

LAW AND FINANCE MEETING
Wednesday, July 15, 2015
5:00 P.M. in Council Chambers
225 East Weatherspoon St., Sanford, NC

The Law and Finance Committee met on Wednesday, July 15, 2015, in the Council Chambers at City Hall at 5:00 P.M. The following people were present:

Law and Finance Committee:

Mayor T. Chet Mann	Council Member Byron Buckels
Council Member Sam Gaskins	Council Member Norman Charles Post, III
Council Member Charles Taylor	Council Member Rebecca Wyhof
City Attorney Susan Patterson	City Manager Hal Hegwer
Administrative Assistant Vicki Cannady	

Absent:

Mayor Pro Tem James Williams	Council Member Jimmy Haire
City Clerk Bonnie Davis	

Mayor Chet Mann called the meeting to order.

Consider Presentation from Mission Critical Partners Regarding 911 Staffing – (Exhibit A)

Mission Critical Partners employees Philip Penny and Louisa Lake presented information from a staffing analysis of the City's 911 Public Safety Answering Point. They noted that the City is one of the few agencies providing emergency medical dispatch services and we are also on the forefront in accepting text requests. They recommend adding four staff members to increase total staff from three to four per shift; however, because this would require long-term planning and budgeting, they suggest an initial increase of two members. They also recommend implementing a lead telecommunicator position on each shift to provide direct oversight rather than that member serving in a peer role. Mr. Penny noted that the turnover rate in this field is in the 30 to 40 percent range nationally while the City has had no turnover in more than four years, which is quite remarkable. City Manager Hal Hegwer stated that funds are available in the budget for these recommendations.

Consider Introduction of Interns

Community Development Director Marshall Downey introduced Ashlyn Vogelsang and Joseph Akinosho, who are serving as summer interns. They each spoke briefly about projects with which they have been involved and thanked Council for the opportunities.

Consider Update on Downtown Initiatives

Downtown Sanford, Inc. (DSI) Director David Montgomery gave updates on the following ongoing projects:

1. Mural Project: The first mural, representing the Sanford Spinners baseball team and privately funded by Sanford Contractors, has been completed and has spurred interest in celebrating our history. Commitments of \$6,000 have been received for the remainder of the project with \$5,000 already on hand. Approximately two-thirds of those funds are scheduled for use on the next mural project on Wall Street which will recognize prominent

African-Americans in Sanford's history. Sponsorships are being solicited for the cost, estimated at \$8,000 to \$10,000. Several groups and individuals have expressed Interest in other projects, including a train motif at Depot Park, the façade of San-Lee Theatre (across from Temple Theatre), a history of auto racing and a brick industry mural.

2. DSI Executive Director: David Montgomery announced that he will be stepping down from this position to become a long-range planner for the City. There were 23 applications received for the position and four applicants were interviewed. The new Director (to be controlled entirely by DSI with no City involvement) should be on the job by late August or September.
3. Revitalization projects:
 - a. Downtown: Six blocks open to date, two others anticipated to open soon.
 - b. Jonesboro: Both sides of Trade Street open from Main Street to Dalrymple Street; north side of Main Street from Horner Boulevard to Dalrymple Street also open.

While most comments from merchants have been positive, some customers report problems walking and parking around construction barrels. Mr. Montgomery acknowledged that the contractor's primary concern must be their employees' safety but encouraged staff to request barrels be moved when work is not underway. City Engineer Paul Weeks stated that staff is still pushing for November 17 as the "substantial completion" date, meaning that all sidewalks, granite curbs, and brick pavers would be in place and street repaving completed. This does not include installation of new lighting, benches, trash cans and other ancillary items.

Consider Discussion Regarding Brick Capital Community Development Corporation and Purchase of Makepeace Building

City Manager Hegwer stated that an interlocal committee met with the goal of cooperating to make Brick Capital solvent into the future. Consensus from City representatives was to consider purchasing the Makepeace Building, listed for sale at \$209,000 with a tax value of \$252,100.

Council Member Wyhof asked if other stake holders agreed that selling this property would substantially help resolve their financial issues. Mayor Mann confirmed it would indeed have a meaningful impact, particularly with cash flow. Other interested parties may help by making "in kind" contributions. Council Member Taylor asked about their long-range plan, selling other properties and how the County plans to help. Mayor Mann explained that Brick Capital is willing to consider all options, including recommendations from the UNC assessment. Executive Director Kate Rumley has drastically reduced her salary and the County may contribute cash.

Council Member Gaskins (Liaison to Brick Capital) stated that Brick Capital recently reported approximately \$4,200 cash on hand. Since cash flow is a significant problem, selling the Makepeace Building will help tremendously and allow them to continue operating until additional measures can be implemented.

There has also been discussion about returning lots in the Redevelopment area (previously donated by the City) to the City. Mayor Mann suggested including this in the proposal. Property taxes on these lots are an additional expense and returning them would eliminate this cost. Mr. Taylor questioned whether they would be available to developers and whether they would include restrictions. City Attorney Patterson explained that all City-owned lots are available for purchase. Restrictions normally run with the land and it would be for Council to decide whether to lift them

since they originally imposed them. The redevelopment program allows lots to be transferred for the cost of the closing to those willing to help carry out the public purpose of affordable housing.

Mr. Taylor questioned whether the County has indicated interest in using the Makepeace property for the Probation or Parole departments, which County Manager John Crumpton informed Ms. Patterson was a possibility. Representatives from the Sanford Housing Authority have also been amenable about working with Brick Capital. Mayor Mann reminded everyone that many community development companies have not survived funding cuts of the last several years but our community has an opportunity to help Brick Capital by working together. He suggested using the tax value of \$252,100 rather than the list price of \$209,000 or establishing a purchase price and donating the balance between that and the tax value. The payoff balance on the loan secured by the property was approximately \$173,715 as of July 3, 2015. Eliminating the monthly loan payment would improve cash flow, remove an annual loss of \$32,000, eliminate the property tax expense and give taxpayers a tangible asset which could be leased or sold.

City Attorney Susan Patterson stated that if Council desires to move forward, a purchase price and terms must be established. The lease with the current tenant (for approximately half the building) generates \$15,000 annually. Ms. Rumley has previously referred to an "appraisal", which Ms. Patterson will investigate to help establish a purchase price. Finance Director Beth Kelly has reviewed the lease with the current tenant, Maggie Outreach Community EDC, effective through February 14, 2017. It includes a provision for increasing monthly payments from \$1,250 to \$1,500 but this has not been enforced by Brick Capital. The monthly payment on the loan is \$1,706.08, with approximately \$985 currently going to principal and \$721 to interest.

Mayor Mann noted that consensus appeared to indicate that Ms. Patterson should proceed with preparing documentation to purchase the Makepeace Building and vacant lots. Ms. Kelly requested and received confirmation that maintenance expenses of \$8,400 (security, electricity, cleaning, waste pickup, etc.) should also be included in the budget amendment.

Consider Ordinance Amending Annual Operating Budget of City of Sanford Fiscal Year 2015-2016 – (Beth Kelly) - (Exhibit B)

Finance Director Beth Kelly explained that this amendment re-appropriates fund balance for purchases budgeted in the prior fiscal year but not expended as of June 30, 2015, for compost screening and the new fire pumper purchase. Similar budget items are typically addressed at Council's first meeting in August but this amendment allows for timely processing of compost screening and allows the City to receive a discount of approximately \$8,000 for early payment of the fire pumper.

Consider First Amendment to Interlocal Agreement for Shared Use of Buggy Factory – (Exhibit C)

Financial Services Director Beth Kelly explained that this amendment outlines shared expenses of the City and County for the Buggy Factory.

Mayor Mann called for a ten minute recess at 6:33 p.m. The meeting resumed at 7:33 p.m.

Consider Discussion of Ordinance to Amend Sanford City Code Sec. 10-212- Going on Private Residences - (Exhibit D)

City Attorney Susan Patterson explained that our current ordinance has been in place for at least 30 years and there have been many changes in the law since that time. She proposed deleting

provisions for “farm produce” and adding “political entities” to the list of exempt organizations. She noted that the City does not prohibit door-to-door sales, it only regulates them by requiring a permit and permission from the property owner. This applies to all transient vendors, whether selling hot dogs on a corner lot or going door-to-door: permission of the property owner is required for commercial activity to occur. As a “good”, farm produce is already included and it should be deleted from the exceptions. Adding “political entities” to the list of exempt organizations addresses Supreme Court decisions stating that religious activity (such as Jehovah’s Witnesses going door-to-door to proselytize) is speech protected under the First Amendment to the Constitution. Canvassing for political candidates is allowed and no limitations or permits are required since it is considered “free speech”. These revisions would update our ordinance based on law. She has been requested to revise this by an attorney representing a door-to-door alarm system company, specifically to address the provision for “having been requested or invited so to do by the owner or occupant”.

Consider Discussion Regarding Martin Luther King, Jr. Park Enhancement

General Services Director Tim Shaw requested direction on the possibility of adding amenities such as a parking lot, lighting, sitting areas, gazebo, garden area, and walking path. Budget funds of \$125,000 are available but costs cannot be determined without more design detail. He estimated that artist renderings will cost approximately \$1,000 to \$1,200 each.

Council Member Buckels stated that he has received many questions about park improvements, including some from his 89 year-old mother-in-law who recently had to use the street to access the park.

Council Member Taylor stated that he considers it a disservice to call the area a “park” since it doesn’t have features typically found in a park; it is really a memorial. Prior attempts to raise funds for improvements privately were not as successful as hoped. In checking the Sex Offenders’ Registry, he found that seven offenders were living within a one mile radius of the park, 33 were living within a three mile radius and an adult video store is also located nearby. While he supports the park, he has received push back from constituents concerned that there are other more pressing needs in the community.

After discussion, Mayor Mann requested that Mr. Shaw obtain artist renderings to illustrate potential improvements. Council Member Gaskins suggested that the renderings address sidewalk access and parking since they are both needed.

Consider Entering Into a Sidewalk Agreement with DOT for the Woodland Avenue and Courtland Drive Sidewalk Projects – (Exhibit E)

City Engineer Paul Weeks explained that this agreement details terms for receiving grant funds of \$110,000 from DOT for these projects.

Consider Ordinance Amending Annual Operating Budget of City of Sanford FY 2015-2016- Sidewalk Project- Woodland Avenue and Courtland Drive – (Exhibit F)

City Engineer Paul Weeks explained that this amendment transfers funds for the projects.

Consider Grant Project Ordinance – NCDOT- Sidewalk Project (Woodland Avenue and Courtland Drive) – (Exhibit G)

City Engineer Paul Weeks explains that this Ordinance creates the sidewalk project.

Consider Golf Course Marketing Plan – (Exhibit H)

Golf Pro David Von Canon presented information on increased marketing of the Golf Course, which is the oldest course in the county. Among the suggestions were: giving the course an independent website (rather than accessing it through the City website); including a mailer with utility statements; advertising at new restaurants; including information on the City newsletter (which is seen by people other than city employees and also goes to Facebook and Twitter); to new teachers in the school system; to realtors; and reward and incentive programs. He stressed that opportunities often have short time frames and giving him more flexibility to make decisions quickly and independently would increase efficiency. Information on new programs can be easily tracked through the computer system to determine what works and what doesn't.

Mr. Von Canon also noted that updates are needed to the pro shop and suggested that the upstairs area could be modernized or historically updated. City Manager Hegwer suggested using inmate labor prior to special events since we have received great service from them in the past.

Consider Update on Citizens Academy

Public Information Technology Officer Kelly Miller explained that the summer session will begin July 20 and continue on Mondays through October 5, from 5:30 p.m. to 7:30 p.m. There are eleven participants and five on a wait list. The closing session will be held Tuesday, October 20.

Consider Discussion of Ordinance Amending Sec. 26-15 of the Sanford Code of Ordinances – Consumption of Intoxicating Liquors; Improper Disposal of Containers Within the Sanford City Limits – (Exhibit I)

Downtown Sanford, Inc. Director David Montgomery explained that many local communities have seen success with events which included music, food, and alcohol (First Fridays in Southern Pines, Clayton Shindig, Lexington BBQ festival). DSI has had preliminary discussions with the Arts and Vine Festival Committee about bringing the Festival downtown but that event includes a wine tent and current ordinance would require it to be located on private property. The Temple Theatre annual Art Walk is structured so that alcohol is served only in buildings but the event could be larger if alcohol were allowed on streets. The proposed Bluegrass Festival, slated for September, would also benefit from this change.

Planning Department staff has worked with City Attorney Patterson and the Police Department on a draft ordinance addressing this issue. Currently beer, wine (fortified or unfortified), and liquor are allowed on the Sanford Golf Course at all times and at Depot Park only by special permit. Staff and Ms. Patterson have drafted ordinances for review with two different areas where special events could take place. One area includes Carthage, Wicker, Moore and Steele Street blocks and another includes the Commercial Business District (CBD). Another difference is that consumption of only beer and unfortified wine are included, fortified wine and liquor are not. DSI would prefer using the CBDs since Downtown and Jonesboro both have them and they allow for flexibility and they are intended to be more pedestrian oriented.

The proposed ordinance would allow alcohol on public streets, sidewalks, parking lots and alleyways. The permits will be issued through the Police Department and will require specific identification of the area where the event will be held and verification of insurance coverage. The applicant would also be responsible for the cost of security measures ensuring that individuals are of legal drinking age, to control consumption and to maintain decorum during the event.

Council Member Taylor questioned whether these changes would mean additional liability for the City. Attorney Patterson stated that the City mitigates liability by allowing alcohol consumption on streets and sidewalks only when they are closed and a special event permit has been issued. Security is also required and the City must be named as an additional insured party on their insurance coverage. She noted that there is nothing in this ordinance allowing anyone to drink and drive and it is not intended for the City to take on any host liability. The event provider would have the obligation to ensure that people don't over imbibe to the point they can't function. Anyone drinking and driving after an event would be subject to arrest just as they would at any other time. Some events held in other areas require tickets which are exchanged for alcohol in order to limit consumption, some limit the size of coolers brought in, some have controlled access points to monitor consumption and some have only one designated place to enter and exit the event. She also noted that there are residences in areas being considered where some participants may live or visit. Event coordinators will be responsible for ensuring that participants obey laws; if laws are broken, participants would be subject to the consequences.

Ms. Patterson explained that this proposal has no effect on plans to expand rules to allow patio or sidewalk dining. Many streets in the City are DOT owned and there are restrictions limiting the potential for pedestrian and vehicle collisions and requiring that rights-of-way remain free from obstructions unless streets are closed. Mr. Montgomery informed Council that pursuing regulations permitting outdoor dining remains on DSI's program of work.

Council Member Wyhof suggested using the CBDs as areas where special events could be held since both Downtown and Jonesboro have them. Mr. Montgomery stated that defining the specific area within the CBDs, determining ingress and egress and confirming adequate staffing are all issues that will be addressed in the permitting process. Ms. Patterson noted that special events will be allowed in defined areas within the CBD and not the entire CBD area.

Consider Update on Sister City Relationship and Letter Received from Yixing, China – (Exhibit J)

Mayor Mann informed Council that he has received an invitation from the Mayor of Yixing to the Pottery and Ceramics Trade Fair which is held every two years. Several private citizens have expressed an interest in going. The Chinese will host a party of up to six people but airfare is not included. There is some enthusiasm about partnering with Static Control Components, which is headquartered in Sanford, to pursue economic development connections near Shanghai. Their Mayor has expressed interest in coming here, although nothing has been formalized. The International Ceramic Festival begins October 19 and this is an opportunity to display locally produced pottery to the thousands of people who attend the festival.

Other Business

Council Member Buckels expressed condolences to the family of the two victims shot on Garden Street and to the Sanford Housing Authority.

Council Member Taylor echoed Mr. Buckels response and thanked members of the Fire and Police Departments, whose quick responses to the shooting and fire prevented the situations from becoming even worse. He also thanked everyone involved with the Project Safe Neighborhood presentation. He requested that conversation begin soon in preparation for fireworks and a parade celebration for the Fourth of July next year. He also stated that he would like to be included in discussions of the proposed bike elements course.

Mayor Mann stated that Project Safe Neighborhood is just one example of our city's ability to achieve. Bringing representatives from more than 15 law enforcements agencies here to help significantly reduce violent crime is remarkable for a city of our size. He expressed his gratitude to staff, the Police Department and other agencies for organizing that event.

City Manager Hegwer reminded everyone that August 4 is National Night Out and the time of the Council Meeting scheduled for that date will be changed from 7:00 p.m. to 1:00 p.m.

**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 Taylor, the motion carried unanimously.

Respectfully Submitted,



T. Chet Mann, Mayor

ATTEST:



Bonnie Davis, City Clerk