

MINUTES OF SPECIAL 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, October 27, 2015, at 7:00 p.m. in the Council Chambers. The following people were present:

Mayor T. Chet Mann
Council Member Byron Buckels
Council Member Jimmy Haire
Council Member Charles Taylor
City Manager Hal Hegwer
City Clerk Bonnie Davis

Mayor Pro Tem James Williams
Council Member Sam Gaskins
Council Member Norman Charles Post, III
Council Member Rebecca Wyhof
City Attorney Susan Patterson

Mayor Mann called the meeting to order. Mayor Pro Tem James Williams delivered the invocation. The Pledge of Allegiance was recited.

Mayor Mann welcomed back Council Members who were part of the China delegation and thanked them for their service.

APPROVAL OF AGENDA

Council Member Gaskins made the motion to approve the agenda. Seconded by Council Member Wyhof, the motion carried unanimously.

CASES FOR PUBLIC HEARING

Public Hearing on Petition for Street Name Change from Webb Street to Veterans Way

Mayor Mann opened the public hearing.

Dan Stringfellow of 1605 Webb Street, questioned the reason for the change and noted that the petition requesting the change had not been signed by him but by his son (who is 21 years old). City Manager Hegwer explained that the local VFW had requested the change and the purpose of the hearing is to get feedback on the issue.

Katherine Stringfellow, also of 1605 Webb Street, questioned how street name changes are handled and whether they could be done without majority approval of Webb Street residents. City Manager Hegwer explained there is no formal policy and it is in Council's discretion. Community Development Director Marshall Downey explained that the E911 Department assigns addresses and anytime a street name is changed (resulting in an address change), that information should be passed along to the Post Office.

Council Member Gaskins suggested that since Landis Street has no residents, renaming it appears more logical and less disruptive than splitting Webb Street into two different streets, especially if there are residents on Webb Street who oppose the change. Council Member Taylor noted that while a portion of Webb Street does extend into the McCracken Heights neighborhood, there are no houses with Webb Street addresses, since none face it.

There being no further comments, Mayor Mann closed the public hearing.

- Consider Adoption of Resolution Changing the Name of a Portion of Webb Street to Veterans Way – (Exhibit A)

Council Member Taylor made the motion to adopt the Resolution Changing the Name of a Portion of Webb Street to Veterans Way, which was seconded by Council Member Haire. Mayor Mann opened the floor for discussion.

Council Member Gaskins made a motion to amend the resolution by removing “a Portion of Webb Street” and substituting “Landis Street” in its place. There was no second.

Council Member Taylor called the question on the original motion to a vote. Voting in favor were Council Members Taylor, Haire, Wyhof and Post. Mayor Pro Tem Williams, Council Members Gaskins and Buckels voted against the motion, which carried by a four to three vote.

Closed Session

Mayor Mann noted that there was a last minute issue to be resolved prior to the public hearing on the next agenda item. City Attorney Susan Patterson stated that a motion was needed to go into closed session under North Carolina General Statute 143-318.11(a) (4) to discuss matters relating to the location or expansion of businesses or industries in the area served by the public body.

Council Member Haire made the motion to go into closed session; seconded by Council Member Post, the motion passed unanimously.

Council Returned to Regular Session at 7:30 p.m.

Public Hearing on Economic Development Incentive – Project Flint – Request by Sanford Area Growth Alliance (SAGA) – (Exhibit B)

Mayor Mann called the meeting back to order and opened the public hearing.

SAGA Economic Development Director Bob Joyce explained that a local company, code named “Project Flint”, was requesting an incentive for a potential expansion to modernize equipment with new technology to match equipment being installed by competing manufacturers. The total investment of approximately \$28 million will be made in two phases: the first, which would be the bulk of the project at \$20 million, would be new machinery and equipment, and the second would be real estate improvement/construction of \$8 million. Machinery would be purchased during this calendar year and installed in 2016. The new equipment will improve plant productivity and require additional space for raw material and finished goods. Construction would begin in 2016 and be completed in 2017, when it would go on the tax books. The project, when completed, will add 15 jobs with an average annual wage of about \$31,200. This company offers group health insurance and pays a portion of employee premiums. There are no safety or environmental concerns. They have not requested any funding from the State (JDIG or One North Carolina) due to the relatively small size of the project. No community college training program funds will be used since they already have a training

program and are pursuing an apprentice program, thanks to the involvement of some Council members. Although the Economic Development committee of SAGA has not yet reviewed the project yet due to timing, the SAGA Executive Committee has reviewed it.

Mr. Joyce noted that an incorrect schedule was presented when he previously appeared before Council in closed session to discuss this project. The corrected version showed two options: Option One, presented previously in error, shows a declining grant and was approved by County Commissioners. Option Two is the schedule previously approved by Council showing the \$467,040 grant requested by the company based on a \$20 million investment in machinery and \$8 million in real estate. The machinery is depreciated annually based on the NC Department of Revenue schedule for this type of machinery. He also noted that, after discussion with the Lee County Tax Administrator, the value of the real estate was adjusted to approximately \$7.6 million rather than the full \$8 million. Mr. Joyce also explained that this project would span two different calendar years.

Keith Clark, of 212 Acorn Drive, spoke about alternate methods of economic development and increasing the tax base, including investment in public infrastructure such as the ongoing revitalization projects in Jonesboro and downtown Sanford. He applauded Council for moving quickly on all bond projects simultaneously, since that will likely have the most impact. He also commended Council for the relocation of staff and resources to the Buggy Factory, where planning and economic development services can be concentrated, noting this is an excellent example of how public investment can benefit downtown. Regarding the recent announcement that an elementary school will be located near downtown (at the W.B. Wicker School site), Mr. Clark stated that the anticipated 240 to 300 drop-offs and pickups daily, along with approximately 45 employees, would generate more vehicle traffic which must be managed properly. He suggested that City officials consider investing in this project to ensure that it benefits the downtown area, where \$14 million is already being spent on revitalization.

Regarding the economic development incentive grant previously discussed, Mr. Clark stated that some people believe that local businesses would expand even without incentives since they are already located here; however, there is increased competition, from other states and even from other counties. He stated that in his opinion, this project will have an economic impact but will also send the message that we want companies that will not only come here, but come here and grow.

Mayor Mann closed the public hearing.

- Consider Adoption of Resolution Authorizing the Expenditure of Funds for an Economic Development Project and Approving an Agreement with Project Flint – (Exhibit C)
Council Member Gaskins made a motion to adopt the Resolution Authorizing the Expenditure of Funds for an Economic Development Project and Approving an Agreement with Project Flint with figures shown in Option Two. Council Member Post seconded this motion.

City Attorney Susan Patterson requested that the motion also include authority for staff to substitute the company name into the agreement once the details of the company have

been made public and if Option Two is approved, that the motion also include authority for staff to revise numbers to match those in the incentive agreement.

Council Member Gaskins amended his motion to include authority for both issues as requested by City Attorney Patterson, which was also seconded by Council Member Post. The motion carried in favor by a six to one vote, with Council Member Taylor casting the dissenting vote.

REGULAR AGENDA

Consider Ordinance Prohibiting Thru Truck Traffic on Olde Towne Drive in the City of Sanford – (Exhibit D)

Vic Czar, Public Works Director, explained that a request had been received to prohibit thru truck traffic in the Hawkins Run Subdivision on Olde Towne Drive. He stated that a request has been made to DOT for a similar prohibition on Charleston Drive (the frontage road along US Highway #1, from Hawkins Avenue to Olde Towne Drive), but no response has been received.

A motion to adopt the ordinance was made by Council Member Taylor, which was seconded by Council Member Wyhof.

City Attorney Patterson questioned whether this issue had been discussed previously at a Law and Finance Meeting, noting that Council's meeting schedule had recently changed and issues having the effect of ordinances sometimes require votes at two meetings in order to pass. Council Member Taylor confirmed that this issue had been discussed at a previous meeting. Mrs. Patterson asked if it had been listed as an agenda item and City Clerk Bonnie Davis stated that it had not. There was discussion as to whether a unanimous vote to adopt an ordinance would eliminate the need for a second vote, which Mrs. Patterson will research.

Mayor Mann called for a vote on the motion, which carried unanimously.

Consider Resolution Authorizing the Advertisement of an Electronic Auction to Sell Certain Personal Property of the City of Sanford – (Exhibit E)

Fleet Maintenance Superintendent Randy Paschal explained that this resolution would allow the sale of surplus property to begin at 8:00 a.m. on November 9, 2015, and continue for approximately two weeks.

A motion to approve the resolution was made by Council Member Buckels; seconded by Council Member Gaskins, the motion carried unanimously.

Consider Resolution of the City of Sanford in Support of the Redistricting Reform – (Exhibit F)

Mayor Mann explained that this resolution would confirm Council's support for the bipartisan effort to control gerrymandering and have redistricting done based on scientific criteria. Council Member Taylor questioned how this would affect minority districts. Mayor Pro Tem Williams explained that is not an issue since redistricting is done at the state level, and state laws are required to comply with all federal law, including the Civil Rights Acts. Mayor Mann confirmed the resolution was non-binding.

A motion to adopt the resolution was made by Council Member Post; seconded by Council Member Gaskins, the motion carried unanimously.

Consider Statement of Commitment to Provide Local Funding Match for Bike and Pedestrian Projects – (Exhibit G)

Long-Range Planner David Montgomery explained that this statement confirms the City's commitment to provide the 20 percent local match required for several bike and pedestrian projects. He noted that these projects are not yet funded. They must first be scored, which cannot be done unless there is a commitment to provide the matching funds. The commitment does not require City funding at this time; that would be required only if the projects are approved for construction, which would not likely happen before 2022. By consensus, Council agreed to commit the matching funds required for these projects.

Consider Resolution Authorizing the Assignment of Bid for Property Located at 109 Third Street, in Sanford, North Carolina – (Exhibit H)

City Attorney Susan Patterson explained that since no bids were made on this property, which is in foreclosure, the City and Lee County were considered high bidders in the amount of \$6,883.50. Charles Dean Brown has requested that this bid be assigned to him, which is allowed by state law. Mrs. Patterson explained that there are three options: the matter can be tabled until more information is gathered; it can be approved, contingent on the County also approving the request; or the request can be denied.

A motion to table the Resolution Authorizing the Assignment of Bid was made by Council Member Post; seconded by Council Member Gaskins, the motion carried unanimously.

NEW BUSINESS

Mayor Mann noted that the Council meeting scheduled for November 3 will be cancelled since elections are held that day. There will be a Law and Finance meeting on November 10; a Council meeting will be held on November 17 and no meeting will be held during the week of Thanksgiving.

Council Member Taylor expressed his hope that some of the photos in the hallway of City Hall could be moved to the Buggy Factory. He requested that information on expenditures for the recent trip to China be disclosed as public record and asked for an update on the fireworks project. He also noted that a four-acre tract near Clairmont Green (formerly St. Clair School), which has been used as Horner Park, is currently for sale. Council Member Haire stated that some community members have expressed an interest in keeping this area as a green space.

Council Member Wyhof encouraged everyone to vote next Tuesday.

City Attorney Patterson announced that City ordinance allows for trick-or-treating on Halloween from 6:00 p.m. until 9:00 p.m. and masks are not to be worn in public except for children under 12 years of age.

City Manager Hegwer informed Council that the City has received a Silver LEED ("Leadership in Energy and Environmental Design") Certification for the Big Buffalo

Wastewater Reclamation Facility, identifying it as a showcase example of sustainable design. He explained that the fireworks display has been delayed until spring, when downtown streetscape construction will be complete. Regarding the photos, Mr. Hegwer explained that work is already underway to enhance the quality of the photos displayed in City Hall so that some of them can be moved to the Buggy Factory. The buggy, which will also be displayed there, has been moved out of the City Hall lobby.

City Attorney Patterson informed Council that a revision will be made to some of the documentation in connection with the recent loan from the City and County to the Airport Authority to reflect the fact that the loan will be secured by an Assignment of Rents, Leases and Profits rather than by a Deed of Trust as originally shown.

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

ADJOURNMENT

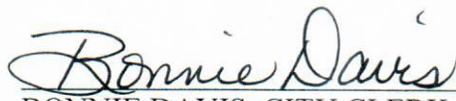
Mayor Pro Tem Williams made the motion to adjourn the meeting; seconded by Council Member Gaskins, the motion carried unanimously.

Respectfully Submitted,



T. CHET MANN, MAYOR

ATTEST:



BONNIE DAVIS, CITY CLERK