

TOWN OF SILER CITY

The Siler City Board of Commissioners met in Regular Session on **Monday, December 17, 2018** at 7:00pm in City Hall Courtroom with Mayor Grimes presiding. Commissioner Haiges gave the invocation with the recitation of the Pledge of Allegiance following. Commissioner Price recited the Town of Siler City Mission Statement and Commissioner Siler recited the Town of Siler City Vision Statement.

ELECTED TOWN OFFICIALS PRESENT: Cindy Bray, Larry Cheek, Mike Constantino, John Grimes, Bill Haiges, Thomas "Chip" Price, and Tony Siler

ELECTED TOWN OFFICIALS ABSENT: Lewis Fadely

TOWN STAFF PRESENT: Town Manager Bryan Thompson, Attorney William Morgan, Finance Director Roy Lynch, Human Resources Director Nancy Darden, Planning Director Jack Meadows, and Town Clerk Jenifer Johnson.

AGENDA ADJUSTMENTS/APPROVAL OF AGENDA

Thompson requested the addition of § 143-318.11(a)(6) Closed sessions to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee.

A motion to approve the agenda as amended was made by Mayor Pro Tem Cheek, seconded by Commissioner Price and unanimously approved.

CONSENT

A motion to approve the consent agenda which includes the November 19, 2018 Minutes (Incorporation by reference as if fully set forth herein Schedule A) and December 3, 2018 Minutes (Incorporation by reference as if fully set forth herein Schedule B) was made by Commissioner Haiges, seconded by Commissioner Siler and unanimously approved.

PUBLIC COMMENT

none

PRESENTATION

Affordable Housing Update – Aspen Romeyn

Romeyn shared the following (Incorporation by reference as if fully set forth herein Schedule C):
Chatham County Affordable Housing Advisory Committee Siler City Priority Focus:

Rental quality and low-income renter support

Short-term Strategies (1-2 years):

- Develop a housing resources website and hardcopy versions of resource information
- Provide fair housing education to landlords
- Conduct a neighborhood assessment
- Strengthen the Minimum Housing Code

Neighborhood Assessment Study Area

As recommended by the Affordable Rental Housing Strategy Toolbox, we performed a conditions survey in 9 neighborhoods identified by the Siler City Planning Department. These neighborhoods were chosen due to both their high rental populations and concerning housing quality.

Housing Stock in Study Area

Housing Type	1 unit	2 - 9 units	10 or more	Mobile home
Siler City	1945 (64%)	433 (14%)	196 (7%)	448 (15%)
Neighborhoods	210 (51%)	53 (13%)	0 (0%)	150 (36%)
Difference	-13%	-1%	-7%	+21%

Properties were assumed to be owner-occupied if the billing address and physical address of a property are the same, and renter-occupied if they differ.

Condition Survey

- Foundation
- Stairs, Rails, and Porches
- Roof & Gutters
- Exterior Surfaces
- Access to Unit/Exits
- Evidence of Infestation
- Garbage & Debris
- Site Condition

The condition survey consisted of walking house to house and examining the quality of these 8 criteria for each property. We rated them on a scale of 1 to 5, and in the assessment itself there is a detailed description of what each score means. Once the scores were taken, we averaged all 8 criteria to get a final grade for each property, also on a scale of 1 to 5.

A caveat - only evaluated the house from the street, so in some cases the entire structure is not visible, and in addition, the exterior condition is not always an indicator of the interior condition or livability of a structure.

Here are a few examples of what each grade looks like. From 5, being recently built or carefully maintained, to 1, unsound and likely unable to be rehabilitated. Scores of 1 & 2 are considered substandard and would likely not pass the minimum housing code.

Findings

- How many substandard homes are in the identified neighborhoods?
- To what extent is the substandard housing quality concentrated?
- To what extent, and in what way, is the housing stock deteriorated?
- When analyzing the survey results, the main questions we were looking at are how many substandard homes there are, if they are concentrated, and in what ways are they deteriorated.

- How many substandard homes are in the identified neighborhoods?

We are qualifying properties that scored an average of either a 2, poor, or a 1, deteriorated, as substandard. With that qualification, there were a total of 40 substandard properties totaling to just over 20% of the surveyed properties

To what extent is the substandard housing quality concentrated?

Neighborhood	Overall Rating	Uninhabitable Houses
E. Ninth Street	(4) Good	0
E. Fourth & Fifth Streets	(4) Good	2
400 - 600 Womble Street	(3) Fair	1
Justice Mobile Home Park	(2) Poor	23
W. Dolphin Street	(2) Poor	2
W. Fifth Street	(2) Poor	0
N. Chatham Avenue	(3) Fair	4
Cottage Grove Avenue	(2) Poor	1
12 th – 15 th Streets	(3) Fair	17

In addition to surveying each neighborhood, we counted the overall total of uninhabitable structures in each. Of the 50 counted, 40 were within two neighborhoods: Justice Mobile Home Park and 12th to 15th Streets. Also want to note that Dolphin St. has just two structures considered to be uninhabitable, but there are approximately 46 total units there.

To what extent, and in what way, is the housing stock deteriorated?

Neighborhood	Structure						Site				Average Grade	
	Found-ation	Stairs, Rails, Porches	Roof & Gutters	Exterior Surfaces	Access to Unit /Exits	Average Structure Score	Evidence of Infestation	Garbage & Debris	Site Condition	Average Site Score		
E. 9th St	4	3	3	4	4	3	4	4	4	4	4	Good
E. 4th & 5th Sts	4	3	3	3	3	3	4	4	4	4	4	Good
Womble St	4	3	3	3	4	3	4	4	3	4	3	Fair
N. Chatham Ave	3	3	3	3	3	3	3	3	3	3	3	Fair
12th - 15th Sts	3	2	2	3	3	3	3	3	3	3	3	Fair
Cottage Grove	3	2	2	2	2	2	3	3	2	2	2	Poor
W. 5th Street	3	2	2	2	2	2	3	2	3	2	2	Poor
Justice MH Park	3	2	2	2	2	2	2	2	2	2	2	Poor
W. Dolphin St.	2	2	3	1	1	2	2	3	2	2	2	Poor
Averages	29	25	27	24	26	26	29	31	26	29	3	Fair

Lastly, we want to know to what extent and in what way the housing stock is deteriorated. These are the average scores for each neighborhood and the overall averages. We see the lowest average scores are within stairs, rails, porches; exterior surfaces; and access to unit/exits. While the ways in which the housing stock is deteriorated is fairly similar within the different neighborhoods, the makeup of the neighborhoods is different, the report goes into detail about each of the neighborhoods, but I will briefly go over three:

The first neighborhood is 12th to 15th streets, to the north of HWY 64—which is the largest neighborhood surveyed.

Despite having an average grade of 3, this neighborhood has the highest concentration of poor houses, with 26 of the surveyed properties scoring a 1 or 2. Additionally, it has the largest amount of multi-property owners, totaling to 8 owners and 20 properties.

In the entire neighborhood, there were 17 uninhabitable houses. The largest amount of poor housing identified, 37 properties scored a 1 or 2 on at least one criteria.

2 non local owners w/ multiple properties:

Donald & Betty Matthews (Randleman NC), Lashanda Lane (Staley NC)

6 Local owners w/ multiple properties:

Larry Marsh, Sam Harris, Joseph Glover, Robert Headen, George Scotton, Mary Ann Alston

The next neighborhood is the 300 block of west 5th street, directly on the west side of the train tracks.

700 Block W. Dolphin Street

Average grade: Poor

Exterior Surfaces and Access to Units are in the worst condition.

Similar to West 5th street, this entire neighborhood only has one owner, however the owner of this neighborhood is an investment group from Wake Forest. This neighborhood had the lowest overall grade, and as you can see from the photos, exterior surfaces and access to units are in the worst condition, with many broken windows and unusable paths.

From anecdotal information, three bedroom apartments are about 1,020 sf and rent for \$500, 1 bed are 550 sf and rent for \$450.

Owner: Brookwood Holdings LLC, T&J Investments, Wake Forest NC, the only property in Siler City they own.

Recommendations

Meaningful Community Outreach

Objective: to increase awareness of resources and organizations available to residents and to increase communication between residents and the Town of Siler City.

Strong Regulation

Objective: to strengthen housing regulations and ordinances in order to protect public health and safety of Siler City residents, rather than to punish offenders of codes.

The approach we took for recommendations is a two-pronged approach encouraging both meaningful community outreach and strong regulations—each with a set of strategies within them, that I'll go over.

Strategy 1: Partner with active community organizations to help disseminate information to residents.

Strategy 2: Provide residents with tailored information about resources, codes, and standards.

Strategy 3: Conduct public meetings in partnership with community organizations to discuss the quality of housing and issues/questions residents may have for the city.

Strategy 4: Partner with community groups and nonprofits to improve the quality of neighborhoods

The first strategy for meaningful community outreach is to partner with active community organizations to help disseminate information to residents, and to reach & educate the widest amount of residents possible. Community orgs could include: Hispanic Liaison, faith organizations, neighborhood groups

Strategy 1: Strengthen the Minimum Housing Code.

- Add definitions
- Define responsibilities of landlords and renters
- Enact Periodic Inspections
- Include right of first refusal
- Establish reasonable penalties

Strategy 2: Create purposeful enforcement

- To minimize displacement, ensure residents know all their options for improving their housing quality before they are penalized for noncompliance.
- Train code enforcers with soft skills such as customer service, cultural competency, and ethics.

The Board of Commissioners discussed the Affordable Housing recommendations.

A motion to adopt the Chatham County Affordable Housing as presented was made by Commissioner Haiges, seconded by Commissioner Constantino and unanimously approved.

PUBLIC HEARINGS

Town of Siler City proposes text amendments to §156 Gaming Establishment, Adult (separation requirement from residential uses) of the UDO.

Mayor Grimes opened the public hearing for the proposed text amendments to §156 Gaming Establishment, Adult (separation requirement from residential uses) of the UDO at 7:37pm. (Incorporation by reference as if fully set forth herein Schedule D)

Meadows shared the following documents:

1. draft ordinance amending Article 11
2. aerial photos of 1334 E. 11th St. area
3. news article dated Oct 18, 2018

Meadows stated that the proposed amendments were first discussed by a potential business owner. The business owner shared the concerns with the Town Board during a public comment period on October 15, 2018. Town staff prepared the proposed amendments. The Planning Board reviewed the proposed amendment at a regular meeting and initiated the amendment process.

Meadows shared the Compatibility with existing Comprehensive Land Development Plan (items below that are bold and italicized may be selected as reasons why the proposed amendment is consistent with the land development plan):

1. Amend ordinances as needed to accommodate uses or situations that arise and are not clearly covered by existing ordinances.
2. Amend ordinances as needed to address changes in physical, social, or environmental circumstances that make existing regulations unnecessary, outdated, or obsolete.

3. Modify the development ordinances to be more user-friendly where possible.

Meadows shared the following Planning Board recommendation:

1. The December 10, 2018 regularly scheduled planning board meeting was cancelled due to inclement weather.
2. The planning board shall prepare and submit a written recommendation to the town board as soon as practical, but not later than thirty-five (35) days (January 14, 2019) following the date of the planning board meeting. Failure of the planning board to submit a recommendation to the town board within the prescribed time limit shall be construed as a favorable recommendation.

The Board of Commissioners discussed the amendment.

A motion to recessed the public hearing to the proposed text amendments to §156 Gaming Establishment, Adult (separation requirement from residential uses) of the UDO until January 22, 2019 with a recommendation to the Planning Board that they are consistent with the established feet from each location was made by Commissioner Haiges, seconded by Mayor Pro Tem Cheek and unanimously approved.

Town of Siler City proposes text amendments to §194 Access to Lots (points of access for residential developments) of the UDO.

Mayor Grimes opened the public hearing for the proposed text amendments to §194 Access to Lots (points of access for residential developments) of the UDO at 7:43pm. (Incorporation by reference as if fully set forth herein Schedule E)

The proposed amendments were first discussed during Town Board meetings (June & July 2018). Town staff prepared the amendments. The Town Board reviewed draft language on Nov. 5, 2018 and initiated the proposed amendment.

Meadows shared the following documents:

1. draft ordinance amending Article 14
2. a portion of Appendix D of the NC Fire Code

Meadows shared compatibility with existing Comprehensive Land Development Plan (items below that are bold and italicized may be selected as reasons why the proposed amendment is consistent with the land development plan):

1. Amend ordinances as needed to accommodate uses or situations that arise and are not clearly covered by existing ordinances.
2. Amend ordinances as needed to address changes in physical, social, or environmental circumstances that make existing regulations unnecessary, outdated, or obsolete.
3. Modify the development ordinances to be more user-friendly where possible.
4. Develop driveway regulations to require access from service drives, prevent multiple driveways on a single lot, and control the spacing of driveways.
5. Develop specific standards for those properties abutting major highway corridors, to place more stringent controls on building setbacks and height, vehicular access, sign size and location, and buffering of parking and service areas.

Meadows shared the Planning Board recommendation:

3. The December 10, 2018 regularly scheduled planning board meeting was cancelled due to inclement weather.
4. The planning board shall prepare and submit a written recommendation to the town board as soon as practical, but not later than thirty-five (35) days (January 14, 2019) following the date of the planning board meeting. Failure of the planning board to submit a recommendation to the town board within the prescribed time limit shall be construed as a favorable recommendation.

A motion to recessed the public hearing to the proposed text amendments to §194 Access to Lots (points of access for residential developments) of the UDO until January 22, 2019 was made by Commissioner Haiges, seconded by Commissioner Constantino and unanimously approved.

OLD BUSINESS

AD TUBI International Incentive Agreement

Thompson stated on October 1, 2018, the Town of Siler City Board of Commissioners held a public hearing to consider the request of Apex Investment, Inc. (AD TUBI International) ("the Company"), for economic development incentives. Under the project as proposed, the public benefit to be derived from the capital project is a total taxable capital investment by the Company of at least \$6,000,000.00 in facility upgrades, machinery and equipment. The project would result in the creation of (19) new jobs, at an average annual wage of \$33,200 which is in excess of the average wage in the Town of Siler City for full-time employment, plus other benefits. The contemplated incentives would last for a period of five years. The maximum amount of incentives to be considered in this grant over the five years would be \$33,100. (Incorporation by reference as if fully set forth herein Schedule F)

Thompson stated that the Board of Commissioners approved the incentives for Apex Investment (AD TUBI International) and asked the Town Attorney draw up an incentive agreement. Thompson shared the proposed incentive agreement for the Board of Commissioners review and approval.

A motion to approve the incentive agreement between the Town of Siler City and AD TUBI was made by Commissioner Haiges, seconded by Commissioner Constantino and unanimously approved.

Building Inspection Operations

Thompson stated due to limited applications submitted for consideration of employment as the Town's next Building and Fire Inspector, the Town is presently in the concluding stages of working with Chatham County to develop an Inspections Agreement between the County and the Town for the performance of these services in the interim, and until such time the Town is able to hire a full-time inspector. At the direction of the Board, the Town placed an ad for this position earlier in the year. The Board also directed staff to begin discussions with Chatham County to determine the extent to which the County would be available and able to assist the Town in the provision of this service until such time the Town is able to hire a full-time inspector. At this time, the Town does not have a full-time inspector hired to assume these duties. Accordingly, staff recommends moving forward with finalizing an arrangement with Chatham County to provide these services as herein noted. (Incorporation by reference as if fully set forth herein Schedule G)

Thompson stated as part of this effort, County and Town staff have defined the scope of services to be performed through this agreement and the manner of providing the same. This agreement is anticipated to be available for Board consideration at its first meeting in January. The scope of service proposed is that of both building inspections and fire inspections. This scope also includes participation at pre-development meetings that might require the presence of a Building or Fire Code official. Furthermore, technical assistance is also scheduled to be afforded by the County for the Town's minimum housing enforcement program. Minimum housing enforcement will consist of three primary components. These components include technical, administration, and legal. Technical assistance will be provided by Chatham County by way of a building inspector. Administration support will be provided internally by the Code Enforcement Officer. Legal services will continue to be maintained and provide through the Town Attorney.

Thompson stated in addition to the proposed service agreement, the Board will be asked to consider amending the Town's Fee Schedule to reflect the current fees of the County for both building and fire inspection-related services. There is no proposed cost owed to the County, by the Town, for providing these services outside of permit and inspection fees collected for those services provided. With the intent to maintain current customer service levels for obtaining permits, the County has agreed to work with the Town to enable customers to be issued permits in Siler City at City Hall. The agreement, in its current draft, calls for an 18-month commitment with a 60-day termination provision.

Thompson stated that the proposed agreement will be forwarded to the Board once it has been finalized and reviewed by the Town Attorney.

The consensus of the Board of Commissioners was to have the Town Manager work with the county on an agreement and fee schedule for building inspections.

Police Recruitment

Darden stated in order to recruit and retain qualified and experienced law enforcement personnel and to be competitive in the market, staff recommends that we offer the following two salary incentives within the Police Department (Incorporation by reference as if fully set forth herein Schedule H):

- Bilingual in Spanish 5%
- Education 2.5% - Associate Degree 5% - Bachelor's Degree 7.5% - Master's Degree

Darden stated that the Town's population is over 49% Latino, and we have only one person in the police department that can speak Spanish. We need more personnel that can communicate with our residents and provide them the quality of service they need and deserve.

Darden stated incentivizing education helps create a pool of candidates that will be ready for promotion when the time comes. We're investing in their future and showing them that we believe in them.

A motion to add bilingual and educational incentives to non-exempt Police Department positions effective December 18, 2018 was made by Commissioner Haiges, seconded by Commissioner Constantino and unanimously approved.

Financial Update - Non-Profit Funding

Lynch stated as requested by the Town Manager, he is providing an update of where we currently stand as of November 30, 2018 comparing revenues to expenditures in the General Fund for consideration of additional Non-Profit funding requests in FY2019. (Incorporation by reference as if fully set forth herein Schedule I)

Lynch stated as of the 5th month of the fiscal year, we should be at an average revenue receipt of 41.7 percent of budget. Currently we are running at 43.7% or an average of \$127,944 based on fire tax, sales tax, building permits and miscellaneous receipts such as insurance proceeds and donations. I have listed a high level overview of revenues below:

	<u>Annual Budget</u>	<u>Actual</u>	<u>Percent</u>
Ad Valorem	\$ 2,203,300	\$ 876,785	39.8
Motor Vehicle	\$ 254,120	\$ 106,201	41.8
Fire Tax	\$ 300,000	\$ 131,760	43.9
Sales Tax	\$ 2,206,100	\$ 1,012,252	45.9
Garbage	\$ 489,450	\$ 180,996	37.0
Other	\$ 844,100	\$ 484,900	51.3

Lynch stated expenditures should be at an average of 41.7 percent as well. Currently we are running at 48.7 percent of budget or an average of \$447,721 due to a number of unexpected expenditures that's had a direct effect on salaries, payroll taxes and retirement as a result of Hurricanes Florence and Michael. We've also incurred some damage to our equipment and parks due to the same events. Another unexpected expenditure has been the gasoline holding tank at public works which drove expenses up over \$23,000 in the General Fund.

Lynch stated that the current net difference is a deficit of \$319,777 as of November 30th.

Lynch stated that we will not have a clear picture of what the fiscal year 2018 financials look like until closing entries and fund balance transfers are complete. The delay has been due to the additional GASB 75 actuarial study requirement for OPEB (Other Postemployment Benefits) reporting based on all employees.

The Board of Commissioners discussed the non-profit funding and ask staff to bring it back after we get the financial reports in February and send the non-profits a letter with an update.

NEW BUSINESS

CAM Interlocal Maintenance Agreement

Thompson stated that the Town of Siler City and Chatham County have a long history of working together on projects that promote and foster economic development and growth in western Chatham County. Currently the County and the Town are cooperating with respect to the Chatham-Siler City Advanced Manufacturing Site and have entered into an option to purchase approximately 1,800 acres until June 30, 2022. (Incorporation by reference as if fully set forth herein Schedule K)

Thompson stated that the Town desires to undertake basic maintenance of the entrance to the CAM Site adjacent to US Highway 64 for encouraging the location of industrial enterprises to the CAM Site.

Thompson shared a proposed Interlocal Cooperation Agreement for the Board of Commissioners review and approval.

A motion to approve the CAM Interlocal Cooperation Agreement with Chatham County as presented was made by Commissioner Haiges, seconded by Commissioner Siler and unanimously approved.

MANAGER'S REPORT

Thompson shared a status on projects and accomplishments in the Siler City Police Department.

TOWN ATTORNEY INFORMATION

none

GOVERNING BODY COMMENTS

none

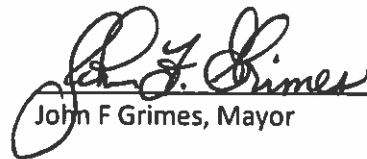
CLOSED SESSION

A motion to go into 143-318.11(a)(6) Closed sessions to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee at 8:45pm was made by Commissioner Haiges, seconded by Commissioner Siler and unanimously approved.

A motion to come out of closed session at 9:02pm was made by Commissioner Haiges, seconded by Commissioner Price and unanimously approved.

ADJOURNMENT

With no further business the Board of Commissioners adjourned at 9:03pm.


John F Grimes, Mayor

ATTEST:

Jenifer K Johnson, Town Clerk

