

SANFORD CITY COUNCIL
WORK SESSION
Tuesday, October 13, 2020
Dennis A. Wicker Civic Center, Exhibition Hall
1801 Nash Street, Sanford, NC

The City Council held a work session on Tuesday, October 13, 2020, at 6:00 p.m. in the Exhibition Hall of the Dennis A. Wicker Civic Center, located at 1801 Nash Street, Sanford, North Carolina. The following people were present:

Mayor Chet Mann
Council Member Sam Gaskins
Council Member Charles Taylor
Council Member James Williams
City Attorney Susan Patterson
Management Analyst Holly Marosites

Mayor Pro Tem Byron Buckels
Council Member Jimmy Haire
Council Member Rebecca Wyhof Salmon
City Manager Hal Hegwer
City Clerk Bonnie Davis
Deputy City Clerk Vicki Cannady

Absent:
Council Member Norman Charles Post, III

Mayor Mann called the work session to order and noted that Item 4, “Consider Discussion on Live-Burn Exercise,” would be removed from the agenda.

Consider Update from GFL Environmental (Waste Industries) – Recycling (Exhibit A)

Norma Yanez, Government Accounts Manager for Waste Industries, a GFL Environmental company, reminded everyone that their Sanford Transfer Station is located at 3290 McDonald Drive (off Wilson Road). She reviewed information shown on the attached Exhibit A and summarized the process for transferring material from local customers to the Sonoco station in Raleigh. Approximately 277 tons is collected daily and about 8 percent of that is recyclable. She reviewed the list of items accepted for recycling, which includes glass, and items that contaminate recycling, which includes plastic bags. Facilities/Beautification Administrator Kris Fumage confirmed that a list of acceptable items was distributed to residents last year and is on the City website. Council Member Haire suggested it be posted on recycling carts and Council Member Taylor requested more educational material to share with residents since he often sees plastic bags in recycling bins. Ms. Yanez stated that the City’s volume of unacceptable materials falls within the accepted range but agreed they could work on a pilot program. She noted that the list was generated by the State and a list or decal with the City’s logo could be printed for the City free of charge. Mr. Taylor suggested information be included on water bills, and distributed to local homeowners’ associations and through seminars.

Ms. Yanez invited Council members to visit the transfer station and Sonoco site. Jeremy Freeman (from their Fayetteville branch) explained that Sonoco limits non-compliant material to 18 to 20 percent; they fine companies that exceed those limits, but Sanford has not been fined. Ms. Yanez stated that some areas cite residents who don’t comply and have threatened to suspend service, but she suggested we provide education before penalizing offenders, particularly since volume has increased about 30 percent since the COVID-19 pandemic began. Mr. Taylor suggested that information on how to properly dispose of paint also be provided locally at locations where paint is sold. Several Council members agreed that compliance would increase by providing a decal clearly indicating acceptable items and reminding them not to include plastic bags. Mayor Mann suggested these efforts be coordinated with Mr. Fumage.

Consider Feasibility Study with UNC School of Government-Development Finance Initiative (Exhibit B)

Community Development Director Marshall Downey explained that the Development Finance Team (“DFI”) team would join the meeting remotely to share results of a preliminary redevelopment feasibility study of the Singer property, a collection of historic structures located on the site of the former Singer Furniture property.

Marcia Perritt, DFI Associate Director, reviewed information on the attached Exhibit B and noted that the study built on research her team previously developed for the East Sanford area to identify potential redevelopment sites. She noted that the Singer building is an interesting historic structure on the downtown edge and while it has lots of potential for redevelopment, there are also challenges. The most suitable concept to redevelop the property would be as multi-family residential property. City staff is currently seeking to identify the property as a “contributing” structure to the Downtown Historic District but there would be additional challenges even if it is approved. Since the building was formerly used as a manufacturing facility, its windows are very narrow and are about six feet above floor level, which is not compatible for current residential units. Since modifications could jeopardize tax credits, the DFI team has spoken with the State Historic Preservation Office but they won’t provide a firm answer until a Part Two historic tax credit application is submitted. Jordan Jones, DFI Development Advisor, noted that a Durham Mill project recently lost an investor, partially because of window-related risks.

Since the property is located along Little Buffalo Creek, flooding is another issue. About 15 percent of the property is located in a flood zone and the private sector would be unlikely to accept that risk. Ms. Perritt stated that the City could help mitigate this risk and suggested we consult an engineer to explore this option.

Another challenge is the project’s financial feasibility: Mr. Jordan explained that reducing risk upfront would help attract private partners. Ms. Perritt suggested that abating environmental concerns, providing public amenities nearby, or parking areas that could be leased back to a private developer could help attract interest.

In summary, Ms. Perritt explained that there is a potential to attract the private investment needed for the project through a public-private partnership, assuming the property is eligible for tax credits. Another positive factor is the potential of the S-Line Rail Transit project. Community Development Director Marshall Downey suggested that the City pursue state and federal grants to offset costs and noted that there is a potential of collaborating with the Department of Transportation (“DOT”) and other communities along the rail line as transit-oriented development. DFI staff analyzed an overview of planning elements included in correspondence from DOT to City Manager Hegwer (included in Exhibit C – see item below) and identified what would work best to help this project move forward. Mr. Jordan confirmed there is precedent for development near a railroad and noted that an apartment building has been constructed very near a railroad track in Durham and it has been relatively successful. Ms. Perritt suggested that being near the rail line is a huge amenity and Mayor Mann agreed that the Singer building’s proximity to the S-Line makes it unique. Council Member Taylor questioned whether the Utility Fund could provide funds to relocate the Public Works Department at the property and Mr. Hegwer agreed that could be an option.

Recess

A brief recess was taken at 7:00 p.m. and the meeting was reconvened at 7:20 p.m.

Consider Partnership with the North Carolina Department of Transportation to Fund a Planning Grant for Passenger Rail Service with Stops in Sanford, Raleigh, Wake Forest, Youngsville and Franklinton (Exhibit C)

City Manager Hal Hegwer noted that the North Carolina Department of Transportation (“DOT”) recently received a \$47.5 million grant to purchase the S-Line rail corridor between Raleigh and Ridgeway and they plan to apply for another \$1.25 million grant; however, a 20 percent match is required and they are seeking partners. Raleigh, Wake Forest, and Franklinton have indicated their support but Youngsville, which is very small, had not responded when he spoke with DOT representative Julie White. Since the deadline is October 20, he questioned whether there was consensus among Council to participate in the match, noting that Raleigh may assume a larger share while Sanford and Wake Forest could contribute smaller amounts. Mayor Mann suggested that economic development would likely develop around the rail line. Community Development Director Marshall Downey reminded Council that as explained in the previous item, DFI helped identify elements that could enhance the Singer Building redevelopment project. Consensus was reached among Council to participate in the match.

Consider Discussion on Live-Burn Exercise on Woodland Avenue on October 24

This item was removed from the agenda.

Consider Code Enforcement/Demolition Process

Barbara McMillen shared an overview of the demolition process, noting that all Minimum Housing cases use the same process, whether they are minor complaints or potentially life-threatening situations; however, procedures are vastly different for occupied and unoccupied properties. If the property is occupied, a landlord can often be contacted but if it is vacant, the process is much more involved. Owners sometimes communicate with their department but many do not. Some owners simply cannot maintain the property and if the owners are deceased, it is often difficult to locate heirs. Staff makes every effort to locate the owners and determine how to proceed. Selling the property is not an option if the owners owe more than the property is worth. When she began working in this department, they occasionally received requests the private sector about the status of properties with obvious issues but they receive many more now. She keeps a list of occupied properties and shares contact information if the occupant has given her permission to share it. She also informed Council that she was open to suggestions on how to help owners sell these properties rather than having them demolished.

Ms. McMillian also explained the “due diligence” process, which involves mailing a Notice of Violation to the owner (if they can be located), lienholder (mortgagee, tax office, City or County, Code Enforcement Department) and other interested parties (tenant, life estate remaindermen); however, mail is often returned because they have no current address. A notice is also published in *The Sanford Herald*. Hearings are held, which are sometimes attended by owners, and an order will likely be issued allowing a reasonable time for the violation to be remedied. She noted that if anyone who has a legal interest in the property is not notified or if the property condition changes, the process must be reinitiated. After the statutory time period has expired, an ordinance to demolish the property is presented for Council approval. Community Development Director Marshall Downey agreed that the process is extremely time consuming and owners often take no action until demolition is imminent.

Council Member Taylor stated that he surveys his area to determine when properties should be referred to the Code Enforcement Department and encouraged his fellow Council members to do likewise. He suggested that the current lack of inventory has spurred interest in acquiring properties at a low price, then renovating them. He questioned whether a database should be created and posted to the

City's website rather than publishing it in the newspaper. Ms. McMillian explained that the County maintains a list of properties going into foreclosure and they are researching software to share this information available to the public. Mayor Mann suggested that the private market would be very interested in this information, with low inventory and interest rates. Ms. McMillian also explained that she cautions potential buyers that she cannot guarantee whether homeowners would respond to requests to sell their properties. She maintains separate lists for owner-occupied and tenant-occupied properties but would need guidance from Attorney Patterson regarding what information could be released. City Attorney Susan Patterson explained that properties with Minimum Housing violations are not necessarily for sale and we have no right to market citizens' property. She also pointed out that even after condemnation actions, only the structure is affected and the land can be sold only if the owner wants it sold. Mayor Mann noted that condemnations are done only as a last resort and we would much rather see fewer violations.

Regarding violations at the Riverbirch Shopping Center, Ms. Millian explained that many of the fines have been paid by the Belk Department Store. Violation notices were sent to the shopping center owner last year, notices were issued in September, and the management company informed her office that they have received several bids for repair work but it has not yet been done. They have been more responsive since her office cautioned that penalties would be levied and she is encouraged that potholes and street lights will be repaired and if not, we will have them done and assess the owner.

Consider Discussion on Halloween Activities (Exhibit D)

Management Analyst Holly Marosites explained that Halloween trick-or-treating activities are not sanctioned by the City. Our Code of Ordinances limits activities to children under 12 years of age on Halloween between 6:00 p.m. and 9:00 p.m. in residential areas, but otherwise it is in parents and/or guardians discretion. The North Carolina Department of Health and Human Safety strongly cautions against traditional trick-or-treating this year due to high risks related to the COVID-19 pandemic. The City's recommendation is also to avoid traditional activities, while encouraging those who participate to wear masks, wash their hands frequently and observe social distancing guidelines. The Centers for Disease Control ("CDC") compiled alternatives and steps to make events safe (shown on the attached Exhibit D). Residents who don't want to participate are advised to turn off lights and close doors. Mayor Mann noted that the City has followed CDC's guidelines throughout the pandemic and questioned whether there was consensus to adopt them for Halloween. Council Member Taylor agreed residents should participate in alternate events this year and Council Member Gaskins noted that contact tracing would be extremely difficult if there is an outbreak. Consensus was reached to post guidelines on the City's website and social media, and for Council members to make them available to constituents.

Mayor Mann reminded everyone that a decision on whether the Christmas parade will be held this year will be discussed at the October 20 Council meeting.

OTHER BUSINESS

Council Member Taylor stated that he and Mayor Mann recently attended a meeting of the Joint Planning Committee which is working on updates to the Unified Development Ordinance and the *Plan SanLee*. The board hopes to present documents to Council in the next three to six months and they will be reviewed periodically in the future, with less time between updates. The board discussed extended stay hotels and how they differ from apartments and conventional hotels. He also noted that awnings at some downtown businesses were damaged recently when trees were trimmed.

Council Member Haire stated that he has tried to schedule a meeting with the owners of the Masonic Building to address a tenant's request (the operator of "The Chocolate Cellar," located in the basement of the building) for a sign to replace the "Collins Press" sign, noting that Collins Press had not occupied the building in more than 25 years.

Mayor Pro Tem Buckels stated that about 20 applications have been received for the Equity Task Force board. He recently completed a five-part Triangle J Council of Governments webinar that was very informative and he encouraged fellow Council members to participate in their programs to stay abreast of current issues. He also noted that he recently had trouble receiving email through his city email account. Mr. Hegwer explained that our robust spam filter occasionally filters out legitimate emails, particularly those with attachments, and it is difficult to catch spam while guaranteeing that every legitimate email is received. He encouraged Council members to inform staff if they do not receive emails as expected and stressed that staff is attempting to maintain system integrity and prevent attacks like those experienced by other government agencies and municipalities.

Mayor Mann stated that the 300-acre Lee Brick and Tile company site has recently been designated a Duke Readiness site and SAGA will receive a \$10,000 grant for a site readiness study. A prominent site selector who recently attended a meeting was very positive about our area and suggested that we should start another building each time one is sold.

ADJOURNMENT

Mayor Pro Tem Buckels made the motion to adjourn the meeting. Seconded by Council Member Gaskins, the motion carried unanimously.

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



T. Chet Mann, Mayor

Attest:

Bonnie D. Davis, City Clerk