

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 Wednesday, September 20, 2011, at 7 P.M. The following people were present:

Mayor Cornelia P. Olive	Council Member Bob Brown
Mayor Pro Tem Sam Gaskins	Council Member James Williams
Council Member Walter H. McNeil, Jr.	Council Member Charles Taylor
Council Member L. I. (Poly) Cohen	City Attorney Susan C. Patterson
City Manager Hal Hegwer	City Clerk Bonnie D. White

Absent: Council Member Linwood S. Mann, Sr.

Mayor Cornelia Olive called the meeting to order. Council Member Bob Brown delivered the invocation.

PUBLIC COMMENT

No citizens signed up to speak.

APPROVAL OF AGENDA

City Manager Hal Hegwer stated Council Member Taylor had requested that Lee County Manager John Crumpton be put on the agenda to discuss the performance audit; however, Mr. Crumpton could not attend the meeting so it was not put on the agenda and it needs to be added to the regular agenda. Council Member Charles Taylor requested to add Suspend the Parking on the 100 Block of Steele Street to the Regular Agenda.

Council Member Taylor made the motion to approve the amended agenda. Seconded by Council Member L. I. "Poly" Cohen, the motion carried unanimously.

CONSENT AGENDA

Approval of Resolution to Temporarily Close a Portion of Bank Street – (Exhibit A)

Resolution was approved to temporarily close a portion of Bank Street for a Car Show and Cruise-In to be held at the Brick City Grill on September 24, 2011 between the hours of 4 PM and 8PM.

Approval of Ordinance to Erect Stop Signs Within the City of Sanford Chapter 36, Traffic Code of Ordinances – (Exhibit B)

Ordinance was approved to erect stop signs on East Raleigh Street at the intersection with Watson Avenue in both directions.

Approval of Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2011-2012 – (Exhibit C)

Ordinance was approved to appropriate reimbursement revenue from Lee County for the purchase of a CAD workstation for the Police Department.

Approval of Community Development Block Grant Recovery (CDBG-R) Program Project Ordinance Amendment – (Exhibit D)

Ordinance amendment was approved to amend the project ordinance for additional funds received from the Division of Commerce in the amount of \$3,325 for construction of a fence along the rear property line on the HAVEN project.

Approval of Grant Project Ordinance - North Carolina Housing Finance Agency 2011 Urgent Repair Program (URP1124) – (Exhibit E)

Grant project ordinance was approved which sets up the 2011 URP project in the amount of \$75,000 received from the NC Housing Finance Agency and the local match of \$2,000.

Approval of Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2011-2012 – (Exhibit F)

Ordinance was approved to amend the annual operating budget ordinance to appropriate the \$2,000 local match for the 2011 URP project.

Approval of Policies for the North Carolina Housing Finance Agency 2011 Urgent Repair Program

- Assistance Policy – (Exhibit G)
Policy was approved which states how staff will assist citizens throughout this project and the eligibility guidelines and the income limits.
- Procurement and Disbursement Policies – (Exhibit H)
- Procurement and Disbursement Policies were approved which states how staff will procure contractors and any services needed to implement the 2011 URP project.

Approval of City of Sanford Resolution Authorizing the Execution of Documents for the North Carolina Housing Finance Agency 2011 URP Project – (Exhibit I)

Resolution was approved authorizing the following signatories that can sign any of the documents for this 2011 URP project: Mayor Cornelia Olive, City Manager Hal Hegwer, Finance Director Melissa Cardinali, Assistant Finance Director Beth Kelly, Community Development Director Bob Bridwell, and Community Development Manager Karen Kennedy.

ALL THE ITEMS LISTED ABOVE WERE DISCUSSED AT THE LAW AND FINANCE COMMITTEE MEETING ON WEDNESDAY, SEPTEMBER 14, 2011.

Council Member Walter McNeil, Jr. made a motion to adopt the consent agenda. Council Member Bob Brown seconded the motion and it carried unanimously.

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

Application by Terry Stewart of Stewart-James, LLC - to amend the Stewart-James, LLC Conditional Zoning District for a revision to the site plan for a proposed residential subdivision to alter/reduce the lots sizes in the area illustrated as lots 1-6 on the approved site plan, which would increase the number of lots within this area from 6 to 10. The

subject property is a vacant 2.26 acre +/- portion of a 10.43 acre +/- tract of land located within the Carbondon Cove Subdivision and is the same as depicted on Tax Map 9632.01, as Tax Parcel 9632-18-0761-00 Lee County Land Records; however, all of the parcels included within the Stewart-James, LLC Conditional Zoning District and illustrated on the original site plan are included within this request as this revision will alter the overall project site plan. Therefore the overall acreage included within the rezoning request is 34.5 acres +/- and includes Tax Parcels 9632-18-8006-00, 9632-18-9905-00, 9632-18-8874-00, 9632-18-7823-00, 9632-18-6941-00, 9632-18-0761-00, 9632-18-6726-00, 9632-18-5748-00, 9632-18-4762-00, 9632-18-3840-00, 9632-18-4642-00, 9632-18-3527-00, 9632-19-1155-00, 9632-19-2242-00, 9632-19-3247-00, 9632-19-6428-00, 9632-19-4345-00, 9632-19-4086-00, 9632-19-1646-00, 9632-19-3703-00, 9632-19-1719-00, 9633-10-2040-00, 9633-10-4025-00, 9632-19-0983-00, 9632-19-2865-00, 9632-19-4899-00, 9632-19-5754-00, 9632-19-5549-00, 9632-19-3571-00, and 9632-19-1494-00 Lee County Land Records. – (Exhibit J)

Planner II Amy McNeill explained that Mr. Terry Stewart, a local builder and developer, recently contacted planning staff regarding Carbondon Cove – a single-family residential subdivision that was approved in 2007. Since approved, Mr. Stewart has installed the public water, sewer, and streets and recorded 26 of the 49 lots; however, only three of the lots have sold (two of those being to partners within the development and one lot to someone not actually affiliated with the development). Given the current economic climate, Mr. Stewart would like to alter/reduce the lot sizes within a section of the subdivision in order to create more marketable lots. Mr. Stewart is in attendance this evening and he can provide details regarding the economy, financing, etc.

Specifically, the request is to alter/reduce the lot sizes in the area illustrated as lots 1-6 on the approved site plan, which would increase the number of lots within this area from 6 to 10 and the overall number of approved lots within this subdivision from 49 to 53.

Since this project was approved via the conditional zoning process, any revisions to the site plan and preliminary plat for this project will need to be approved by the Sanford City Council.

Mayor Olive opened the public hearing.

Terry Stewart, representing Stewart-James (the developers of the property), spoke in favor of the request. He said that they are basically taking six lots and recombining them into ten lots to make more affordable housing. Since the economic downturn, things have changed in the housing industry. His partners are Arthur James and David James and David is in the audience from Seattle, Washington. The James' have built a home in the development for a model. If they sold it today, it would be in the \$400,000 to \$425,000 range. They have no intentions of lessening the product in the development.

David James spoke in favor of the request. He said that he is originally from Sanford and has lived in Seattle for the last 30 years. This project is a piece of property that his family owned for many years and he grew up on it. As a design professional, he has great interest in

maintaining the quality of this development. He said that the reason they are reducing the size of a few lots is due to market conditions. Mr. James stated that he felt in the long run, it will improve the mix of the families they will have in this development. It will not be exclusively young families, old families, or empty nesters; it will be a balanced mix. They are not having much success with the current lot sizes.

No one spoke in opposition. The public hearing was closed.

The Planning Board retired to the West End Conference Room.

Public Hearing on Closeout of City of Sanford FY 09 Community Development Block Grant Recovery Project Haven Complex – (Exhibit K)

Community Development Manager Karen Kennedy explained that the public hearing is for the close out of the Haven Complex stimulus grant project that we received grant funding for. Originally, we received funds from the Department of Commerce in the \$506,000 range, and after an opportunity to receive additional funding, the final amount funded was \$699,000. The purpose of the public hearing is to discuss what was done throughout the project so that the public can comment on the project as a whole. She said that they were able to construct through many partners, with Haven as the owner of the property, and Brick Capital as the developer using the local contracting company – Progressive Contracting. It is approximately 29,000 square feet with 29 beds, shelter and office facility for victims of domestic violence. The new facility has a library, a conference room, ten offices, kitchen, atrium, a kid's room and a T.V. room.

The grand opening is Friday, at 11 A.M. The final CDBG portion of the project is \$699,036.46. After the public hearing, authorization is needed for the mayor to sign the closeout documents. There were multiple sources of funds with this project – the CDBG funds, the Housing Financing Agency put some supportive housing development funds, the Federal Home Loan Bank of Atlanta, a deferred developer fee, Haven did a capital campaign, and there is a permanent loan from BB&T. She said that this facility will serve the community well.

Mayor Olive opened the public hearing. Tina McNeill, Interim Executive Director of Haven, residing at 2908 Watson Avenue, spoke in favor. She expressed gratitude from Haven of Lee County, for the City's support of this project.

Executive Director Kate Rumely, representing Brick Capital Community Development Corporation, spoke in favor of the project. She thanked Council for their help with this project.

With no one speaking in opposition, the public hearing was closed.

- Consider Authorization for Mayor to Sign Closeout Documents

Council Member Bob Brown made the motion to authorize the mayor to sign the closeout documents. Seconded by Council Member Charles Taylor, the motion carried unanimously.

REGULAR AGENDA

Consider Resolution Directing the Clerk to Investigate a Petition Received Under G.S. 160A-31 – (Exhibit L)

Community Development Director Bob Bridwell advised that this is a resolution seeking investigation of a petition for annexation for a project located in Tramway. It is located on US Highway 1/Jefferson Davis Highway and is 1,034 feet of road frontage on Tramway Road/NC Highway 87.

Council Member L. I. “Poly” Cohen made the motion to adopt the Resolution Directing the Clerk to Investigate a Petition Received Under G.S. 160A-31. Seconded by Council Member James Williams, the motion carried unanimously.

Consider Presentation from Downtown Sanford Incorporated by Carol Carlson – (Exhibit M)

Carol Carlson, residing at 1814 Holiday Road, spoke on behalf of the Downtown Sanford Board of Directors, presented their recommendations for the \$400,000 that Council allotted them for capital improvements to Downtown Sanford. In 2009, Council contracted McGill Associates to create a proposed streetscape improvement study for the historic Downtown of Sanford and Jonesboro. This study, based on in-depth surveying of property owners, dwellers, small businesses, corporations, and the public sector, created a master plan for Downtown Sanford. The opinion of probable cost for this project was \$8 million. She personally believes that they would have reaped the benefits ten-fold if that plan was implemented, but one of the aspects from that proposal was how it was separated into increments, allowing for the ebb and flow of current budgets and the will of the people. At this point, the Downtown Sanford Board was asked to take this study and par it down to something that was desirable and affordable to bring back to Council. After much research and discussion, the Downtown Sanford Board came to the City Council in spring of this year with a recommendation of a plan that would cost approximately \$2,292,000. This would accomplish their immediate goals of streetscape projects, acquisition of much needed parking, and a branding of Downtown Sanford through wayfinding signs.

Mrs. Carlson presented a list of priorities that the Board of Directors would like to see done with the \$400,000 allocated (See Exhibit M).

Mayor Pro Tem Gaskins asked about the cost of installation of the power-lines being run underground for the Downtown area. Mr. Montgomery replied that he would have to get that figure from McGill and Associates by block. Mr. Hegwer said that the cost would be significant to install them underground.

Mayor Olive asked if there any stimulus funds available for Downtown. Mr. Montgomery replied that there are not that many streetscape projects awarded through stimulus funding. He was not aware of any funds available. Mr. Hegwer stated that moving forward with some of the construction documents requested to be done with the \$400,000, it would make the City shovel-ready if funding became available.

Discussion Regarding a Performance Audit

Council Member Charles Taylor passed out a copy of a handout that was presented to the Lee County Board of Commissioners at its meeting on Monday. He said that Lee County selected Evergreen Solutions, a company out of Florida, who has done performance audits on counties, schools, as well as municipalities. He is not seeking endorsement tonight, but he would like to get to the point that we could have a request for proposals where we can have staff engage Evergreen Solutions to see what the options are. We may get the RFP back and determine that it is not for us at this time. He would like to get it to a proposal to where they can look at it and make it more palatable for them. He made the motion to have staff engage with Evergreen Solutions in Lee County to determine what it would be and what it would entail, with the stipulation that we would not be endorsing this at all and would be brought back for a vote later. Mayor Pro Tem Gaskins seconded the motion. Attorney Patterson asked Mr. Taylor if he was suggesting that we solicit requests for proposals as in bids from companies to perform this or contract directly with the consulting group. Mr. Taylor replied that the original intent, as council would recall a couple of weeks ago, he had mentioned that the county had put out requests for quotes to similar companies and that we might have the opportunity to piggyback on the back of Lee County's contracts. The handout is a copy of the commitment that Lee County has made with Evergreen Solutions. This is not an endorsement but a motion for staff to engage in Evergreen Solutions to see what they can do from a municipality standpoint. Attorney Patterson advised that a piggyback is required by law to be the same terms, at the same price, for the same work, but this does not sound like what he was requesting. She told Mr. Taylor that it sounded like he wants us to determine what services they can provide to us for a certain cost. Mr. Taylor replied yes and what cost that would be. Mrs. Patterson stated that is not a piggyback. Mr. Taylor said that we have some crossover functions between the City and the County and that is one thing that needs to be called out in the request for proposals.

Council Member Brown said that request for approval is going to mean that we are going to have to accept bids from other entities and Evergreen was not the low bidder for Lee County.

Mr. Hegwer said he is trying to understand what is being requested; if he is trying to follow down the same lines as what the County did for the school system or what the County did for themselves. He stated that the County had a certain issue with the way some funds were spent in the school system; however, the Council has complete discretion over how funds are spent.

Mr. Taylor advised that the motion he made tonight clearly states that he would like for staff to engage with Evergreen Solutions and be able to negotiate a price and see what the proposal could be on doing a performance evaluation for the City of Sanford.

Mayor Olive asked Attorney Patterson if a motion is needed to accomplish this. Attorney Patterson stated that a motion was needed to see if there are enough votes to carry out that task. She wanted to make sure that staff knows what the task is. Attorney Patterson said that what she understands the task is for staff to engage with Lee County and Evergreen Solutions to be able to negotiate a price. Mr. Hegwer asked if it is Lee County or just Evergreen Solutions. Mr. Taylor replied that when he talked to Mr. Crumpton, there would be some benefit in going with who the County selected and he felt there would be some benefit in this

particular case in selecting Evergreen Solutions but he also felt it would be a benefit in whoever they selected in the case of the crossover functionality that we have – sharing departments with the County. Some of those areas are going to be evaluated and he would like to be able to have say so, from the City’s standpoint, some feedback for us to see whether to continue these services. Mayor Olive asked Attorney Patterson if she was comfortable with that wording. She replied yes; it may take some information afterwards to be able to determine if there is a legal step necessary as Mr. Brown suggested for RFPs.

Mayor Olive asked Mayor Pro Tem Gaskins if he was comfortable with the wording since he seconded the motion. He replied yes; he read through the proposal that was given to Council by Mr. Taylor, which was the one from Evergreen Solutions – over 300 pages. He was not all that thrilled with what he read. The reason he seconded the motion was that it should be brought forward and he would be willing to listen to find out what is going on.

Council Member Bob Brown made the motion to table it until we understand more about what we are talking about. Council Member Walter McNeil seconded the motion.

Mr. Taylor said that action needs to be taken on his motion that was seconded by Mr. Gaskins before Mr. Brown’s motion to table it is considered. Attorney Patterson stated that a motion to table it takes precedent.

Mayor Olive took a vote on the motion made by Bob Brown and seconded by Walter McNeil to table it until we understand more about what we are talking about. This motion carried four to two with Council Members Bob Brown, Walter McNeil, Jr., James Williams, and L. I. “Poly” Cohen voting in favor. Council Members Charles Taylor and Sam Gaskins cast the dissenting votes.

Mr. Taylor stated that he would like to have feedback at Law and Finance on what information we may need additionally; if there is anything we need to see. He thinks it is a good tool to get a third party input every so often. He is interested in hearing from his constituents as well as comrades here on what type of activity they would like to see in this audit.

Suspension of Parking on Steele Street

Council Member Charles Taylor advised that a couple of months ago, Council had some petitions presented to them from a group on the 100 block of Steele Street. He received three phone calls today regarding some things that happened today on that block. A petition was presented and Downtown Sanford has been notified of the petition and has been included in this and will be taking this up in future meetings. He would like to look at some evaluations and see if we can try to do something different. He would like to see a suspension of 60 days of writing parking tickets in that area and come back later for evaluation and also have a meeting with the business owners in that area can provide input as well as DSI. He feels this is very important.

Mayor Olive commented that when the Downtown merchants asked to impose the two-hour limit, it was because so many people who worked Downtown and customers could not get to the stores; did they say anything about that? Mr. Taylor replied that is the reason he wanted to limit it to the 100 block because all those businesses were notified and all but one signed the

petition. If the suspension of the two-hour parking does not work, it can be changed back. Mayor Olive said that she has heard about the same number of complaints from Moore Street, the block between Carthage and Wicker Streets.

David Montgomery advised that DSI is planning a meeting with the downtown merchants in early October to discuss these issues and the other petition on Wicker Street. They are looking at what other communities are doing and want to get the police department involved. They will be doing another windshield survey and see who is exactly parking on the street and for how long, finding out the peak duration hours. They will be inviting downtown merchants and anyone else that is interested in early October. DSI wants to look at the whole issue of parking and try to do one block at a time. Their attitude is to get everybody together and come up with the best solution that works for everybody.

Council Member Taylor added that he would not advocate removing this off the main block of Steele Street because we have a lot of retail shops. There are doctor offices where it takes two to three hours for a procedure to be done and removing this two-hour parking would help with this situation.

After much discussion, Council Member Charles Taylor made the motion to suspend the two-hour parking limit for 60 days on the 100 block of North Steele Street and involve DSI in the evaluation process. Seconded by Council Member Bob Brown, the motion carried in favor five to one with Council Member Walter McNeil casting the dissenting vote.

OTHER BUSINESS

Council Member Taylor said he would like to get a staff update on the public information officer's position that Council allocated money for in the budget. Mr. Hegwer replied that they have been looking at a description for the position as it will be part-time and would like to tie the position in with things that may help drive businesses here.

Mayor Olive said it seems to be that we are in limbo with Lee County regarding the Economic Development Corporation (EDC), not knowing what direction we are going to take. We appropriated \$84,000 towards the operation of EDC. She would like for them to be thinking about the City establishing its own EDC office and discuss this at a future meeting because if we hire someone for the public information officer's position, they could possibly serve as a secretary also.

She announced that Haven will be having its grand opening on Friday, September 22, at 11 A.M.

Mayor Olive asked Council to support the City's employees who are trying to raise \$1,000 as participants in the Heart Walk Saturday.

Attorney Patterson said that she thought it would be helpful to Council to be reminded that all ordinances or items that have the effect of ordinances are supposed to be placed in writing and approved by the city attorney before being placed on Council's agenda; this is in the Charter and City Code. It is just helpful because we have had to follow a couple of meetings up

with ordinances in writing after the fact. We can prepare them ahead of time if it would be helpful to Council.

Mr. Hegwer advised that we did get an email today that the Lee County Board of Commissioners, at its regularly scheduled meeting yesterday, voted to hold a joint meeting to discuss EDC's policies. They picked two tentative dates, either Tuesday, October 4, or Thursday, October 6. October 4 is a City Council meeting night and he suggested that it would be problematic to hold that meeting at 5 P.M. and our meeting at 7 P.M. He asked for a consensus from Council to reply with a date of October 6 to meet jointly. Consensus was in agreement with October 6.

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

ADJOURNMENT

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

Respectfully submitted,

CORNELIA P. OLIVE, MAYOR

ATTEST:

BONNIE D. WHITE, CITY CLERK