

SUMMARY OF MINUTES

FINANCE COMMITTEE

4:00 P.M., MONDAY, JULY 8, 2013

COMMITTEE ROOM

ROOM 239, CITY HALL

MEMBERS PRESENT: *Mayor Allen Joines*
 Council Member Wanda Merschel, Chair
 Council Member Molly Leight, Vice Chair
 Council Member Vivian H. Burke
 Council Member Robert C. Clark

OTHERS PRESENT: *Council Member Derwin L. Montgomery (in at 4:12 p.m.)*
 Council Member Denise D. Adams (in at 4:10 p.m.)
 Council Member James Taylor, Jr. (in at 4:02 p.m.)

Chair Merschel called the meeting to order and stated that without objection, the Committee would first consider the Consent Agenda. Council Member Leight requested to pull Items C-4 and C-10. No other items were pulled.

Council Member Clark made a motion to approve the balance of the Consent Agenda. The motion was duly seconded by Council Member Burke and carried unanimously.

CONSENT AGENDA

Property Matters

- C-1. CONSIDERATION OF ITEMS AUTHORIZING THE SALE OF CITY-OWNED PROPERTY:
- a. RESOLUTION AUTHORIZING THE SALE OF CERTAIN CITY-OWNED PROPERTY AT 427 WEST TWENTY-THIRD STREET UNDER THE PROVISIONS OF N.C.G.S. 160A-269. [\$42,000.]
 - b. RESOLUTION AUTHORIZING THE SALE OF CERTAIN CITY-OWNED PROPERTY AT 503 EAST FOURTEENTH STREET UNDER THE PROVISIONS OF N.C.G.S. 160A-269. [\$59,000.]

- C-2. RESOLUTION ESTABLISHING THE MINIMUM FAIR MARKET REUSE VALUE AND AUTHORIZING THE SALE OF A SINGLE-FAMILY LOT WITHIN THE OLD CHERRY NO. 2 REDEVELOPMENT AREA TO A REDEVELOPER AT A PRIVATE SALE IN ACCORDANCE WITH N.C.G.S. 160A-457. [\$4,500.]

Community and Economic Development

- C-3. CONSIDERATION OF CHANGES TO THE FISCAL YEAR 2013-2014 CONSOLIDATED HOUSING AND COMMUNITY DEVELOPMENT ANNUAL ACTION PLAN:
- a. RESOLUTION ADOPTING REVISIONS TO THE LIST OF FISCAL YEAR 2013-2014 HOUSING/NEIGHBORHOOD DEVELOPMENT SUBGRANTEE AGENCIES.
 - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE FISCAL YEAR 2013-2014.

- C-5. REPORT ON THE REVITALIZING URBAN COMMERCIAL AREAS PROGRAM.

Environmental Health

- C-6. RESOLUTION APPROVING AN INTERLOCAL COOPERATION AGREEMENT WITH THE NORTH CAROLINA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES PERTAINING TO LAND USE RESTRICTIONS AT CITY YARD.

Public Safety

- C-7. RESOLUTION AUTHORIZING AN INTERLOCAL AGREEMENT TO SHARE FUNDS WITH FORSYTH COUNTY UNDER THE 2013 JUSTICE ASSISTANCE GRANT PROGRAM AWARD. [\$84,820.]

Finance/Budget

- C-8. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2013-2014.

Transportation

- C-9. CONSIDERATION OF ITEMS RELATED TO THE MARTIN LUTHER KING, JR. DRIVE STREETScape ENHANCEMENT PROJECT:
- a. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE NORTH CAROLINA DEPARTMENT OF

TRANSPORTATION FOR STREETScape ENHANCEMENTS TO MARTIN LUTHER KING, JR. DRIVE. [\$3,125,000.]

- b. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE CREATIVE CORRIDORS COALITION TO PROVIDE MATCHING FUNDS FOR THE MARTIN LUTHER KING, JR. DRIVE STREETScape ENHANCEMENT PROJECT. [\$312,500.]

General Government

C-11. APPROVAL OF FINANCE COMMITTEE SUMMARY OF MINUTES - *June 10, 2013.*

C-4. RESOLUTION APPROVING AN AMENDMENT TO AN AGREEMENT FOR HOUSING PRODUCTION AT DRAYTON PINES WITH THE HOUSING AUTHORITY OF WINSTON-SALEM AND EXECUTION OF A RELEASE DEED AND DECLARATION OF COVENANT PERTAINING, THERETO.

In response to Council Member Leight's question, Mr. Derwick Paige, Assistant City Manager, explained the Housing Authority of Winston-Salem (HAWS) currently has multiple properties, but will convert ownership of Drayton Pines to a single-purpose entity that will only have control of that property.

Council Member Taylor in at 4:02 p.m.

In response to Council Member Burke's question, Ms. Katrina Redmond, 500 West Fourth Street, representing HAWS, indicated Drayton Pines will retain its name. She added that the new non-profit, single-purpose entity will also carry the Drayton Pines name.

Council Member Burke noted Drayton Pines is one of the community's first housing projects and both the property and the nearby park look good.

In response to Chair Merschel's question, Mr. Paige indicated the City will have control of Drayton Pines until construction is complete. If construction is not completed, the property will return to the City.

Mrs. Marilena Guthold, Assistant City Attorney, added once construction is complete and a certificate of completion is filed, the City's ability to force the property to revert to the City would disappear and Drayton Pines would be free to convey the property to another entity. The single-purpose entity insulates the lender and gives the lender the ability to provide the funding for the rehabilitation of Drayton Pines.

In response to Chair Merschel's question, Mrs. Guthold explained the lender will be able to eliminate the restriction of transfer of the property and change some of the restrictions on fencing. All other conditions from the original agreement will remain the same.

Council Member Burke and Chair Merschel requested the amendment to the agreement include a condition that would not allow the property name to change.

Council Member Leight made a motion to approve the item with the condition. The motion was duly seconded by Council Member Clark and carried unanimously.

C-10. RESOLUTION APPROVING THE COMMISSIONING OF A CENTENNIAL ART PIECE AND A PUBLIC ART FUNDRAISING CAMPAIGN.

Mr. Evan Raleigh, Performance Reporting and Engagement Manager, gave the staff presentation on this item. He noted a selection panel will conduct a preliminary evaluation of submissions and recommend three finalists to the Mayor and City Council for final selection. The three proposed sites for the art piece are Corpening Plaza, Winston Square, and Grace Court. The selected artist will receive \$30,000 to produce his or her artwork. The unveiling of the art piece will occur no later than December 1, 2013.

Council Member Adams in at 4:10 p.m.

In response to Council Member Leight's question, Mr. Raleigh explained the selection panel will consist of professional artists and designees at the City Council's discretion. They will provide feedback on the art piece's technical aspects, safety, and soundness.

Council Member Leight stated the panel should consist of individuals who are aware of art and art installation.

Chair Merschel noted the project is not limited to professional artists. She expressed concern about professionals judging submissions from populations such as the Center for Exceptional Children. She added art has an emotional connection that does not necessarily require educated expertise. She further noted part of the criteria for the project is that the piece recognizes the historical contributions of women to the city.

Council Member Montgomery in at 4:12 p.m.

Council Member Leight made a motion to approve the item. The motion was duly seconded by Council Member Burke and carried unanimously.

GENERAL AGENDA

G-1. RESOLUTION AUTHORIZING THE CITY TO PARTICIPATE IN CERTAIN PUBLIC INFRASTRUCTURE IMPROVEMENTS FOR THE HILLTOP HOUSE SOUTH PROJECT. [\$65,000.]

Mr. Paige noted the developer is requesting assistance for public infrastructure improvements such as sidewalks, landscaping, and pedestrian lighting. The project will generate approximately \$28,300 per year in taxes and the City will provide incentives of \$13,000 per year.

In response to Council Member Montgomery's questions, Mr. Mike Ryan, 100 Sutters Place Court, the developer for the project, indicated rental rates will be similar to those in the Hilltop House North facility. He noted existing one bedroom units range from \$550 to \$850 per month and have approximately 600 square feet of space.

Council Member Montgomery requested information on the range of rental rates for the new units prior to Monday's City Council meeting.

Council Member Burke requested to know how many of the existing units are rented.

Council Member Leight noted Hilltop House North is virtually full.

Mr. Ryan indicated over 95% of the existing units in Hilltop House North are occupied.

Mayor Joines stated that he likes that the building is located beside the strollway, which creates an activity generator, presence on the strollway, and critical mass for the surrounding area.

Council Member Taylor stated it is important to know that not just upper-middle class, affluent citizens are able to live downtown. He asked the Committee to keep in mind that downtown should be for everyone as development continues.

Council Member Leight made a motion to approve the item. The motion was duly seconded by Council Member Burke and carried unanimously.

G-2. PRESENTATION FROM THE DOWNTOWN WINSTON-SALEM PARTNERSHIP REGARDING A PROPOSED BUSINESS IMPROVEMENT DISTRICT.

Mr. Mark Dunnagan, 1260 Yorkshire Road, Chairman of the Downtown Winston-Salem Partnership (DWSP), gave the presentation on this item.

Council Member Clark inquired why the eastern boundary of the Business Improvement District (BID) does not extend further east to the area under development between Patterson Avenue and Church Street. He requested information on setting the BID tax assessment rate and the City's authority for setting the rate. He also requested a detailed budget for the suggested services.

Mr. Lee Garrity, City Manager, noted State law requires city governments to create a report showing the services and benefits associated with the BID. He added there is also a public hearing process that could take several months.

Council Member Leight stated she hopes having a BID will enable the City to have plants and flowers along downtown streets.

Mr. Dunnagan noted the BID would provide an opportunity to ensure the downtown area is a place people want to visit for the holidays.

In response to Council Member Burke's question, Mr. Dunnagan explained the City of Greensboro has a program similar to the proposed Safety Ambassadors who work in teams of three or four, have ownership of a six or seven block area, and serve as the eyes and ears of the community.

Chair Merschel noted the National Black Theater Festival would provide an opportunity for Safety Ambassadors to welcome guests to Winston-Salem while supplementing police services.

Mayor Joines stated he is in support of the BID, but expressed concern that the nine cent tax assessment rate seems high compared to the rates in other cities.

In response to Council Member Taylor's question, Mr. Dunnagan explained the Safety Ambassadors will not carry firearms or have detaining capabilities, but they will have radios for communicating with the Winston-Salem Police Department.

In response to Council Member Adams' questions, Mr. Dunnagan indicated R.J. Reynolds and IMG Sports have expressed support for the BID. He also noted some downtown businesses will view the BID as a tax, but added it is up to the DWSP to make sure those businesses understand the value associated with the tax.

Council Member Adams requested a map of other districts that will be included in the BID. She noted there are many opportunities for small businesses to participate in the BID.

Council Member Montgomery expressed support for the BID and noted Winston-Salem is behind other cities that already have such an area.

Council Member Burke requested the marketing efforts take small businesses into account.

Council Member Clark questioned if \$420,000 in revenue is enough to provide the suggested services in the BID.

In response to Chair Merschel's question, Mr. Dunnagan noted some businesses are concerned the tax will be pushed through to building lease-holders. He also noted businesses have expressed concern that the tax will provide no value.

In response to Council Member Leight's question, Mr. Dunnagan indicated a business will be required to pay the tax if it is located within the BID.

In response to Chair Merschel's question, Mr. Garrity suggested staff bring back a preliminary report in August that will include the requested information.

In response to Council Member Clark's question, Mr. Garrity indicated the BID assessment tax must be levied prior to July 2014.

Chair Merschel noted the DWSP will hold the first of a series of public meetings to discuss the BID

on July 17 and July 18.

ADJOURNMENT: 4:55 p.m.