

**LAW AND FINANCE MEETING**  
Wednesday, March 11, 2009, 1:00 P.M.

The Law and Finance Committee met on Wednesday, March 11, 2009, at 1:00 P.M., in the Council Chambers at City Hall. The following people were present:

Law and Finance Committee:

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

Absent: Council Member Steve Brewer  
Council Member Charles Taylor

Consider Appeal of Penalty Associated with the Privilege License Tax for Tyson Mexican Original - (Exhibit A)

City Manager Hal Hegwer advised that Plant Manager Richard Price with Tyson Foods, Inc., is present to talk about appealing a penalty associated with the privilege license.

Plant Manager Richard Price stated that he sent a letter to City Clerk Bonnie White appealing the \$625 penalty on the privilege license tax. On January 15, a letter was sent from the City of Sanford to the Tyson Foods headquarters in Springdale, Arkansas, notifying them they needed to apply for a privilege license. Mr. Price said this was the first he had heard anything about a privilege license. He spoke with City Manager Hegwer and Council Member Steve Brewer to understand the tax and why they are required to pay the tax at all. At this point, he wanted to go on record saying they were opposed to the fee and tax because they make quite a contribution to the community. In 2008 their total property taxes, both personal and real estate combined for the plant, were \$231,000. In addition to that, they have a weekly payroll of approximately \$255,000 each week. They employ 505 people and have been in operation for eighteen years. They are one of the companies around that is still in strong standing and is still hiring. After understanding the requirement, they submitted their application. After the application was accepted, they received an invoice and the fee was \$2,500, but there was a penalty of \$625 assessed along with it. He said they feel the penalty is unwarranted because once they knew they had to make the application, they did proceed accordingly and in good faith to meet the requirement. They are asking for the \$625 penalty to be waived.

Council Member Stone clarified that Tyson Foods employs 505 employees and has had no layoffs this year. Mr. Price replied that they hired six more people this week, so they have 511 employees and they have had no permanent layoffs this year except for about six to ten people that were on temporary layoff; however, they have been recalled. They were off about two to twelve weeks.

Mr. Stone asked if they have received incentives from the City of Sanford and County of Lee. Mr. Price replied no, not any that he has been aware of and he has been with Tyson for

eighteen years. Mr. Price said that when Tyson located here in 1990, there were some incentives given then. He said he has spoken with Bob Heuts many times about incentives for new companies coming into the community; however, sometimes companies that have been around for a while feel they are left out and taken for granted because they are contributors to the community. For example, on November 6, at Mr. Heuts's request, he met with consultant Frank Spano, and had a follow-up meeting on January 30, 2009, with Human Resources Manager Cindy Gillispie from Amy's Kitchen, which manufactures California organic foods. They are considering locating a plant in Sanford. This company would start off with about 300 employees and grow to 700 employees. Mr. Heuts wanted him to meet with the company to explain to them all the virtues of being located in Sanford and for the most part, that is an easy thing to do. Mr. Price said they felt that Sanford is a good place to be located; however, when additional costs are incurred, it makes them reconsider whether or not there is a good match.

Mr. Stone asked Mr. Price from what he just said, if they would consider this something that would keep them from relocating here – the additional taxes and additional burden as a privilege tax. Mr. Price replied anytime they put in a new facility, they look at the initial costs and the recurring costs.

Mr. Price stated their 2007 real estate taxes were \$70,866 and in 2008, they were \$70,321 so it went down almost \$600. Overall, the total property taxes, real estate and personal, went down from \$231,783 to \$231,486. Mr. Stone stated the property tax does not have anything to do with the privilege tax.

Mayor Pro Tem Martin asked how many penalties have been levied against individuals/businesses. City Manager Hegwer clarified with Mr. Price that Tyson received incentives when the company was relocated. Mr. Price replied he was not involved in the relocation decision; however, he was working at the plant in Fayetteville, Arkansas, and there was quite a bit of discussion about benefits and incentives to relocate to various locations. There were three locations in the running and Sanford was chosen.

In reply to Mr. Martin's question, Accountant I Natasha Moore replied as of Monday morning, March 9, they have assessed penalties against 101 businesses that have paid it, totaling a little under \$2,000. Ms. Moore advised there are 1,375 active businesses in the system. Mr. Martin added about nine percent have been penalized.

Mr. Martin stated that in the past, we have forgiven penalties based on different circumstances. He asked if we have the capability now of allowing a penalty to go away. Attorney Patterson advised under our ordinance, which controls this for privilege taxes, it does have remedies and lists valid defenses. She said that there is a page in the agenda packet describing this and it lists certain defenses a taxpayer may assert and they can make a demand for release or for refund. Attorney Patterson stated she is doing some additional research to make sure this is correct. Council Member Stone asked if they can refund the penalties paid by companies this last year. Attorney Patterson replied of all the tax, no, because there are certain sections under the law that say taxes that are levied cannot be refunded. If it is a valid levied tax, then there is a duty to collect it. Mr. Hegwer commented the key is how much discretion do you have and Attorney Patterson is still looking into this.

Mayor Pro Tem Martin added that the \$2,000 is not a large sum of money. He said thinking outside of the box, if there is a possibility Tyson has not paid it and we want to forgive them of their penalty, what does this say to the other 101 businesses that have paid it. Mr. Martin said that this is our first year and what is the possibility if we relieve Tyson of their penalty, maybe we could give the 101 businesses credit for this year's privilege tax. Mr. Stone suggested issuing them a refund to the 101 businesses except for \$1; that way we could say we assessed a penalty to everyone; charge \$1 for a late fee, and then in June, we start all over again.

Mr. Stone stated he was not for the privilege tax in the beginning because it is so discriminating. He did not feel one company should pay huge amounts and others pay less. He said the same goes to the penalty. Mr. Stone said that it is an unfair tax and it is not good in a down economy. He said we are grateful Tyson is here and we want to assist them in any way they need to expand and grow. He stated that adding an additional tax and paperwork is what does that. He did not support it then and will not support it Tuesday night.

Mr. Hegwer said that the State of North Carolina is studying the whole privilege tax system. The General Assembly is asking them to look into the tax structure. The way the tax structure is set up is something that was created by the State of North Carolina. We are implementing the same structure they have in place. There have been some questions that have been brought up about how it is applied to each and every business. Therefore, the General Assembly is asking the State to look into this.

Mr. Mann felt Tyson Foods is entitled to relief of the penalty because it is a legitimate request. Mr. Stone wanted for clarification purposes that if we give Tyson relief from the penalty, we are also going to give the 101 companies a refund of their penalty, because if they came before Council, they would have the same legitimate position as Tyson. He is in favor of waiving the penalty, but he wanted to make sure when you speak for one, you speak for all. Attorney Patterson advised that some research needs to be done on this, because the way the ordinance is currently written, states that we must receive a written statement of defense and a request for release in order to have any consideration of refund or release from anyone. She said this request is from Tyson Foods. Attorney Patterson said that she is not certain Council has the authority to release everyone; in other words, to rewrite or to amend the ordinance for the penalty refund after it is already in effect and being collected. She will research it and get an answer.

Ms. Moore explained how the penalties are assessed. She said if someone is conducting a business without a license, they are automatically assessed a 5 percent penalty and it can depend on how long you have already been in business. It is an initial 5 percent the first month you are conducting business without a license at a minimum of \$5 and each consecutive month is an additional 5 percent, up to a maximum of 25 percent of the initial tax. Mayor Pro Tem Martin asked if Tyson's penalty is included in the \$2,000 collected on late fees. Ms. Moore replied no.

Consider Comments from Jim Womack Regarding Changes to the Animal Control Ordinance – (Exhibit B)

Attorney Patterson advised that following the last public comment period at the City Council meeting, Mr. Jim Womack requested to be placed on the agenda for amendments that he proposes to have council consider regarding the animal control ordinances and how they would need to be changed if council decides to allow female chickens (or hens) within the city limits. He has suggestions and he has worked with different staff members trying to put forth something that would make sense for an amendment if this council so desires to do this. Staff members are also present to add their information to what council considers. The draft placed at council's seat is a draft prepared by Mr. Womack.

Mr. Jim Womack, 1615 Boone Trail Road, spoke on the proposed ordinance. He pointed out there are several sections in Chapter 4 that would need to be modified or added to accommodate chickens and they are synopsisized here in the way they would need to be accepted by council. Mr. Womack added he did not go about this coordination action without researching what other cities have done both in North Carolina and in other states. He pointed out that most of the language in the proposed ordinance has been borrowed or transcribed from other city ordinances and added in. He said this is patterned after what Charlotte, Chapel Hill, and Carrboro have done because they have well-defined ordinances that accommodated chickens.

Mr. Womack went over each section of the proposed ordinance as shown in Exhibit B. He said they conducted independent discussions with various council members and sought their input. Wherever they received that input from council members, they have taken those into account and tried to fold it back into the language. He did not know of any direct feedback they received that they did not accommodate within the proposed ordinance. Attorney Patterson said it may be a little bit of a stretch to say that staff or anyone supported this, but simply, there is an ordinance to be presented that needed to be in proper form with the proper language.

Attorney Patterson stated there is a situation which Council needs to know about and why this amendment came about. There is a gentleman who has 23 chickens within the City who was cited by the code enforcement officer as being in violation of the ordinance prohibiting chickens. He appealed this to the Housing Board of Appeals to stay his enforcement action so he would have an opportunity to bring forth an amendment. This gentleman was found in violation and was granted an extension of sixty days which runs out on March 16, prior to the Council meeting. At that point, the gentleman would have to take the animals away and out of the city limits until such time as any amendment should pass or this board could act to instruct the Housing Board of Appeals to take action prior to that time to grant an additional extension if Council wants to go down the route to allow chickens in the City. This has come before this Council from the request of a couple of citizens. Attorney Patterson said that although some towns have places where they do allow chickens – Chapel Hill has allowed up to twenty chickens and has now reduced it to ten. Some towns have the permitting process and some do not. There are expenses that go along with a permitting process because it does take staff time and energy to track down and have a tracking system in place for those that would be permitted. She added the staff from the Community Development Department may want to speak.

Mayor Pro Tem Martin asked if it was permissible to ask the Housing Appeals Board to delay their decision. Mr. Hegwer replied if there is a consensus, it would give more time for consideration by the Council. Attorney Patterson added that the Housing Appeals Board is a separate quasi-judicial board that made a recommendation following a hearing. This Council could request the Housing Appeals Board consider an extension of time; this Council cannot grant an extension of time. The Housing Board of Appeals would have to have a called meeting in order to have a decision on that.

Community Development Director Bob Bridwell advised he has not seen this ordinance until Attorney Patterson shared it with him yesterday. He added staff is not in favor of this ordinance.

Assistant Community Development Director Marshall Downey gave some additional statistical information as Council considers this issue. He said Attorney Patterson asked him to look into some of the numbers associated with the property such as one-half acre lots and in terms of what would it be affected by in the City. Mr. Downey stated he asked GIS Director Don Kovaskitz to run the numbers; the City has 9,700 residential lots total in the City. Of that total, if Council used a half-acre lot/threshold to allow chickens, 28 percent would be eligible to have chickens if you meet all the standards. This amounts to one in four lots within the City's zoning jurisdiction that would be eligible. He advised there are about 2,700 lots that would qualify; keep in mind a lot of those tracts are larger undeveloped areas that are not currently being used as a subdivision lot. In actuality, that translates into 78 percent of your land area that would be eligible. Of the 28 percent of lots that are eligible, it represents 78 percent of the land area.

Mayor Pro Tem Martin asked what is the lot size of the gentleman who was cited for chickens. Attorney Patterson replied 0.52 acre. Mr. Downey added that the UDO does allow for horses and cows under zoning but it requires a two-acre threshold and it is only in certain districts.

Community Development Director Bob Bridwell stated first of all, there are some towns in the state that made provisions for chickens. It must be a statewide or national movement of people pushing to make provisions for chickens within corporate limits where they universally have not been allowed. There is a lot of research on the health effects of having chickens/livestock within the corporate limits. He wanted to address from an administrative standpoint that staff has a lot of extremely important issues they are dealing with and he felt it would be a distraction for staff to review chicken plans when they are trying to deal with some significant issues in the City. He finds it as a distraction for the planning staff and code enforcement because we are asking them to do more and more all the time. Now, we are looking at enforcing some rather significant regulations on potentially a large number of sites that is really not appropriate for them to be engaged in. Placing restrictions where it is going to require permitting and inspections is placing an undue burden. From that prospective, he has significant concerns about the ordinance.

Mr. Bridwell said that they have been very jealous not to let any more nuisances abatement intrude upon land-use planning. He said staff holds the view among the planners and

code enforcement that we not be engaged in enforcing this kind of regulation. It has been suggested that building inspections could do this, but he is more frankly opposed to that because our building inspectors are a very limited staff and we have to focus on the activities that are most critical and that is protecting the health, safety, and welfare of our citizens. He felt enforcing chicken regulations is not in the best interest of the City of Sanford at this time. He said this is just his opinion.

Council Member Williams said that he has done some research on this chicken ordinance and read the proposed ordinance presented by Mr. Womack and it looks like a good ordinance to him. Mr. Williams said that he represents the citizens of Sanford and the people who want chickens and the people that have chickens are a small minority of the entire population. He said he is finding people with chickens that he did not even know existed but they have had them for years; some of the people had them before they got annexed into the City and they have really caused no problem. Mr. Williams added he is kind of in favor of some of the older people and younger people who want to have clean chickens in their back yards if they meet the requirements. Mayor Pro Tem Martin echoed Mr. Williams' comments; you address the problem when you receive complaints. If it gets to the point it is getting out of hand, then we come back and address it. Council Member Stone commented it is all or none; you allow people to have them or not allow them. There are several people he knows who do not live on a half-acre lot and what happens when they get chickens and you say I can't but my neighbor has them. You cannot discriminate based upon that. There are a lot of old houses in this town that are on 20,000 square feet and those folks are going to want chickens. Mr. Stone said he had rather fix the problem now before you come back with an issue.

Council Member Mann said that he did not see how we could discriminate; most of the people he has heard from do not live on that large a lot.

Attorney Patterson commented that in response to Mr. William's comments, Charlotte has a section in their ordinance which states if an owner of animals on property that is newly annexed, they have ninety days to bring it into compliance and have obtained permits required by this section. If it is Council's wish and you decide to pursue chickens, this language can be added. Attorney Patterson said that she would be remiss if she did not bring up a point that has been discussed on the staff level which is the predators that might come in after chickens and the concerns they might have such as foxes, dogs, weasels, raccoons which carry rabies, or rats and snakes after the eggs. It affects health, safety, and welfare, which might be part of what goes into your decision. Mr. Stone said that if you allow chickens, then everybody that wants to have them, it should be their right.

Council Member McNeil expressed he is not against having chickens, but he can understand where staff is coming from with policing it. Everybody might think they have more land than they do; staff will have to check the size of lot to see if it qualifies.

Mr. Hegwer asked for a consensus from Council to ask the Housing Board of Appeals for an extension of time for the gentleman who was cited. There was a consensus from Council for Mr. Hegwer to ask for the extension.

Consider Request for Waiver of Water and Sewer Taps at Six Units of Supportive Housing for Persons with Disabilities at South Vance and Saunders Streets - (Exhibit C)

Community Development Manager Karen Kennedy gave a history about this request for waiver before Kate Rumely spoke about her actual request. In August 2007, Council received the request for this lot. Prior to that, this particular lot had a home on it that was deteriorated. Staff took rehabilitation bids on it and the bids came in too high. The Council, at that time, suggested that we deny the rehab bid and look at buying the home, moving the homeowner, and demolishing the house. Mrs. Kennedy was encouraged to contact Brick Capital about possibly requesting this lot, because it was located at the entrance to Wicker School. All those steps took place. Brick Capital Community Development Corporation Executive Director Kate Rumely requested the lot from Council in August of 2007. Mrs. Kennedy stated that Council agreed, as you do for all the non-profit processes, whether Habitat, Brick Capital, or the Housing Authority, that you allow them to purchase it for a nominal fee and they made the request for the waiver of water and sewer taps at that time. It was also known in August 2007, this would not be a single-family structure; it would be a multi-family structure and they proceeded on that basis. She said that going through the construction of the multi-family unit, some issues with the actual cost of the water and sewer have come up, specifically water taps that are needed to finish this project based on new codes and the revision to existing codes.

City Manager Hegwer clarified that one of the things that is important to note was the minutes did not reflect the waiver for the water and sewer taps as approved in August 2007. Mrs. Kennedy replied these particular minutes do not. It was originally requested in the letter for those waivers. She said she cannot imagine the council at that time accepting the proposal and leaving out the water and sewer taps waiver.

Mr. Hegwer said that typically many of these lots already have existing taps. Mrs. Kennedy advised that when they first started doing this non-profit process with all the non-profit affordable housing providers, Council wanted her to come up with a policy of how they would proceed. In their request, they should make sure if they wanted the water and sewer tap fees waived, they ask for it. To encourage affordable housing development, this process was used. Somewhere over the course of the last few years, a staff member interpreted that the only way that it would happen is if there was an existing tap fee put in there by grant work in the past. This unwritten verbalized opinion has come out, and we aren't sure of its basis.

Council Member Williams said that he could remember Habitat came before Council wanting them to waive curb cuts for them. It came out in that meeting, that the Habitat Director felt the City was discriminating then because we did not charge Brick Capital for water and sewer taps or curb cuts and they were having to pay for those. Mrs. Kennedy said that was a wrong statement and has been corrected. Brick Capital has always paid for their curb cuts. Mr. Williams added, at that time we also found out Brick Capital was building houses where there were houses before and the taps were already there; whereby, Habitat was going into different places and building houses.

Mrs. Kennedy said that the issue before Council today is an actual request for specific taps on the lot for the construction of multi-family units by Brick Capital.

Council Member McNeil said that we have to remember that Brick Capital is an arm of the City and Habitat is not. While we give lots to Habitat; it is not an arm of the City. We gave them a tap out of the goodness of our heart. When it comes down to whether we give them a tap or not, we usually give Habitat a tap.

Mayor Pro Tem Martin said his remembrance of discussions on water and sewer taps really got involved that day and it was really good. He said when he hears Brick Capital, he thinks of the City. He said we talked about Habitat for Humanity and Sanford Housing Authority. He thought the way the Council addressed the major part of the issue was that this is a great way for the City to participate. What basically was happening was that we were taking a piece of property that was valued at nothing and was able to put a nice home on it. The City put in the taps and people were being placed into homes that they may not ever been able to move in. We were putting property taxes back on the books. It was brought out by doing this for Brick Capital, we needed to do it for Habitat and the Housing Authority because it was good for everybody.

Council Member Stone said it boils down to consistency. If you are going to do it for one, you are going to do it for all.

Mr. Hegwer asked Mrs. Kennedy to talk about how Brick Capital was formed. Mrs. Kennedy said that Brick Capital originally started out of a 1989 Housing Demonstration Project Grant where the City received funds to do construction of six new units. At that time and still, statutes would not allow for a City to do new construction, so out of it you had to form a non-profit. When former Assistant Community Development Director Trevis Averitt was here, he formed Brick Capital by gathering volunteers, one of which is still on the board. It became a true board that would be able to run the administration of building the houses. The City coordinated for the original three homes; then grant monies were cut in half so we were not able to do the last three homes. The City built the first three homes, sold them to property owners and were left with development funds. The whole intent of the process was to make the non-profit its own entity – separating it from the City’s budget and things of that nature. The money was then given to Brick Capital as a revolving fund to start their agency and this is where Brick Capital started. In addition, a representative of the City in Community Development is represented on the Brick Capital Board. The intent was to provide affordable housing. Mrs. Kennedy stated one of the city’s services is supposed to provide for the development of affordable housing. She said be it, Brick Capital, Habitat, or the Housing Authority, they are an extension of our staff. They become the affordable housing developers for Council. She added that were it not for them, we would have to be doing it.

Mayor Olive asked what would the cost be for the taps. The specific 4-inch tap, which is a new tap that is needed, is around \$4,500. The individualized water taps for each tenant in the unit and a laundry room totals \$1,700. Mr. Hegwer stated this structure is unique to the process because typically it has been single-family affordable homes. The six-unit building requires a sprinkler system.

Kate Rumely said she has worked for twelve years as the Executive Director of Brick Capital. She stated this particular housing is for people with disabilities. In the past when she

has been told that she needed to pay for a tap because there wasn't a tap available, she did not come back to the City and asked for a tap because she knew she could manage to work it into her budget and build a house that was affordable to a family who could afford it. This brings tax dollars to the tax base of the City. In this particular case, it is for people who are disabled and in wheelchairs. We have twelve units in the surrounding area and these units received taps as part of the request. In addition, taps were located on the lots so additional requests were not necessary. This is different because the building code for sprinkling a six-unit apartment complex went into effect in 2006. They have not built multi-unit housing since 1997 when they built Appletree. The sprinkler system was not required then and the code has changed. She did not reflect into the proforma this additional cost when she sent the grant to the Housing Finance Agency to acquire the money to build this housing. It costs \$585,000 and that is their budget. The total cost for the taps will be \$6,232. She is asking for waiver of these taps because it is for special needs for people who are disabled and it is a different sort of thing. It is not something she can fit into her budget this year. Ms. Rumely said she hoped they will always continue their partnership and appreciates all the work that the Council and City perform.

Council Member Stone thanked Ms. Rumely for coming today and agreed her situation is unique. He asked her of the \$585,000 financed through the NC Housing Finance Agency, if there were any grants in there or any money that does not have to be paid back. Ms. Rumely replied the \$585,000 is a grant. Mr. Stone asked about the money received from the rent. She said the funds will help manage the building and they will not have to pay back anything. Unless for some reason they make a lot of money, however, they won't because it is for people who pay 30 percent of their income towards their rent. The Housing Finance Agency will continue to fund the difference between the actual rent and related costs. She said Brick Capital pays for the water and all their utilities. Mr. Stone asked if for some reason the Council did not grant the \$6,232 for the taps and you have \$585,000, what would you do. Ms. Rumely said she did not know. She said it is in their budget to build this housing; Brick Capital has been cut back and they are making less money. They did not sell houses last year because of the market. They do not receive any funding from the City directly. They are asking for this money so they won't have to take it out of the meager funds they have and possibly lay somebody off. There is no fluff in the budget. Mr. Stone said everyone he has talked to in business is having the same consequences Brick Capital is having. At some time, this Council has got to come to some consensus of consistency. For example, you say these apartments are for handicapped individuals, we have several other developers who do the same thing and they get government assistance as well. He wants to help everybody, but he wants to be consistent. Mr. Stone said if he gives it to Brick Capital, and another developer decides to build some apartments with government assistance, he feels he should give it to them. These decisions should be easy to make; it is a pick and choose. Mr. Stone said he knew she needs it and he feels compelled to give it to her, but it is about consistency. He said she was not the only one who is building apartments for handicap individuals.

Ms. Rumely said whenever anybody builds an apartment complex with any kind of government money, those apartments have to have a certain percentage, usually 5 percent of those units have to be handicap accessible. That is a structured deal to make money for the people who construct the apartment building and for the equity investor; that is different than what Brick Capital is doing. It is not the same thing. Brick Capital is building apartments for

those people who are disabled; those people will pay 30 percent of their income. You cannot compare this to any apartment complex in town or any other town, other than apartment complexes that are built with North Carolina Housing Finance Agency money. Mr. Stone said there has to be some sort of fairness or consistency. For example, a lady that came in and complained about having to pay a tap-on fee and she was a senior citizen on a fixed income, but she had to pay it. You have to take the emotion out of it. Mr. Stone asked Ms. Rumely when did she apply for the grant. She replied in January 2008. Mr. Stone asked if she could cut that expense out of her construction. Ms. Rumely replied she did not think so because once they put down the amount of money for each line item listed on how it is constructed, the North Carolina Finance Agency determines what they accept for each line item.

Mr. Stone said that in the past everything was great and we had the money; what we haven't gotten into is next year's budget. We have 3,000 people locally that are unemployed and there is no such thing as \$6,332 free; somebody is going to pay this fee and it is going to be people that are also hurting pretty bad. Mr. Stone added that it is an important thing that Brick Capital is doing but it is hard times for everybody; we do it with taxpayer money.

Consider Approval of Documents Related to N.C. Housing Finance Agency 2009 Single Family Rehabilitation Program – (Exhibit D)

Community Development Manager Karen Kennedy stated that we have received \$400,000 from the North Carolina Housing Finance Agency for the single-family rehabilitation program. It has been several years since we have been able to access these funds. They have changed their process to become more regional and more cyclable, so it was Lee County's turn. We wrote the grant on behalf of Lee County as the City being the recipient of the funds. The funds will be used for single-family rehabilitation only for houses throughout the entire county. The below information has to be submitted to the Housing Finance Agency as part of the start-up documents.

- Consider City of Sanford Resolution Authorizing the Execution of Documents for the NC Housing Finance Agency 2009 SFR Project  
This resolution authorizes the execution of these documents.
- Consider City of Sanford 2009 North Carolina Housing Finance Agency Single Family Rehabilitation (SFR) Program – Grant Project Ordinance  
The ordinance sets up the funds with the Finance Department. There is no local match.
- Consider Lee County Assistance Policy for the 2009 Cycle of the Single Family Rehabilitation Program  
The assistance policy is given to all people who will be recipients letting them know how we qualify them and how the process will be completed.
- Consider Lee County Single Family Rehabilitation Program - Procurement Policy  
The procurement policy authorizes certain staff within the City to sign the documents and necessary paperwork we have to submit to the Housing Finance Agency throughout the project.

Consider Resolution in Support of Widening NC Highway 78 to SR 1001 to the City Limits – (Exhibit E)

City Manager Hal Hegwer advised that this resolution is in support of widening NC Highway 78 from Lemon Springs Road to U. S. Highway #1. This is a part of the North Carolina Department of Transportation stimulus package. One thing unfortunate about this project is we may have some waterline costs associated with relocation of the lines. Public Works is looking into this issue.

Other Business

City Manager Hal Hegwer announced the City Council will hold its annual retreat on Monday, March 23, 2009, at 1:00 P.M., in the West End Conference Room and on Wednesday, March 25 at 8:30 A.M.

Adjournment

Having no further business to come before the Law & Finance Committee, the meeting was adjourned upon the motion of Council Member Walter McNeil, Jr.; seconded by Council Member Linwood Mann, the motion carried unanimously.

Respectfully submitted,

---

Cornelia P. Olive, Mayor

---

Bonnie D. White, City Clerk