

MINUTES OF JOINT INTERLOCAL COMMITTEE MEETING

Monday, April 11, 2016 - 11:30 A.M.

Buggy Factory

115 Chatham Street, Sanford, NC

The Joint Interlocal Advisory Committee met at the Buggy Factory, located at 115 Chatham Street, Sanford, North Carolina, on Monday, April 11, 2016, at 11:30 a.m.

City:

Mayor T. Chet Mann
Mayor Pro Tem Sam Gaskins
Council Member Rebecca Wyhof
City Manager Hal Hegwer
City Attorney Susan Patterson
City Finance Director Beth Kelly
City Clerk Bonnie Davis
Community Development Director Marshall Downey

County:

County Commissioner Amy Dalrymple
County Commissioner Ricky Frazier
County Commissioner Tim Sloan
Lee County Manager John Crumpton
County Clerk Gaynell Lee
Deputy County Clerk Danielle Mahoney

Broadway:

Broadway Town Manager Dustin Kornegay
Mayor Don Andrews
SAGA Executive Director Bob Joyce

Chairperson Amy Dalrymple called the meeting to order. The following items were discussed:

Status Update of Colon Road Water Project

Chairperson Dalrymple stated that testing has been completed and we are having Environmental Lee to look over everything to make sure that everything is done properly when transferring those funds over to the non-profit. She and Manager Crumpton have had communication with members of Environmental Lee and they are still interested in running city water to that area. Mr. Crumpton has done a good job of explaining the public purpose part of it. Mr. Crumpton stated that when the County was running water in other parts of the County with USDA grant money and USDA loans, it was for that specific purpose. The question now is how do you get the water to the people on the private dirt roads and that is a private issue. The old Colon Road does not have City water. The highest test of hexavalent chromium was found on the private dirt road in that area. It is anticipated that distribution of coal ash will come to the County in the summer of 2017. Mr. Crumpton stated that they have not done any work at the site in about six months.

Central Carolina Enterprise Park Infrastructure

Mayor Chet Mann stated that most everyone in the room was at the presentation by Mark Sweeney "Building Communities" on how communities win, relating to the Central Carolina Enterprise Park. It is real important to understand how much is involved to get projects off the ground. Staff has been meeting with the developer group since January 2016, about every other week with the Planning Department to form a developer's agreement. We are making sure the agreement is fair to everyone. This is the first time in our history that the City and the County

have an opportunity to work together with a private group without so much risk to buy property. Hopefully, we can get the Central Carolina Enterprise Park to the level to win a big project or two.

Mr. Hegwer informed everyone that there are two groups that make up the Central Carolina Enterprise Park and staff has been working with all the owners to put together agreements in terms of what they will accomplish and what the City will do. In the end, we will end up with a first-class industrial park. We are hoping to have the preliminary agreements ready by the end of this week and then come back to the City Council in the future and work towards the finalization of those agreements and move the project forward. We will need the help of the Sanford Area Growth Alliance to market that property, along with every other asset we have.

Mayor Mann added that this is how we are going to achieve a thousand jobs. If we are going to be competitive with our neighbors, we have to have a park with amenities such as sidewalks, lights, water, sewer and broadband. We need community support for this project and everyone needs to understand what this collaboration of efforts is about. Wilson had to buy their park at \$3.5 to \$4 million; originally they had seven different land owners.

Economic Development Executive Director Bob Joyce stated that Mr. Sweeney emphasized that the speed at which business needs to move now is at the speed of light compared to what it used to be. For example, he received a project for RFI on Friday, April 8 at 5:15 PM and it was due this morning at 10 A.M. We did not have a building to suit this company and they were very specific about their request. If we had a building, we would have had to scramble to get all the information they requested. This project development with Central Carolina Enterprise Park is all about reducing the risk and time involved in developing a project.

Community Development Director Marshall Downey explained that staff is working with the developer group of Central Carolina Enterprise Park on the conditional rezoning approach and how they will list their permitted uses in the park. There are two different projects; Kirk Bradley and his group own 230 +/- acres of property on the west side of Colon Road; it will have smaller lots-probably more of a business park. Mr. Stroud's project is on the other side of Colon Road with one larger piece of property of about 430 acres – for a large manufacturing project. Attorney Patterson is working on the developer's agreement.

Mr. Crumpton gave a status on the extension of broadband and that it is on hold at the CSX Bridge (on both sides of the bridge). The County is waiting on the permit to connect. The company went ahead to the terminal building and worked backwards towards the bridge, so we are waiting on CSX to give approval to run the conduit. The County has taken bids on running fiber to the industrial park. Mr. Crumpton stated that Randolph Communications in Asheboro has come up with a great plan; it will take a little longer to install but when they are finished it will basically cover the entire western and southern part of the City. We can extend off that in any direction. This plan will create competition and staff has heard from Windstream already. Anyone 1,000 feet from the line can connect. The line will end at the Triassic Park. Mr. Crumpton stated it is a \$650,000 project and the County's portion is \$180,000.

Bob Hales Center

Chairperson Dalrymple stated that the renovations to the Bob Hales Center came in about \$60,000 over budget. She felt it was in large part due to some circumstances that occurred such as the fire at the Nature Center; it was about 18 months before the project was put out for bid from the time they had the actual blue prints. During that time, the construction costs increased 30 percent.

Commissioner Frazier thought the commissioners were in favor of the project; he felt the conversation about the project was not clear. From what he has gathered, Parks and Recreation had projects and plans to put other things there and it was pushing the at-risk youth, 18 to 24, away from what the initial goal was and he felt it was not clear. They need to revisit the project and get on one accord. He was actually confused on the project.

Chairperson Dalrymple stated that John Payne has projects that he does not have space for and commissioners will be discussing this in the budget.

O. T. Sloan Park Renovation Project

Chairperson Dalrymple stated that Danielle Mahoney presented a capital improvement plan for 2017-2021 to the commissioners. In it, renovations to the O. T. Sloan Park include the tennis courts, refurbishing the pool, parking lot improvements, soccer fields will be located behind the State Employees Credit Union; and utilizing the land that was donated to the County tentatively starting in 2018.

Mayor Mann added that there is still a significant family donor who would be elated to hear about this project; that family is still interested in talking to the County about an indoor facility on that site but the family would like to know there is a plan in place. Mrs. Dalrymple stated that there is a layout for the site and it can be adjusted. Mayor Mann added that the family may decide to do it on the new potential sports park.

Chairperson Dalrymple stated that the County received a donation of \$21,000 by the apartment complex behind Dalrymple Park to upgrade the park. This helps with renting the apartments. A lot of work has been done to Horton Park also.

Economic Development “Yellow Light”

Bob Joyce stated that McCallum Sweeney is Duke Energy’s preferred contractor for their Site Readiness Program. He said that when our site was accepted into the Duke Energy’s Site Readiness Program, we dealt with their staff and they put together an initial report. This report card has the attributes and characteristics of the site and this is what we use. The process that Mr. Bradley has put in place at the Central Carolina Enterprise Park has been a good one. He brought in design experts, consulting engineers, building design experts, and SAMET Corporation.

Mr. Joyce advised that some of the yellow lights are (1) property with four different owners – that has been resolved as all 230 acres are under common ownership or they have options on it. There are another 100 acres which may be part of a master plan, resulting in 325 acres. Mr. Sweeney was very clear, as far as site selection consultants, that the optimum situation is government control and ownership. They like to see this in larger situations like Baxter and it is

almost a requirement of some type of government control. The big campus developments, like Baxter Company, are going to ask that the land be donated or purchase the land and give it to them for an incentive. Baxter was going to employ 1,500 employees and a \$1 billion investment; there was a clear public purpose. It is how you structure the incentives; whether it is a grant based on increased tax value, or whether you purchase the land and donate it to them.

In terms of the group working on the Center Carolina Enterprise Park and Triassic Park, they have not said specifically whether they expect the City and County to purchase the property at the end of the deal once they get it all put together and get all the site certifications.

Bob Joyce stated that all the proposals he receives asked if we are located within 30 miles of an airport. There are 70 totally certified sites in North Carolina; 13 of the sites are 250 acres and we are one of the sites. There are only six to seven sites within 30 minutes of an airport.

Mr. Downey added that Southpark was a Department of Commerce certified site. It was rezoned recently as Barrington Park with mixed uses; however, due to the economy the project fell through. Staff has received a request to rezone it to a standard residential, single-family project. Right in the heart of it, which he said he was having discussions with the owners about recertification of the park. Again, Council will be faced with having to make a decision on what to do with that going forward.

Mr. Crumpton indicated that he was told over the weekend by another developer, you can get property under option; you pay their holding costs – that way they do not have money going out. This is something you can think about. If we get all the infrastructure in place - run water, sewer, and fiber to the park and enhance the intersection of that road; and their taxes are rising along with the property value, we might need to get that under option. This was actually done on spec buildings to encourage private development of spec buildings. They build it and the county comes in and pays the interest, light bills, etc. for a period of time to market it.

Mr. Joyce mentioned some additional yellow lights:

- 41 Acres of FEMA flood zone - need to design around it;
- Small portion of property is zoned Highway Commercial-(they will likely get conditional zoning);
- Securing minimum timber rights;
- Planning for stream crossings;
- Property is not served by rail;
- Good accessibility on Clyde Rhyne Drive but visibility is limited; developer is starting to clear trees.

Yellow Lights for Community

- Lee County has had less overall job growth in the last three years;
- Educational attainment-we are below the state average in high school and bachelor's educational attainment;
- Thirty miles from I-540 and 55 miles from I-95;
- Establishing cost of mitigating wetlands;

- Extending water, wastewater and fiber.

Chairperson Dalrymple stated that during the McCallum Sweeney presentation, Mr. Sweeney referred to the yellow lights but in reality, we are checking off those boxes to bring in industries. The things that can be addressed are in the process. Mayor Mann agreed and said if we cannot get our unemployment rate down and our job tax base expanded, we are focusing on the wrong things.

Trash Concerns in the City/County

Chairperson Dalrymple noted that a lot of trash is being thrown on the side of the roads. The inmates are doing a good job picking the trash up; however, if anyone has any ideas on how to eliminate this nuisance, to please let her know.

Any Other Items of Interest

Mayor Don Andrews reminded everyone of the festival being held in Broadway this coming weekend. They are exploring moving their board meetings to the community building and are soliciting comments and input from the public. A presentation will be held on Monday, April 25.

Bob Joyce stated that the sales tax on services has to be spent on schools. He noted that staff is working on the logistics, job descriptions, etc., for the development of the Tourism Development Authority (TDA).

Mayor Mann indicated that staff is working on renovating the Depot Park building.

He noted that the City was known to be a brick city and he is trying to push forward some designations for Sanford, other than just being known as well-centered. He would like to tie it to some things we can be proud of and one of them is a military connection, being so close to Fort Bragg. Joy Thrash is helping him with an army-community covenant; it would be one way to say we are a military friendly community. He is working on some ideas for designations that could be used for signage and website. We have not finished the part of being a retirement area, so we are not officially designated yet.

Community Development Director Marshall Downey announced that staff will have a conference call with the consultant to get the Land Use Plan kicked off. He added that there are a couple of residential projects to come before the City and the County. The only concern staff is having as new subdivisions are created is are we creating neighborhoods. You may see a request from the developer in the future trying to avoid curb and gutter and sidewalks.

Mayor Mann added that he was talking to the mayor in Apex, and he said if you want to build a community in Apex, you have to give up 20 percent open space and declare how many soccer fields they are going to donate.

Joint Interlocal Committee Meeting
April 11, 2016

Adjournment

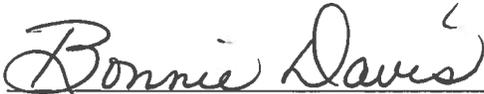
The meeting ended at 1:15 p.m.

Respectfully Submitted,



T. Chet Mann, Mayor

ATTEST:



Bonnie Davis, City Clerk