

TOWN OF SILER CITY

The Siler City Town Board of Commissioners met in regular session on Monday, March 19, 2012 at 7:00 p.m. in the City Hall Courtroom with Mayor Charles Johnson presiding. Following the Pledge of Allegiance, Commissioner Larry Cheek gave the invocation. The minutes from the March 5, 2012 regular session meeting were unanimously approved upon a motion by Commissioner Adams and a second from Commissioner Constantino. A motion to approve the closed session minutes from the March 5, 2012 meeting was made by Commissioner Siler, seconded by Commissioner Price and unanimously carried.

COMMISSIONERS PRESENT: Sam Adams, Cindy Bray, Larry Cheek, Michael Constantino, John Grimes, Thomas K. Price, III and Tony Siler.

TOWN STAFF PRESENT: Town Manager Joel J. Brower, Town Attorney William Morgan, Planning Director Jack Meadows, Police Chief Gary Tyson, Finance Director Tammy Speicher, Recreation Director Donald Dones and Town Clerk Karen Alman.

PUBLIC COMMENT SESSION

Roger Person, 405 W. Elk Street, Siler City, NC 27344: Mr. Person stated that the first Third Friday Artwalk of this year was a huge success and thanked Commissioner Constantino and his wife for attending. UNC-TV was in town filming the activities and conducting interviews. He advised the only disappointment was that there were not more public officials at the event which was a good opportunity to sell Siler City.

Matthew Valadez, 304 Craven Street, Siler City, NC 27344: Mr. Valades explained he would like to see a text amendment to the Town's Unified Development Ordinance to allow private homes keeping chickens in R-20 and R-10 zoning districts. He pointed out there are other cities in North Carolina larger and denser such as Raleigh, Charlotte and Asheville who allow residents to keep chickens at their residences within prescribed limits. Valades pointed out he is not able to afford the \$400 fee to propose this potential text amendment, but would like to see the Board address this possibility at their next meeting. *(Schedule 13-A)*

PRESENTATION OF CERTIFICATE OF APPRECIATION TO JORDAN MATTHEWS GIRLS BASKETBALL TEAM – STATE 2A CHAMPIONS FOR 2012: Mayor Johnson offered words of praise for the accomplishments of these girls and their coaches. Commissioners Price and Bray also spoke kind words and thanked them for the way they represented not only their school but the entire Town of Siler City. Bray stated that not only were these girls great on the basketball court, but in the classroom as well. Mayor ProTem Grimes pointed out the "best thrill is competing" and encouraged them to strive to be all they could be and to do the same for their children. He told them to cherish these memories and thanked them for bringing this great honor to Siler City. Mayor Johnson read the Certificate of Appreciation and presented it to Jordan Matthews Lady Jets Basketball Coach Jeff Stutts. The team was given a standing ovation. Coach Stutts agreed with Mayor ProTem Grimes about competing and doing it the right way which is what this team has done and stated how proud he is of this team. He stated that the support of the entire community has been wonderful. He and Athletic Director Sandy Morse thanked the Town Board for the recognition given to the Lady Jets Basketball Team *(Schedule 13-B)*

GRANT APPLICATION LETTER OF SUPPORT FOR NC ARTS INCUBATOR, ANN BASS, EXECUTIVE DIRECTOR: Ms. Bass advised she had met with a person from the NC Department of Cultural Resources stating there is a new initiative in which they are putting out a request for grant proposals in a pilot round of projects. She stated the first phase of the program will be \$20,000 to \$30,000 in planning monies with hope of getting implementation monies in the second phase. This is called a place making grant which is for the activation of public spaces. There are currently two buildings at 229 and 233 North Chatham Avenue that are empty along with the parking lot at the intersection of Third and Chatham in which she would like to concentrate. Bass plans to ask for assistance in creating a gateway at the corner of North Chatham and Third Street with the parking lot, the Arts building and the proposed central park through the NC STEP program and collaborating with property owners on the next block for potential plans to use the alley and courtyard space to display artwork, cafes, etc. She feels that defining a niche that is unique to Siler City will be a plus. In the process of drafting the grant proposal, it is necessary to show partnership with the Town and a private developer. The Wren family has agreed to be the private developer as they own property in the downtown area. Bass would like to possibly see the STEP Master Plan include this effort. The request from the Town Board is a letter of support for this proposal with no commitment of funds. The deadline for this grant application is April 2, 2012. She ended her presentation by sharing the vision of bringing a performance venue, cottage industry, textile, school and educational advancing arts and high quality crafts, etc. in the two current vacant buildings. A motion to write a letter of support for this grant application was made by Commissioner Adams and unanimously carried upon a second from Commissioner Price. *(Schedule 13-C)*

NATIONAL WALKING DAY PROCLAMATION: Mayor Johnson advised this proclamation declares April 4, 2012 as National Walking Day to encourage citizens to begin a walking program to promote a healthier lifestyle and reduce heart disease. He pointed out the places which will host a walking event on April 4th and asked Board members to choose one and support this important effort. Commissioner Adams made a motion to approve and support this National Walking Day Proclamation, seconded by Commissioner Price and unanimously carried. *(Schedule 13-D)*

NC STEP COMMUNITY LEADERSHIP TEAM UPDATE – JACK MEADOWS, DIRECTOR OF PLANNING & COMMUNITY DEVELOPMENT: Meadows explained this committee met on March 8th at the Earl B. Fitts Community Center. The group has held three consecutive meetings regarding the implementation phase. There are fourteen projects with committees and chairs for each one. Community citizens continue to work very hard on these projects. Meadows discussed three projects that received unanimous approval from the STEP Team as follows:

- \$100 expenditure for the purchase of a domain name "exploresilercity.com"
- Proceed with the Downtown Façade Grant Program and application as presented by the Project committee
- \$200 expenditure for the printing and mailing of the Downtown Façade Grant program and application

Meadows advised that the Central Park and Rocky River Nature Trail projects will require some type of Town Board zoning approval after the concept/site plans have been completed and approved by the STEP Team. It will also be

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necessary for the Town Board to appoint members to a required Steering Committee if the Town receives the NCDOT Pedestrian Planning Grant. Commissioner Adams stated he thought that when the Chatham County Business Park planning and zoning was approved, there was a requirement for a walking trail because of being an enhancement for the property owners allowing for employees to get out and walk the trail along the river. Meadows will review his Business Park file to check on this matter. Adams thanked Meadows for his updated information on Planning Department activity and asked him to continue to provide this monthly report. *(Schedule 13-E)*

BUSINESS PRIVILEGE LICENSE DISCUSSION: Town Manager Brower reported he sent out a letter to 17 manufacturers and wholesalers as requested by Board members at the last meeting asking them for input and also seeking information on their annual gross receipts to help in possibly proposing a more equitable fee structure among all businesses. He advised that eight responses had been received with enough information to create some scenarios to share with the Board. Finance Director Tammy Speicher started by commending Finance employee Yajaira Hernandez who has helped to gather the necessary information to create these scenarios and asked Board members to thank her as she could not have done this by herself. She advised there have been several discoveries of businesses that had been left off the database in the past which have now been added. Cross referencing is now being done with the building inspection and planning departments to help prevent any businesses being overlooked. Speicher then presented five different scenarios as follows:

- Example 2019 shows leaving a cap of \$150.00 on manufacturing and wholesalers and decreasing the retail merchants to \$.50/\$1,000 on gross receipts over \$20,000 showing estimated revenues of \$91,712.11.
- Example 2020 shows \$.50/\$1,000 for gross receipts over \$20,000 on retail merchants, wholesalers and manufacturers with a cap of \$2,500 on manufacturing and wholesalers with projected revenues of \$109,223.75.
- Example 2021 continues the \$.50/\$1,000 on retail merchants, wholesalers and manufacturers for gross receipts over \$20,000 and capping manufacturers and wholesalers at \$1,500.00 showing estimated revenues of \$106,723.75.
- Example 2022 lowers the per thousand fee to \$.45/\$1,000 for gross receipts on retailers, manufacturers and wholesalers and caps manufacturers and wholesalers at \$1,500.00 showing projected revenues of \$99,920.11.
- Example 2023 leaves the per thousand fee at \$.45 for gross receipts on retailers, manufacturers and retailers and caps manufacturers and wholesalers at \$2,000.00, projecting revenues of \$102,420.11. Speicher commented that when she looked at the individual businesses, this scenario seems to show better equality between retailers, manufacturers and wholesalers.

Mayor Johnson stated he likes Example 2019 pointing out this scenario reduces the privilege tax 23% from \$.65 to \$.50 per thousand and capping manufacturers and wholesalers at \$150.00. Commissioner Check pointed out this would decrease revenues about \$10,000 from this year. Speicher also advised Board members that the logic behind doctors, lawyers, etc. being exempt from paying municipal tax to operate a business per State General Statute is the fact that they pay hefty state license fees. Commissioner Price asked of the responses received from manufacturers and wholesalers, how many would cap at \$1500.00 with Speicher responding six of the seven. He still has a concern that retail merchants are still going to feel they carry the burden of the fees even with the \$.50/thousand. Commissioner Check pointed out that retail sales are projected to be down next year which will lower fees. Discussion ensued regarding the different scenarios. Commissioner Adams stated the revenue from gross receipts is now in the budget and the question to answer is where does the Town go with the privilege license program and if it is "backed down", the only other thing to do is increase advalorem taxes. He added that the citizens have always carried the burden of increased taxes and feels it only fair that businesses should pay as well. Commissioner Price would like to see a phase in cap starting with \$1,000 the first year and allowing them to budget the next year for the full amount. Mayor ProTem Grimes feels that the big box stores need to help pay based on retail sales with a definite figure per thousand, but he is not sure what the figure should be for manufacturers and wholesalers. Grimes asked what the privilege fee was for manufacturers two years ago with Speicher replying \$150.00. Brower advised the 2023 scenario includes a reduction in the per thousand fee from \$.65 to \$.45 and a \$2,000 cap on manufacturing and wholesale and shows better equality among businesses. The 2022 scenario keeps the per thousand fee at \$.45 with a cap of \$1500.00 on manufacturing and wholesale and would bring in estimated revenues of \$99,920.11 which is very close to the \$100,000 now included in the budget. Brower believes the estimates on the scenarios are optimistic due to the economy. Commissioner Constantino does not want the Town to sell itself short and feels the Town does not need to be concerned about reaching a certain figure when trying to calculate these fees stating the Board needs to have extra in the budget for unexpected expenses. Finance Director Speicher pointed out that \$.50/thousand is standard in surrounding communities. Grimes suggested the idea of \$.45/thousand and a cap of \$750.00 the first year for manufacturers and wholesalers and increase the cap the next year. He pointed out the Board is trying to figure ways to raise revenues and may have to look at making adjustments to the budget during that process. Commissioner Constantino stated if the cap is lowered, there will not be enough money to meet the budget. Mayor ProTem Grimes asked Speicher to figure more scenarios for discussion at the next meeting as follows:

- \$.45/thousand and cap of \$750.00 on manufacturers and wholesalers
- \$.45/thousand and cap of \$1,000.00 on manufacturers and wholesalers
- \$.45/thousand and cap of \$1,250.00 on manufacturers and wholesalers
- \$.50/thousand and cap of \$750.00 on manufacturers and wholesalers
- \$.50/thousand and cap of \$1,000.00 on manufacturers and wholesalers
- \$.50/thousand and cap of \$1,250 on manufacturers and wholesalers

Commissioner Bray asked that Speicher show a comparison of what retailers paid last year at \$.65/thousand and what the estimate would be this year at \$.50/thousand and \$.45/thousand. Speicher reminded Board members that the privilege license businesses are operating under now will expire June 30, 2012. Generally, requested information from businesses should go out April 1st in order to gather retail figures. Grimes advised the Board has the authority to extend the deadline if necessary. Speicher reported she will have the requested scenarios information in the agenda packet in order for the Board members to review before the meeting on April 2nd. *(Schedule 13-F)*

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CLOSED SESSION: At 8:23 p.m., Mayor ProTem Grimes made a motion to adjourn from regular session and convene into closed session for the purpose of economic development, seconded by Commissioner Siler and unanimously carried.

The Board reconvened into regular session at 8:53 p.m. and immediately adjourned.



Charles J. Johnson, Mayor

ATTEST:



Karen C. Alman, Town Clerk