

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, May 20, 2008, at 7:00 P.M. The following people were present:

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

Absent: Council Member James Williams

Mayor Olive called the meeting to order. Council Member Walter McNeil delivered the invocation.

APPROVAL OF AGENDA

City Manager Hal Hegwer requested adding a closed session for attorney-client privilege and another session for acquisition of real property. On motion of Council Member Mike Stone; seconded by Council Member Walter McNeil, the amended agenda was unanimously approved.

CONSENT AGENDA

Approval of Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2007-08 – OPEB - (Exhibit A)

Ordinance was passed to approve a different funding method for other post-employment benefits. Funds will be set aside from the General Fund and the Utility Fund (based on the numbers of employees who are in each fund) and placed in an irrevocable trust fund administered by the state.

Approval of Award for Surveying Services to Alley, Williams, Carmen, & King, Inc. for City of Sanford Endor Iron Trail (Greenway) Project Phase I – (Exhibit B)

Approval was granted to award Alley, Williams, Carmen, & King, Inc. the contract for surveying services for the Endor Iron Trail (Greenway) project, Phase I.

The consent agenda items were approved upon motion of Council Member Steve Brewer; seconded by Council Member Charles Taylor, the motion carried unanimously.

CASES FOR PUBLIC HEARING: to be held jointly with the Planning Board

- A. Petition by Norman Block of CRD Investors, LLC to rezone 251.49+/- acres from the current South Park Conditional Zoning District to Barrington Park Conditional Zoning District an area of land located along the southwest side of Commerce Drive in the South Point Business Park. The Conditional Zoning District will include a mix of single-family

detached homes, townhomes, apartments, as well as non-residential uses such as office-institutional and retail commercial uses. The property is the same as depicted on Tax Maps 9660-38-1012-00, 9660-27-8490-00 (part of), 9660-27-6977-00, 9660-27-3949-00, 9660-18-9060-00, 9660-18-6308-00, 9660-18-1630-00, 9660-07-2268-00 and 9650-98-6366-00 (part of), Lee County Land Records Office—(Exhibit C)

Planner II Amy McNeil explained that this is a rezoning request from Norman Block of CRD Investors, LLC to rezone approximately 251 acres from the current Barrington Park Conditional Zoning District to a (Revised) Barrington Park Conditional Zoning District. The property is located along the west side of Hwy. 87, off Commerce Drive and was once part of the South Park Business Park. Under this conditional zoning application, the petitioner has submitted a site-specific development plan in an attempt to create a large, planned community with a mix of uses, but with a focus on residential housing units. This plan and conditional zoning represent a redesign from the original vision for this development that will allow the overall development, which includes the existing 251 acres under review tonight and an additional adjoining 133 acres to the south which is in the process of being annexed and will be rezoned at a later date, to be perceived as one community even though they would be reviewed and approved as two separate projects. If approved, this project represents what will likely result in a continued shift towards the mix of residential and professional office and institutional uses along Commerce Drive with the concentration of retail commercial at the intersection of Commerce Drive and Hwy. 87. The conditional zoning process is a negotiated process, and the Planning Board and/or Council may request that certain conditions be considered or altered. However, the petitioner must accept such conditions before inclusion into the Conditional Zoning District.

Staff recommends that Council and Planning Board support the petition to create the Revised Barrington Park Conditional Zoning District. Staff makes this recommendation with the condition that no development shall occur unless or until the developer submits modified conditional zoning petitions with specific design standards identified for the individual phases within the project. Tonight, council will be approving an overall concept, and the developer will be responsible for coming back with site-specific plans for each individual phase in the future.

The conditional zoning request appears to be reasonable and in the public interest based on the information/conditions as presented in the conditional zoning petition and supplemental information. The request does appear to deviate from the recommendations of the 2020 Land Use Plan which suggests the area remain for industrial, commercial, and office use; however, the petitioners indicate that the conditional zoning project as requested is the highest and best use based on current market trends and, due to prolonged lack of interest in industrial development, in this park. Also, this revised conditional zoning represents a redesign from the original vision for this development that will allow the overall development (the existing 251 ± acres and an additional adjoining 133 ± acres to the south) to be perceived as one community even though it will be reviewed and approved as two separate projects. Information as

presented at the public hearing may provide additional information that should be considered regarding a final decision on the requested zoning map amendment.

Mayor Olive opened the public hearing. Norman Block spoke in favor of the petition. He explained that originally, they had not been able to acquire the adjoining 131 acres that they have now acquired. By adding these acres, they are able to provide access back directly to Hwy. 87 in a place that satisfies DOT and good traffic planning. It also makes available more neighborhood and commercial property on the front part of that 133 acres which enhances their concept of creating a destination. Mixed-use development is something fairly new for Lee County; there is a lot of talk about creating a community that is a destination itself where people can live and work and shop, all in one area. He feels this area is particularly well-suited for that because of its location .4 of a mile from where the Hwy. 421 Bypass will intersect with Hwy. 87 and also because of its proximity to the Harnett County side of Lee County considering the BRAC move and troops returning to Ft. Bragg, especially with the relocation of Force COM and the 700 vendors who do business with that purchasing agency for the army. They have spent time working with DWQ, the Corp of Engineers, and city staff to meet all requirements in regard to protecting streams, wetlands, and minimizing their impact on the area along Gaster's Creek. Tonight, he is asking Council to approve the adjustments made to the 250 acres already approved, but know that he will be bringing back the 133 acres to the south to add to that. It is not before council tonight because he has not received the final signoff from the Corp of Engineers yet, but he expects to receive it shortly.

Mr. Block highlighted the changes detailed in Exhibit C including offering three product types instead of the four product types originally designed for single families. This change represents the changing market for patio homes in Sanford. Changes also include moving the multi-family construction up to Commerce Drive to better serve as a buffer to the residential section; moved the Village Green and recreation facility to the center of the property where it is more protected and more convenient to all parts of the project; and made provision for the parkway or boulevard that will connect back out to Hwy. 87 which lets them tie the 133 acres in, but also improves traffic flow and fire safety.

No one appeared to speak against the petition. Mayor Olive closed the public hearing.

- B. Petition by Catherine Thomas to rezone 0.929+/- acres from the current O-I Office-Institutional Zoning District to R-12 Residential Mixed Zoning District. The property is located along the west side of the 700 block of Hawkins Avenue and is currently owned by Sandra Wilson. The property is the same as depicted on Tax Map 9643-63-0333-00, Lee County Land Records Office—(Exhibit D)

Assistant Community Development Director Marshall Downey explained that this is a request to rezone a 0.929 acre tract within the 700 Block of Hawkins Avenue from the current O-I Office-Institutional Zoning District to R-12 Residential Mixed Zoning District. The applicant, Catherine Thomas, is a resident of 723 Hawkins Ave.

The owner of the property is Sandra Wilson, so this is a third party rezoning. The property is currently an undeveloped, vacant tract. The petition indicates a desire to rezone this parcel “to be compatible with existing residential neighborhood.” It should be noted that this property is the site of a proposed Level IV youth group home/residential care facility. The property owner, Sandra Wilson, has submitted site plans to the planning staff and the city’s technical review committee (TRC) regarding her intentions to construct such a facility on this site.

The property has access to public water and sewer and is not located within an established watershed area, a designated 100-year floodplain, a historic district, or the 421 Bypass corridor; however, it is located within an area that has design standards for non-residential development. The property is a double frontage lot, as it has street frontage along Hawkins Avenue as well as Greensboro Avenue. Hawkins Avenue is a DOT maintained street, while Greensboro Avenue is city maintained. Any proposed driveways for the proposed projects would need to be reviewed and approved by the appropriate jurisdictional agency. Mr. Downey reviewed the zoning history of the property. The current O-I Office and Institutional District 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 proposed R-12 Residential Mixed District is established to provide areas for a mix of residential dwelling types (single-family, duplexes, multi family) with a maximum of three and one-half (3.5) dwelling units per acre. The 2020 Land Use Plan recognizes this areas as “historic district,” but does not identify a specific land use for the subject property. However, when considering the rezoning of this property, current development trends and the surrounding zoning of the neighborhood should be considered.

Staff recommends that the Planning Board and City Council support the petition to rezone from O-I Office Institutional to R-12 Residential Mixed. This is based on the fact that the property is completely surrounded by R-12 Residential Mixed Zoning which is also developed as residential dwellings. Most of the surrounding properties are developed for residential use. This rezoning is reasonable and in the public interest because it provides for planned, orderly growth by attempting to protect the integrity of an existing residential neighborhood along Hawkins Avenue. However, when considering the rezoning of this property, current development trends and the surrounding zoning of the neighborhood should be considered.

Mayor Olive opened the public hearing.

Ruth Gurtis, resident of 114 Hawkins Avenue, spoke in favor of the petition. She pleaded with Council to consider the mix of citizens (some have a generational history in the vicinity and some are new to the area) who would speak tonight in favor of this petition. She said that each speaker brings his or her own concerns to the council.

Also speaking in favor of the petition were Kenneth Laughinghouse of 305 Hawkins Avenue who emphasized safety concerns to the mix of elderly and children in the area; Al Simpson of 721 Hawkins Avenue who spoke of the American dream of owning a home and how much work he has put into his home planning to stay there as long as he was able and the many hardships in his family, but his home is a safe place and he wants it to be a legacy for his family; David Glass of 716 Hawkins Avenue who said that approving this petition would reinforce the family-friendly neighborhood atmosphere that has attracted many people to the area; Representing her mother, Catherine Thomas of 723 Hawkins Avenue, Gail Barger of 1503 Fairmont Street in Greensboro explained that new revitalization and stability have started in this old neighborhood and requested council's continued support of the area; Shannon Gurwitch of 700 Hawkins Avenue spoke against allowing the neighborhood's history (included in the National Historic Registry) to be damaged by allowing facilities not in keeping with the historic district, and delivered signed petitions to the city clerk; Ernest Coble of 712 Greensboro Avenue spoke against the petition representing his son who owns the property at 712 Greensboro Avenue; Paul Lucas of 1206 Bickett Road said he would like to meet the gentleman who had written a recent letter to the editor supporting the facility, claiming it would improve the area, because he could not see how flood lights and wire fences could improve a residential section of town; and Al Rothsberger of 318 Summitt Drive in the Rosemount McIver Historic District said he has seen a facility come into this kind of neighborhood taking advantage of low prices and causing growth to decline, and he does not think it will benefit Sanford in the long term.

Attorney John Silverman of 2004 Shannon Drive whose office is addressed 205 Courtland Drive spoke against the petition. As a private citizen and a person interested in historic preservation, Mr. Silverman says he has a vested interest in the City of Sanford. He said we needed to welcome new construction that is aesthetically pleasing on Hawkins Avenue and serves a valid and vital purpose for our community. As an attorney, he is present on behalf of Sandra Wilson who owns the piece of property in question. He says she bought the property in the good faith that it was zoned O-I and that she could get approval to build a mental health care facility there in a building that would be aesthetically pleasing. He says that nothing has changed on Hawkins Avenue to warrant this rezoning except people don't want this facility there. He presented photographs of conditions in the neighborhood including a trailer park, a restaurant, convenience store, stoneware pottery, 1308 Hawkins Avenue, 1220 Hawkins Avenue which does not look like a historical home, Line Drive Baseball Academy, Applied Graphics, 1202 Hawkins California Customs, and Worth Parker Heating and Air. Mr. Silverman said that there is such a variety of business uses and development on this stretch of Hawkins Avenue that to call it residential is not a fair characterization. He also showed photographs to illustrate what the facility could do for Hawkins Ave. including Dr. Hincks's office near the Leman Building across the street from the Presbyterian Church near the library—it is an office, not a historical home, but it is beautiful. He feels that is the type of thing this facility can add. He showed a photograph of Taylor Automotive which is a garage, but an attractive facility and one of another treatment facility which he says is more pleasing to the eye than a lot of other things on Hawkins Avenue. He asked council to keep in mind that since the rezoning of 2000 that there is no legitimate reason to change the zoning designation, noting that no one can now build a historical home on that lot. He respectfully asked council to deny this petition for rezoning.

Council Member Brewer asked Assistant Community Development Director Marshall Downey where the historic district ends on Hawkins Avenue headed north. Mr. Downey responded that he could not give him an exact point, but it is his understanding that the subject property is not on the National Historical Registry, but that several properties in the immediate surrounding area are.

Mayor Olive closed the public hearing. The Planning Board retired to the West End Conference Room to deliberate. Anyone wishing to hear the deliberation may attend.

REGULAR AGENDA

Consider Presentation of Proposed Budget for Fiscal Year 2008-2009 (Exhibit E)

City Manager Hal Hegwer presented the City of Sanford proposed budget for FY 2008-2009. The public hearing and adoption of the budget is scheduled for June 3. Mr. Hegwer explained that the key themes guiding the budget development are economy, quality of life, progressive community, and our future. Part of the budget philosophy/strategy is to maximize efficiency of services through technological advances and modernization; energy reduction strategies through new fleet management philosophy; work force; continued good financial stewardship through a healthy fund balance and stable tax rate; continued investment in capital; and efforts to enhance the quality of life through new services and expansion of existing services.

Mr. Hegwer highlighted the major General Fund expenditures—general government, public safety, community development, transportation, and sanitation. All General Fund expenditures are lumped into one of those categories. Proposed major expenditures in General Government include security enhancements to City Hall by funding one new position and remodeling the entrance in Human Resources at \$175,000; rehabilitation of golf cart paths at \$40,000; continued contribution of \$50,000 to Central Business Tax District; and continued support of existing contracts and relationships with Lee County and EDC.

The major expenditures for Public Safety include twelve patrol vehicles (on a two year replacement schedule) at \$283,200; five detective vehicles at \$95,000 for fuel efficiency and fleet management philosophy; patrol software at \$128,988 for efficiency gains in visible presence, more available to calls, reduce office time, and immediate access to department database; gang tracking software at \$9,300; enhanced fingerprint equipment/replacement of polygraph unit at \$94,331 giving us the ability to connect with SBI and FBI databases; fire pumper at \$464,000 so that all first-run pumpers will be less than 10 years old and provide stability of second-run pumpers; and we have converted four part-time positions to one full-time trainee position in Fire Department.

Proposed expenditures in Community Development include a cell tower study at \$40,000 to be jointly funded with the county; a Downtown/Jonesboro planning study at \$50,000; and historic district entry signs at \$20,000.

Proposed expenditures in Transportation include rising asphalt/concrete prices; signal light upgrades at \$50,000 for Charlotte and 11th Streets and Wicker and Steele Streets; enhanced street lighting program with 200 feet versus 400 feet street light spacing--a ten year project with recurring annual construction costs of \$45,000 and recurring annual operating costs of \$27,000.

Proposed expenditures in Sanitation include a new contract with Waste Management with savings of about \$30,000 realized; tractor with mower at \$90,000; and new inmate labor program at \$33,902 to help with aesthetic improvements to the city.

General Fund revenues include state collected taxes distributed to the city with flat or minimal increases projected with economic uncertainty; investment income with decreasing interest rates; ad valorem tax with approximately \$560,000 increase compared to current year budget, making up about 49 percent of the General Fund budget; privilege license with revenue diversity strategy and with an expanding commercial base, we would expect growth. Mr. Hegwer credits this income to his being able to recommend a reduction in property tax by \$.01 for residential, business, and industry. (Council Member Mike Stone thanked Mr. Hegwer for this.) Mr. Hegwer continued that one of the ways we are able to do that is to make a fund balance appropriation of \$1,389,274. This will be for purchase of capital with no operating or recurring expenditures involved.

Utility Fund expenses include continued construction on US Highway 421 Bypass at \$800,000 for utility adjustments for water and sewer; for continued repairs at the wastewater treatment plant at \$400,000 for pumps, motors, equipment, etc. upgrade and on-going maintenance; on-going sewer rehabilitation at \$750,000 for lining of our sewer system and keep us in compliance with the state; a part-time customer service position in the utility billing department; and MUNIS self-serve module for customers that will allow customers to make on-line payments and check account history. User charges generate 92 percent of Utility Fund revenue (water and sewer). No water rate increase is recommended at this point, but City Manager Hegwer said that a mid-year, or earlier, rate adjustment will be looked at with the water rate study. The wastewater treatment plant expansion will cost approximately \$70 million with construction from 2010-2013. Based on growth rates, we expect to reach capacity at the wastewater treatment plant by 2015. To move forward with this capital expenditure will require rate increases.

In the Utility Fund reserves budget, there is \$454,589 for capital construction only, no operating cost. We need to continue financial integrity for debt issuance.

Regarding city-wide expenses, Mr. Hegwer explained that we are in the second year of self-funded health insurance, and there is a 4 percent rate increase. New plans this year include a debit card for medical reimbursement for employees. A 3 percent cost of living adjustment is proposed for employees, which is slightly below the Consumer Price Index of 4.3 percent. However, continuing to fund the merit plan at 1.25 percent of salaries is recommended.

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

PUBLIC COMMENT

No individual signed up to speak.

OTHER BUSINESS

Council Member Mike Stone thanked all the citizens who showed up tonight for the public hearing. Council Member Steve Brewer thanked the Fire Department for responding quickly on Mother's Day night. Council Member Charles Taylor informed everyone that Scott Knuth has returned from military duty. City Attorney Susan Patterson informed council that May 28 is the deadline for local bills in the General Assembly. She advised that the General Statutes do not allow the city to assess county property owners for water line extensions. City would need a local bill to do that. She advised that Representative Jimmy Love would like to know there is no local opposition to the bill. There was council consensus for Mr. Love to proceed. Mayor Olive advised that May is "Click It or Ticket" month. Community Development Director Bob Bridwell announced that the city has received a \$40,000 pedestrian grant this year with the state's portion being \$28,000.

CLOSED SESSION

City Attorney Susan Patterson entertained a motion to go into closed session in accordance with N.C.G.S. 143.318.11(a)(3) and (5) to consult with attorney to preserve attorney-client privilege and to give instructions to the public body staff and negotiating agents on the position to be taken for the price or other material terms of a contract for the acquisition of real property. So moved by Council Member Steve Brewer; seconded by Council Member Walter McNeil, the motion passed unanimously.

RETURN TO REGULAR SESSION AND ADJOURNMENT

Council returned to regular session and was adjourned upon the motion by Council Member Charles Taylor; seconded by Mayor Pro Tem Joe Martin, the motion passed unanimously.

Respectfully submitted,

CORNELIA P. OLIVE, MAYOR

ATTEST:

BONNIE D. WHITE, CITY CLERK