

LAW AND FINANCE MEETING
October 29, 2008

The Law and Finance Committee met on Wednesday, October 29, 2008, at 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 James G. Williams
Council Member Charles Taylor	Council Member Walter H. McNeil, Jr.
Council Member Steve Brewer	Council Member Linwood S. Mann, Sr.
City Manager Hal Hegwer	City Clerk Bonnie White
City Attorney Susan C. Patterson	City Staff

Mayor Olive called the meeting to order.

Consider Parks and Recreation Trust Fund Application to Fund Depot Park Acquisition and Renovation – (Exhibit A)

Community Development Director Bob Bridwell stated that since 1998, the City has been engaged with the development of Depot Park in a variety of strategies. Phase I of Depot Park was completed in 2001 at a cost of \$105,000 which included the pavilion, lighting, sidewalks, and landscaping on the east side of the Depot building. Phase II of Depot Park was completed in 2005 at a cost of \$484,000 including the fountain, fencing, lighting, sidewalks, train, benches, parking, and streetscape. The total cost of the two phases was \$589,000. He reminded Council that the City is the lessee of the property. The City has a fifty-year lease on the property with an option to renew for another fifty years. Mr. Bridwell said that Depot Park serves as the focus of the City as a major cultural, social, and recreational facility, and it is a symbol of Downtown. The City does not own the building. Mr. Bridwell stated that he and staff feel that the City needs to own the Depot Park building to complete all of our plans for Depot Park and for the long-term needs of Downtown.

Mr. Bridwell said that we are fortunate that the Board of Realtors allows us to use the building on multiple occasions; however, we feel we need to own the building. There is an opportunity for the City to apply for grant funds with the Parks and Recreation Trust Fund (PARTF) through the State of North Carolina.

Patt Crissman, Consultant with The Wooten Company, has done some of the preliminary footwork in putting an application together. Ms. Crissman stated that the PARTF grant would be a reimbursement grant, which means you spend your money and then you apply and get reimbursed. It is a 50/50 local match and it has to be cash; you cannot do in-kind services. Pre-grant costs are eligible for reimbursement. The application is due February 2, 2009, and the grant award date is late May or July 2009. This money comes from the real estate transfer tax which is a statewide tax and a portion of that goes to fund that program. Ms. Crissman advised that typically, there is around \$14 million available each year for local governments; however, it is expected to be less this coming year because of the reduction in the real estate market. But, at

the same time, because there are a lot of local governments that are experiencing some budget issues because of the economy, we think some of the competition might be down this year too. She said the grant is good for three years and you may not need that depending on whether Council wants to apply for acquisition only or acquisition and renovation.

Ms. Crissman explained that there are two options. You can apply for acquisition only or acquisition and renovation. Any time you use PARTF funds to acquire a property, it must be dedicated in perpetuity for recreational uses; that deed restriction has to be in the deed when the property is acquired by the City. If you use the option of acquisition only, you must commit to develop and renovate this facility to start within two years and be completed within five years. If the Board of Realtors sells the property for more than the appraised value, then the Council would be 100 percent responsible for the additional amount. Ms. Crissman said that the two appraisals (Exhibit A) were done in 2004. The City had Daniels & Associate to do an appraisal which came in at \$135,750 and the Board of Realtors had David Lawhon to do an appraisal which came in at \$206,000. These appraisals need to be updated. If Council chooses to apply for acquisition only and applied for \$206,000, but you pay more than \$206,000 for the property, Council would only be eligible for one-half of the \$206,000. The City would have to cover anything above the actual appraisal.

Ms. Crissman said the second option is to apply for acquisition and renovation. A cost estimate was done in 2004 by Progressive Contracting to renovate the interior of the building to make it more usable and the exterior of the building that needs updating and some stabilization. It is historic property and based on the notes included in Exhibit A, they were looking at abiding by the Secretary of Interior Standards for rehabilitation of an historic building. She said if you acquire the property with City funds only, you do not have that perpetuity restriction on the property. If you choose to acquire it with City funds but renovate it with PARTF, then you have a 25-year obligation to keep it in recreation. The building must be handicap accessible and renovations must be in conformance with State Office of Historic Preservation. If Council decides to go with the grant, you will have to have an option to purchase in place signed and an agreed upon amount before you apply and you will always have to get a boundary survey of the property.

Ms. Crissman went over the cost estimates done by Progressive Contracting in 2004. Cost estimates to repair and renovate the exterior of the building totaled \$184,740 and for the interior was \$90,060, which included installation of hardwood floors. Ms. Crissman suggested potential uses for the building for recreational purposes. She said the kitchen needed to be renovated and encouraged Council to include this as part of the renovations.

Mr. Bridwell added that Depot Park is a very popular place and is an icon for the City. It would be extremely helpful to own and have control of the building. No agreement has been reached with the Board of Realtors to purchase this building at this time. Mr. Bridwell felt that we needed something to get this project moving forward. Once a figure is decided to use in the grant application, then discussions will be held. Council Member McNeil asked if this is a one time grant acquisition. Mr. Bridwell replied that the maximum grant you can get at any one time is \$500,000, but you can go back again.

City Manager Hal Hegwer stated that he has had some positive discussions with the president of the Board of Realtors. He said the Board of Realtors is interested in the City purchasing the building from them. The Board of Realtors just recently had a new appraisal done, but Mr. Hegwer did not have a copy of it. At the time Mr. Hegwer spoke with the Realtors, they did not feel that they would want to be in the building for long term for a variety of reasons. He felt it was a good opportunity for the City to move the process forward. Mr. Bridwell added that this is good timing because we do not want to compete with Lee County.

Council Member Stone stated that he would like to see an annual cost to upkeep the building long-term year-in, year-out. He would like to know the true value and he would like to see all the numbers along with the appraisal so we can proceed with the grant. Mr. Bridwell stated that staff needed to bring this information to Council now, because it is going to take some time to put the application together. He said staff would like to know how to proceed or if you want them to proceed. Council Member Stone said the most interesting thing is going to be the State next year with their shortfall they will have; it is going to be interesting who gets cut and what gets cut. Mr. Stone said he will get excited but more excited next year in February when governments will know about the cuts. Mayor Pro Tem Martin commented that it is nice to know that we are not in competition with the county this year for funds, but the one thing he wants to elaborate on is that this benefits the whole county. Mr. Martin said it is exciting to see the schools that bring bus loads of kids down to Depot Park and this is a countywide issue. Mr. Bridwell said that based upon this conversation, he assumes Council is okay with them moving forward with the application.

Consider Martin Luther King Monument Site (Horner Blvd) Per Proposed Land Donation – (Exhibit B)

Community Development Director Bob Bridwell explained that the City is pursuing the strategy of public space development in key areas. Some time ago, Brick Capital received a donation of property on Horner Boulevard (it is the site before you go under the bridge overpass on Horner Boulevard on the left hand side – a triangular piece of property). Right now, it is heavily wooded. Brick Capital received that donation from a private developer. When you look at the property and the configuration of it, it is hard to have any value as a development site. Brick Capital has approached the City about donating the property to the City. At the same time, staff was looking at doing a Martin Luther King memorial location and this seems to have some synergy to put those two things together. It is a site that would hold potential but before going further, they analyzed the site in terms of long-range use, visibility, proximity, and historical value to what the property was being proposed for. They came to the conclusion that the site has value and visibility for public space and monument site. The site is limited in terms of how it can be used. They have looked at how they can clean the area up and remove any places things could be hidden or obstructed.

General Services Director Tim Shaw stated that he does not have any costs yet or a design. They have done some preliminary sketches but they need input. He said they are looking at doing wedges of brick, either one square or a curb to the road, or a brick wedge with information on both sides; a sculpture, but more so something in brick. We have various artists in Sanford that do work in clay. It is wide open at this point.

Council Member Stone said it is a good opportunity to get the community involved and find out exactly what they want, how they want it, and look for corporate sponsorship. Look for things to get the nicest park you can get with donations from outside the City taxpayers. Bricks were sold at the Depot Park. He felt people would donate to it.

Community Development Director Bob Bridwell advised that they could come up with a conceptual layout of the final artwork. It needs to be well-lit. Mayor Olive said that benches need to be considered for people to sit and enjoy the quiet; it would be more like a memorial.

Council Member Walter McNeil informed Council that this property was donated to Brick Capital by Dan Cape to develop a park such as the Martin Luther King Park. During that time, he spoke to Mr. Perry about donating brick for the monument and Mr. Perry agreed to. It would be a minimum amount of money for the City to get involved with. The big thing with the City would be to agree to clean it up. Mr. McNeil said he had spoken with Tim Shaw a long time ago about putting benches and even thought about putting water fountains for the people who walk up and down the road, but decided it was not a good idea. There is not a lot that has to be done other than cutting the trees back and do some landscaping and brick work. Mr. McNeil said you may be able to get someone to donate the labor. Council Member Stone said if we do this project right, there would be so much money pouring into it, the City won't have to worry about anything. There are people who will donate big money for this. The biggest plus for the City is that it will enhance it.

Council Member Charles Taylor stated that he applauds this effort and feels it is a great project. He said a couple of things to consider maybe getting the high school horticulture group involved too; it would be a good activity for the youth at the high school to get involved with, but he was also thinking it would be nice to move on this park to have it ready before the Martin Luther King Holiday and possibly have it dedicated by that time. He did not know the feasibility of that but thought it would be an appropriate gesture to pay respect and memory of Martin Luther King.

Update of Whitin Roberts Site Environmental Cleanup and Brownfield Program – (Included in Exhibit B)

Community Development Director Bob Bridwell displayed pictures of what the site used to look like and what it looks like now. The building will be gone by Friday. He showed pictures of pits that were found probably from the days of the foundry. The pits were about seven feet deep with water in them. Noble Oil has pumped out the pits and they have been plugged now. There were ladders built going down into them. There were about ten pits. Mr. Bridwell said that EPA authorized and paid for the immediate removal of the barrels of chemicals that were found in the building.

Mayor Olive asked if the *holes* (pits) have been filled. Mr. Bridwell said he called our consultants about filling the holes and they advised Mr. Bridwell not to fill them. They said to let them finish doing their analysis; they have to drill holes through the bottom because the water table may be just underneath those holes, and we do not need to do anything to exacerbate the contamination. They want to do the tests. We may have to spend money to pump them out again. Mayor Olive said she was concerned about the danger. Mr. Bridwell referred this to

City Attorney Susan Patterson. Mrs. Patterson advised that we would try to secure/cover the top so no one would inadvertently be injured by crossing over the top of them; whatever we do we have to be as prudent as possible in trying to secure that. Attorney Patterson said that because there are processes that have to be followed, we cannot necessarily fill the holes so the public is still warned not to trespass on the property, because it still has some dangerous conditions; some of which may be unknown. Mr. Bridwell said we kept the concrete pads there on purpose because we do not know what is underneath the surface. He said they will clean up all around it leaving no debris lying around. Mr. Birdwell added that week before last, staff carried a Brownfield agreement application to the State of North Carolina so the City has completed the application. Attorney Patterson stated that the contract did call for the site to be raked and seeded, which is in our standard demolition contract, but in this, case the concrete pad is to remain intact to encapsulate any contamination that might be under the soil. If we secure the Brownfield agreement, then that will allow us to remediate any subsoil conditions; the City or any developer who might acquire the property from the tax foreclosure sale.

Mr. Bridwell said Phase II analysis will be started next week. Phase II will get us ready to do whatever remediation plans need to be done.

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

Other Business

Council Member Mike Stone said he is concerned that the Pantry has bought a 60,000 square-foot office building in Cary and that is a lot of jobs that will be moved to Cary. His concern is what is the Economic Development Corporation doing. It is late now, but his question is did we do anything to try to keep them from moving. Mayor Pro Tem Martin said this has been in the works for over a year; they have been talking about moving to Cary. Mr. Stone said he would like to keep those jobs locally and what did we do a year ago to change that thought. He felt we should do everything as a community to keep it; it is nice to say you have a Fortune 500 company right here in your backyard. Mayor Olive said the Pantry has grown so much that their offices are spread out; it would be far too costly for them to move everything to Cary. She felt we would still have a nucleus here that will be substantial. Mr. Brewer said he could not envision them putting their whole operation or even close to putting their whole operation in 60,000 square feet. They mentioned one time about moving administration and one section when EDC questioned them a year ago. At that time, they said they had no intentions of moving the gas works section and the inner workings. They had interest in putting the administration in the Cary area, because people flew into Raleigh and it was closer.

Mr. Brewer thanked the Sanford Police Department. There was an unfortunate incident at his business on Sunday morning. As a business owner, it was truly an unfortunate incident. As a council member, it gave him the opportunity to see the tough circumstances our police officers have to deal with on a day-to-day basis and the quick response and professionalism they use when they carry out their duties. As a council member, he did not feel that anything could have went any better or anybody could have reacted any better than the officers that were there. It was truly a unique situation, and they handled themselves very well and he appreciated it.

Council Member Charles Taylor praised the work that is being done on Steele Street. He said he knew we are still working toward a solution. There are some problems with site distance at the interchange on Steele Street by St. Thomas Episcopal Church.

Mr. Taylor said he was glad to hear the response that Council Member Brewer got. Mr. Taylor said he had received four phone calls (one does not count because they did not disclose who they were) regarding the incident at The Flame. He said he knew our men and women in law enforcement are doing the best job they can, but there were a couple of questions that were raised. One was making sure they have all the tools that they need to do their job and to make sure people are secured. He said everybody has seen the article in today's newspaper and he was hoping to have some discussion here today. Mr. Taylor said that Council Member Stone has mentioned about having cages in the cars. Mr. Taylor said, "It is very unfortunate what happened Sunday morning; it is very unfortunate that when these people are apprehended that they have eluded us and this is not an attack on the Police Department. This is not an attack on any police officers; this is not an attack on any decisions that we have made or are going to make going forward. This is simply questions we have entertained from calls he has received from residents of this community." He said the main concern from one resident was over in the Carbondon Road-Rosemount-McIver area. There was a lady concerned about safety. Mr. Taylor said, "I don't need to get into the minutia what is going on or what has happened. We have had some escapees out of custody in the last couple of months, but he would like to know how our response is and what have we done to review our procedures without getting into the minutia of how the department is running; it is not my job. I know when the county had some escapees from the courthouse, they reviewed their procedure; it went before the commissioners; the commissioners reviewed it, and it is important that we assure our citizens that they are going to live in a safe and secure community and I have no problem believing that with our law enforcement officers. I just want to get some comment and some direction as to how we respond in these particular calls."

Council Member Steve Brewer said, "I would like to take the opportunity to let people know, who may not know, just what happened for the circumstances. We had an officer to arrest someone and put the handcuffs on them and at the same time they were putting them in the car, they had another officer that needed assistance, because a fight had broken out and the officer was outnumbered. So very quickly, the officer put the individual who was handcuffed with his hands behind his back into the front seat of the police car and ran to help assist the other officer. I think it is very important to know that this." Mr. Brewer stated that we arrest six people each day in the City of Sanford; that is 1,700 people each year. Mr. Brewer said these are things he has found out that he is hoping he can explain and will help ease some of the concerns that the people that called Charles may have. The two people who got away in August were fifteen-year old children who were attempting to break into a building and never got in. He asked questions about why they don't have cages and was told that they prefer to have the individuals beside them where they can keep an eye on them handcuffed and strapped in the car. Mr. Brewer said he has talked with several highway patrolmen and that is exactly the way they do it; they had rather not have them behind them. They figure it is more dangerous for them to be behind them; you cannot tell what they are hiding or what they are doing because you have to keep looking behind you. Mr. Brewer wanted the public to know as a council member and looking out for them, he has looked into this and he feels very confident that everything is being

done that can be done. He felt procedures are reviewed any time something happens. The first car arrived in less than two minutes after the first call; in four minutes, there were five police cars there and one undercover cop. Mr. Brewer said you could not ask for any better response time. When you need them, they are there.

City Manager Hegwer advised that our procedures parallel the North Carolina Highway Patrol's procedures in terms of arrest and we employ the same tactics they use. North Carolina Highway Patrol is the largest law enforcement agency in the state and the most funded and researched. Last year in Sanford, there were 1,718 arrests with charges of over 6,796 on individuals. The police officers are trained very well, and he is confident they make the right decisions.

Council Member Mike Stone said he wanted to explain the quote on the cages. He said he has been an advocate for cages in those cars for three years, and this is just another incident. His first and most important thing as a council member and a citizen, he wants the officers to be safe and go home to their families. He wants their job to be easy. Mr. Stone said you can throw them in the back of a cage car and he is not saying anything was done wrong because those officers have a big job on their shoulders. He wanted to be sure they have all the tools they need to make their job easy. Those cages in those cars are just another tool. He said he did not know if anything could have been done different that night. He commended the officers for their hard work, but he also wants to look after the community as well. Mr. Stone said in the future, he would like to keep working on all the technology and all the equipment we can get; ultimately, the officer's safety and the community is at his heart.

Mr. Taylor said he appreciates Council Member Brewer's insight and Council Member Stone's. It is very unfortunate and it could have been a lot worse. Mr. Taylor thanked the officers for what they do to protect and serve.

Council Member Brewer commended the Police Department on their arrests last week on the burglary suspects in solving the nineteen burglaries that had been going on in his ward. They did a great job and caught them in the act. Mr. Brewer said he was told it looked like Wal-Mart in the Police Department with everybody coming back to pick up their property that was recovered. It was a job well done and, hopefully, the newspaper will catch on to this and let the citizens know what happened.

Mayor Olive said the Department of Transportation has hired an outside company to come in just to do some patching on Hawkins Avenue. From what she understood from the D.O.T., they intend to make Hawkins Avenue a higher priority next year for the 2009 paving plans for resurfacing. She was just told in the last few days, that one of the two ends of the 421 Bypass has been pushed back to bid letting in 2010.

Adjournment

Having no further business to come before the Law and Finance Committee, the meeting was adjourned upon the motion of Council Member James Williams; seconded by Council Member Steve Brewer, the motion carried unanimously.

Respectfully submitted,

Cornelia P. Olive, Mayor

Bonnie D. White, City Clerk