,000	To transfer contingency funds required to offset expenditures as described below
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Transfer to the Following Funds - results in increasing of budget

Public Building	29,000	To budget funds for the demolition of city owned properties at 103 First Street, 105 First Street, 113 First Street, and 809 Tryon Street (Jaycee Hut)
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City of Sanford Updated Process Effective after Nov 1, 2016

- * Bills are due on the 3rd, 9th, 16th and 26th. If date falls on a non-business day, then payment is due the next business day.
- * 2nd notices will be generated 1 day after the due date. If date falls on a non-business day, then notices will be generated the next business day.
- * Late fee of \$5 will be applied at 5:00 pm 5 days after the due date. If date falls on a non-business day, then late fees are applied the next business day.
- * The cut off list is generated on the morning of the 11th day after the due date and \$15 fee will be applied.

General Example of a Cycle Bill from One Month with New Process

- * 1st – Bill Date
- * 20th – Due Date
- * 21st – Second Notice Sent
- * 25th – **Late Fee** Applied at 5pm \$ 5
- * 31st – Cutoff List Generated & **Fee** applied \$ 15
- * 1st – Next Bill Date

**Introduction of John Maxwell, New CEO for Duke Life Point
(Central Carolina Hospital)**

2016-06-01

Sanford City Council
Recommendation of Sanford Planning Board Regarding
Application #551-2016-01 to Amend the City of Sanford Zoning Map
Meeting Date: July 19, 2016

RECOMMENDATION FROM PLANNING BOARD:

The Sanford Planning Board recommends that the Sanford City Council support this rezoning request as it appears to be reasonable and in the public interest based on the mix of existing uses in the area with the trend along NC Hwy 87 to be commercial development (newer commercial development in the area as opposed to residential development), the location along a busy four lane highway and the request for a portion of the tracts to be rezoned as opposed to all of the tract to be rezoned which will allow the existing zoning of Office & institutional (O&I) to serve as a buffer between the existing residential development to the rear and the proposed commercial development within the area requested to be rezoned to General Commercial (C-2). The 2020 Land Use Plan Map does not identify a specific land use for the subject property; therefore, when considering the zoning of this property, current development trends and the surrounding zoning of the neighborhood was considered.

REZONING REPORT FROM JUNE 21, 2016 AGENDA

APPLICANT: Wil-Kat Properties, LLC

PROPERTY OWNERS: Tract 1 is owned by Joffree P. Bradley, Jr.
 Tract 2 is owned by Groce Development, LLC

REQUEST: Rezone from Office & Institutional (O&I) to General Commercial (C-2) a portion of Tax Parcel 9660-59-1002 and a portion of Tax Parcel 9660-58-2607.

LOCATION: Tract 1 (northern tract) is addressed as 4563 and 4599 NC 87 Hwy
 Tract 2 (southern tract) is a vacant tract, which adjoins Tract 1 to the south.
 Both tracts have frontage on NC 87 Hwy, opposite Commerce Drive.

TOWNSHIP: Jonesboro

TAX PARCEL NO.: Tract 1 is identified as Tax Parcel 9660-59-1002.
 Tract 2 is identified as Tax Parcel 9660-58-2607.
 Both tracts are illustrated on Tax Maps 9660.01 and 9660.02.

ADJACENT ZONING:

North (Lee Co.): Highway Commercial (HC) and Residential Restricted (RR)
 South & East (City): General Commercial (C-2) and Office & Institutional (O&I) on the portion of Tax Parcel 9660-58-2607 which is not included within this rezoning request.
 South (Lee Co.): Residential Restricted (RR)
 East (Lee Co.): Residential Restricted (RR)
 West (City): General Commercial (C-2), Opposite NC 87 Hwy

2016-06-01

Site and Area Description

The subject property totals 6.5 ± acres and includes portions of two tracts of land with frontage on NC Hwy 87, opposite Commerce Drive, which are described as follows:

- Tract 1 is a 12.7 ± acre tract of land addressed as 4563 and 4599 NC Hwy 87 and identified as Tax Parcel 9660-59-1002 that currently has 2.2 ± acres zoned General Commercial (C-2) and 10.5 ± acres zoned Office & Institutional (O&I). The proposed rezoning would increase the area zoned General Commercial (C-2) from 2.2 ± acres to 8.0 ± acres and reduce the area zoned Office & Institutional (O&I) from 10.5 ± acres to 4.7 ± acres. The portion of this tract to be rezoned equals 5.8 ± acres.
Tract 1 is developed with a single-family dwelling and a modular office unit that was formerly utilized as a real estate office and as an auto sales business.
- Tract 2 is a 11.4 ± acre tract of land identified as Tax Parcel 9660-58-2607 that currently has 2.0 ± acres zoned General Commercial (C-2) and 9.4 ± acres zoned Office & Institutional (O&I). The proposed rezoning would increase the area zoned General Commercial (C-2) from 2.0 ± acres to 2.7 ± acres and reduce the area zoned Office & Institutional (O&I) from 9.4 ± acres to 8.7 ± acres. The portion of this tract to be rezoned equals 0.7 ± acres.
Tract 2 is vacant and does not appear to have been developed in the past.

Land uses in the area, on the same side of NC 87 Hwy as the subject property, include Carolina Trace gated residential community, single-family houses, and an office for Sandhills Realty.

Land uses in the area, on the opposite side of NC 87 Hwy from the subject property, include a BP convenience store with gas sales, a multi-tenant commercial building currently occupied by a Subway restaurant with drive-through, a church and a medical office

Utilities

The subject property appears to be served by a private well and septic systems. If the rezoning is approved, all new development that proposes to connect to public water and/or a future extension of public sewer will need to be approved by the City of Sanford Public Works Department to verify compliance with all applicable regulations for commercial projects. All private septic systems would need to be approved by the Lee County Environmental Health Department to verify compliance with all applicable regulations for commercial projects.

Staff Analysis

The current zoning of Office & Institutional (O&I) is established to provide for agencies and offices rendering specialized services and traditional institutional functions (both public and private) including, but not limited to, governmental facilities, cultural and recreational facilities, educational facilities and charitable institutions. The dimensional requirements of the O&I district include a minimum lot width of 50 feet, a minimum lot depth of 100 feet (which creates a minimum lot size of 5,000 square feet), with principal building setbacks of 10 feet from any street right-of-way and the required landscape

2016-06-01

buffer yard width determining the required rear and side yard setbacks as measured from the property lines.

Some of the uses permitted by right in the O&I district include finance and insurance services, florist, medical equipment sales/rental/lease, office building, personal services, professional services, restaurants with no drive-thru, contractor's offices with no outdoor storage areas, fitness gyms/spas, medical or dental offices, religious complex and schools. Special Uses allowed in the O&I district, subject to approval by the Board of Adjustment include single-family homes, sports stadiums/arenas and water or sewage treatment plants. A list of permitted uses for the O&I district is included within the agenda for your reference.

The proposed zoning district of General Commercial (C-2) is established to provide areas for general commercial activities designed to serve the community such as shopping centers, repair shops, wholesale businesses, and retail sales with limited outdoor display of goods and limited outdoor operations. This district promotes a broad range of commercial operations and services necessary for large regions of the County, providing community balance and should be located on or within proximity to major thoroughfares. The dimensional requirements of the C-2 district include a minimum lot width of 50 feet, a minimum lot depth of 100 feet (which creates a minimum lot size of 5,000 square feet), with principal building setbacks of 10 feet from any street right-of-way and the required landscape buffer yard width determining the required rear and side yard setbacks as measured from the property lines.

Some of the uses permitted by right in the C-2 district include administrative services, appliance sales/repair/maintenance, art dealers/supplies/services, bakeries, clothing stores, convenience stores with or without gas sales, consignment shops, farm/landscape/garden supply sales with indoor or outdoor storage, grocery stores/supermarkets. Motor vehicle sales/service, office buildings, personal services, professional services, restaurants with or without drive-through facilities, shopping centers, fitness gyms, hospitals, medical or dental offices, religious institutions and schools. Special Uses allowed in the C-2 contractor's office with outdoor storage, public utility storage or service yards and water or sewage treatment plants. A list of permitted uses for the C-2 district is included within the agenda for your reference.

Transportation

Tract 1 has approximately 334 feet of road frontage on NC 87 Hwy and Tract 2 has approximately 307 feet of road frontage on NC 87 Hwy, which is a NCDOT maintained public street. The actual subject property that is included within the rezoning request does not have road frontage since it is a portion of two existing tracts of land. Any/all driveway changes or new development plans for the site should be reviewed and approved by NCDOT.

The 2007 Lee County Comprehensive Transportation Plan references NC 87 Hwy as an existing boulevard that needs improvement. At this time, there are no plans to alter the existing roadway in front of this site. Staff has referred the applicant to NCDOT for the latest information regarding regulations regarding the existing and proposed site access.

2016-06-01

There are no NCDOT Traffic Study counts in the immediate area of the subject property. The roadway in front of the site is a four-lane highway with a striped median that does not include a turn lane.

There is a 2012 traffic count of 28,000 vehicle per day approximately 9,000 feet or 1.7 miles north of the site in front of the Cracker Barrel restaurant at 3212 NC 87. There is a 2012 traffic count of 21,000 vehicle per day approximately 7,500 feet or 1.3 miles south of the site in front of a portion of the Carolina Trace golf course. This location is also 1,300 feet or 0.25 of a mile north of the intersection of NC Hwy 87 and the Carolina Trace main entrance and Frank Wicker Road

Environmental & Local Overlay Districts

The subject property does not appear to be located within a Watershed Conservation Overlay District, a Flood Hazard Area, a designated local historic district or the areas included within the adopted small area plans.

The City of Sanford, Lee County and the Town of Broadway do not have local grading permits and rely on the North Carolina Department of Environmental Quality to regulate land disturbing activities. For questions or concerns regarding land disturbing activities, please contact the North Carolina Division of Energy, Mineral, and Land Resources Sediment Program at 1612 Mail Service Center, Raleigh, NC 27699-1612 or call 919-707-9220 or visit the NCDEQ website at <http://deq.nc.gov>.

Development Standards

If rezoned, all of the uses permitted in the General Commercial (C-2) zoning district would be allowed and any future redevelopment of the subject property will be required to meet the current development standards of the UDO.

Conformance with the Sanford/Lee County 2020 Land Use Plan

The 2020 Land Use Plan Map does not identify a specific land use for the subject property; therefore, when considering the zoning of this property, current development trends and the surrounding zoning of the neighborhood should be considered.

Recommendation from Planning & Development Staff

Staff recommends that the Boards support this rezoning request as it appears to be reasonable and in the public interest based on the mix of existing uses in the area with the trend along NC Hwy 87 to be commercial development (newer commercial development in the area as opposed to residential development), the location along a busy four lane highway and the request for a portion of the tracts to be rezoned as opposed to all of the tract to be rezoned which will allow the existing zoning of Office & institutional (O&I) to serve as a buffer between the existing residential development to the rear and the proposed commercial development within the area requested to be rezoned to General Commercial (C-2). The 2020 Land Use Plan Map does not identify a specific land use for the subject property; therefore, when considering the zoning of this property, current development trends and the surrounding zoning of the neighborhood should be considered. Also, information presented at the public hearing may provide additional information that should be considered regarding a final decision on the requested zoning map amendment.

Ordinance 2016 -

**AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP
OF THE CITY OF SANFORD, NORTH CAROLINA**

WHEREAS, a request to amend the Official Zoning Map has been received from Wil-Kat Properties, LLC to rezone 6.5 ± acres off of NC Hwy 87. The subject property includes portions of two tracts of land with frontage on NC Hwy 87, opposite Commerce Drive, which are described as follows:

Tract 1 is a 12.7 ± acre tract of land addressed as 4563 and 4599 NC Hwy 87 and identified as Tax Parcel 9660-59-1002 that currently has 2.2 ± acres zoned General Commercial (C-2) and 10.5 ± acres zoned Office & Institutional (O&I). The proposed rezoning would increase the area zoned General Commercial (C-2) from 2.2 ± acres to 8.0 ± acres and reduce the area zoned Office & Institutional (O&I) from 10.5 ± acres to 4.7 ± acres. The portion of this tract to be rezoned equals 5.8 ± acres.

Tract 2 is a vacant 11.4 ± acre tract of land identified as Tax Parcel 9660-58-2607 that currently has 2.0 ± acres zoned General Commercial (C-2) and 9.4 ± acres zoned Office & Institutional (O&I). The proposed rezoning would increase the area zoned General Commercial (C-2) from 2.0 ± acres to 2.7 ± acres and reduce the area zoned Office & Institutional (O&I) from 9.4 ± acres to 8.7 ± acres. The portion of this tract to be rezoned equals 0.7 ± acres. The property is the same as depicted on Lee County Tax Maps 9660.01 and 9660.02, a portion of Tax Parcels 9660-59-1002 and 9660-58-2607 Lee County Land Records. It is also portions of Tract 1 and Tract 2 on a survey map recorded in Plat Cabinet 2010, Slide 160, Lee County Registry of Deeds.

The request is to rezone from the current zoning of Office & Institutional (O&I) to General Commercial (C-2); and

WHEREAS, said request has been presented to the Planning Board of the City of Sanford; and

WHEREAS, the City Council of the City of Sanford conducted a public hearing on June 21, 2016 to receive citizen input on the requested zoning map amendment; and

WHEREAS, the City Council of the City of Sanford approves the request to amend the Official Zoning Map of the City of Sanford;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SANFORD:

The Official Zoning Map is hereby amended to rezone 6.5 ± acres off of NC Hwy 87 that includes portions of two tracts of land with frontage on NC Hwy 87, opposite Commerce Drive, from Office & Institutional (O&I) to General Commercial (C-2) and which are described as follows:

Tract 1 is a 12.7 ± acre tract of land addressed as 4563 and 4599 NC Hwy 87 and identified as Tax Parcel 9660-59-1002 that currently has 2.2 ± acres zoned General Commercial (C-2) and

Ordinance 2016 -

10.5 ± acres zoned Office & Institutional (O&I). The proposed rezoning would increase the area zoned General Commercial (C-2) from 2.2 ± acres to 8.0 ± acres and reduce the area zoned Office & Institutional (O&I) from 10.5 ± acres to 4.7 ± acres. The portion of this tract to be rezoned equals 5.8 ± acres.

Tract 2 is a vacant 11.4 ± acre tract of land identified as Tax Parcel 9660-58-2607 that currently has 2.0 ± acres zoned General Commercial (C-2) and 9.4 ± acres zoned Office & Institutional (O&I). The proposed rezoning would increase the area zoned General Commercial (C-2) from 2.0 ± acres to 2.7 ± acres and reduce the area zoned Office & Institutional (O&I) from 9.4 ± acres to 8.7 ± acres. The portion of this tract to be rezoned equals 0.7 ± acres. The property is the same as depicted on Lee County Tax Maps 9660.01 and 9660.02, a portion of Tax Parcels 9660-59-1002 and 9660-58-2607 Lee County Land Records. It is also portions of Tract 1 and Tract 2 on a survey map recorded in Plat Cabinet 2010, Slide 160, Lee County Registry of Deeds.

A copy of the subject property zoning map is included as Attachment A.

In making this decision, the City Council of the City of Sanford hereby finds the request to be reasonable and in the public interest based on the mix of existing uses in the area with the trend along NC Hwy 87 to be commercial development (newer commercial development in the area as opposed to residential development), the location along a busy four lane highway and the request for a portion of the tracts to be rezoned as opposed to all of the tract to be rezoned which will allow the existing zoning of Office & institutional (O&I) to serve as a buffer between the existing residential development to the rear and the proposed commercial development within the area requested to be rezoned to General Commercial (C-2). The 2020 Land Use Plan Map does not identify a specific land use for the subject property; therefore, when considering the zoning of this property, current development trends and the surrounding zoning of the neighborhood was considered.

ADOPTED this the 19th day of July, 2016.

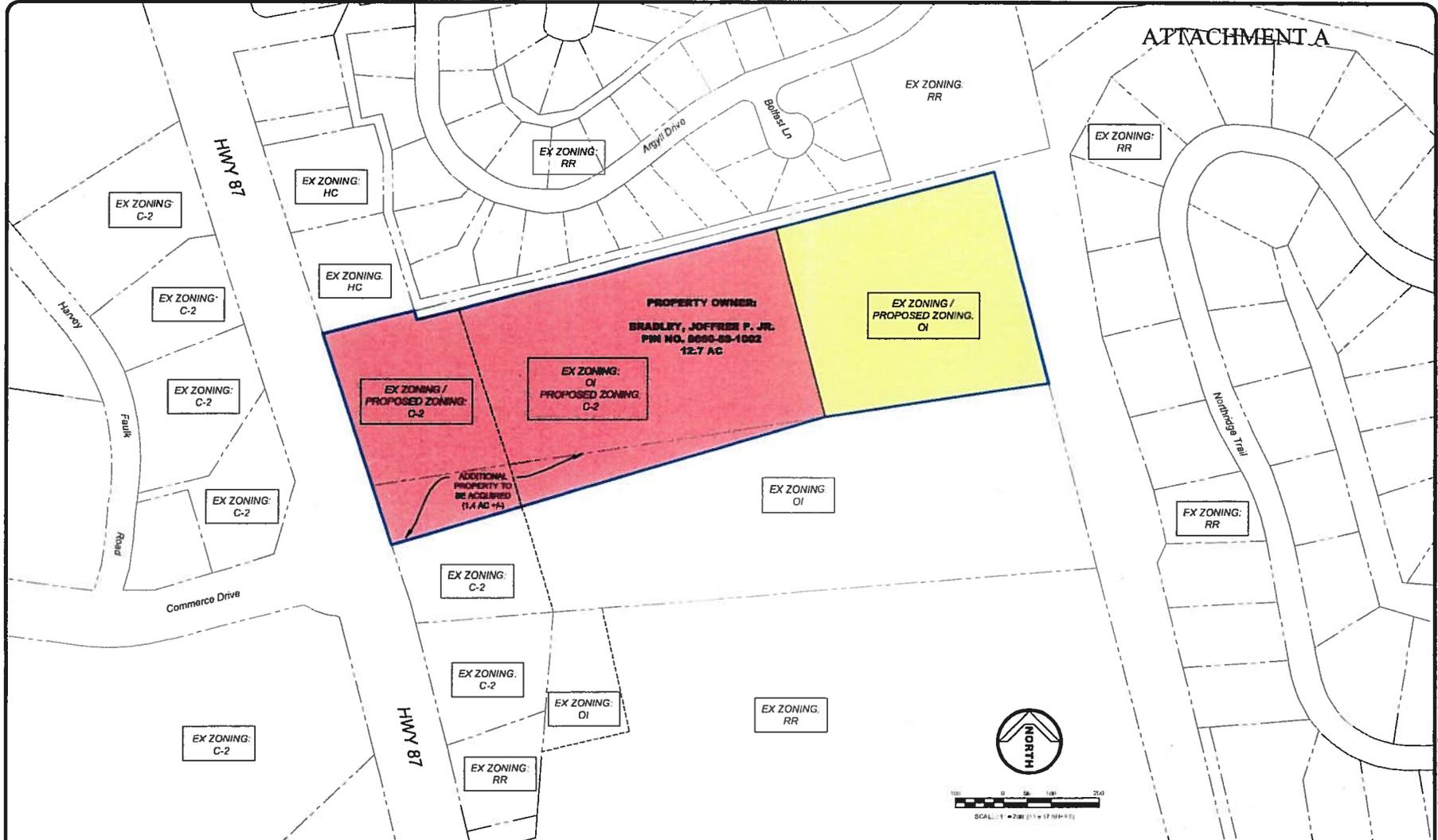
ATTEST:

Bonnie Davis, City Clerk

T. Chet Mann, Mayor

APPROVED AS TO FORM:

Susan C. Patterson, City Attorney



BRADLEY PROJECT SANFORD, NORTH CAROLINA	ZONING MAP		REVISIONS	FOR ZONING APPROVAL ONLY	J Thomas Engineering Inc. civil engineering • planning 143 Charlotte Avenue, Suite 104 Sanford, North Carolina 27330 (919) 777-4010 phone www.jthomaseengineering.com license no. C-3389
	Sheet: 1 of 1	Scale: 1" = 200' (11 X 17 SHEET)	Date: 06 JUN 2018		

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City of Sanford

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Email: susan.patterson@sanfordnc.net

Susan C. Patterson
City Attorney

MEMORANDUM

TO: Mayor and Council Members

FROM: Susan C. Patterson 
City Attorney

DATE: July 19, 2016

SUBJECT: Sale of vacant property off Daisy Street

An offer of \$600.00 was received by Wilian Leonel Guevara to purchase vacant property off Daisy Street. The Council declared the property surplus and authorized sale of the property using the upset bid procedure. Public notice of the offer to purchase the property was advertised on June 12, 2016, and no increased bid was received within the time allowed by law. Mr. Guevara has agreed to pay the advertising and all closing costs. Since there have been no upset bids, Mr. Guevara's bid is being reported to the Council for either acceptance or rejection in accordance with the resolution authorizing sale.

SCP:stm

NORTH CAROLINA GENERAL WARRANTY DEED

Excise Tax: 00

Parcel Identifier No. 9642-87-0027 Verified by _____ County on the ____ day of _____, 20____
By: _____

Mail/Box to: _____

This instrument was prepared by: Susan C. Patterson, City Attorney, Sanford, NC 27331

Brief description for the Index: vacant property off Daisy Street

THIS DEED made this _____ day of July, 2016, by and between

GRANTOR	GRANTEE
City of Sanford, A North Carolina Municipal Corporation P.O. Box 3729 Sanford, NC 27331-3729	Wilian Leonel Guevara 226 Simmons Street Sanford, NC 27330

Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g. corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in the City of Sanford, East Sanford Township, Lee County, North Carolina and more particularly described as follows:

See Exhibit A attached hereto for a complete description.

The property hereinabove described was acquired by Grantor by instrument recorded in Book 1108 page 658.

A map showing the above described property is recorded in Plat Book _____ page _____.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple. And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, other than the following exceptions: All utility easements of record, if any.

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

City of Sanford, a NC Municipal Corporation (Entity Name) (SEAL)

By: Title: T. Chet Mann, Mayor (SEAL)

By: Title: Bonnie Davis, City Clerk (SEAL)

By: Title: (SEAL)

USE BLACK INK ONLY

USE BLACK INK ONLY State of North Carolina - County of I, the undersigned Notary Public of the County and State aforesaid, certify that personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this day of , 20 My Commission Expires: Notary Public

USE BLACK INK ONLY State of North Carolina - County of I, the undersigned Notary Public of the County and State aforesaid, certify that Bonnie Davis personally came before me this day and acknowledged that she is the City Clerk of City of Sanford a North Carolina or municipal corporation/limited liability company/general partnership/limited partnership (strike through the inapplicable), and that by authority duly given and as the act of each entity, he signed the forgoing instrument in its name on its behalf as its act and deed. Witness my hand and Notarial stamp or seal this day of July , 2016 My Commission Expires: Notary Public

USE BLACK INK ONLY State of North Carolina - County of I, the undersigned Notary Public of the County and State aforesaid, certify that Witness my hand and Notarial stamp or seal this day of , 20 My Commission Expires: Notary Public

The foregoing Certificate(s) of is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof. Register of Deeds for County By: Deputy/Assistant - Register of Deeds

Exhibit A

BEGINNING at a stake in the west line of Simmons Street in the centerline of Dry Creek, being a common corner between Headen (DB 508 PG 134), Ruiz (DB 941 PG 155), and The Wilkins Corporation. Also being located N 30-50 E 244.02 feet from an iron pipe located at the intersection of the west line of Simmons Street and the northern line of Horner Boulevard. The previously named bearing of N 30-50 E taken from an unrecorded survey done by Bracken and Associates title survey for Rey Ruis Horner Blvd Sanford, NC, dated October 14, 2004; thence from said beginning point, following the centerline of Dry Creek, and with the Ruiz line the following two calls, bearings based on previously said survey N 69-40 W 45.70 feet and N 58-20 W 67.61 feet to a common corner between Ruiz and Sung (DB 697 PG200) formerly Kiyong Yi, Zenna Yi, and Wilkins Corporation as shown on survey done by Bracken and Associates dated March 2, 2000, recorded at Plat Cabinet 9 Slide 42B; thence with the Sung line, following the centerline of Dry Creek the following three calls, the bearing based on Plat Cabinet 9 Slide 42B, N 58-20 W 38.39 feet, N 41-15 W 92.00 feet and N 81-50 W 38.36 feet to a common corner with Sung and Sanford Video and News, Inc. (DB 451 PG 956); thence, continuing with the centerline of Dry Creek as the line of Sanford Video and News, Inc. approximately 34.00 feet to the intersection of the centerline of Dry Creek and the eastern line of Daisy Street; thence as the eastern line of Daisy Street in a northeasterly direction approximately 75 feet to an existing iron pipe shown on a survey recorded at Plat Cabinet 9 Slide 36F, said existing iron pipe being the northwestern most corner of the lot labeled Norman V. Keith, Jr., (DB 361 PG 848) on said survey, now owned by City of Sanford (DB 694 PG 898); thence following with the City of Sanford line, the bearing based on Plat Cabinet 9 Slide 36F, S 39-42-46 E 164.00 feet to a new iron rod in the line of Headen (DB 508 PG 134); thence with the line of Headen, a bearing based on his deed of S 30-13 W approximately 6 feet to his southwesterly most corner; thence continuing with the Headen line a bearing based on his deed of S 59-47 E 125.00 feet to the BEGINNING. This also being PIN Number 9642-87-0027 of the Lee County Land Records. For further reference Book 1108 Page 658.



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Sanford, NC 27331-3729

City of Sanford

(919) 777-1105
FAX: (919) 718-6569
Email: susan.patterson@sanfordnc.net

Susan C. Patterson
City Attorney

MEMORANDUM

TO: Mayor and Council Members
City Manager

FROM: Susan C. Patterson, City Attorney *SCP*

DATE: July 19, 2016

SUBJECT: Offer Received to Purchase Block G Lot 8
Vance Street, PIN 9642-66-0354

We have received an offer from David Percell and wife, Rose Percell to purchase vacant property on Vance Street, PIN #9642-66-0354 in the amount of \$3,400.00. This lot is in the Brick Capital Redevelopment Area and adjoins a lot Mr. & Mrs. Percell currently own.

Attached is a Resolution to authorize the advertisement for Upset Bids to sell the property. If you have any questions, please let me know.

SCP:stm

June 27, 2016

Mayor Chet Mann
City of Sanford
PO Box 3729
Sanford, NC 27331-3729

RE: Offer to Purchase City-Owned Land
Block G Lot 8, S. Vance Street
Brick Capital Redevelopment Area

Dear Mayor Mann and City Council Members,

I would like to offer the City of Sanford \$ 3,400 to acquire a city-owned parcel of land adjoining my property located at 1010 S. Vance Street. The parcel is identified as Block G Lot 8 on the Brick Capital Redevelopment Map and Lee County PIN # 9642-66-0354-00. My plans are to use this as additional lawn area at this time. I have been given a copy of the deed restrictions for redevelopment land and understand the requirements and fees related to this purchase.

Feel free to call me at 919-478-6878 (c) if you have additional questions.

Sincerely,

A handwritten signature in blue ink that reads "David Percell". The signature is written in a cursive style with a large initial "D".

David & Rose Percell
1010 S. Vance Street
Sanford, NC 27330

RESOLUTION AUTHORIZING THE ADVERTISEMENT
OF AN OFFER TO PURCHASE LOT 8 BLOCK G VANCE STREET
BRICK CAPITAL REDEVELOPMENT AREA NO. 1
SANFORD, NORTH CAROLINA

WHEREAS, the Sanford Redevelopment Commission obtained property by deed from Vincent S. Waters, Bishop of the Roman Catholic Diocese of Raleigh, North Carolina, in Deed Book 251 Page 575, in the Office of the Register of Deeds for Lee County which property is more particularly described as follows:

BEING all of Lot 8 in Block G as shown on a plat entitled "Disposal Plat – Brick Capital Redevelopment Area No. 1" Survey for the Redevelopment Commission, City of Sanford", prepared by Precise Control, Inc., dated December 1976, as appears of record in Plat Cabinet 1, at Slide 64, to which record reference is hereby made for a more complete description of said lot. For further reference see Book 251, at Page 575.

WHEREAS, the Sanford City Council is the successor in interest to the Sanford Redevelopment Commission; and,

WHEREAS, the City Council of the City of Sanford desires to dispose of said property as being surplus to their needs.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sanford as follows:

1. That Lot 8 Block G, Vance Street, Sanford, North Carolina, having PIN 9642-66-0354 hereinbefore described is hereby declared to be surplus to the needs of the City of Sanford.
2. That an offer has been received from David Percell and wife, Rose Percell to purchase the property for the sum of Three Thousand Four Hundred Dollars (\$3,400.00).
3. The offeror shall deposit with the City of Sanford a sum equal to five percent (5%) of its offer. The deposit shall be retained until, either an upset bid is made, the offer is accepted and the sale is executed, or the offer is rejected.
4. The City Clerk shall cause a notice of such offer to be published in accordance with the requirements of N.C.G.S. 160A-269.
5. Within ten (10) days following the publication of the notice of such offer, any person may upset the bid by a written offer to purchase the property at a sum which is greater than the original offer by ten percent (10%) of the first One

Thousand Dollars (\$1,000.00) and five percent (5%) of the remainder, accompanied by a deposit of five percent (5%) of the increased bid, said sums to be paid either in cash, certified check, cashier's check or bank money order. Bids with conditions or terms not contained in the original offer will not be accepted or considered. The highest qualifying bid becomes the new offer under consideration. In the case of identical bids, the one submitted earliest will be accepted as the high bid.

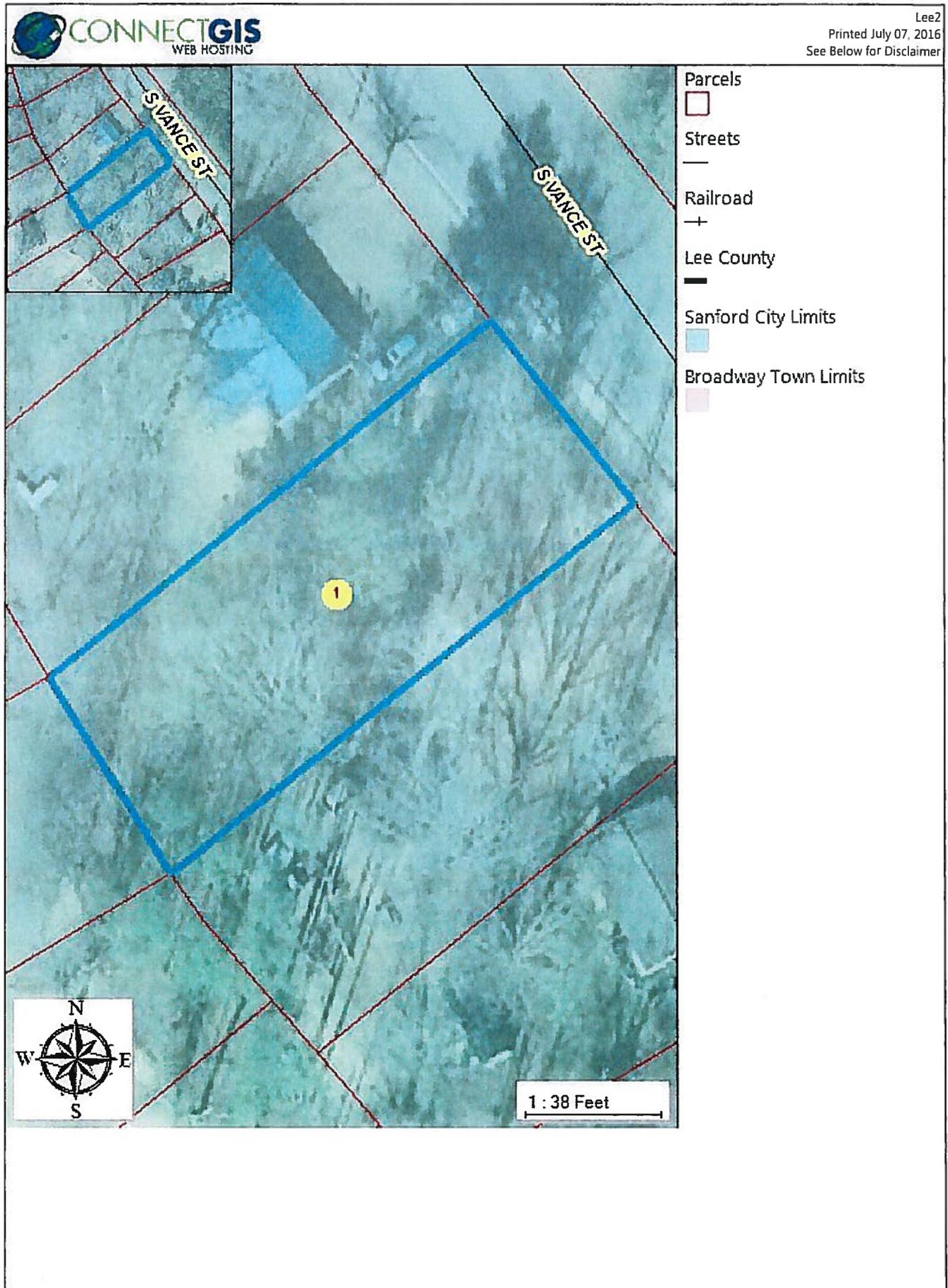
6. The City Clerk is directed, should a qualifying upset bid be received, to re-advertise the offer at the increased bid amount as often as is necessary until a final qualifying bid which has not been upset is received.
7. After a final bid is received and accepted by the City Council, the Mayor and Clerk are directed to execute a deed on behalf of the City Council to transfer such property to the highest bidder. The highest bidder shall pay all advertising costs associated with the sale.
8. The property remains subject to restrictive covenants of record.
9. The City Council may at any time reject any and all offers.

Adopted this the 19th day of July 2016.

T. Chet Mann, Mayor

ATTEST:

Bonnie Davis, City Clerk



<u>PIN</u> 9642-66-0354-00	<u>Acres</u> 0.24077751	<u>Parcel Address</u> 0 VANCE ST
<u>PARID</u> 964266035400	<u>Appraised Land</u> 3400	<u>Appraised Building</u> 0
<u>Book</u> 251	<u>Page</u> 575	<u>Tax District</u> CSF
<u>Subdivision</u>	<u>Subdivision Number</u>	<u>Legal 1</u> VACANT S VANCE ST
<u>Legal 2</u>	<u>Legal 3</u>	<u>Owner</u> SANFORD REDEVELOPMENT COMMISSION
<u>Owner2</u>	<u>Mail Address</u>	<u>Mail Suffix</u>
<u>Mail Street Dir</u>	<u>Mail Street</u> PO BOX 3729	<u>MAILADRSUF</u>
<u>Mail City</u> SANFORD	<u>Mail State</u> NC	<u>Mail Zip</u> 27331
<u>Out BLDG Description</u>	<u>Out BLDG YRBLT</u> 0	<u>Sale Price</u> 0
<u>Sale Date</u>	<u>Dwelling Card</u> 0	<u>Dwelling Style</u>
<u>Dwelling DESCR</u>	<u>Dwelling YRBLT</u> 0	<u>Shape Length</u> 454.933098939042
<u>Appraised Total</u> 3400	<u>Out BLDG Area</u> 0	<u>Dwelling SFLA</u> 0
<u>OBJECTID 12</u> 9301		

This site is prepared for the inventory of real property found within this jurisdiction and is compiled from recorded deeds, plats and other public records and data. Users of this site are hereby notified that the aforementioned public primary information sources should be consulted for verification of the information contained on this site. The County of Lee and Mobile311, LLC assume no legal responsibility for the information contained on this site. Please be advised that you must contact the Lee County Tax Office for accurate tax values. Please contact the Lee County Appraisal Department if any building information is incorrect. The map, layer, data and website (collectively known as "the layer") are for graphical and illustration purposes only. The Lee County Strategic Services Department (hereinafter "the Department") provides the layer and the information contained within to the general public and has not customized the information for any specific or general purpose. Such information was generated from data maintained by different sources and agencies and as such, some limitations may apply based upon restrictions imposed by other sources or agencies supplying data to Lee County (hereinafter "the County"). While the Department strives to make the information on the GIS website as timely, reliable and accurate as possible, neither the Department nor the County local governments make any claims, promises, or guarantees about the accuracy, completeness or adequacy of the contents of the layer. Areas depicted are approximate and are not necessarily accurate to mapping, surveying or engineering standards. The County expressly disclaims liability for errors and omissions in the contents of this site and layer. No warranty of any type, implied, expressed, statutory, UCC or otherwise, including, but not limited to, the warranties of non-infringement of third party rights, title, accuracy of data, merchantability, or fitness for a particular purpose, is given with respect to the substantive content of this layer or its use in private or commercial financial transactions. The fact of distribution of the layer does not constitute any warranty, express, implied or otherwise. The user assumes the entire risk related to the use of this data. If the user intends to make any legal or financial decision based on this data, the user should independently verify the accuracy of the same. The Strategic Services Department and the Lee County local governments are providing this data "as is." In no event will any of the foregoing local governments or their officers and employees be liable to you or to any third party for any direct, indirect, incidental, consequential, special or exemplary damages or lost profit resulting from any use or misuse of this data. Unless otherwise noted on an individual document, files, documents, and information contained in this layer may be copied and distributed for non-commercial use, provided they are copied and distributed without alteration.



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City of Sanford

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Susan C. Patterson
City Attorney

MEMORANDUM

TO: Mayor and Council Members
City Manager

FROM: Susan C. Patterson, City Attorney *SP*

DATE: July 19, 2016

SUBJECT: Status of 109 S. Third Street
PIN 9643-80-9474

The above property owned by Larry Wayne Bowen, Jr. et al, located at 109 S. Third Street is in foreclosure for the non-payment of taxes. No bids were received at the foreclosure sale, so the County of Lee and City of Sanford became the high bidder in the amount of \$6,883.50. Prior to the completion of the foreclosure process the following persons contacted the County seeking assignment of the bid:

Charles Brown	\$6,883.50
Anthony Hall	\$7,900.00
Cecil Williams	\$8,001.00

These individuals did not bid to buy the property in the foreclosure sale, but attempted to have the high bid assigned to them before the sale was complete. In conjunction with the County Attorneys, it is recommended that the foreclosure sale be completed to the City and County.

If you have any questions, please let me know.

SCP:stm

PIN 9643-80-9474

109 Third Street



Lee2
Printed July 13, 2016
See Below for Disclaimer



- Parcels
- Streets
- Railroad
- Lee County
- Sanford City Limits
- Broadway Town Limits

<u>PIN</u> 9643-80-9474-00	<u>Acres</u> 0.2276988	<u>Parcel Address</u> 109 THIRD ST
<u>PARID</u> 964380947400	<u>Appraised Land</u> 3600	<u>Appraised Building</u> 43800
<u>Book</u> 1193	<u>Page</u> 774	<u>Tax District</u> CSF
<u>Subdivision</u> MATTHEWS ADDITION	<u>Subdivision Number</u> MTA	<u>Legal 1</u> LOT 7
<u>Legal 2</u> PC 2/280	<u>Legal 3</u>	<u>Owner</u> BOWEN, LARRY WAYNE JR
<u>Owner2</u> BOWEN, SUZANNE NEAL	<u>Mail Address</u> 5020	<u>Mail Suffix</u>
<u>Mail Street Dir</u>	<u>Mail Street</u> SIMPSON	<u>MAILADRSUF</u> DR
<u>Mail City</u> SANFORD	<u>Mail State</u> NC	<u>Mail Zip</u> 27330
<u>Out BLDG Description</u>	<u>Out BLDG YRBLT</u> 0	<u>Sale Price</u> 0
<u>Sale Date</u> 2/13/1974 12:00:00 AM	<u>Dwelling Card</u> 1	<u>Dwelling Style</u> C
<u>Dwelling DESCR</u> CONVENTIONAL	<u>Dwelling YRBLT</u> 1900	<u>Shape Length</u> 497.796163793748
<u>Appraised Total</u> 47400	<u>Out BLDG Area</u> 0	<u>Dwelling SFLA</u> 1550
<u>OBJECTID 12</u> 6569		
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