

**MINUTES
CITY OF DUNN
DUNN, NORTH CAROLINA**

The City Council of the City of Dunn held a Regular Meeting on Thursday, March 1, 2007, at 7:00 p.m. in the Dunn Municipal Building. Present was Mayor J. Dal Snipes, Mayor Pro Tem Donnie Olds, Council Members Buddy Maness, Bryan Galbreath, Billy Tart, Billy Ray Godwin, Jr. and Joey Tart. Also present was City Manager Ronnie Autry, Human Resource Officer Moses Gallion, Interim Public Works Director Billy Addison, City Planner Steven Neuschafer, Fire Chief Austin Tew, Interim Police Chief B.P. Jones, City Engineer Ed Powell, City Attorney P. Tilghman Pope, City Clerk Debra West, and Daily Record Reporter Steve Reed.

INVOCATION

Mayor Snipes opened the meeting at 7:00 p.m. and asked Mayor Pro Tem Olds to give the invocation. Afterwards the Pledge of Allegiance was repeated.

AGENDA ADJUSTMENT

Motion by Council Member Billy Tart, seconded by Council Member Joey Tart to adopt the March 1, 2007 meeting agenda with changes, if any, as listed below.

Items Added to the Agenda:

- Budget Amendment #15 under Consent Agenda

Agenda Items Removed:

- none

PRESENTATION

**THE HISTORIC PRESERVATION
FOUNDATION OF NORTH CAROLINA, INC.**

Dean Ruedrich, Regional Director for the Historic Preservation Foundation of North Carolina, Inc., gave a presentation with reference to the services offered by this organization.

The Historic Preservation Foundation of North Carolina, Inc. is a state-wide non-profit corporation composed of 5,000 members. This organization has been in operation for approximately 70 years. He distributed publications containing information about their properties program. Mr. Ruedrich serves a 24 county area, including Harnett County. He spoke with reference to finding a solution in the renovation of the McKay House, which is currently owned by the City of Dunn.

He explained that Preservation NC has a revolving fund. They work with properties which are on the National Registry and endangered. Founded in 1929, they have worked with over 564 properties. They find new buyers for properties and sell these houses with protective covenants and rehabilitation agreements. An important facet of this organization is they have a great audience of approximately 5,000 members through their website and magazine. They have people who are specifically looking for houses to restore. Tax credits are a great tool for houses such as the McKay House that are on the National Registry. They put protective covenants on these houses to protect the important architectural features of the house and these protective covenants remain with the property in perpetuity no matter how many times the property is sold. The rehabilitation agreement establishes a timeline for rehabilitation of the house. With a high visibility property such as the McKay House, they would incorporate into the marketing of the house and into the rehabilitation agreement, that the rehabilitation be completed in 18 months. They screen perspective buyers to make sure they know what they're doing and have the financial resources. With the McKay House, the purchase price may be 15% of someone's investment in the property.

He asked that the City Council consider donating the property to Preservation NC. If this occurred, Preservation NC would immediately begin making repairs to the roof, stabilize the column out front, repair broken windows, clean out the house, put in on their liability insurance and aggressively market it to a qualified buyer. Mr. Ruedrich added that it would be generous of the City to donate this house to

Preservation NC. Forty percent of their annual budget comes from the sale of donated properties. They rely heavily on these monies to fund their organization.

Mr. Ruedrich entertained questions from the Council.

Mayor Pro Tem Olds asked Mr. Ruedrich to whom can they sell this property and how do they handle a violation of the covenants. Mr. Ruedrich responded they can sell to any qualified buyer. They have a right to notify anyone of a violation of the covenants and if not corrected in 90 days, they have the option to repurchase the property at the purchase price or appraised value.

Council Member Godwin asked Mr. Ruedrich if there is a restriction within the deed which would prevent someone from moving the house once it has been bought. Mr. Ruedrich responded that the property cannot be moved, torn down or subdivided. This restriction is included in the covenant.

Mr. Ruedrich stated that they could accommodate the City should they want to realign the property lines to obtain twenty additional feet of property for the library. The lot remaining with the house would be ample space to accommodate residential or commercial uses and he does not think that realigning the lot would adversely affect the marketability of the property.

Mayor Snipes stated that the attraction with the McKay House being accepted as a gift by the City was its adjoining location to the City's Public Library.

Mr. Ruedrich stated that this property is very marketable. Preservation NC will make sure the selling price of the McKay House is not a deterrent to a prospective buyer. There are approximately 30 houses on the market through Preservation NC. He mentioned that they are currently working on neighborhood revitalizations in the City of Goldsboro. In the last four months, they have sold six houses in Goldsboro. Two of the six houses were sold before he prepared the ad for the website or featured them in their magazine. Mr. Ruedrich commented that the McKay House is a great looking property and he does not foresee any problem with attracting a buyer for it.

Mr. Ruedrich explained that the City of Dunn does not have the same protective covenants built into the deed as Preservation NC. This is an advantage that Preservation NC has over the City of Dunn in marketing this property.

PUBLIC COMMENT PERIOD

Mayor Snipes opened the floor for a (30) minute public comment period.

Scott Phillips – 319 Village Square- As a Volunteer Firefighter, he spoke in support of the Fire Chief in asking the City Council to bring the Fire Department forward in the budget process and not last as in prior budget years. He spoke about the age of the vehicles, fire trucks, and other fleet and the need for a new and larger facility, remodeling and updating the fire stations, and repairing a leaky roof. He stated that the day of the volunteer firefighter is dying. They need additional full-time personnel. The current fire personnel is not adequate in responding to some fire calls. He asked the City Council for their help during the FY 07-08 budget.

Elizabeth Crudup – 709 S. Layton Avenue – She asked if the City Council has explored all options with reference to the McKay House. She stated that the City of Dunn has not promoted the use of properties such as the McKay House. She stated there are other historical commercial properties not being taken care of by the City of Dunn. She requested the Council let Harnett County have first option to purchase historic landmarks. She stated that Harnett County is putting together a historic property commission and she asked the City of Dunn to let the County have first option to purchase any historic landmarks; including the McKay House. In return, she said they would put local people to work on these historic properties.

Mayor Snipes stated that he recently heard a presentation by this newly created county board and asked Ms. Crudup if she was employed by the county agency that has just been created. She responded that she is a historic properties committee member. She stated that the County is ready to move forward but the City is standing in their way.

Council Member Godwin stated that he appreciates the efforts being made by Ms. Crudup to preserve properties; however, he is confused as to why she would feel the City of Dunn is standing in the way of preservation. The City of Dunn owns only one historically significant structure; specifically the McKay House.

Ms. Crudup stated they are asking individual cities to adopt preservation ordinances which will allow the County to start preservation methods on endangered properties such as the McKay House. Architects serve on the preservation committee which she serves. They are seeking certified local government status which will guarantee them federal funds to fix and maintain these homes. They are asking for the opportunity to preserve these properties.

Bill Creel – 905 W. Cumberland Street – He spoke about the City’s notification process. He stated that he was not notified when the Ciccone and Tart properties were rezoned. He resents the fact of how the overlay zone issue will affect his property. He spoke about the traffic created in his neighborhood as a result of the Highway 421/Broad Street drainage project.

With no further comments, motion by Mayor Pro Tem Olds, seconded by Council Member Galbreath to close the Public Comment period. **Motion unanimously approved.**

CONSENT ITEMS

Minutes-Council considered approval of minutes of the February 1, 2007 Council meeting.

Minutes-Council considered approval of minutes of the February 3-4, 2007 Budget/Planning Retreat meeting.

Tax Releases/Refunds-Council considered approval of Tax Releases/Refunds #176 - #181 and #183 - #195. *A copy of Tax Releases/Refunds are filed in the office of the Tax Collector.*

Assessment Releases/Refunds-Council considered approval of Assessment Release/Refund #01. *A copy of Assessment Releases/Refunds are filed in the office of the Tax Collector.*

Budget Amendments-Council considered approval of Budget Amendments #14 - #15. *A copy of Budget Amendments #14 - #15 is incorporated into these minutes as Attachment #1.*

Proclamation-Council considered approval of a Proclamation designating March 5-11, 2007 as Multiple Sclerosis Awareness Week in the City of Dunn. City Attorney Pope read the proclamation. Mayor Snipes announced that Recreation Director Perry Hudson will be participating in a Multiple Sclerosis walk on April 14th in Greenville and encouraged all to participate. Mr. Hudson’s daughter was recently diagnosed with MS. *A copy of Multiple Sclerosis Awareness Week Proclamation (P2007-03) is incorporated into these minutes as Attachment #2.*

Proclamation-Council considered approval of a Proclamation designating March 2, 2007 as Read Across America. City Attorney Pope read the proclamation. Mayor Snipes announced that Congressman Bob Etheridge would be reading at the Dunn Public Library on March 2, 2007 at 4:00 p.m. and encouraged parents to bring their children. *A copy of Read Across America Proclamation (P2007-04) is incorporated into these minutes as Attachment #3.*

Motion by Council Member Joey Tart, seconded by Council Member Godwin to approve all consent items. **Motion unanimously approved.**

ITEMS FOR DECISION

**ORDINANCE AMENDMENT OA-05-06
ADDING SECTION 22-204 AND 22-205
OVERLAY DISTRICT TO C-O OFFICE
AND INSTITUTIONAL DISTRICT**

This request is to amend the CO: Office and Institutional District (Division 10 Section 22-204 and 205) by adding two sections of text which would restrict the number of Permitted Uses for the detailed portion of W. Cumberland Street (south side). The City Council, at their February 1, 2007 meeting, voted 5-1 to send this amendment back to the Planning Board to condense the geographical area of the overlay district from S. Orange Avenue to S. Watauga Avenue.

The Planning Board met on February 20, 2007 and voted unanimously to recommend that this ordinance amendment not be approved and to review the possibility of breaking the CO district in more appropriate sub-categories which will provide even protection for all CO zoning district property owners.

Pursuant to City Code 22-30, when the recommendation of the Planning Board is to deny the proposed amendment, the amendment shall not become effective except by a favorable vote of three-fourths (3/4) (5 members) of the City Council.

Motion by Mayor Pro Tem Olds, seconded by Council Member Galbreath to deny the request to amend the text of the C-O Zoning District (Division 10, adding section 22-204 and 22-205).

Mayor Snipes asked for further discussion.

Council Member Godwin stated that he appreciates the input both pro and con received from the citizens and the work of the Planning Board. He stated that although he probably knows how the Council will vote on this issue, he pointed out that it is inconsistent when it is not okay to have an overlay district yet it is okay to rewrite the C-O zoning district. In essence, it accomplishes the same goal. If you accept the arguments against the overlay district, then you should also be opposed to rewriting the C-O code because the end result is the same. One of the arguments against the overlay district is that it would pull out certain uses; therefore, it is unfair to the property owners that are in the C-O District but by the same token, if you rewrite the C-O zoning code to pull out those same provisions, the same arguments would apply. The overlay district is a useful tool that would accomplish the objectives of the residential property owners as well as the objectives of the commercial property owners. In four to five months, if they vote on a C-O rewrite, then he would expect the same people opposed to the overlay district to be present making the same arguments made in the past. He stated that they rewrite codes all the time as well as rezone properties and he does not agree with some of the arguments against the overlay district.

Council Member Maness stated that he does not want Council Member Godwin to be confused about his interpretation of this issue. He stated that Mr. Godwin's statements are not accurate as they apply to his logic. If the Council needs to look at the uses in the current C-O district classification and something is in there that shouldn't be, then it does need to be changed; however, this would affect all of Dunn and not just part of Dunn. He is in favor of looking at the zoning classifications and if they need to be changed, then they should take steps to change them. He wants it to be applied equally and fairly across the entire City. This has been his position through the entire process.

Mayor Pro Tem Olds stated that it is the desire of the Planning Board and City Planner to take a look at the C-O zoning district as Planner Neuschafer has pointed out that it is not a simple easy process to rewrite the code of the City. This is not something they are sweeping under the rug, but with this particular issue at this particular time, he called for the previous question.

Motion carried 5-1, with Council Member Godwin casting the opposing vote.

POLICY TO UNSEAL CLOSED SESSION MINUTES

City Attorney Pope explained that the City does not currently have a policy in place to decide when Closed Session minutes should be unsealed in accordance with State and Federal Law.

City Attorney Pope proposed a Resolution which states that Closed Session minutes are to be reviewed no less than every six (6) months beginning March 1, 2007 and every six (6) months thereafter by the City Attorney and City Manager, who shall recommend as to when the minutes may be unsealed in compliance with state and/or federal law. When it is so recommended by the City Attorney and City Manager, then the minutes will be sent to Council in a confidential envelope, and if no objections are heard from a majority of the Council within five (5) days, then the minutes shall be deemed to have been unsealed.

Mr. Pope stated that some municipalities allow the City Attorney and City Manager to make the determination when to release closed session minutes; however, after reviewing several other polices, he suggests they use the following process put before the Council.

Motion by Council Member Galbreath, seconded by Council Member Maness to adopt the Resolution Regarding the Unsealing of Closed Session Minutes. **Motion unanimously approved.** *A copy of Resolution (R2007-06) Regarding the Unsealing of Closed Session Minutes is incorporated into these minutes as Attachment #4.*

**ITEMS FOR DISCUSSION
AND/OR DECISION**

SOLID WASTE CONTRACT

Manager Autry stated that he met with representatives of Republic Waste Services yesterday and would like to obtain additional information before taking action on this contract. He asked that this item be tabled.

Motion by Mayor Pro Tem Olds, seconded by Council Member Joey Tart to table this item of business. **Motion unanimously approved.**

**MACHINE AND WELDING
PROPOSED PARKING LOT
100TH BLOCK E. EDGERTON STREET**

Manager Autry stated that this is an item brought forward from the budget retreat. Planner Neuschafer has been diligently working on a final design proposal. He asked that this item of business be tabled.

Mayor Snipes stated that in consideration of the donors of this property, the City would like to give them an opportunity to look at the final plans for this property. He suggested a special meeting be held before the next regular council meeting.

Motion by Council Member Joey Tart, seconded by Council Member Godwin to table this item of business. **Motion unanimously approved.**

MCKAY HOUSE DISPOSITION

Mayor Snipes entertained discussion and/or motion on this subject.

Council Member Maness stated that during the budget retreat, he was under the impression the City was going to sell the property through Preservation NC and he was hopeful that some of the proceeds of that sale might be utilized for some of the other projects on tonight's agenda. He did not expect Preservation NC to ask the City to donate this property tonight. He is concerned with the City having no cost in obtaining this property as well as the City not obtaining any funds for this property to reinvest in other city properties. Should a non-profit organization purchase this property through Preservation NC, the City would not generate any property taxes from this transaction. He might feel different if the City did not need funds to reinvest in other projects, but it is in the taxpayer's best interest to receive something for this property.

Mayor Snipes asked Mr. Ruedrich if non-profit organizations typically purchase these properties rather than residential/commercial/bed-breakfast type businesses. Mr. Ruedrich responded that the Veterans Memorial Museum in Warsaw acquired a house through Preservation NC. Although it has happened, it is very unusual for non-profits to purchase these properties. Mr. Ruedrich stated that it would be in the city's interest regardless of donating or selling through Preservation, to transfer the ownership with covenants whether it is to a private individual, non-profit or the county. The Smithfield Town Hall has covenants through Preservation NC. One of their goals is to get properties back on the tax rolls.

Council Member Godwin stated that Council Member Maness' point is well taken; however, this property is not generating any tax income to the City as it stands. Unless the City is willing to spend a large sum of money, the house will continue to deteriorate.

Council Member Maness suggested that the City of Dunn and Preservation NC share the commission. He stated that this is the best idea they have come up with regard to this property but he would like to see some of the proceeds from the sale of this property come back to the City.

Further discussion was held about sharing commissions with Preservation NC. Mr. Ruedrich pointed out that if the commissions are shared, the property would remain under the City's liability insurance and ownership until it is purchased.

Attorney Pope explained that the City could grant an option to Preservation NC to market the property. Once Preservation finds a buyer for a certain sum, then Preservation would close on the purchase with the City of Dunn and Preservation would be given a deed. Covenants and restrictions would be placed on the property by Preservation before they transfer the deed to the purchaser.

Motion by Council Member Galbreath, seconded by Mayor Pro Tem Olds to table this item of business.

Ayes

Galbreath
Olds

Nays

Godwin
Joey Tart
Billy Tart
Maness

Motion failed 2-4.

Further discussion was held about this property.

Mayor Snipes explained that the City cannot afford the property. It is not in the City's space use plans; however, as a city they cannot afford to lose this house. Selling this house through Preservation NC is the closest guarantee that the McKay House will be a historical landmark in the City of Dunn forever. Dollars and cents cannot be placed on items of this nature with such historical significance.

Council Member Godwin stated that he would like to see the Council pursue the option with Preservation NC. The Council will need to decide on an amount that the City would like to obtain from the sale of this property.

Council Member Galbreath stated that two different organizations have expressed an interest in this property. Ms. Crudop's organization is through the County and the Council needs more information. He would like the Council to allow Ms. Crudop to come forward with additional information about her proposal.

Mayor Snipes questioned if Ms. Crudop was representing the County. He asked Mrs. Crudop if she was employed by the County. She responded no, she is a District 2 representative of the Historic Preservation Committee of Harnett County. She stated that she has permission from the Harnett County Planning Department to ask for this property.

Attorney Pope stated that the City has been discussing plans for the McKay House for over a year. To the best of his knowledge, no one from the County has ever contacted the City about obtaining this property. He added that he is not aware of a county organization with any funding to do anything with the McKay House or any other property. He stated that based on tonight's discussion with reference to dividing the proceeds from the sale of the McKay House with Preservation NC, he asked if the Council would like to direct himself and the City Manager to make contact with Preservation NC to offer a firm proposal and to make contact with the County Manager to determine if there is such a county organization and what abilities it may have to buy the property and spend a half million dollars to renovate it, which is the estimate the City received and bring that information back at the same time. If a special call meeting is held in a couple of weeks, this information would be brought back at that time.

Further discussion was held.

Motion by Council Member Godwin, seconded by Council Member Joey Tart to table this issue. **Motion unanimously approved.**

ADMINISTRATIVE REPORTS

Motion by Council Member Maness, seconded by Council Member Billy Tart to approve the Administrative Reports. **Motion unanimously approved.**

EXECUTIVE REPORTS

Council Member Godwin announced the Harnett Regional Theater Production “Diary of Anne Frank” will be held this Friday & Saturday at 8:00 p.m. and Sunday matinee at 2:30 p.m.

Manager Autry gave an update on the Highway 421 drainage project. It is projected that this Highway will reopen next week.

Mayor Snipes gave an update of the Harnett Local Government Association meeting and all the activity taking place in the municipalities of Harnett County.

Manager Autry reported that the Government channel is currently experiencing some problems. He has the final quotes to update this system.

CLOSED SESSION

Motion by Council Member Godwin, seconded by Council Member Billy Tart to enter Closed Session pursuant to the North Carolina Open Meetings law to discuss a real estate transaction at 8:33 p.m. **Motion unanimously approved.**

Closed Session

Closed Session adjourned at 9:05 p.m.

Motion by Mayor Pro Tem Olds, seconded by Council Member Godwin to approve the minutes of the closed session as recorded by City Attorney Pope. **Motion unanimously approved.**

SPECIAL CALL MEETING DATE

Motion by Council Member Joey Tart, seconded by Council Member Maness to call a special meeting on Thursday, March 15, 2007 at 9:00 a.m. to discuss the Solid Waste Contract, Machine and Welding Parking Lot, and McKay House Disposition. **Motion unanimously approved.**

With no further business to discuss, the meeting was adjourned at 9:10 p.m.

J. Dal Snipes
Mayor

Attest:

Debra G. West
City Clerk