

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, March 20, 2012, at 7 P.M., in the Council Chambers. The following people were present:

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

Mayor Cornelia Olive called the meeting to order. A moment of silence was observed. The Pledge of Allegiance was recited.

PUBLIC COMMENT - (Exhibit A)

Teresa Dew Kelly, residing at 105 Stevens Drive, Broadway, North Carolina, stated that she is the Executive Director of Christian United Outreach Center (CUOC) of Lee County, a 501(3)(c) non-profit. This non-profit provides food for Sanford and Lee County residents, totaling almost 700,000 pounds in 2011, which fed 48,697 meals. They have budgeted just under \$75,000 for food purchases in 2012 which does not include contributions from the community. Due to the economy and gas prices, their donations and other non-profits have seen a significant reduction in donations. She has come before Council on two different occasions requesting funding for a local non-profit. She requested free or reduced cost of lots for Habitat for Humanity to build homes for its taxpaying citizens and a couple of years ago, asking for financial assistance to repair an air-conditioning system to their building. On both occasions, she has been denied funding. She said that she is involved with the Lions Club (Lee Regional Fair) which is a non-profit and they are charged \$15,000 a year for public safety and security during their annual fundraiser. Mrs. Kelly said there is no clear understanding of what warrants funding of their taxpayer dollars to non-profits that request funding from Council. She felt if this Council cannot support basic needs for all the non-profits, she feels that the arts and education should not be funded. She did not feel that Council Members should decide what non-profits should be funded based on personal preference. She felt that if the City has available funds to help non-profits, it should be given to our community and the United Way agency to distribute to non-profits who meet established criteria and be dispersed as evenly as possible. The idea of hand picking certain non-profits to fund is not fair to other worthy agencies. Mrs. Kelly said that the CUOC, Lions Club, and other non-profits who provide services in the community would love to receive free access to the community golf course for fundraising or receive an annual financial contribution. She asked that the same privilege that Council grants tonight and in the future, to be equally provided to each of them.

APPROVAL OF AGENDA

Mayor Pro Tem Sam Gaskins made the motion to approve the agenda. Seconded by Council Member James Williams, the motion carried unanimously.

CONSENT AGENDA

Approval of City Council Meeting Minutes Dated February 21, 2012 – (Filed in Book 77)

Approval of Law and Finance Committee Meeting Minutes Dated February 29, 2012 – (Filed in Vault)

Approval of Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2011-2012 – (Unspent Funds for State Energy Grant) - (Exhibit B)

Ordinance was approved to move \$1,144 (funds that the State allowed us to move from one of the Broadway buildings where we did not need those funds to the Federal Building and water treatment plant where they could be used) and \$9,309 (part of the matching funds that were not needed) back into contingency. These funds pertain to Round 2 of the State Energy Office grant that we received for the lighting retrofit and HVAC projects.

Approval of Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2011-2012–(General Services–Unexpected Vehicle Repairs & Disaster Response Course)-(Exhibit C)

Ordinance was approved to transfer \$3,000 from Contingency to the General Services Department for unexpected vehicle repairs and a disaster response course attended by General Services Manager Tim Shaw.

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

Ordinance was approved to appropriate funds to various departments for interfund reimbursements and funds to the golf course to budget expenditures for anticipated potable water charges (\$31,500) for the year, for interfund reimbursement (\$26,024), and installation of energy efficient lighting (\$871) since it is treated as an enterprise fund.

Approval of Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2011-2012 – (IPads for Governing Body) - (Exhibit E)

Ordinance was approved to transfer \$6,750 from the Legal Department to the Governing Body for the purchase of IPads for council and the city clerk.

Approval of Resolution Directing the Clerk to Investigate a Petition Received Under G.S. 160A-31 for Voluntary Annexation of 47.38 Acres of Land Located at the Intersection of Tramway Road and Jefferson Davis Highway/U.S. 1/15-501 – (Exhibit F)

Resolution was approved to direct the clerk to investigate the sufficiency of a petition for voluntary annexation of 47.38 acres of land located at the intersection of Tramway Road and Jefferson Davis Highway/US #1-15-501 (Bobby and Elizabeth Branch and Kevin Wind).

Council Member L. I. “Poly” Cohen made the motion to approve the consent agenda. Seconded by Mayor Pro Tem Sam Gaskins, the motion carried unanimously.

CASES FOR PUBLIC HEARING

Application by George R. Smith and Brian W. Smith of Smith Investments, LLC - to rezone one 0.22 acre +/- tract of land addressed as 221 N. Horner Blvd, located in the southwestern quadrant of the intersection of N. Horner Blvd and Green Street, from Residential-Mixed (R-6) Zoning District to Office & Institutional (O&I) Zoning District. The property is the same as depicted on

Lee County Tax Map 9643.19, as Tax Parcel 9643-50-5513-00 Lee County Land Records. – (Exhibit G)

Planner II Amy McNeill explained that in January of 2012, Mr. George Smith met with staff to express interest in rezoning a tract of land that he had recently purchased with the intent of converting the existing single-family dwelling into a contractor's office with no outside storage. After discussion of the site design requirements and the rezoning process, Mr. Smith submitted an official request to rezone the tract of land to the Office & Institutional (O&I) Zoning District since that is the commercial zoning district prevalent in the area and one which permits a contractor's office with no outside storage.

Ms. McNeill said that the subject property consists of one 0.26 +/- of an acre tract of land, which is a corner lot, addressed as 221 N. Horner Boulevard. The site is currently developed with a single-family dwelling and an outbuilding. The site currently has access to public water, public sanitary sewer, and public streets. The adjacent zonings are a mix of Residential R-6 and Office and Institutional.

The current zoning district of Residential-Mixed (R-6) is established to provide higher density residential living opportunities with compact development consisting of the full spectrum of residential unit types where adequate public facilities and services are available.

The proposed zoning district of Office & Institutional (O&I) is established to provide for agencies and offices rendering specialized services and traditional institutional functions (both public and private) including, but not limited to, governmental facilities, cultural and recreational facilities, educational facilities and charitable institutions. A list of permitted uses for both of the zoning districts is included within council's agenda packets.

She stated that the 2020 Land Use Plan Map identifies the subject property as being within a Historic District. This is an area designated by a community as historically significant, for the purpose of preserving the area's historic resources. An Historic Preservation Commission guides changes to the area and will have to approve any exterior renovations to the single-family dwelling.

Staff recommends that the City Council and Planning Board support this rezoning petition, as it appears to be in accordance with the comprehensive land use plan and it appears to be reasonable and in the public interest based on the availability of public water, public sewer, the corner lot location with frontage on a major thoroughfare which is Horner Boulevard with a high traffic count, and the precedent set by other properties in the area that have been rezoned to Office & Institutional (O&I).

Please note that information presented at the public hearing may provide additional information that should also be considered regarding a final decision on the requested zoning map amendment.

Mayor Olive opened the public hearing.

Dave Moye, residing at 1680 S. Plank Road, spoke in favor. GBS Roofing and Restorations is a relatively new company to the area. They specialize in helping the citizens of the community in the area to get back on their feet after a disaster loss such as tornados, hurricanes, etc. They specialize in restoration work also. They took an interest in 221 North Horner Boulevard building and want to make it a centerpiece for the Lee County residents to showcase what they can do and beautify the City. They plan to retrofit the home to meet ADA standards and commercial requirements. Their number one goal is to beautify the home and bring it back to 100 years ago and turn it into office space. They have decided to make it their central home for the corporate offices for their company.

Al Roethlisberger, residing at 318 Summitt Drive, spoke in favor of the rezoning request. He said that when you are coming into Sanford from the north at the top of the hill, the first house you see is that home. The restoration of this home is a great investment in Sanford and the Rosemount McIver District. He said this business is a good fit for this property and by changing the zoning, it will enable them to do the best they can for that property.

Matt Sakurada, residing at 505 Sunset Drive, spoke in favor of the rezoning request. He said that in May of last year, he and his wife decided that they had the resources and time to improve Green Street. Their plan was to buy all of the homes on that block, fix them up and resell them. They bought 309, 310, 311 and 312 Green Street. Mr. Sakurada said it is important that when people move into the historic district that they recognize there are some special guidelines they need to follow and Mr. Smith is planning to do this with the home at 221 N. Horner Boulevard.

No one spoke in opposition and the public hearing was closed.

Application by Rex H. Todd of The Landmark Group/Landmark Asset Services, Inc. - to rezone two tracts of land located west of the intersection of Bragg Street and Nash Street, totaling 5.14 acres +/-, with one lot being vacant and one lot addressed as 1614 Bragg Street, from the current Residential-Mixed (R-12) Zoning District to Multi-family (R17) Conditional Zoning District to allow for the development of a multi-family apartment community. The property is the same as depicted on Tax Map 9652.10, as Tax Parcels 9652-45-3495-00 and 9652-45-5078-00 Lee County Land Records. – (Exhibit H)

Planner II Amy McNeill advised that in January of 2012, Mr. Rex Todd of The Landmark Group / Landmark Asset Services, Inc. met with staff to present conceptual plans for the development of a multi-family apartment community to be located on two separate tracts of land on Bragg Street. After a general discussion of the site design requirements, the rezoning process, and a review by the Sanford/Lee County Technical Review Committee (TRC) of conceptual plans for the project, Mr. Todd submitted an official request to rezone the two tracts of land to the Multi-family (R17) Conditional Zoning District, which is a site plan specific zoning district with its own unique conditions.

The subject property consists of two tracts of land located west of the intersection of Bragg Street and Nash Street, which total 5.14 acres +/- . The north parcel is comprised of 2.46 acres +/- and is developed with a single-family dwelling addressed as 1614 Bragg Street. The south parcel is comprised of 2.68 acres +/- and is vacant.

Uses in the area include Sanford Square Shopping Center, a motel, a high school, a public park, and single-family dwellings. She said that adjacent zonings are Residential Mix R-6 and R-12 and C-2 in the area.

Ms. McNeill explained that the current zoning district of Residential-Mixed (R-12) is established to provide areas for a mix of residential dwelling types with a maximum of three and one-half (3.5) dwelling units per acre, in areas where large-lot development is discouraged and adequate public facilities and services are available. This district provides minimum lot size and density requirements in order to allow for market and design flexibility while preserving the neighborhood character. A list of permitted uses for the R-12 Zoning District was included within the agenda for Council's reference.

The proposed zoning district is a zoning district the name of which the developer makes it up himself. The R-17 zoning district is not listed in our Unified Development Ordinance; it is just a site-specific zoning district and the applicant has the option of selecting a name. The applicant is petitioning to rezone to Multi-family (R17) Conditional Zoning District, in order to develop the Harrington Farm Apartments Community. This is a Type 1 Conditional Zoning District, which is a stand-alone district with its own unique conditions. This type of zoning district is most suitable in situations where the current city's zoning districts do not accommodate the desired use(s) and where the owner/developer has a clear vision as to how the property is to be developed. As such, applications for a Type 1 district require that a detailed site plan also be included. She referred to the site plan included with the petition labeled, "Harrington Farm Apartments, Conceptual Site Plan." This plan illustrates how the site is proposed to be developed. If approved, this plan would be legally binding on the land; therefore, the site would have to be developed as per the approved site plan even if a property transfer was to take place.

Harrington Farms is a 84 unit, two-story apartment community that is proposed to be developed on two separate tracts of land that are physically separated by a 50-foot strip of land that is under separate ownership. It is currently owned by Lee County and is part of the O.T. Sloan Park property.

The north parcel would be developed with two apartment buildings with a total of 40 units, a community building/leasing office, and playground area. The south parcel will be developed with two apartment buildings with a total of 44 units. Each parcel will have its own amenities as illustrated on the conceptual site plan.

The 50-foot strip of land which separates the northern and southern parcel is proposed to be developed as a City maintained public street (Sloan Park Drive), which would serve as the main access for the apartment community. With the property owner's (Lee County) permission, this public street would be constructed by the developer to the appropriate standards and accepted for maintenance by the appropriate agency.

There are several plans in Council's agenda which illustrates the grading plan, utility plan, elevations, and the floor plans.

Ms. McNeill said that the proposed conceptual design for this project appears to meet the requirements of the Unified Development Ordinance; however, staff will need to complete a

technical review of the civil and architectural project plans, (i.e. a review of the construction plans as opposed to a review of the conceptual plans) prior to issuance of a zoning approval and all required permits. This is typical procedure when conceptual plans are submitted to staff in order to pursue a conditional rezoning request.

As a reminder, the conditional zoning process is a negotiated zoning process and, as such, the Council and/or Planning Board may request that certain conditions be considered or altered. However, the petitioner must accept such conditions before inclusion in the conditional zoning district.

The 2020 Land Use Plan Map does not identify a specific land use for the subject property. When considering the zoning of this property, current development trends and the surrounding zoning of the neighborhood should be considered.

Staff recommends that the Sanford City Council and Planning Board support this rezoning petition as it appears to be reasonable and in the public interest based on the information presented in the conditional zoning petition, the availability of public water and public sewer, and the frontage on a main thoroughfare (Bragg Street). Please note that information presented at the public hearing may provide additional information that should also be considered regarding a final decision on the requested zoning map amendment.

Mayor Olive opened the public hearing. Mayor Pro Tem Gaskins said that it appears to be sidewalks on the plan and how does this coincide with a plan previously discussed. Mr. Bridwell replied said that it conforms with the Pedestrian Plan. Staff has also have worked with Lee County because of the O. T. Sloan park located next to the public street proposed on the plan. They negotiated that with the Lee County manager and Parks and Recreation to make sure it all fits together. It is consistent with what we have planned for that area.

Rex Todd, residing at 132 Luxorwind Drive, Garner, North Carolina, spoke in favor of the rezoning request. The Landmark Group is based in Winston Salem. They are in about ten states with over 4,000 apartments. The applicant for this rezoning is Ken Armstrong with the Sanford Housing Authority. Mr. Todd said that he is acting as his agent. The Landmark Group is competing for tax credits statewide to bring this development to Sanford. They have submitted an application; it will get a site score and a market feedback in April and, in June, they hope to go to full competition. We should know if it will be funded in September. They are seeking a zoning letter that will allow them to compete in June to bring these funds to Sanford.

Mr. Todd advised that they are under the guidelines of the North Carolina Finance Agency and they have to listen to their design criteria as well as Council's and are happy to do so. The apartments will look like townhouses instead of apartments.

Steve Malloy, Commercial Real Estate Broker with Adcock and Associates, representing the Harrington family that is selling the property, spoke in favor. The family feels it is a very good use for the property. It will be good for Sanford to have affordable housing that does not look like affordable housing.

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

The Planning Board retired to the West End Conference Room.

Public Hearing on Local Historic Landmark Designation Application – (to be held jointly with the Historic Preservation Commission) – (Exhibit I)

Planner II Elizabeth Whitmore explained that the City of Sanford has received a request from Albert and Denise Roethlisberger, owners of 318 Summitt Drive, for the designation of the Lewis D. Isenhour House, located at 319 Summitt Drive, as a Local Historic Landmark.

She said that tonight's meeting is a joint public hearing with the City Council and the Historic Preservation Commission. Staff envisions this similar to a rezoning public hearing and no action will be taken tonight. The Historic Preservation Commission (HPC) will convene at its regularly scheduled meeting on Monday, March 26 at 7:00 P.M., where public comment will again be taken and where the HPC may make a recommendation that will be forwarded to the City Council. A second public hearing will be held with the City Council and an actual decision on the request will be heard at that meeting, which is the third Tuesday in April.

A local historic landmark can be an individual property, which may be a building, structure, site, area, a sign or other object, that has been designated by the appropriate governing board because the property has a special character, historic or aesthetic interest, or value. North Carolina General Statute §160A-400.5 allows a governing board to adopt an ordinance designating one or more historic landmarks. Landmark designation is an honor. It signifies recognition that the property is important to the heritage and character of the community and that its protection enriches all of the community residents.

She advised that four criteria should be taken into consideration when determining if a property should have the honor of being designated a local landmark they are:

1. Associated with events that have made a significant contribution to the broad patterns of a community's history;
2. Associated with the lives of persons significant in a community's past;
3. Embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or,
4. Have yielded, or may be likely to yield, information important in prehistory or history.

Mr. Roethlisberger will state how he believes his property meets these requirements when he gives his presentation.

The City has designated two other buildings as local historic landmarks before, the Wilrik Hotel at 152 and 158 S. Steele Street in 1998 and the W.B. Wicker School on December 16, 2008.

Mrs. Whitmore explained what happens after a property is designated as a local historic landmark. First of all, the property becomes subject to the same review process described under Local Historic Districts. Prior to making changes to any exterior portion of the designated

property, the property owner must obtain a COA from the HPC. Secondly, under State law, the property owner may apply with the Lee County Tax Office for a 50 percent property tax deferral for the designated property. The tax deferral runs in perpetuity, unless the integrity of the property is lost or substantially impaired or because the designation ordinance has been repealed. Each new property owner of a landmark must reapply for the deferral. This deferral persists as long as the property retains its status as a "historic landmark." G. S. 105-278. Taxes for 2011 were \$4,163.99; a 50 percent reduction is \$2,081.99

Albert and Denise Roethlisberger have submitted a report for Council's review in the agenda packet, which investigates the historical, architectural, and cultural significance of the Isenhour House.

The report states the Lewis D. Isenhour House, built around 1928, was designed by local architect L. M. Thompson. He also designed other residences and commercial structures throughout Lee County (Heins House at 410 North Gulf, Masonic Lodge, Carolina Hotel, Hubbard's Shoe Building, the Episcopal and Presbyterian Churches and the W.B. Wicker School).

The Isenhour house was built by J. W. Stout and Company and bricklayer Vesper Brown is credited with the masonry work. Stout and Company are responsible for the building of the Masonic Temple, Lee County Hospital, Temple Theater, Carolina Hotel and the Wilrik Hotel (first local landmark).

The house is a 1 1/2 story Tudor Revival/Craftsman design. It has numerous gables, dormers, and large decorative brackets under the eaves. The first floor is brick which was custom made for this house. There are several other houses in the historic district that have this same brick, one of them being 411 Summitt Drive. The second story has half-timbered gables and dormers which provides the house with an interesting articulation of the façade from the Gulf side elevation. According to the National Register the garage and storage shed were built around 1940; however, the GIS Department says it was built in the 1930s.

Pictures are in Councils' packets that show the current condition of the exterior of the house and garage and the interior of the kitchen and one of the living rooms during renovation process.

The State Historic Preservation Office (SHPO) has had an opportunity to review the report and concludes that while the house is a prime example of Tudor Revival/ Craftsman Style noted for its association with prominent local business and craftsman, they believe the Isenhour House is worthy of consideration of local landmark designation. The SHPO also states in the letter that in an email to Mr. Roethlisberger, they made recommendations which would substantiate the report's claim for significance. They thought Mr. Roethlisberger needed a little more information on the architectural integrity. This email from SHPO was not included in this application; however, the applicant has stated on Page 67 of their application that they have addressed the issues that the SHPO raised.

Mayor Olive opened the public hearing. Council Member Jimmy Haire said that Mr. Isenhour is the person who gave Sanford the designation as the Brick City.

Al Roethlisberger, owner of 318 Summitt Drive, spoke in favor of the designation. He reiterated the information Mrs. Whitmore explained to Council. He said they moved to Sanford from California in 2006. Mr. Roethlisberger explained the local landmark designation and how it promotes local history. He shared information about Mr. Isenhour, stories about persons whose ancestors worked on the house, and the fact that members of the public often stop by to see the house.

Scott Myers, residing at 314 Summitt Drive, spoke in favor. He had the privilege of working on the house from the time the Johnsons lived in the home in 1989. Mrs. Johnson had the original plans for the house. Al and Denise Roethlisberger put a lot of effort into the home restoring it to the original plan. He said this house is worthy of being designated as a local historic landmark.

John Godkin, residing at 110 West Trinity Avenue, in Durham, spoke in favor of the designation. He formerly lived at 205 North Gulf Street.

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

Mayor Olive recessed the meeting for a ten-minute break at 8:10 P.M. and reconvened at 8:20 P.M.

REGULAR AGENDA

Consider Appointments to the Appearance Commission – (One appointment term expires June 30, 2013 and one appointment term expires on June 30, 2014) – (Exhibit J)

Council Member Charles Taylor nominated Nancy Kimble to fill the vacancy that expires June 30, 2013 and Jennifer Maxfield to the vacancy that expires June 30, 2014. Council Member Walter McNeil made the motion to close the nominations. Seconded by Council Member L. I. “Poly” Cohen, the motion carried unanimously.

Council Member Walter McNeil made the motion to appoint Nancy Kimble to the vacancy ending June 30, 2013 and Jennifer Maxfield to the vacancy ending June 30, 2014, by acclamation. Seconded by Council Member Rebecca Wyhof, the motion carried unanimously.

Consider Discussion Regarding Other Municipal Golf Courses’ Policies – (Exhibit K and Exhibit L)

City Manager Hal Hegwer stated that Council asked to check into what other municipal golf courses were doing in respect for free or reduced play for chambers, community colleges, etc. We put this request on the listserv and received several responses. The Wilson golf pro said that they sell a ticket book to groups of ten or more that saves about \$3 for each round of play and gives cart fees for \$12. They treat non-profit groups like had purchased a booklet. It helps get the rounds up and he suggested making that as part of the by-laws so everyone is treated the same. They offer some discounts at times for non-profit groups. He referred to the survey showing the golf courses that were called by staff.

Mr. Taylor said that he contacted every North Carolina municipal golf courses (a little over 20) and he got the same feedback. In Wilmington, they charge their junior golfers \$7 a round. In Mooresville, you have to come before City Council to have beer on the course and

they have only had one in a tournament play. He said that he has heard from a plethora of non-profits that would like to use the golf course for free. The Boys and Girls Club is having a golf tournament at Tobacco Road at the end of the month and they are paying a little over \$4,000. Bo Hedric expressed a concern that he would like to get it free also.

Mr. Taylor stated that he looked on-line and CCCC was able to raise a little over \$150,000 in the last five years – that was as of the 2010 tournament which was played at Quail Ridge and we spent about \$4,000 at Quail Ridge. They raised a little over \$41,000 off of the \$4,000 investment.

Mr. Taylor advised that in talking with some golf pros and city/town managers, they plethorized a lot of concern regarding the lack of a policy before we give the golf course out. This Council voted to move the Sanford Golf Course into an enterprise fund from the general fund, basically, to report their expenditures and their profit/loss statement. Without a clear cut policy, we are doing a very big disservice to our community, to our citizens, and to the golf course. We are putting the golf course into a very precarious situation when it comes time to have Council to select who is worthy to play on the golf course for free and who is not. He felt we would be opening up a “can of worms.” He gave each council member a copy of municipalities he contacted.

Council Member Haire stated that if you give it to every organization for free, you would not have to deal with it each time. If you give it to no one for free, you would not have to deal with it each time. He felt if you do not want to sit in judgement on all these people that ask for it, either say all the groups get it at no charge or none of them get it at no charge.

Mayor Pro Tem Sam Gaskins stated that Council Member Taylor said that it was not about CCCC, but in fact, he realizes that the entire discussion is about CCCC. We have already heard about the marketing situation from Golf Pro David Von Canon, who is ultimately responsible for the course. We do see some profit from that simply because of what is bringing the new people to the course. This is not about our policy related to the non-profits, it is an intergovernmental cooperation. CCCC does provide us with facilities and services without going into specific questions about how this is going to be handled. While we are suffering under some lack of cooperation from county government, he did not feel that we should be taking that kind of stance.

Council Member Taylor made a motion for counsel to provide a written opinion to determine if we will be held liable or if there is any nature of being litigious due to a policy that we will put in place in giving the golf course to a non-profit. Council Member Jimmy Haire seconded the motion. The motion failed two to five with Council Members Williams, Wyhof, Gaskins, McNeil and Cohen casting the dissenting votes.

Council Member Wyhof said that she was not on the council when the golf course became an enterprise fund. She questioned whether these other golf courses are operating as enterprise funds because it seems like that change has shifted as to how we have to do our accounting at the golf course. We are not even being able to give ourselves water for free from the City into the golf course. Given this state of how the council has chosen to operate the golf course, we need to be able to account for where the money is going, how the expenses are being

allocated and what does a policy look like that might be giving something away for a reduced cost or for free. It should be a policy that is clear if it is operating as a business. A business has a clear set of operating principles. She is looking for some point of clarification for what we need for a policy if something was going to be an enterprise fund and are these other golf courses that have this setup operating under the same way we are operating.

Mr. Cohen made a motion to table Item C until another meeting. Mr. Taylor said we are talking about Item B. Mr. Cohen said we got off of Item B a long time ago. Mayor Olive said we have not come to Item C yet. Mr. Cohen said he was trying to ask that before.

Mr. Taylor said he asked for a simple written motion from our attorney to make sure we are covered in case we get sued; we can go ahead and pursue giving the golf course to whomever but when we get sued, remember this night, because it is going to happen; he can assure it will happen.

Mr. Hegwer said that different courses around the state handle it differently. It is tied to accounting system. Some courses operate from the general fund and some are in the enterprise fund and that dictates how the accounting looks. In overhead calculations, we do not charge for personnel or human resources department to go through a hiring process. When you move that to an enterprise fund, it is accounted for and shows that overhead charge. He said the courses he has talked, some have been in the general fund and enterprise fund; it is different all across the state.

Council Member Haire asked if what Mr. Taylor referred to the legal ramifications, if he was referring to a restraint on trade. Mr. Taylor replied also to the fact of discrimination. Mr. Haire asked Attorney Patterson if that is a restraint on trade issue - some course that lost that tournament to the Sanford course because the Sanford course does not have to pay taxes. Attorney Patterson replied she did not believe so. Mr. Haire asked Mr. Taylor what were the legal ramifications? Mr. Taylor replied discrimination.

Consider Discussion of a Policy for Non-Profits – (Exhibit M)

Council Member L.I. “Poly” Cohen made the motion to table this item until another meeting. Seconded by Council Member Walter McNeil, Jr., the motion carried in favor six to one with Mayor Pro Tem Sam Gaskins casting the dissenting vote.

Consider Motion to Take From the Table for Discussion Request from Central Carolina Community College for the City of Sanford to Sponsor 23rd Annual Foundation Golf Classic – (Exhibit N)

Council Member L.I. “Poly” Cohen made the motion to take from the table for discussion request from Central Carolina Community College for the City of Sanford to sponsor the 23rd Annual Foundation Golf Classic. Seconded by Council Member Walter McNeil, Jr., the motion carried unanimously.

City Attorney said that she was asked by a council member about the involvement of her husband with the community college. Frankly, she had to call him and ask him what is his involvement. She stated that her husband sits on the Foundation Board. This request was made by the Board of Trustees. Her family does not receive any income from the community college

and she is not a decision maker on this board tonight. In the interest of full disclosure, she thought that in a response to the request by a council member, she would disclose that her husband does have some involvement through his community service with the community college.

Council Member James Williams made the motion to grant Central Carolina Community College's request for the City of Sanford to sponsor their 23rd Annual Foundation Golf Classic. Mayor Pro Tem Sam Gaskins seconded the motion.

Mrs. Wyhof said she really has a deep admiration for the community college. She feels it is a capstone of our community in so many ways, economic development. It benefits the City. She is concerned that we do not have an equitable and fair way to deal with how we look at all our community organizations in terms of funding. She still has some type of legal question even though the community college is an inter-governmental entity that this is actually we are giving to the foundation, which is a non-profit. She asked if this is what we are granting to the Foundation, which is a separate entity from the college?

Mayor Olive said that the request that came to her was from the Board of Trustees. Dr. Bud Marchant, with the Community College, stated that the request came from Mr. Julian Philpott, the Chairman of the Board of Trustees, on behalf of the college. Dr. Marchant said that the Foundation is run by a separate board and that would have come from Mr. Milholen, who is the chairman of the Foundation. This request is from the college and not the Foundation. Attorney Patterson said that she believes the community college is an arm of the state like the school system. Dr. Marchant said that when he was asked that question earlier, he called the system office in Raleigh and talked with the attorney and they are not a non-profit agency; we are an arm of government.

The motion carried in favor five to two with Council Members Charles Taylor and Rebecca Wyhof casting the dissenting votes.

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 Walter McNeil, seconded by Council Member L. I. "Poly" Cohen, Jr., the motion carried unanimously.

Respectfully submitted,

CORNELIA P. OLIVE, MAYOR

ATTEST:

BONNIE D. WHITE, CITY CLERK

