

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, November 16, 2010, at 7:00 P.M. The following people were present:

Mayor Pro Tem Mike Stone	Council Member L. I. (Poly) Cohen
Council Member Charles Taylor	Council Member Walter H. McNeil, Jr.
Council Member Sam Gaskins	Council Member James G. Williams
Council Member Linwood S. Mann, Sr.	City Attorney Susan C. Patterson
City Manager Hal Hegwer	City Clerk Bonnie D. White

Absent:

Mayor Cornelia P. Olive

Mayor Pro Tem Mike Stone called the meeting to order. Council Member James Williams delivered the invocation.

**PUBLIC COMMENT** – (Exhibit A)

Ms. Mary Dangerfield, representing a property she owns at 323 Charlotte Avenue, expressed concern about her property being broken into twice in the past 90 days. Her tenant has four children, two in college. She spoke with Major Kevin Gray about the problem this afternoon and they are working hard to resolve this issue. She asked Council for any suggestions they may have that will help make her tenant safe and every tenant safe in that neighborhood. She asked Council to help the Police Department do a better job in that neighborhood around 323 Charlotte Avenue.

**APPROVAL OF AGENDA**

Council Member Sam Gaskins made the motion to approve the agenda. Seconded by Council Member James William, the motion carried unanimously.

**CONSENT AGENDA**

City Attorney Susan Patterson advised that there is a typographical error in the minutes where the name of a truck was misspelled and needs to be changed from Wranglers to Rangers.

Approval of Law and Finance Committee Minutes Dated September 1, 2010 – (Filed in Vault)

Authorization of Acceptance of Bid and the Execution of Documents for Sale and Removal of House at 528 Summit Avenue—(Exhibit B)

Council Member Linwood Mann made a motion to adopt the consent agenda. Seconded by Council Member L. I. “Poly” Cohen, the motion carried unanimously.

**SPECIAL AGENDA**

Presentation of Farm-City Week Proclamation – (Exhibit C)

City Manager Hal Hegwer read a proclamation signed by the mayor proclaiming the week of November 19 – 25 as Farm-City Week. Bill Stone with the North Carolina Cooperative Extension introduced Sam Ward, a member of the 4-H Home Grown Kid, and Tom Joyner, past president of the Sanford Kiwanis Club. Sam Ward spoke on the value and benefits of agriculture in North Carolina, and Tom Joyner informed the public about the events to be held during Farm-City Week.

**CASES FOR PUBLIC HEARING: held jointly with the Planning Board**

Consider Petition by John C. Daniel III of White Dog Properties, Inc. - to rezone 0.32 ± acres addressed as 115 S. Horner Boulevard from Central Business (CBD) district to General Commercial (C-2) district. The property is the same as depicted on Lee County Tax Map 9642.07, Tax Parcel 9642-69-4603 Lee County Records. (Exhibit D)

Assistant Community Development Director Marshall Downey explained that the owner is White Dog Properties, Inc. and the applicant is John C. Daniel, III, President of White Dog Properties, Inc. The address of the subject property is 115 South Horner Boulevard. The property is a rectangular-shaped parcel of land located in the southeastern corner of South Horner Boulevard and Carthage Street and is currently served by public water and public sewer. He gave the adjacent zonings surrounding the property.

Mr. Downey advised that the subject property appears to be an old service station originally constructed in 1970 that was remodeled in 2003 to create a pottery showroom, which is no longer operating. The site is currently being operated and leased to Belcan Staffing Solutions, a company that recruits supplementary personnel, temp-to-hire employees, and direct hire employees.

The property was recently rezoned by the same applicants in October 2009 from General Commercial (C-2) to Central Business District (CBD). At that time, the applicant was marketing the site for a restaurant and there was concern about the amount of off-street parking as required under the C-2 zoning. The Central Business District (CBD) is a pedestrian-oriented district and does not require off-street parking and you can utilize on-street parking.

Mr. Downey stated that, if rezoned, the site would be subject to the Overlay District standards. The 2020 Land Use Plan and Map identified the land use for the subject property as Central Business District. Based on the recommendations of the 2020 Land Use Plan and consistency of existing CBD zoning as located along the east side of Horner Boulevard, Planning staff does not support the request for C-2 General Commercial.

Council Members asked several questions regarding the rezoning. Mayor Pro Tem Mike Stone opened the public hearing.

John Daniel, President of White Dog Properties, spoke in favor of the rezoning. He said that he would like to explain why they are requesting rezoning. Mr. Daniel stated that about one year ago, they were approached by Sabatino “Dino” Pascarella, who was attempting to put a new restaurant in this building, but now has relocated back to the original site in Sanford. To do so, they leased it to him, drew new plans, and it ended up being that the numbers did not work; he could not get his kitchen retrofitted in the time frame he needed in his budget. So, they let him out of the lease. One of the

problems they had was the requirement for the seating; it did not reach the volume Mr. Pascarella needed in C-2 zoning.

Mr. Daniel said that his fault in this as a real estate agent was that he should have looked into what the requirements were. Subsequent to that when Belcan came along, they asked him if the signs were in compliance. Mr. Daniel said he replied yes, and problem erroneously, because they were there and had been used. If anybody is at fault, he is the one for maybe misleading them. They planned their signage accordingly and from what he understood from Belcan's real estate representative from Ohio, she said that was one of the things they checked off; they wanted the good signage. They are a tremendous company. They are here primarily to do some staffing for Caterpillar's expansion and will go into other things in the future. Mr. Daniel passed around a copy of a picture (Exhibit E) of the sign Belcan has planned for the existing. Subsequent to the picture, that frame has been painted and looks a little nicer; it is black and it blends in.

His request is not confrontational; he is trying to help a good tenant. He said it would be a great expense for them to redo those signs because they are significant. He recognized Arney Johnson in the audience, who is one of the VP's of Belcan.

Council Member Gaskins asked how much is the business depending on people coming in based on the signs, and how much is actually derived from other sources. Mr. Daniel said he felt as a business person, he did not know how you put a value on signage. There will be six permanent positions, and as many as eight people working in the office. They have sufficient parking as they need it now.

Mayor Pro Tem Stone added that as a small business owner, you are talking 30,000 cars each day; you cannot afford to not have that sign if possible.

Lee County Economic Development Director Bob Heuts spoke in favor of the rezoning. He has had some discussions with Mr. Daniel about this particular property and petition. From an economic development standpoint, he would ask Council, Planning Board, and staff, to get together and take a look at the sign ordinance portion and parking in terms of regulations. He sees a lot of properties like this along Horner Boulevard and elsewhere in the City of Sanford where the property owners are struggling to lease them. He would like to see the criteria be more flexible that goes along with a particular zoning.

Arney Johnson spoke in favor. He said the signage plays a huge role in their staffing industry. They have employed around 200 employees in the last month and expect 200 to 300 more over the next fifteen to eighteen months in Sanford. The larger the sign, the more people will see it to apply for jobs.

Mayor Pro Tem Mike Stone closed the public hearing.

The Planning Board retired to the West End Conference Room.

Public Hearing - Economic Development Incentives – Coty - Request by Lee County Economic Development Corporation - (Exhibit E)

Lee County Economic Development Director Bob Heuts explained that Coty started out in 1971. They operate on 200 acres of land in a one million square-foot plant, producing a variety of fragrances

such as Calvin Klein, Vera Wang, Jennifer Lopez, and others. They presently employ 800 full-time employees and up to 700 seasonal employees for the Christmas season. For the full-time employees, they have good benefits such as a 401K plan and retirement program. Their wages and benefits paid from that facility average over \$66 million each year. The Coty employees gave over \$100,000 to United Way last year.

Mr. Heuts advised that he met with Coty's Plant Manager Brian O'Neal six to eight months ago about a project that could potentially come to Sanford. A group called Del Labs, out of Rocky Point, North Carolina, was bought by Coty. Coty has shut the doors on its plant in Rocky Point that produces cosmetics, nail lacquers, etc., and plans to take those products somewhere else, with the potential of bringing that business to Lee County. The project went dormant until September of this year. Mr. O'Neal called him and said that they need to meet on this again because they may have the opportunity for the business to come to Lee County. Mr. O'Neal wanted to see what could be offered to them to bring the business here. If the business comes to Lee County, it would create an additional 140 jobs with approximately \$12 million in expansion and upgrades.

Coty has three options. They could send the business to a third party, Top Line, as a contractor; they could take those lines to New Jersey to make those products for Coty; and they could let the work come to Lee County. Mr. O'Neal and he met with the Department of Commerce and they see an opportunity to take the business from Coty's plant in Rocky Point near Wilmington and bring it to Sanford.

The Lee County Economic Development Corporation Executive Committee discussed the issue and recommends a 50 percent incentive based on taxes paid over a five-year period. Mr. O'Neal is trying to make a case to bring the business to Sanford. If the incentive is approved and they bring the business to Sanford, it would cost the County approximately \$166,744 and the City of Sanford \$120,000 to be paid over a five-year period. The City's portion would amount to approximately \$24,000 each year to be paid in the form of a grant after the investment is on the books and a commitment by the company to the County and to the City.

Mayor Pro Tem Stone opened the public hearing. Bob Heuts said he would like to go on record as to speaking in favor of the project. No one spoke in opposition, the public hearing was closed.

Mr. Stone said that he would like to go on record that the agreement and commitment from the City and the County with the EDC does not have a guarantee of jobs for Coty, but they have been a great partner with the City for many years.

- Consider Adoption of Resolution Authorizing the Expenditure of Funds for an Economic Development Project and Approving an Agreement with Lee County Economic Development Corporation – (Exhibit F)

Council Member Linwood Mann made the motion to adopt Resolution Authorizing the Expenditure of Funds for an Economic Development Project and Approving an Agreement with Lee County Economic Development Corporation. Seconded by Council Member Walter McNeil, Jr., the motion passed five to two with Council Member Charles Taylor and Mayor Pro Tem Mike Stone casting the dissenting votes.

**REGULAR AGENDA**

**Consider Adoption of Resolution of Intent to Apply for Bicycle Grant Funds – (Exhibit G)**

Downtown Development Manager II David Montgomery explained that the resolution is an intent to apply for bicycle grant funds from the North Carolina Department of Transportation Bicycle and Pedestrian Division. The Department of Transportation is coming out with another call for bicycle and pedestrian grants. We just completed the draft for the pedestrian plan which was presented to Council last month. This is an opportunity for the City to apply for bicycle funds and the DOT says that they are separate; you cannot apply for both; it is one or the other. This will be a comprehensive plan as an integral part of developing a system guiding both local and state efforts to improve conditions for bicycling and walking.

Mr. Montgomery advised that the real benefit from this would be when the DOT builds a road, there is a plan in place that identifies those bicycle needs and, therefore, those bicycle needs get incorporated into the project. If a road is built and there is a bike lane identified, that will be part of the project when DOT comes in.

He said the actual grant that we are requesting is a total amount of \$25,000; the City’s portion of that would be 30 percent which equals \$7,500. The DOT would be responsible for \$17,500. The deadline for submittal of the grant is December 3 and awards will not be made until June 2011. At that time, it would be the City Council’s discretion if we are awarded the grant to actually pursue it. You will have eighteen months to complete the project if awarded and accept the agreement.

Mr. Stone asked if we have a plan for bicycles. Mr. Montgomery replied no. There are a few references to it in other plans but only a sentence or two.

Mr. Gaskins asked since the award is not being made until June 2011, no City funds would come out of this year’s budget. Mr. Montgomery replied that is correct and he would come back before Council with a budget amendment.

Council Member Sam Gaskins made the motion to adopt the Resolution of Intent to Apply for Bicycle Grant Funds. Seconded by Council Member L. I. “Poly” Cohen, the motion passed six to one with Council Member Linwood Mann casting the dissenting vote.

**OTHER BUSINESS**

Council Member Sam Gaskins said, “He hoped as Council, we would be able to identify characteristics for which we would seek in candidates to replace Councilman Stone. Then with objectives in mind, we could participate in an honest, open-minded discussion where we would consider the candidates in a forum available for all citizens of Sanford to see. I have heard a disturbing rumor that there are sufficient votes on the City Council to elect Bobby Powell as the replacement for Councilman Stone. I sincerely hope that this is not the case that enough council members have discussed the replacement among themselves. After three consecutive years of seeing conscientious incumbents of both political parties offended, and in many cases by people of questionable qualifications, it should be obvious that people are tired of the old politics where decisions are made behind closed doors or in small groups around the breakfast table. I would very much appreciate hearing that this rumor has no bearing in truth and that those other members of the Council and the citizens of Sanford will be included in the selection of Councilman Stone’s replacement.

City Manager Hal Hegwer announced that the Law and Finance Committee meeting scheduled for Wednesday, December 1, will be held on Monday, November 29, at 1 P.M. in the Council Chambers. Several council members will be attending the National League of Cities Conference on December 1.

Mayor Pro Tem Stone stated that he would like for a site to be selected for the skatepark on December 7 and move forward with it. He would also like for a site to be selected for the 4<sup>th</sup> of July fireworks by December 7. He thanked everyone for allowing him to serve as Mayor Pro Tem. It has been a very enjoyable venue.

**CLOSED SESSION**

City Attorney Susan Patterson read a motion to go into closed session in accordance with N.C.G.S. 143-318.11(a)(5) to instruct the public body staff or negotiating agents concerning the position to be taken on the price or other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease. So moved by Council Member James Williams, seconded by Council Member Sam Gaskins, the motion carried unanimously.

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

**RETURN TO REGULAR SESSION AND ADJOURNMENT**

With no further business to come before the council, the meeting was adjourned on motion of Council Member Charles Taylor; seconded by Council Member James Williams, the motion carried unanimously.

Respectfully submitted,

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CORNELIA P. OLIVE, MAYOR

ATTEST:

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BONNIE D. WHITE, CITY CLERK