

LAW AND FINANCE COMMITTEE MEETING

Wednesday, February 9, 2011

1:00 P.M.

Council Chambers

The Law and Finance Committee met on Wednesday, February 9, 2011, 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 L. I. (Poly) Cohen

Council Member Walter McNeil, Jr.

City Manager Hal Hegwer

City Attorney Susan Patterson

Council Member Samuel Gaskins

Council Member James Williams

Council Member Bob Brown

City Clerk Bonnie White

Absent:

Council Member Charles Taylor

Council Member Linwood Mann, Sr.

Mayor Cornelia Olive called the meeting to order.

Closed Session

City Attorney Susan Patterson stated that a motion needs to be made for Council to go into closed session in accordance with N.C.G.S. 143-318.11(a) (3) and (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, and in order to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege. So moved by Council Member L. I. "Poly" Cohen and seconded by Council Member Walter McNeil, Jr., the motion carried unanimously.

Council returned to regular session at 1:30 P.M.

Consider Resolution Authorizing City to Execute and File an Application on Behalf of the City of Sanford with the NCREDC (Rural Center) for a Building Restoration and Reuse Grant – (Exhibit A)

Public Works Director Vic Czar explained that the City has an opportunity to take advantage of a program that the Rural Center has, which is the Building Restoration and Reuse Program. There is a company wanting to locate here and the Rural Center has funds available to modify a vacant building. The building has been vacant for at least three months, and it meets that criteria. To modify the building to a new use, the grant amount would be \$480,000; it is 40 jobs times \$12,000 per job. The City would go through the process of obtaining the funds from the Rural Center and we would act as a "pass-through" from the Rural Center to the company. The company would undergo the construction that they need in order to get the building ready. They would submit the invoices to the City and the City would submit them to the Rural Center. The Rural Center would pay half of it up to the total amount.

Mr. Czar advised that the company is obligated to create the jobs within eighteen months of undertaking the project and retaining those jobs for a minimum of six months after that. If the company does these things, it is technically a loan, and the loan is forgiven, so it turns into a grant. There is a performance agreement between the City and the company to cover the costs if they do not perform what they say they are going to do; it gives the City a recourse to obtain the money from the company that would have to be repaid to the Rural Center and that would be determined by how many jobs were not created or retained for the given period.

Mr. Czar stated that a resolution has to be submitted with the application to the Rural Center and this resolution states the City's commitment to the project.

Consider Memorandum Concerning 2009 CDBG Program Manual and Approve Program Manual Resolution for CDBG Community Revitalization Maple Avenue Project – (Exhibit B)
Consider Memorandum Concerning 2010 CDBG Program Manual and Approve Program Manual Resolution – (Exhibit C)

Community Development Manager Karen Kennedy explained that the program manuals for each grant have specific guidelines in them that we have to have the policies approved at the grant startup. The 2009 project is the Maple Avenue Revitalization Project that entails sewer and street improvements, acquisition, relocation and rehabilitation of homes, with the installation of a mini park. The resolution for the 2009 project has a few more guidelines listed and that is because of the various activities within the project; this grant was for \$970,000.

The 2010 project is the Autumn Oaks Housing Development Project for building a multi-family structure on Woodland Avenue. This grant is for \$250,000.

Consider Resolution in Support of North Carolina Current Public Alcoholic Beverage Control System - (Exhibit D)

City Manager Hal Hegwer explained that the Sanford Alcoholic Beverage Control Board has requested the City of Sanford to approve a resolution in opposition to privatizing the North Carolina ABC System. They are asking the City to support the Governor of North Carolina's stance on not privatizing the ABC system. They have said in their letter that they would be willing to come before Council to answer any questions. Mr. Hegwer asked if Council would like to have a representative from the ABC Board to answer any questions they may have. Council Member Williams said that he is satisfied with the resolution. No council member requested a representative to be present Tuesday night.

Development Report - (Exhibit E)

Community Development Manager Karen Kennedy gave a brief summary of commercial site plan approvals for the month of January.

Permits Issued Report - (Exhibit F)

Community Development Manager Karen Kennedy gave a brief summary of building permits issued for the month of January.

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Other Business

Council Member Bob Brown stated that he is happy to be serving as a council member and he looks forward to serving the citizens of Sanford.

City Manager Hal Hegwer stated that he has received a letter from the North Carolina Wildlife Resource Commission about our urban archery program. They are asking for a renewal form if the City is interested in next year to publish our data in the regulations and pamphlets that are available. We can opt out if we do not want our data published; however, it is a public record. He will put this on the agenda for a vote Tuesday night.

Adjournment

The regular session was closed upon motion of Council Member James Williams; seconded by Council Member Sam Gaskins, the motion carried unanimously.

Respectfully submitted,

Cornelia P. Olive, Mayor

ATTEST:

Bonnie D. White, City Clerk