

LAW AND FINANCE MEETING
Wednesday, May 14, 2014
1:00 P.M. in Council Chambers

The Law and Finance Committee met on Wednesday, May 14, 2014 at 1:00 P.M. in the Council Chambers at City Hall. The following people were present:

Law and Finance Committee:

Mayor T. Chet Mann	Mayor Pro Tem James Williams
Council Member Rebecca Wyhof	Council Member Sam Gaskins
Council Member Norman Chas. Post III	Council Member Charles Taylor
City Clerk Bonnie Davis	Council Member Jimmy Haire
City Manager Hal Hegwer	City Attorney Susan Patterson

Absent:

Council Member Walter H. McNeil, Jr. (Deceased)

Mayor Chet Mann called the meeting to order.

Update on Visioning Workshop Priorities (Exhibit A)

Mayor Mann presented an update of the Visioning Workshop Short Term and Long Term Priorities, summarizing some of the priorities that have been completed and those that are in progress. Mayor Mann said he was very pleased with the progress in implementing the Visioning Workshop Priorities.

Consider Discussion Regarding Options to Address Non-Residential Corridors and Compliance with Current UDO Design Standards – (Exhibit B)

Interim Community Development Director Downey said non-residential corridors and compliance with current design standards is one of the visioning topics. Mr. Downey presented four (4) amendment options to Council for consideration.

Option 1(A)

Mr. Downey present Option 1(A), which is an amendment to the current UDO, changing the ordinance to require sidewalk/curb and gutter on all projects regardless of the size. Mr. Downey gave an example of the old Wendy's building located on Horner Boulevard that was demolished. He said if someone were to build on this vacant lot, this amendment would require sidewalk, curb and gutter. Mr. Downey added that as part of Option 1(A) a fee-in-lieu system would be included that would allow the developer to contribute a determined amount to a dedicated fund, which staff could use discreetly, in determining where extension of sidewalk, curb and gutter is most effective. He said another change would relate to residential subdivisions. He said when the UDO was originally adopted, there was an issue concerning the size of lots where curb and gutter should be applied and a compromise was reached in 2006, that curb and gutter would be required for any lot less than 20,000 square feet. He said staff was recommending that this policy be eliminated from the UDO. He said in Urban Community projects, sidewalk/curb and gutter was needed regardless of the lot size. Mr. Downey said there were some legal issues related to this change that he was investigating; however, he had talked with several communities who have this as a part of their ordinance and he felt confident that Option One amendment could be a valuable tool to the current UDO.

Attorney Patterson said they were reviewing the legalities of implementing the requirement of sidewalk/curb and gutter.

Mayor Pro Tem Williams asked Mr. Downey to further explain the example he gave of the vacant lot on Horner Boulevard where the old Wendy's structure was demolished as it relates to the current UDO requirements. Mr. Downey explained that under the current UDO, to build on this vacant lot, requirements such as landscaping, parking, exterior materials would be required; however, an up-fit of sidewalk, curb and gutter would not be required.

Mayor Pro Tem Williams commented that it would look odd to have sidewalk, curb and gutter in front of this vacant lot when the adjoining properties did not have it. Mr. Downey agreed and said perhaps this is the type scenario where the fee-in-lieu would come into play. He said if there were no plans in the immediate future to extend sidewalk to that particular area, then it might be more valuable to contribute to a fund so that it could be used elsewhere.

Council Member Taylor commented that there could be some drainage issues onto adjoining properties that would need to be considered when requiring sidewalk/curb and gutter. He said they needed to look at possible legal ramifications when considering this amendment.

Mayor Pro Tem Williams commented that in requiring sidewalk/curb and gutter it was starting down a "slippery slope" because it would obligate investors to spend additional funds.

Mayor Mann commented that he felt Sanford needed to become more of an urban community. He commented that more progressive cities have many sidewalks, and we needed to address this issue because Sanford was behind the times.

City Manager Hal Hegwer commented that Council may want to consider having some input from the development community as we move forward with the changes to the UDO.

Mr. Downey said that with any amendment there would be a public hearing, but in addition, staff could have some neighborhood meetings to allow input from the developers.

Option 1(B)

Mr. Downey reviewed Option 1(B). He said this amendment to the UDO would pertain more to large industrial buildings/sites. Mr. Downey said that the current UDO standards are competitive as it relates to commercial retail businesses; however, it penalizes industrial building sites because the material requirements and other issues are related more to smaller structures. Mr. Downey said that Option 1(B) will update the UDO so that we would have a different, more lenient standard for industrial structures along our corridors.

Council Member Wyhof asked Mr. Downey if this amendment was directly related to feedback from some of the developers of the larger industrial sites. Mr. Downey said they had received some feedback from developers; however, it was more related to staff observations as they work with developers and see the struggles of meeting these requirements. He said in some cases people have to seek variances. He said one indication that the ordinance needed to be updated was when people continually had to seek variances.

Council Member Post asked Mr. Downey if it was his opinion that the current UDO requirements were too stringent for large industrial. Mr. Downey replied yes, specifically the architectural standards as it relates to exterior materials, appearance and scaling. He said the current standards deal with articulation and etc., which work well for establishments such as a Walmart or shopping centers.

Option 2

Mr. Downey said that Option 2 was a short-term strategy that could be implemented fairly quickly and was a tool that would be applicable to the Building Inspections and Code Enforcement division, and specifically deals with public safety issues. He said the minimum standards will address only conditions that are dangerous and injurious to public health, safety, and welfare and identify circumstances under which a public nuisance exists. He said staff recommends Council consider approving this option, as it would address some corridor issues.

Council Member Taylor commented that he understood the methodology of this amendment; however, he was concerned with the impact this change would have to the existing staff and their ability to enforce the changes and to collect any fees assessed. Mr. Downey said the Code Enforcement staff, as well as the Building Inspection staff, would be utilized for enforcement.

Mayor Mann added that the result of these updates is to modernize our UDO to incentivize higher quality development, which should result in a higher quality tax base. Mayor Mann said if it appears there is an enforcement issue, then perhaps it would become a priority to add additional staff to the department in the following year's budget. Mr. Downey said this is just another tool to allow more flexibility.

Council Member Taylor commented that the UDO needs to be fair to large and small businesses, and not favor one over the other.

City Manager Hegwer commented that this amendment simply gives staff additional tools; it would not give staff the ability to do anything they are not already doing. Mr. Downey said that in consulting with staff, they felt this was a good tool because it addressed maintenance issues related to the commercial building code and it could be used on buildings that have gone into disrepair and deteriorated.

Attorney Patterson commented that currently Code Enforcement deals with Minimum Housing Codes, which requires staff to appear before Council with an ordinance to repair or demolish a structure. She said Building Inspections enforces the North Carolina State Building Codes. She said issues with non-residential structures that are in a dilapidated state and affect health, safety and welfare needed to be addressed from a standpoint of maintenance issues or demolition. She said when legislature made changes to allow these Commercial Codes, it gave authority for placing a lien on the property to cover the cost. She said often the cost of the lien was not paid and eventually we could end up with the property. In addition, she said, it may be too expensive for the City to undertake the repairs or to demolish the structure. She said this amendment would be one more tool to assist in enforcement issues. She agreed with Mr. Taylor that it would increase staff workload.

Council Member Haire commented that the three commercial buildings he received the most complaints about were the old grocery on Wicker Street, the old Nissan Dealership on Lee Avenue, and the old Koury Company building. He asked Mr. Downey if this amendment were in effect, what could be done to get these properties repaired. Mr. Downey said we already have the ability to deal with these properties now, but the effect this amendment would have is to allow earlier involvement before they reach a complete state of disrepair.

Council Member Haire asked Mayor Mann if we were considering additional staff in the 2014-2015 Fiscal Year Budget. Mr. Mann replied not in this budget. He said he was in favor of getting the tools in place, get public feedback, and then move forward as necessary. He added that staff was working on some technology that may offset the need for additional staff.

City Manager Hegwer commented that although there was not a request for additional staff for Code Enforcement or Inspections in the FY 2014-2015, a part of the budget goal is to gain efficiencies in technology and housing the staff in one area, which will utilize the skills and abilities of staff working together.

Council Member Post asked Mr. Downey if it is correct that staff has the authority to approach issues of dilapidated commercial structures, such as the old Nissan Building, under the current UDO. Mr. Downey said this was correct; however, the expense of demolishing commercial structures is greater than that of residential structures.

City Attorney Patterson commented that the old Nissan Building is in a bankruptcy situation, and that staff has met in Bankruptcy Court with lawyers of both sides, encouraging them to make the necessary repairs, as opposed to forcing taxpayers to assume the responsibility. She said that staff took pictures to show them and to inform them that structures in a depilated state of disrepair, such as this, were not acceptable in our community.

Council Member Gaskins commented that this proposal is that staff can catch these issues before they reach the condition of the some of our commercial structures, such as the old Koury building.

Option 3

Mr. Downey said that Option 1(A), Option 1(B) and Option 2 were short-term strategies and staff was recommending Council adopt these amendments. He said the next two items; Option 3 and Option 4 were long-term strategies.

Mr. Downey said staff did not recommend Option 3 – Amortization; however, he presented it to Council for discussion. Mr. Downey said Option 3 would make sites comply retroactively, with the design standards in the UDO. He said staff would give these property owners a timetable in which to bring the sites into compliance, which he said a common timetable might be a five-year period. Mr. Downey said this worked; however, he was not recommending it because it created hard feelings and over the five-year period typically the ordinance would change and the standards may change, which could create a different focus.

City Manager Hegwer commented that the City had used this in the past and it was not successful. Mr. Downey commented that he had not heard of a lot of great success stories with Option 3.

Option 4

Mr. Downey said staff was most excited about Option 4, which is corridor planning. He said the existing 2020 Land Use Plan was in dire need of updating and he was asked to put together ideas and ways to address this issue. Mr. Downey said staff weighed those elements against the existing 2020 Land Use Plan and how we would tie the changes into a master plan. Mr. Downey said that if Council desired to move forward with this, then staff would provide a master plan that would tailor all of the elements for community growth. He said that if Council wanted to go with this overall general plan, then staff would go into specifics. He added that there was already an effort to update the City's wastewater master plan.

Mayor Mann asked Mr. Downey to explain the process of updating the 2020 Land Use Plan. Mr. Downey said they would have a series of public participation meetings, particularly in the urban areas. He said then they would obtain a consultant to review and merge all of the elements and come up with goals and strategies, then present these to the public and move forward in preparing the final draft to present to Council.

Mayor Mann asked Mr. Downey if these updates would address issues with our major corridors; would it include a change in the appearance. Mr. Downey said this update would provide policy guidelines, such as complete street concept, sustainability, and appearance issues. He said the first step would be the visioning statements, and then develop a corridor plan using these philosophies.

Council Member Taylor asked Mr. Downey how they would present this to the Town of Broadway, as well as Lee County Government and get their feedback. He said he would rather have these discussions with the Town of Broadway and Lee County sooner, rather than later. Mr. Downey said he agreed and that part of the discussions he has had with City Manager Hegwer have included County Manager Crumpton. He said he saw this as a City/County project.

Mayor Mann interjected that Lee County Manager Crumpton had expressed an interest in upgrading the 2020 Land Use Plan.

City Manager Hegwer said that he also had discussions with Mr. Crumpton and that Mr. Crumpton indicated he was interested in working on some issues together with the City. Mr. Hegwer said he did not include the 2020 Land Use Plan upgrade in the proposed FY 2014-2015 budget because they needed to determine the scope of what the changes should include.

Mayor Mann commented that in the interlocal meeting with Lee County, the one thing the commissioners asked for that would be helpful to them was collaboration on improving the 2020 Land Use Plan.

Mayor Mann asked Mr. Downey what the timeline was if the Town of Broadway and Lee County agreed to the updates. Mr. Downey said typically it could run from one year to eighteen months. He said he had talked with consultants in an effort to get some timeline information.

Council Member Taylor stated that when considering these changes to the UDO, it would be a good time to consider any provisions for hydraulic fracturing. Mr. Downey said they certainly could look into this at the same time.

Consider Market Analysis and Financial Feasibility Study for Dennis A. Wicker Civic Center and Sports Complex – Exhibit C)

City Manager Hegwer reminded Council that this issue was discussed at the Council Retreat and there was a follow-up discussion at the InterLocal Committee Meeting with Lee County.

Mayor Mann said this proposed 21st Century multi-sports complex project would serve Lee County as a whole and not just Sanford. He said the General Obligation Bonds is an important part of this project, and the general consensus of the Lee County Commissioners and City Council is that this is a great project. He said there would be a walkable area connecting the community college to the O. T. Sloan Park area all the way to the Horner Boulevard corridor. He said the economic benefit is very strong because people would attend tournaments and overnight events. He said the college bond was on the referendum and if it passed, there would be an expansion of the Civic Center that would coordinate with this project, which would create a great quality of life component for this area. Mayor Mann asked Council to consider the necessity for a feasibility study for the multi-sports complex project.

Mayor Mann said the college trustees did not want to include the Civic Center project in the feasibility study at this point, and they wanted to address this on their own after their bond has been voted on; therefore, they have requested to withdraw the Civic Center portion of the feasibility study. Mayor Mann asked for authorization for funding for the feasibility study for the multi-sports complex.

Mayor Mann said that the area soccer league (SASL) currently occupies space at the Lions Club but none of the fields they use are regulation. He said SASL has a six-figure amount they have saved for many years and they had approached him with an interest in participating in the funding of this study. He said they were willing to put in \$5,000 and were willing to put the funds they had saved into the multi-sports project. He said he hoped the City and the County would consider this and hopefully enter into some type of contract with SASL to manage the soccer portion of the complex. Mr. Mann said he did not have an exact figure for the feasibility study after the Civic Center portion is taken out; however, he believes it would be approximately \$30,000. He asked that the City appropriate \$15,000; SASL will contribute \$5,000, and then we would ask Lee County to contribute the remainder of the funds.

Council Member Haire said his concern was using City bond funds for a County-owned facility. Attorney Patterson said according to Bond Counsel, the City could not spend bond money on land which it does not own; however, it can if there is a mechanism in place, under which, operation, control or a long term lease exists.

Mayor Pro Tem Williams, Council Members Post, Wyhof, and Gaskins voiced support of the feasibility study.

Consider Waiving Fee for Fireworks Display Operator Training - (Exhibit D)

City Manager Hal Hegwer said that Central Carolina Community College's Emergency Services Training Center, located off Airport Road, is hosting a fireworks display operators training class. He said our ordinance does not designate what is training versus any other event; therefore, since the firemen personnel will benefit from this training, we are asking that the permit fee be waived.

Consider Ordinance Amending the Annual Operating Budget for Fiscal Year 2013-2014 - (Exhibit E)

Interim Community Development Director Downey asked Council to consider this amendment to the FY 2013-2014 Budget in the amount of \$15,195 for the demolition of four structures located at 1005 Goldsboro Avenue, 612 Magnolia Street, 307 San-Lee Drive, and 1380 Hooker Street. He said some of these homes are owned by the City and Lee County and that they had obtained voluntary consent to demolish those that are owned with Lee County.

Consider Discussion Regarding Legislative Prayer – (Exhibit F)

Mayor Mann said that the Supreme Court ruling was overturned by a five to four vote in favor of allowing legislative prayer before meetings. Mayor Mann expressed a desire to go back to Council's former practice of having a brief invocation before the meetings while seated. He said Council would take turns giving the invocation, and then they would stand for the Pledge of Allegiance.

Council Member Gaskins suggested inviting ministers from various churches to give the invocation each week. Mayor Mann said he did not want to encroach too far because of legal issues of coercion.

Mayor Pro Tem Williams asked Attorney Patterson if this ruling could be appealed. Attorney Patterson said the Supreme Court is a final authority on the ruling of legislative prayer but aspects could be challenged with the lower courts.

Council Member Taylor commented that he was grateful for this decision; however, he respected other people's beliefs. He said; however, at the same time, he wanted the right to vocalize his beliefs, and he was in favor of the previous practice of beginning the Council meetings with an invocation.

Council Member Post said he believed prayer was a personal issue and should be kept between individuals and whomever they are praying to. He said he was a defender of the Constitution and was afraid that open prayer would infringe on other peoples' rights. He said he was in favor of keeping the practice of a moment of silence.

Council Member Wyhof said that she was not in favor of open prayer before meetings or the reading of scripture, and she preferred to leave the practice of a moment of silence in place.

Mayor Pro Tem Williams said he respected his fellow Council Members' opinion and agreed with them to a certain extent. He said; however, he came from a generation where a role model was very important, and religion was a large part of that. He said in light of all of the recent violence in Sanford and of prayer being removed from the schools, he was in favor of restoring the practice of having prayer before Council meetings.

Council Member Gaskins said he considered prayer to be very private and he was in favor of keeping the practice of a moment of silence.

Consider Discussion Regarding the Chinese Sister City Project – (Exhibit G)

Mayor Mann said he was excited to be potentially participating and sharing in the cultural and business exchange with another Country. He said CCCC has a Confucius Classroom and because of this, we are able to facilitate some things that other cities may not. He said Yixing, China has expressed interest in being Sanford's Sister City. He said the idea behind a Sister City is, this year they visit Sanford, and then next year we go there to visit. He said we have been communicating in letters with them and they have expressed an interest in possibly coming to Sanford in June. He said the Vice-Mayor of Yixing, China, will lead a group of six people to visit Sanford for four days. He said Dr. Howard James has offered his home to the group for a reception. He said the following day, we would host a nice dinner and the next day, have an exhibition of Pottery and show them other attractions within the City. He said the group will provide their own hotel expenses; however, we will be required to provide food and transportation in showing them around the area; so therefore, there will be a request for funding in the amount of \$5,000.

City Manager Hegwer commented that there could be some private donations, such as restaurants that may want to sponsor the group, and the City's cost may be minimal.

Other Business

Council Member Taylor voiced a concern of the issue regarding the golf course, which he brought up at a Council meeting in May 2013. He said that at this meeting, it was decided by a five to two vote to request RFI's. He said these RFI's were received on September 25, 2013. He said that he brought this up again with the City Manager about presentations at the October 15, 2013, Council Meeting. He said the City Manager advised that he wanted to obtain feedback, and on October 24, the City Clerk sent an e-mail from the City Manager and only Council Members Haire and Wyhof and himself responded. He said there had been 203 days since the RFI's were received, but they have never been given an opportunity for presentation. He said it should be every Council Member's right to discuss, or vet any issue before this Council; that members were elected as officials to bring issues before Council. He said there had been numerous issues that have come before City Council by one or two members and action was taken. He gave an example when he brought up the issue of roundabouts, and there was a presentation by NCDOT. He said he was asked why Council could talk about roundabouts, but when the golf course is brought up, nothing gets done. He said he was very dejected because staff has not moved on this issue. He said he was told by some Council Members that they had received comments from people who want the golf course left the way it is. He said that he talked to these same people and some mis-information was disseminated; that not one time had he ever mentioned in a meeting that he wanted the golf course to be sold. He asked Council to be fair, ask questions, and inform the public. He said each Council Member had an obligation to represent the people in their ward. He said he had residents in Fairway Woods whose property borders the back of golf course who have never picked up a golf club and one informed him that \$2 of every golf round played goes to pay for benefits for six people. He said we need to vet these issues and do so in a timely manner. He said there was nothing too trivial or small that could not come before this Governing Body to discuss. He said he hoped in the future there

could be an established consistency when bringing an issue before this board. He said only one Council Member should be able to bring an issue before this Board, and in his opinion, it was egregious not to hear the proposals of the people who submitted RFI's for the Golf Course. He commented that the concept of "Open for Business" should be expanded to include taking the opportunity to look at things differently.

City Attorney Patterson said that today was the first session of the "Short Session" which is a second part of a biennium of the Legislature and there were only certain bills that could be considered in the "Short Session", one of which is non-controversial local bills. She said the filing deadline for these would be May 28, 2014, so, if Council has any local legislation, it must be presented before the end of the month.

Mayor Mann revealed that GKN had announced the opening of 105 jobs. He mentioned he was trying to coordinate an education summit for Sanford and Lee County, which is innovative of the Economic Development efforts. He said they would be working with the schools, college and business HR Departments in an effort to portray a better image of Sanford.

Mayor Mann commented that the issue this Council is tackling, unlike the golf course, is economic job creation. He said the only reason he did not bring up the golf course issue in a meeting, was because he polled each Council Member and he did not get a consensus. He said each Council Member has the right to bring anything before this council. He said we have to continue to be more business friendly so our businesses and citizens can pay fewer taxes and make more money and have a better quality of life.

Council Member Gaskins said that Mayor Pro Tem Williams and he attended a ribbon cutting for a company that relocated here from Garner.

Closed Session

Attorney Patterson informed Council that a motion was needed to go into Closed Session in accordance with NC General Statutes 143-318.11(a)(5) to instruct the Public Body staff as negotiating agents for the position to be taken on the acquisition of real estate.

Council Member Wyhof made the motion to go into Closed Session, seconded by Council Member Gaskins, the motion carried unanimously.

Adjournment

Council Member Taylor made a motion to adjourn the meeting. Seconded by Council Member Wyhof, the motion carried unanimously.

Respectfully Submitted,

James G. Williams, Mayor Pro Tem

ATTEST:

Bonnie Davis, City Clerk