

SUMMARY OF MINUTES

COMMUNITY DEVELOPMENT/HOUSING/GENERAL GOVERNMENT COMMITTEE

4:00 P.M., TUESDAY, DECEMBER 12, 2006

COMMITTEE ROOM

ROOM 239, CITY HALL

COMMITTEE MEMBERS: Mayor Allen Joines
Council Member Dan Besse, Vice Chair
Council Member Evelyn A. Terry
Council Member Molly Leight

ABSENT MEMBERS: Council Member Nelson L. Malloy, Jr. Chair

In the absence of Chair Nelson Malloy, Vice Chair Dan Besse called the meeting to order at 4:06 p.m. and requested a moment of silence in memory of Mr. Benjamin Ruffin. He suggested the Committee begin with General Agenda Item 2 and then turn to Consent Agenda items on substandard structures.

GENERAL AGENDA

2. RESOLUTION ESTABLISHING A SISTER CITIES RELATIONSHIP BETWEEN WINSTON-SALEM AND THE CITY OF SHANGHAI, YANGPU DISTRICT, PEOPLE'S REPUBLIC OF CHINA.

Mr. Derwick Paige, Deputy City Manager, presented the staff report. Vice Chair Besse requested a brief presentation from the Sister Cities Board.

Mr. David Van Pelt, Chairman of the Board of Sister Cities, introduced other members of the Board – Mr. Jack Smith, Ambassador and Dr. Lei Zhang, Physics Professor at Winston-Salem State University and also a native of Shanghai. Mr. Smith acknowledged other Board Members and stated he is pleased with the work they have accomplished. Mr. Van Pelt stated he hopes to travel to Shanghai in January 2007 and encourage business people from Shanghai to visit the City to view it from an economic standpoint. He also stated the Board has been approached by the Winston-Salem Forsyth County School System to incorporate Chinese into the curriculum and establish an interchangeable program.

Council Member Molly Leight made a motion to approve the item. The motion was duly seconded by Council Member Terry. Mayor Joines thanked the Board for working diligently and stated there are some tremendous opportunities for the City. The vote was unanimously carried.

Vice Chair Besse asked for the status of the eight properties on the Consent Agenda. Mr. Bruce Bailiff, Housing Conservation Administrator, stated discussion was needed on Items C-6a, C-6b, C-6c and C-6f.

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

CONSENT AGENDA

6. CONSIDERATION OF ITEMS RELATING TO SUBSTANDARD STRUCTURES:

ORDINANCE ORDERING THE HOUSING SERVICES DEPARTMENT OF THE CITY OF WINSTON-SALEM TO REMOVE OR DEMOLISH STRUCTURE UNFIT FOR HUMAN HABITATION AND, OTHERWISE, TO EFFECTUATE THE PURPOSE OF CHAPTER 10, ARTICLE V OF THE WINSTON-SALEM CITY CODE: *[Repairs more than 65% of value of structure]*

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|----|--------------------------------|-------------------------|
| d. | Robert & Christine Johnson | 1813 N. Dunleith Avenue |
| e. | Leon & Elizabeth Green | 222 N. Jackson Avenue |
| g. | John & Willie Mae West | 2241 N. Glenn Avenue |
| h. | H. F. Roberts and Jo Ann Wertz | 1954 Kentucky Avenue |

ORDINANCE ORDERING THE DEMOLITION AND REMOVAL OF A STRUCTURE PURSUANT TO CHAPTER 10, ARTICLE V, SECTION 10-203(f)(1) OF THE CODE OF THE CITY OF WINSTON-SALEM: *[Repairs less than 50% of value of structure - six months]*

- | | <u>Property Owner</u> | <u>Location</u> |
|----|--------------------------|--------------------------------|
| a. | Genesis Properties, Inc. | 1610 E. 1 st Street |
| b. | Genesis Properties, Inc. | 1615 E. 1 st Street |

Mr. Bailiff presented the staff report.

In response to Vice Chair Besse's inquiry about communication with the owner and comprehensive listing of items in need of repair, Mr. Ritchie Brooks, Director of Housing and Neighborhood Services, stated the owner has contacted the office and indicated his desire to repair both properties but has not completed any work to date. He also stated he has visited both houses and they are in substandard living conditions.

Vice Chair Besse noted the properties did not appear to be in severe conditions. Mr. Bailiff pointed out he witnessed raw sewage in the basement of 1610 E. 1st Street and that it was unfit for habitation.

Council Member Terry inquired if the Health Department is contacted when sewage issues are discovered. Mr. Bailiff responded repairs are expected to eliminate the continuance of the problem and follow through with a sanitary remedy.

Council Member Leight pointed out the 1615 E. 1st Street property has fuel oil leaks and inquired

about fines. Mr. Bailiff advised a civil citation would be issued if the owner was in violation and would refer it to North Carolina Environmental and Natural Resources to address the fuel spillage. Vice Chair Besse stated the houses looked to be serviceable properties if they were repaired and would be economically feasible, which is his preference.

Mr. Paige explained the option to make repairs by stating if the costs of the repairs are less than the demolitions; the City can make the repairs and put a lien on the property.

Vice Chair Besse questioned the language in the ordinance for not providing an option to repair or demolish and remove versus demolish in 90 days. Angela Carmon, Assistant City Attorney, responded that the verbiage should read repair or demolish and remove.

Council Member Terry made a motion for approval as amended for Items C-6a and C-6b. The motion was duly seconded by Council Member Leight and unanimously carried.

c. Robert Todd Luton 66 West End Boulevard

Mr. Bailiff presented the staff report and recognized Ms. Michelle McCullough of the Historic Resources Commission. She provided an overview of the West End Boulevard property stating there has been interest to purchase the house for renovation and is requesting a year's extension to locate the owner and a prospective buyer.

In response to Vice Chair Besse's concern about the property's security, Ms. McCullough stated the house has been secured and is currently boarded. She referred to neighbor, Mr. Andrew Lester, 101 West End Boulevard, to discuss the safety concerns. Mr. Lester stated the grounds have been maintained but the house is not as well secured as needed resulting in ongoing contact with the Police Department.

Council Member Leight made a motion to provide the requested extension on the property. Council Member Terry duly seconded. The process was explained by Mr. Brooks and the vote was carried unanimously.

ORDINANCE ORDERING THE HOUSING SERVICES DEPARTMENT OF THE CITY OF WINSTON-SALEM TO REMOVE OR DEMOLISH STRUCTURE UNFIT FOR HUMAN HABITATION AND, OTHERWISE, TO EFFECTUATE THE PURPOSE OF CHAPTER 10, ARTICLE V OF THE WINSTON-SALEM CITY CODE: *[Repairs more than 65% of value of structure]*

f. Charles Henry Crawford 733 Moravia Street

Mr. Bailiff presented the staff report.

Council Member Leight expressed concern that this property is in a National Registered Historic District and inquired about a 365 day delay as well. Council Member Terry stated she is familiar with this property and no one has expressed an interest in salvaging it and it would be a difficult sale.

Council Member Terry made a motion to approve Staff's recommendation. The motion was duly seconded by Council Member Leight. Ms. McCullough responded to Vice Chair Besse's inquiry about the construction period and stated the property was built around 1925. The vote was carried unanimously.

GENERAL AGENDA

1. RESOLUTION APPROVING AN AMENDMENT TO THE APRIL 20, 1976 AGREEMENT BETWEEN FORSYTH COUNTY AND THE CITY OF WINSTON-SALEM ESTABLISHING THE CITY/COUNTY UTILITY COMMISSION.

Mr. Ronald Seeber, City Attorney, presented the staff report.

Mayor Joines previously discussed this issue with Council as voting or non-voting item. He stated the County Commissioners are content with non-voting; however, if the Council would like to pursue it as a voting item, the City would ask the County to concur.

Council Member Leight made a motion to recommend approval with the change that the Council Member and County Commissioner have voting rights and placed on the General Agenda for discussion. The motion was duly seconded by Council Member Terry. The vote was approved unanimously.

3. CONSIDERATION OF A BUDGET ORDINANCE CREATING THE POSITION OF ECONOMIC DEVELOPMENT SPECIALIST (SMALL BUSINESS LIAISON).

Mr. Paige presented the staff report and acknowledged the Finance Committee approved this item unanimously.

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

4. ORDINANCE AMENDING CHAPTER 70 OF THE CITY CODE RELATING TO SIGNS.

Mr. Paige presented the staff report.

Mr. Charles Green, Assistant City Attorney, responded to Vice Chair Besse's concern about the ten day fine provision by stating it is a zoning order and not required in this instance. He also explained there is no stated maximum fine and the \$50 fine was set based on other civil penalties the City imposes.

Council Member Terry inquired if the fine covered administrative costs. Mr. Paige explained the ranges of administrative costs depending on the violation and \$50 was a number that was consistent with other administrative fines. Vice Chair Besse displayed signs he collected from the right-of-way to demonstrate the problem at hand.

Council Member Leight requested an explanation of the difference between a criminal and civil penalty. Mr. Green stated criminal fees are paid to the Court, while civil fees are paid to the City.

Council Member Leight made a motion for approval and Council Member Terry duly seconded. The vote was unanimously carried.

5. RESOLUTION ADOPTING THE 2007 CITY OF WINSTON-SALEM LEGISLATIVE PROGRAM.

Mr. Seeber presented the staff report and advised this item was considered by Finance Committee and two changes were made. Council Member Johnson requested the addition of an item regarding Project Re-entry. He also pointed out Chair Merschel expressed concern about the new half percent occupancy tax and requested that item be separated from the other items for action. As a result he will prepare two resolutions for council, one approving the entire package and the other would approve the package minus the item relating to the new occupancy tax.

Mayor Joines spoke briefly about the proposed half percent increase in the occupancy tax. He stated the current Sports Commission has been very effective in bringing events to the City which is becoming recognized as the center for High School Athletic Championships. He explained during these events costs are involved, and the monies have been raised via fundraisers, in addition to the City providing dollars (\$50,000) every year. He summarized that the Sports Commission needs a regular source of income. Mayor Joines also explained the occupancy tax would not impact our citizens because it is individuals using hotel facilities that would pay the occupancy tax; however, he has requested a letter from the hotel/motel association endorsing the increase.

In response to Council Member Molly Leight's inquiry about the normal amount other cities charge as occupancy tax, Mrs. Martha Wheelock, Assistant City Manager, explained the standard in the State is six percent with Charlotte the only City that has received an increase.

Mr. Lee Garrity, City Manager, stated Charlotte is at eight percent and Winston-Salem would be second highest in the State.

Mrs. Wheelock stated the hotels are generally supportive of this tax and recognize the dollars the sports entertainment industry brings into the City. She pointed out Mr. Don Angell, Committee Chair, is providing additional information to address some of Council Member Merschel's concerns, particularly those regarding monies owed to the Coliseum.

Council Member Leight asked how much revenue would a half percent raise. Mrs. Wheelock responded that it is an estimate of \$300,000.

Mr. Garrity explained other Sports Commissions in the State all have some form of dedicated revenue streams, including some full time staff. He stated without the occupancy tax increase we will lose these events to our competitors.

Council Member Terry inquired how much is billed to the Coliseum and if there is an annual fee. Mrs. Wheelock explained the Commission had outstanding debts of about \$250,000 of that, \$65,000 was due to the High School Athletic Association and there is no annual fee. She stated the

Commission has been funding to host these events on the guarantee that is required to be paid to organizations like the High School Athletic Association.

Mr. Garrity pointed out when a bid is placed through the High School Association to secure an event at the Coliseum, there is a certain amount of event guarantee that goes to the Association. He stated the hope is the Commission raises enough money to pay the expenses from an event; however, it has not been able to do so.

Council Member Terry inquired if the bottom line of the debt that is owed to the Coliseum a result of not obtaining clients. Mr. Garrity explained we did book the clients but in order to recruit them we had to provide free venues.

Mrs. Wheelock stated the revenue these events generate goes to the restaurants and hotels. She stated the tourism dollars generates the occupancy tax and that is what flows back into the city.

Vice Chair Besse inquired what is the corporate status of the Commission as an entity and how does it have authority to make financial commitments if not being approved by the Council.

Mrs. Wheelock responded it is technically a City Commission. Mr. Garrity further explained it is the City dealing with the City and not an independent entity. He pointed out the City will have to close the books or defend this new source of funding.

In response to Vice Chair Besse, Mr. Garrity stated the only line item historically in the budget is the \$50,000. Mrs. Wheelock stated staff plans to address this issue should there be a new Commission, requesting it be under the administrative arm of the City's Finance Department.

Mayor Joines stated moving forward it can be set up so that City Council and County Commissioners have control.

Vice Chair Besse asked that the explanation of those controls be part of the presentation at the upcoming Council Meeting, and to include a copy of the current agreement in the Council's Thursday package.

Council Member Terry made a motion to parallel the Finance Committee and send this forward without recommendation. The motion was duly seconded by Council Member Leight.

Mr. Garrity responded to Council Member Leight's concern about how Alcoholic Beverage Control permitting is done and having input in the process, explaining the process is controlled at the State level.

Vice Chair Besse requested staff obtain input from the Downtown Partnership on the occupancy tax proposal. He also requested the Professional Firefighter's Association and the Police Benevolent Associations be advised of the Workers' Compensation/Disability item.

Mr. Seeber recommended staff send an e-mail to all City employees.

Vice Chair Besse acknowledged the motion on the floor to send the item to full council without recommendation. The vote was unanimously carried.

ADJOURNMENT: 5:27 p.m.