

LAW AND FINANCE MEETING
April 9, 2008

The Law and Finance Committee met on Wednesday, April 9, 2008, 1:00 P.M., in the Council Chambers at City Hall. The following people were present:

Present:

Law and Finance Committee:

Mayor Cornelia P. Olive	Council Member Mike Stone
Mayor Pro Tem Joseph E. Martin	Council Member Walter H. McNeil, Jr.
Council Member Charles Taylor	Council Member Linwood S. Mann, Sr.
City Manager Hal Hegwer	City Clerk Bonnie D. White
City Attorney Susan C. Patterson	City Staff

Absent:

Council Member Steve Brewer
Council Member James Williams

Consider Presentation by Mr. Rick Edwards of CityScape Consultants, Inc. Regarding Telecommunication Tower Master Plans – (Exhibit A)

Community Development Director Bob Bridwell introduced Richard Edwards of CityScape, the consultants who work with the City on cell towers. The joint planning commission has been considering the possibility of forming a master plan/strategy for communication towers within Sanford and Lee County. It will be included in this year's budget presentation. Mr. Edwards is scheduled to talk to the County Commissioners on April 21.

Mr. Edwards explained that a comprehensive master plan includes:

- An inventory of existing antenna-supporting structures and buildings upon which wireless antennas are currently mounted.
- Analysis of reasonably anticipated wireless facility growth over the next ten years.
- Engineering analysis of potential coverage based on County-regulated height restrictions and other locations and design criteria.
- Recommendations for managing the development of wireless structures for the next ten years.
- Review and revision (if necessary) of existing ordinances and code to encourage all present and future wireless service providers to participate in a master plan by working with CityScape to ascertain their current and future service needs.
- Development of a comprehensive telecommunications' network for the local government.

- Minimizing the total number of telecommunications towers and/or sites within the local government.
- Ensuring the local government's compliance with the Telecommunications Act of 1996 (as amended) and state of North Carolina law.
- Correlating industry data together with the local government's own sites to develop a master plan for wireless telecommunication facilities.

Mr. Edwards further explained that the purpose of a master plan is to put the community back in control of telecommunication issues. Regarding cell towers, there are some things that communities can do. They can pick the location, the type of facility, and the height of the facility, and they can confirm the safety of the equipment. By the Telecommunications Act of 1996, you cannot prevent a carrier from building a network. Mr. Edwards complimented the way Sanford, Lee County, and Broadway are doing this as a composite group. He said that seven carriers are now licensed in Lee County—Alltel, Nextel, Sprint, US Cellular, AT&T, Verizon, and Cricket. Clearwater and Metro PCS are coming in, as well as wireless internet. Wireless internet can piggyback on top of the existing cell sites.

Mr. Edwards advised that many communities are choosing to use public property for telecommunication tower sites. There are advantages to doing this. It not only provides an income stream, but as a property leaser to a cell carrier, communities have more control over the type of facility. As a landlord there are more rights than just the government entity would have. He said that of the entire Lee County, only about one third is constructed for what it needs to be by 2020. He said that in the Year 2020, there will be no wired phones in homes; fiber optics and wireless will have taken over.

Council Member Taylor said that after attending a Triangle J meeting, he realizes that we are not ahead of schedule in getting a master plan in place; he is glad to see that we are taking steps in that direction.

Consider Governor's Crime Commission Grant – (Exhibit B)

Police Chief Ronnie Yarborough explained that recently the Police Department applied for a grant through the Governor's Crime Commission under the Gang Violence Prevention Program for a gang investigator to be hired to work on gang investigation, suppression, intervention, and prevention. The project will identify local gangs and gang members and will concentrate on developing prevention and intervention programs to educate the community and to turn youth away from these gangs. The project would begin July 1, 2008, and run through June 30, 2010. The Sanford Police Department has been notified that its pre-application has been approved, and it had been selected to submit a full application. Chief Yarborough said that to be invited to submit a full application generally means you will receive the grant award. Chief Yarborough said he had not talked to the press about it before he received Council approval. The grant requires a local match of 25 percent from the city. With the matching funds, the total grant is \$99,396.02. Exhibit A provides a breakdown of the funding showing both state and local funds for each of the two years.

Chief Yarborough said this investigator would only work in the gang investigation area. He would work with the investigative division of the police force; with the Selective Enforcement Units; and with the Community Policing units and combine all this information for the entire city to do everything we can to prevent the expected continuance of gang violence if we don't do everything in our power to intervene. He asked for Council's support on this.

Mayor Pro Tem Martin thanked Chief Yarborough for being proactive in this matter. He acknowledged that gang activity is here and growing. He said we were getting an influx of older gang members from California because of the "three strikes and you're out" policy. They are fleeing to North Carolina because our laws are so lax on gang activities. Mr. Martin said that as this matter is researched, if Council can do anything to help (such as pass a resolution) to get the gang laws tightened up, to let them know. Chief Yarborough says the important thing is to stay on top of the situation and know who the gang members are. He said that most of the problems we have had, have been between gang members that have not escalated to involve third parties. He said the Police Department knows the basic information of who they are and where they are, but it takes a lot of time in investigative work. He feels the City needs someone who is totally dedicated to this task and this task only. Mayor Olive mentioned the favorability of Sanford because of the highway system and the lax laws attracting gangs. She asked what we are doing now to stay on top of it. Chief Yarborough said that we gather and hold a lot of information on gangs, members, and any crimes that involve gang members. Thorough investigations are completed, and a lot of the younger people involved have been arrested. When the information is released publicly, it is not normally said that they are gang members because of the need to keep some information confidential.

Mayor Olive asked about ominous-sounding urban legends that get out regarding gang initiations. She inquired if Sanford has gangs that are sufficiently broad that they are actually doing initiations here. Chief Yarborough responded no, but he was familiar with what she was speaking of; fictitious rumors have been spread. Council Member Taylor thanked Chief Yarborough for bringing this up. He asked how severe our gang problem is versus gang-imitation activities. Chief Yarborough said they did have a lot of investigative information, but he was not comfortable talking about some of it. Mr. Taylor said he understood. Council Member Stone thanked Chief Yarborough and his department for seeking grant monies from the state. He verified with Chief Yarborough that once this grant is finished in two years, that the City would take over full funding of this position. Chief Yarborough said that that was actually part of the grant application. City Manager Hegwer said the Council would have to approve that position and Council would know as the grant came to an end. Mr. Stone asked if this person would have the same availability to go to the schools. Chief Yarborough said that would be one aspect of that officer's responsibility; it would play a big part of our investigations.

Consider Voluntary Contiguous Annexation by CRD Investments, LLC, and Coy and Carolyn Broadwell for Barrington Park

Planner II Liz Whitmore explained that the applicant wants to meet a timeline on settlement on the property, so they are combining Steps 1 and 2 for this contiguous annexation request. The property is located approximately 423 linear feet south of the intersection of Commerce Drive and Highway 87. There are two parcels. One is in Lemon Springs fire district;

the other one is in Carolina Trace fire district. After the certificate is approved, a letter will be sent to the fire departments asking about any debt information.

- Resolution Directing the Clerk to Investigate a Contiguous Annexation Petition(s) of Approximately 141.05 Acres of Property by CRD Investments, LLC, and Coy and Carolyn Broadwell—(Exhibit C)
- Receive Certificate of Sufficiency – (Exhibit D)
- Resolution Fixing Date of Public Hearing for Barrington Park Voluntary Annexation –(Exhibit E)
Public hearing will be scheduled for May 6.

Council Member Stone asked about water and sewer on this property. Ms. Whitmore said it is in the process.

Mayor Olive said that because Council has just received this, she is not comfortable putting this on the consent agenda for the next council meeting. City Attorney Patterson explained that no action is to be taken today. This is to bring it to Council's attention. At Tuesday night's council meeting, the clerk will receive the Certificate of Sufficiency and a resolution will be passed to set the date of the public hearing. Then, it is advertised before it comes back for a vote.

Consider Discussion Regarding Itinerant Merchant's License

Item was deleted from the agenda.

Consider Repeal of the Privilege License Tax

Council Member Charles Taylor said that in the last few months he has been able to have good dialogue with area businesses and people who are paying out business privilege license. The consensus has been that it is unfair and discriminatory. Mr. Taylor said that one of the pillars of his campaign was to help repeal this tax. He says the main question is with the financial stability of our city government with a \$12 million fund balance why we continue to tax businesses that are stimulating our economy and building our local community. Mr. Taylor says there are loopholes.

Council Member Stone said that he has strongly opposed this tax. He has seen confusion in the community in their dealings with the staff. How are we going to allow our pottery festival to co-exist with this? Lee County has the highest unemployment rate in our area. He says we don't want to put a tax on the retail sector doing all it can do to survive or hinder small business. It was reported that all sectors of our economy will remain flat over last year except internet sales. He says council's job is to be accountable to the citizens, not to create additional revenues just so we don't have to say no occasionally. He received a letter from North Carolina House of Representative Jimmy Love that even the state recognizes that they cannot enforce these issues. He read a portion of the letter that said although towns have the right to impose a privilege tax, most towns do not because it is too much trouble to enforce and more trouble than the revenues

received. Mr. Stone feels the tax is discriminatory from company to company. He feels council's job is to make the playing field level for all businesses in the community.

City Manager Hegwer asked Finance Director Melissa Cardinali to clear up the numbers being quoted in the paper. She explained that the total fund balance is \$12 million, but the amount available for appropriation is \$8.6 million. After that, the previous councils have tried to adhere to a 25 percent minimum balance which would bring it down to \$3.5 million available to spend.

Mr. Stone said there was plenty of room in our budget of \$42 million to absorb the \$250,000 the privilege tax is estimated to bring in; last year we absorbed the cost of the greenway.

Mr. Taylor said he had had conversations with the North Carolina League of Municipalities and the Department of the Treasurer's office. He said that the average fund balance for cities up to 49,999 people is \$5.7 million. He noted our fund balance is growing from year to year. He gave examples of other towns' fund balances. The League recommends a minimum of 01 percent; that would be \$1.8 million. Mr. Hegwer said that all these numbers are available if you go to the State of North Carolina Treasury Department website. Look under local government. It compares our city with those across the state and goes back over the years.

Mayor Olive pointed out that there would be a public comment period at the next council meeting.

Mr. Taylor stated questions and comments he said he had heard concerning the privilege license tax.

Closed Session

City Attorney Patterson said a motion was needed to go into closed session in accordance with North Carolina General Statute 143-318.11(a)(5) to instruct the staff on the position to be taken with regard to negotiating the acquisition of real property. Council Member Linwood Mann made the motion to go into closed session; seconded by Council Member Brewer, the motion passed unanimously.

Return to Regular Session and Adjournment

Mayor Pro Tem Joe Martin made the motion to adjourn; seconded by Council Member Walter McNeil, the motion carried unanimously.

Respectfully submitted,

Cornelia P. Olive, Mayor

Bonnie D. White, City Clerk