

MINUTES OF CITY COUNCIL RETREAT MEETING
SANFORD, NORTH CAROLINA
March 11, 2015
6 P.M.

The City Council held a retreat on Wednesday, March 11, 2015, at 6 P.M., in the West End Conference Room. The following people were present:

Mayor T. Chet Mann	Mayor Pro Tem James Williams
Council Member Byron Buckels	Council Member Sam Gaskins
Council Member Jimmy Haire	City Clerk Bonnie Davis
Council Member Rebecca Wyhof	City Manager Hal Hegwer
City Attorney Susan Patterson	

Absent:

Council Member Charles Taylor
Council Member Norman Charles Post, III

Mayor Mann opened the retreat meeting.

Potential Impacts on State Shared Revenues – (Exhibit A)

Financial Services Director Beth Kelly updated Council on the 2015 Legislative Issues: Finance Related (Exhibit A). She said they talked about an additional tax reforms in 2015 to replace lost privilege license revenue and the General Assembly is not likely to act quickly enough that any replacement revenue will be known before FY 2015-2016 budget development. Senator Bob Rucho said he will pursue further tax reform in 2015 to include expansion of the sales tax base and reduction in income tax rate. Senators have floated the idea of returning more sales tax revenue to counties on a per capita basis; such a plan is likely to benefit more rural counties at expense of large urban and resort counties. Currently, Articles 39 and 42 is the 1.5 cents remitted to the state and then they remit it to the counties on point-of-sale basis. They are talking about changing Articles 39 and 42 to per capita basis instead of point of sale. It looks like it is not going to impact the City too much, because based on the League's estimates, Lee County should see a 1 percent reduction in sales tax and that will trickle down to the City and Broadway. Lee County distributes these funds to the City on an ad valorem basis.

Mrs. Kelly gave an update on the transportation funding and with proposed cuts in the gas tax, the City could lose \$165,000 in Powell Bill funds for FY 2015-2016.

NC Secretary of Cultural Resources Kluttz is working to restore the Historic Rehabilitation Tax Credits. Governor McCrory has asked for these credits back in the State of State address on February 4. Mayor Mann added that Secretary Kluttz will be touring the Buggy Factory on March 17, at 2 P.M., to promote the tax credits. We will use it as a media event to advertise our revitalization of Sanford.

Mrs. Kelly advised there is debate over funding for job incentives primary issued that derailed HB 124 late in 2014 session. HB 117 NC Competes includes additional money for state incentive programs like JDIG and One NC, creates site infrastructure development fund and modifies tax exemptions for jet fuel and datacenters.

Mrs. Kelly stated that there are likely to be some administrative/technical adjustments to the retirement system in 2015; could include modifications to the 1,000 hour rule; and legislators heard a presentation regarding strength of systems' funding. Because of the new GASBs that we have to implement in next fiscal year, we are one of the few states in the United States that will actually have a positive asset on our books as a portion of each unit that pays into the NC Retirement System is going to have to show an asset or liability based on the funding current level. Because North Carolina is 100 percent funded in the retirement system, we will get to show a positive number. All the credit rating agencies were there last week and they said it was a good thing because that is the reason they like to issue debt to North Carolina.

Park Upgrade Renovations- (Exhibit B)

General Services Director Tim Shaw said that at the last retreat meeting, Mr. Buckels presented some renderings of possible improvements to the Martin Luther King Park. He has put together some figures regarding the cost of some of those improvements. He would like to get some idea of what Council would like for the park to look like so he can get someone to design it, and also to see how we proceed with funding it, either entirely or on an annual basis. He displayed a picture of the proposed improvements to the park. Staff needs to know if you want plantings, fountain, additional parking, etc., so we can give an architect some idea of what we want and the architect will probably have some idea of their own. Mr. Hegwer advised that staff approached the Department of Transportation (DOT) about closing off Washington Avenue at Horner Boulevard. It appears that the DOT will not be able to participate much; there may be some small grant funding but it will not be enough to help. It is a dangerous intersection because local people are aware of pulling out from the street. The mindset is if you are going to spend money there to close the street, having to remove concrete islands and pave it, then take that funding and put it into improvements in the property adjoining the park.

Mr. Shaw gave an estimated cost of \$48,000 to pave the parking lot, giving a total of 12 parking spaces. Quotes for stamped concrete 4,000 square foot is approximately \$47,000 and concrete with pavers is about \$44,000.

Mr. Shaw referred to the idea that Mr. Buckles had about painting the CSX Bridge located on Horner Boulevard. The bridge can be enhanced; however, all expenses incurred will be the City's. We have to go through their permitting, applications – whatever is required, including whatever is required by the NC Department of Transportation. The NCDOT said the only way to paint the bridge is to close Horner Boulevard down and detour traffic. Mr. Shaw showed a picture of where Carolina & Western Railroad painted a bridge in Aberdeen for the US Open last year. Mr. Haire asked about putting the Sanford-Well Centered Sign on the bridge. Mr. Shaw said that in talking with the district engineer, the DOT will not allow him to put a highway number on it; therefore, he did not believe they would allow it.

Mr. Shaw said that we are looking at approximately \$20,000 to \$30,000 for an engineer to survey the property and do what is needed or requested from Council to design the park. We are looking at \$200,000 to \$225,000 for engineering services and building it. Mr. Haire added that maybe we could find some corporate donors.

Mr. Hegwer said that we have \$75,000 in the budget now for the park. Staff could start the design process.

Bike Track- (Exhibit C)

Mr. Shaw displayed a presentation of a proposed bike track in 2013 and one prepared in 2015. In 2013, staff had a company named "PBR" (The Progressive Bike Ramp) to prepare a bike trail/pump track (prefabricated track) behind Applebees and the Movie Theater and a skills track behind McDonalds at a cost of approximately \$100,000 for materials and installation.

Mr. Shaw said that the City acquired some land located behind Riverbirch that was donated by Ivan Rohrer. He showed where a pump track, a mountain bike track and a family bike trail could be located on the property. A mountain bike track could be installed where the boulders are located. The family bike area could be where the flat land is located behind Roses Store and you could put benches, etc. for the parents to sit to watch their kids. An engineer, along with Public Works Director Vic Czar and himself, walked the property and said the boulder area would be good for a mountain bike track. Attorney Patterson said there are liability issues with the mountain bike track. Currently, it would be under our General Liability insurance because it is a piece of property the City owns.

Public Works Director Vic Czar stated that it appears we are getting more and more in the park business; if you are concerned about the liability associated with being in the park business, you need to stop right now.

Mayor Mann added that San-Lee Park has a mountain bike track. The vertical drops are 50 to 60 feet down across a creek and the trail may be a foot wide. It would bring people to Sanford. Ms. Wyhof said she would like to know what other cities do about the liability.

Mr. Shaw said the estimated engineering fees are \$20,000 to \$30,000. The estimated construction costs for the mountain bike/viewing area is \$70,000 to \$100,000; the estimated cost for the pump track/skills course is \$100,000. These costs could be more or less.

Mayor Mann said Council needs to set some goals and think about how we could do this project, whether we accumulate some money each year in the budget or complete it in five years, etc. Ms. Wyhof said that she felt that the MLK Park project should be completed because we have started it and this project could be done in conjunction when we get the study back. We have a pot of money to spend for parks and the greenway with the bonds. Mr. Buckels was in agreement with Ms. Wyhof.

Mr. Hegwer said he would like to know Council's thoughts on these projects so when we get into the budget, we will know if there are available funds, etc.

Mr. Shaw mentioned that there will be additional costs to the City for added personnel to do maintenance on a routine basis, such as checking slides and swings, keeping a record of inspection, picking up trash every day at the parks, and the fountain has to be maintained at the Depot; it cost about \$30,000 to \$35,000 each year.

Mayor Pro Tem Williams did not feel the taxpayers would want Council to use their money to build "Kill Devil Hill." Mr. Haire said that other cities that are prosperous have to step out of the box and do different things. Mr. Williams said he is against it.

Mr. Hegwer said that the extension of the greenway will help it even more. He could see a lot more races, marathons being held.

Mr. Haire asked when will we see construction on the streetscape. Mr. Czar replied May. Mr. Haire asked if banners or signs will be put up that say “your bond money at work.”

Mr. Hegwer stated that Public Information Officer Kelly Miller is working on the signs. Mrs. Miller stated that she is working on several options for Council to review. Mr. Haire said that the wording should at some point say tribute to the voters for allowing us to do this. Mr. Mann said that he would like to see a street sign that is colorful and looks appealing; not just a green background with white lettering.

Mayor Mann said there is a consensus of Council to finish the Martin Luther King Park. Mr. Haire felt Council should put a lot of attention on the MLK Park because it is “eye candy” on Horner Boulevard, along with the streetscape coming. Mayor Mann suggested taking the \$75,000 that was budgeted and see what we can do next year to couple it up. As soon as we can couple it up, staff should move on it.

Council Member Haire asked if the VA Clinic is going to be built on Highway 78 because there are two bulldozers out there with orange tape. Mr. Downey replied no; they are looking at two different locations.

Mayor Mann mentioned that every decision Council makes is a function of future growth; we hope with the new projects and the Sanford Area Growth Alliance, it will facilitate what we hope is a return on investments.

Other Business

Mayor Pro Tem Williams mentioned that he had a visitor to approach him today concerned over changing the requirement of installing sidewalk and curb and gutter in R-20 zoning. This individual has not built a house in five years but he did sell four lots to people out of Raleigh and they were really impressed that they could buy a lot that size. He wanted to let Council know so they could be thinking about it. He said if people want the big lots without curb and gutter and sidewalks, don't deny it.

Mayor Mann said he felt the market appetite is for higher density with curb and gutter and sidewalks.

Community Development Director Marshall Downey explained that right now, the UDO requires curb and gutter and sidewalk if you have less than 20,000 sq. ft. lots. Any project that has been done in the last eight years less than 20,000 sq. ft. had to have these amenities. Staff is proposing to eliminate that requirement, so that any project developed within the City limits or Town of Broadway zoning jurisdiction would require curb and gutter and sidewalks for any subdivision regardless of the size of lot. The only exemption would be if it is located in the County.

Mayor Mann stated that he talks to a lot of people and he works with developers all the time; the progressive developers that will attract the most growth are going to build what we have described. If we don't change the model, it will not facilitate growth that we need. It will not bring in the kind of density and tax base we are looking for. A lot of old school developers would like to stay where they are because it is cheaper on them, but if we make it the same for all, it is fair. He said people will not move here for the kind of neighborhoods we have and when they talked to the executives at

the manufacturing plants, they said they won't move here because we have the old kind of neighborhoods and not the new kind of neighborhoods. He has spent a lot of time on this issue and we do not have the signature neighborhoods.

Mayor Pro Tem Williams said the individual that came to see him and Mr. Haire, said that his people like the R-20 zoning and he did not want Council to change the requirements to make him put in curb and gutter.

Mayor Mann said the question is what kind of growth do you want to see – R-20 growth or higher density growth. If you want to fund parks, you need density. If you do not want to fund things or attract people for what they are looking for, then stay with the R-20 zoning. We are one of the least dense communities. There are going to be a lot of builders who do not want to build anything but R-20. We have 2.7 people per acre and the average is 1.6. He asked why do we want to continue to build on big lots; it just eats up the space and does not allow us to grow. There is no infill and everything we have talked about is growth-oriented until this moment; it is backsliding to what we have always done. There is going to be a lot of people who do not like it but a lot of people who love it.

Council Member Wyhof stated that she is very interesting in moving forward on Sanford creating some type of a guide to our City services. She ran off several copies from other cities that she found on the internet. The City could produce this with no cost other than creating it. It could be updated as we make changes. The realtors could pay to have these printed and when they try to sell the City; they have a guide that shows where all the parks are located; information about the City; what you can put in the recycling cart; who to call when you have a problem and quick hits about our ordinances, etc. It needs to be something very easy for people to understand what their responsibilities are and what is the City's. It would help sell our community.

Council Member Haire mentioned that Council needs to be thinking about the non-profits and how much we want to contribute, then we will know what we can and cannot do.

Mr. Hegwer said that we have had conversations with Lee County about the possibility of a Youth Center. Lee County's idea was to look at upgrading the Armory (Hales Center) and they will be talking about it in the budget process. He will get an update from the County.

Mayor Mann added that Mr. Hegwer, Mr. Buckels and he met at the Armory and the right wing of the building is about 2,000 feet of unused, vacant warehouse space. It would be a great play place for the older-young adults and use the gym for basketball, etc.

Council Member Buckels presented a presentation (Exhibit D) on how The Bob E. Hales Center could be renovated and upgraded to include a proposed Youth Center.

Mayor Mann said the problem is we have kids that don't have the right structure at home and don't have anywhere to go. We could reach them through a youth center with community outreach and activities. We would like to get these kids off the streets and out of the gangs. Lee County Commissioners Ricky Frazier and Robert Reives are in support of this endeavor.

Council Member Buckels showed how the youth center could be used for different activities. This could be a mentorship program that would target a certain age group. It could be basketball games on Friday and Saturday nights after football games. One day out of the week, they hope to use the building for mentorship and different activities. He mentioned possibly providing jerseys for the kids to wear as a team. He also added that maybe Council members could get polo shirts for them to wear with the City logo on it. He said these are just ideas, nothing concrete. This is something that Council Members can get involved in and the community, along with the schools.

Mr. Buckels mentioned the possibility of holding "Discover Sanford Day." This is a direct spin-off of the Citizens Academy. We could target a group of citizens such as the VFW or senior citizens. We could meet at the Depot Park and take a bus or van of citizens to tour the WWTP, WTP, etc. He mentioned maybe each Council Member getting individuals from each ward to take a tour and see where their money is going.

Mr. Buckels said that "Advertise Sanford" is something that we need. When he came on board, he read the mayor's vision statement saying "Sanford is Open for Business" and he does not see that a lot in terms of signage. Mr. Buckels felt we should advertise what we are doing with the Jonesboro and Downtown Sanford area. He recommended billboards that read "Stop in and Discover Sanford" and signs coming into Sanford that says "Welcome to Sanford."

Mayor Mann said something he wanted to bring up was to focus on marketing for the DSI Sanford position. We are lacking an organization or platform to market and Downtown Sanford (DSI) will surely grow as we vitalize. We should hopefully see more shops and more retail. Sanford Area Growth Alliance Executive Director Rodger Sauls and he agrees that a big part of the Sanford Area Growth Alliance needs to be promoting Downtown and retail. It is the anchor and something we can use to advertise. He would like to figure out a way to make the most of that position. DSI needs to be a part of that marketing. We need to do a better job and think about all the investment we are making in Downtown. If you have a business and the City has invested in it, we need to make sure that we are marketing and promoting our business. Mr. Hegwer had the idea that at some point in time when we are about to finish the streetscape, we need to hold an event Downtown to promote the new Downtown for our citizens that live here now; for example, if we finish it in December, we could possibly have fireworks. We are trying to attract people that don't live here yet and reward the people who are here and paid for it. We need to figure out, budget wise, how we are going to market our business. He felt we need to market our business with the Sanford Area Growth Alliance and DSI would like to participate in it. We need to figure out how to make it work.

Council Member Wyhof said that the only concern that has been expressed to her about having that clear focus with DSI is the exclusion of taking our tax dollars and people feel like we are excluding/marketing businesses in the rest of the community. She stated that if it is out of DSI, their whole mission is only the businesses in the Downtown District. We need to figure out a way to make all our businesses feel included.

Mayor Mann said that if we do not rev up the promotion engine, we may or may not get the success we are hoping for and may not get the tax base back.

Council Member Haire suggested putting an ad in the State Magazine every month.

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Mayor Mann said that he felt Council should budget funds for a celebration near or at the completion of the Streetscape projects. We might could hold one on New Year's Eve and ring in a new era. We need to be promoting.

Mayor Mann said that he is intensely interested in moving forward with the County on the Land Use Plan and intensely interested in running sewer to the corridor at Tramway. We are not going to get the growth if we don't run the sewer. The \$200,000 grant comes with the VA Clinic to run the infrastructure.

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

ADJOURNMENT

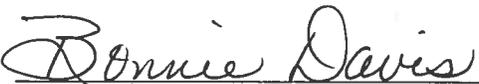
Council Member Wyhof made the motion to adjourn the meeting; seconded by Council Member Williams, the motion carried unanimously.

Respectfully Submitted,



T. CHET MANN, MAYOR

ATTEST:



BONNIE DAVIS, CITY CLERK