

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

The City Council of the City of Dunn held a Regular Meeting on Tuesday, March 10, 2009, at 7:00 p.m. in the Dunn Municipal Building. Present was Mayor Oscar N. Harris, Mayor Pro Tem N. Carnell Robinson, Council Members Buddy Maness, Bryan Galbreath, Billy Tart, Chuck Turnage and Joey Tart. Also present was City Manager Ronnie Autry, Finance Director Mark Stephens, Public Works Director Billy Addison, Public Utilities Director Dean Gaster, Recreation Director Perry Hudson, Chief Building Inspector Mike Blackmon, Planning Director Steven Neuschafer, Librarian Mike Williams, Police Chief B.P. Jones, City Engineer Ed Powell, City Attorney P. Tilghman Pope, City Clerk Debra West, and Daily Record Reporter Reece Murphy.

INVOCATION

Mayor Harris opened the meeting at 7:00 p.m. and asked Police Chaplain Reverend Roy Johnson to give the invocation. Afterwards, the Pledge of Allegiance was repeated.

AGENDA ADJUSTMENT AND APPROVAL

Motion by Mayor Pro Tem Robinson and seconded by Council Member Joey Tart to adopt the amended March 10, 2009 meeting agenda as distributed to the general public prior to the beginning of the meeting. **Motion unanimously approved.**

PUBLIC HEARING AND ITEM FOR DECISION

2009 Wastewater System Improvements

Mayor Harris stated that the public has been notified that oral and written comments will be heard and received concerning the City of Dunn's intention to apply for a State Revolving Loan in an amount of \$6.5 million for proposed wastewater system improvements.

This \$10.6 million wastewater system improvement project will be funded in part by a \$3.0 million Clean Water Management Trust Fund Grant and a \$0.5 million Rural Center Matching Grant. The remaining monies will come from a low interest loan from the State's Revolving Loan Fund, a second \$0.5 million Rural Center Matching Grant and potential monies from the recently passed American Recovery and Reinvestment Act of 2009.

The public hearing was duly advertised on February 23, 2009.

Mayor Harris asked if there was anyone present to speak for or against this proposal.

City Engineer Ed Powell of Davis-Martin-Powell and Associates and Engineer Michael Goliber of the same firm, explained that a public hearing is one of the requirements of the State Revolving Loan program. A power-point presentation of the proposed project was given by Mr. Goliber and the following information was provided to the Council:

- A summary of the City of Dunn's sanitary sewer system overflows from 1999 through 2004 with a continuation of a summary from September, 2006 through the current date
- Since 1999, nearly sixty million gallons have been spilled from the sanitary sewer system – parts of the system are in deteriorating condition due to soils and age of the system
- A project was undertaken in 2003 to replace part of the Juniper Creek Outfall
- In March 2007, the City entered into a Special Order by Consent (SOC) contract with the State and as part of the SOC, the City is required to implement certain sanitary sewer system improvements
- Improvements selected as part of this project include sanitary sewer gravity rehabilitation (Guy Avenue area along the northern outfall collection area, sections of sanitary sewer in the downtown area, three of the wastewater pump stations including Grove Park, Eastside and Machine Welding pump station)
- The remainder of the monies will be spent at the Black River Wastewater Treatment Plant to upgrade the capacity and components for a portion of the Plant to include a new influent pump

- station and pre-treatment facilities, an equalization pump station and a new equalization tank to help contain the amount of inflow and infiltration coming into the Plant
- Funding for this project is estimated at just over \$10.5 million dollars. To help with the cost of the project, the City has been very aggressive at pursuing alternative funding sources. The City has already been awarded a CWMTF Grant in an amount of \$3.0 million as well as a \$0.5 million Matching Rural Center Grant. The City has also applied for a second \$0.5 million Matching Rural Center Grant with approval expected in June, 2009. The remaining monies for the project (up to \$6.5 million) will be a loan from the State Revolving Fund. The \$6.5 million is an estimated amount based upon bid prices, completing a portion of the project as well as pursuing money from the American Recovery and Reinvestment Act of 2009, which could potentially afford the City of Dunn \$1.5 million that would be principal forgiveness and another \$1.5 million that would be a zero interest loan. The remainder \$3.5 million would be an approximate 2+ percent SRF Loan. To assist the City of Dunn, a portion of the project may be phased to reduce the burden on the City.
 - The effect this has on the customer base water bill – Customers that use less than 2,000 gallons per month will not see any increase. Customers that use an average of 5,000 gallons per month will see a \$1.00 increase in their monthly sewer bill through the 2011 budget.

Hearing no further comments concerning this project, Mayor Harris closed the public hearing.

Consideration of Resolution 2009 Wastewater System Improvements

Manager Autry explained that this Resolution authorizes the City to apply for \$6.5 million in project funding under the State Revolving Loan Program for wastewater system improvements to the City's Black River Wastewater Treatment Plant including the addition of a 3.5 MG equalization basin along with upgrades at three of the City's wastewater pumping stations and corresponding forcemains. Wastewater collection system rehabilitation will also be included as part of the improvements.

Mayor Harris explained that the City of Dunn is currently under a Special Order by Consent (SOC).

Motion by Mayor Pro Tem Robinson and seconded by Council Member Galbreath to adopt the Resolution Concerning the City of Dunn 2009 Wastewater System Improvements. **Motion unanimously approved.** *A copy of Resolution (R2009-07) Adopting the City of Dunn's 2009 Wastewater System Improvements is incorporated into these minutes as Attachment #1.*

CONSENT ITEMS

Minutes-Council considered approval of minutes of the February 6, 2009 Budget Retreat/Planning Session.

Minutes-Council considered approval of minutes of the February 10, 2009 Council meeting

Tax Releases/Refunds – Council considered approval of Tax Releases/Refunds #154 - #156. *Copies of Tax Releases/Refunds are filed in the office of the Tax Collector.*

Solid Waste Management Plan – Council considered approval of an updated ten (10) year Solid Waste Management Plan-Harnett County Planning Area including Harnett County and its five incorporated municipalities for the period July 1, 2006 – July 1, 2016 to provide for the management of solid waste.

Surplus Resolution – Council considered approval of a Resolution Authorizing the Disposition of Personal Property by electronic means through www.GovDeals.com. *A copy of Surplus Resolution (R2009-08) is incorporated into these minutes as Attachment #2.*

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

ITEMS FOR DECISION

**Temporary Blocking of Streets -
Boogie Down on Broad Street
Concert Series**

A request has been received from the Event Planning Committee of the Dunn Area Chamber of Commerce requesting the closing of E. Broad Street by 2:00 p.m. from Wilson Avenue to Clinton Avenue. At 5:30 p.m., they are requesting to have Wilson Avenue closed from Cumberland St. to Edgerton St. on the following dates for the event, Boogie Down on Broad Street in Downtown Dunn:

- Thursday, April 9, 2009
- Thursday, May 7, 2009
- Thursday, September 10, 2009
- Thursday, October 1, 2009

Motion by Council Member Galbreath and seconded by Council Member Turnage to approve the temporary blocking of streets as requested by the Dunn Area Chamber of Commerce to hold the Boogie Down on Broad Street Concert Series in Downtown Dunn. **Motion unanimously approved.**

**Annexation ANX-01-09
Resolution Stating the Intent
of the City of Dunn to Annex Property
Owned by the City of Dunn
Pin #1526-08-5581.000 and 1526-06-0867.000
804 E. Johnson Street and in Between
Lincoln St. & McNeil Circle**

This Resolution will allow for the inclusion of some of the City-owned property into the corporate limits. Once inside the corporate limits, the City will have police powers on the property.

Planner Neuschafer explained that the parcel off E. Johnson St. was donated to the City several years ago.

Motion by Council Member Joey Tart and seconded by Council Member Billy Tart to adopt the Resolution of Intent for Annexation ANX-01-09 and set the public hearing date for April 14, 2009 at 7:00 pm in the Dunn Municipal Building. **Motion unanimously approved.** *A copy of Resolution (R2009-09) Stating the Intent of the City of Dunn to annex property owned by the City of Dunn is incorporated into these minutes as Attachment #3.*

**Annexation ANX-02-09
Resolution Stating the Intent
of the City of Dunn to Annex Property
Owned by the City of Dunn
Pin #1506-81-9863.000, 1506-82-9442.000, 1506-82-5977.000,
1506-83-2079.000, 1506-83-3552.000, and 1506-72-9881.000
Wastewater Treatment Plant and Animal Shelter -
South of Susan Tart Road**

This Resolution will allow for the inclusion of some of the City-owned property into the corporate limits. Once inside the corporate limits, the City will have police powers on the property.

Planner Neuschafer explained that this property encompasses the Wastewater Treatment Plant, Animal Shelter as well as some other properties in the same vicinity owned by the City of Dunn.

Motion by Council Member Joey Tart and seconded by Mayor Pro Tem Robinson to adopt the Resolution of Intent for Annexation ANX-02-09 and set the public hearing date for April 14, 2009 at 7:00 pm in the Dunn Municipal Building. **Motion unanimously approved.** *A copy of Resolution (R2009-10) Stating the Intent of the City of Dunn to annex property owned by the City of Dunn is incorporated into these minutes as Attachment #4.*

**Annexation ANX-03-09
Resolution Stating the Intent
of the City of Dunn to Annex Property
Owned by the City of Dunn
Pin #1526-42-0831.000 and 1526-42-0991.000
Pump Station Eastside #1 -
East of NC 55 Hwy. & North of US 421**

This Resolution will allow for the inclusion of some of the City-owned property into the corporate limits. Once inside the corporate limits, the City will have police powers on the property.

City Planner Neuschafer explained that this is the Eastside Pump Station property located off of Highway 55 and north of US 421 behind the Food Lion development.

Motion by Council Member Joey Tart and seconded by Mayor Pro Tem Robinson to adopt the Resolution of Intent for Annexation ANX-03-09 and set the public hearing date for April 14, 2009 at 7:00 pm in the Dunn Municipal Building. **Motion unanimously approved.** *A copy of Resolution (R2009-11) Stating the Intent of the City of Dunn to annex property owned by the City of Dunn is incorporated into these minutes as Attachment #5.*

**Mayoral Board Appointments
to Betsy Johnson Regional Hospital Authority
(Mayoral Appointment)**

Mayor Harris made the following re-appointments to the BJRH Authority with terms beginning April 1, 2009 and expiring March 31, 2012 or until such time that the new Harnett Health System, Inc. Board assumes governing authority:

Dr. Venkata Sanka
Mr. Donnie Olds

**Board Appointments
to Betsy Johnson Regional Hospital
Board of Trustees
(Council Appointment)**

A motion was made by Council Member Galbreath and seconded by Council Member Turnage to re-appoint Mr. Walter Massey and Mrs. Mary Dafford to the BJRH Board of Trustees with a term beginning April 1, 2009 and expiring March 31, 2012 or until such time that the new Harnett Health System, Inc. Board assumes governing authority and to concur with the BJRH Board of Trustees recommendation that an exception be made to the bylaw restrictions to allow Mrs. Dafford and Mr. Massey to remain on the present board even though they have completed two full terms and technically are not eligible for re-appointment with anticipation that a new board will take place during 2009. **Motion unanimously approved.**

**Safe Routes to School
Infrastructure Grant
Resolution**

City Planner Neuschafer explained that the Council voted to allow the City of Dunn to apply for a Safe Routes to School Grant in December, 2008. The application packet was submitted and it has been reviewed at the first tier by the Department of Transportation (DOT). DOT contacted him to see if there would be any interest in the City taking on more of the project cost. The project cost that was submitted was \$363,276.00. DOT would like to set their funding cap at \$300,000.00. There will be an estimated value (\$30,200) of services provided by the City Public Works Department, to include tree and concrete removal in addition to limited drainage structure construction. Moreover, there is a commitment of \$33,076.90 in the resolution based upon the cost estimate submitted with the application.

With reference to the in-kind match, Mayor Harris asked Manager Autry if the Public Works Department had adequate staffing to perform these duties without incurring any additional cost to the City. Mr. Autry responded that they had proposed to put approximately \$28,000.00 to \$30,000.00 in-kind work without a problem. If the bids received were in the amount of \$360,000.00, then he would have to budget the additional funds in the FY09-10 budget. Mr. Autry stated that they are projecting the bids for the project to be under \$360,000.00; however, if the City would like to receive the full complement of the grant, then the City will have to agree to cover the other expenses.

Mr. Neuschafer explained that this process is to move the application to the next phase. The grant has not been awarded yet.

The City of Dunn Safe Routes to School Infrastructure application will create a safe route to school including the construction of upgraded intersections, crosswalks and the installation of pedestrian signals. There is also an extension of sidewalk from Granville Street to Harnett Street along Clinton Avenue.

Motion by Mayor Pro Tem Robinson and seconded by Council Member Turnage to adopt the resolution to support the City of Dunn infrastructure application, covering the cost estimate and scope of work to create a "safe route" to school. **Motion unanimously approved.** *A copy of Resolution (R2009-12) for Safe Routes to School is incorporated into these minutes as Attachment #6.*

**Consideration of Resolution
To File an Application With the
State of North Carolina For
Stimulus Funding-
Carr Tank Area Improvements**

Manager Autry explained that the Council is being asked to adopt this Resolution to authorize the Mayor to file a stimulus package application with the State of North Carolina to construct a wastewater or drinking water system project described as Carr Tank Area Improvements to improve water quality, residual pressure, and fire protection capabilities.

The City of Dunn intends to request a loan with principle forgiveness and zero interest financial assistance for the project.

Motion by Council Member Turnage and seconded by Council Member Joey Tart to adopt the Resolution Authorizing the City to File an Application with the State of NC for the Carr Tank Area Improvements. **Motion unanimously approved.** *A copy of Resolution (R2009-13) to file an application with the State of NC for Carr Tank Area Improvements is incorporated into these minutes as Attachment #7.*

**Consideration of Resolution
To File an Application With the
State of North Carolina For
Stimulus Funding-
Wastewater System Improvements**

Manager Autry explained that the Council is being asked to adopt this Resolution to authorize the Mayor to file a stimulus package application with the State of North Carolina to construct a wastewater or drinking water system project described as Wastewater System Improvements to reduce and contain infiltration/inflow including WWTP, pumping systems, and gravity sewer rehabilitations.

The City of Dunn intends to request a loan with principle forgiveness and zero interest financial assistance for the project.

Motion by Council Member Billy Tart and seconded by Council Member Turnage to adopt the Resolution Authorizing the City to File an Application with the State of NC for the Wastewater System Improvements. **Motion unanimously approved.** *A copy of Resolution (R2009-14) to file an application with the State of NC for Wastewater System Improvements is incorporated into these minutes as Attachment #8.*

PUBLIC HEARING

**Repeal Ordinance Amendment OA-05-08
Section 4-39. Rental Housing Code
Adopted July 8, 2008 and
Ordinance Amendment OA-01-09
Section 4-39. Rental Housing Code
(Combined Public Hearing on
Same Subject Matter)**

Mayor Harris opened this public hearing at 7:33 pm.

Mayor Harris stated that the public has been notified that oral and written comments will be heard and received concerning the request by the City of Dunn to repeal Ordinance Amendment OA-05-08 Section 4-39. Rental Housing Code adopted July 8, 2008 and the adoption of Ordinance Amendment OA-01-09 Section 4-39. Rental Housing code.

The public hearing was duly advertised on February 24, 2009 and March 3, 2009.

Mayor Harris stated that the Rental Housing Code has been under discussion long before the current Council was seated. He added that the intent of the ordinance is to ensure that the City of Dunn and its landlords and developers provide safe, decent and affordable housing to the citizens desiring to rent and that the City comply with the building code as outlined by the State of North Carolina. The proposed ordinance was discussed at the City Council Retreat in February, 2008. The first round of proposed ordinances was discussed at budget workshops on two separate occasions. A public hearing was held on July 8, 2008 without comment and the ordinance passed unanimously. Due to later comments from the public, enforcement of the ordinance was deferred and the Council allowed the public to comment on the ordinance during a meeting in October, 2008. The ordinance was again discussed during the City Council Retreat in February, 2009 and a consensus was reached to repeal the original Rental Housing Code and to propose a revised Rental Housing Code in line with the comments received from the public.

Mayor Harris stated that they will first hear from Chief Building Inspector Mike Blackmon about the need for a Rental Housing Code.

Mayor Harris outlined the suggested rules that the Council would ask those with comments to abide by:

- Each speaker should seek to limit comments to five minutes; however additional time will be granted if needed
- Each speaker should state their name and address
- Groups supporting or opposing the same position should consider designating a spokesperson in order to avoid redundancy and repetition of the same position
- Speakers should direct their comments to the Council as a whole and not to individual members of the Council or to the audience
- Speakers should be courteous and professional in their language and presentation – Please do not point out any single individual or group of people
- The purpose of the public hearing is for the Council to receive input from the citizens; however, the Council will not respond to questions posed by any speaker
- The Chair has the right to declare a speaker or member of the audience out of order and to have them removed from the Council Chambers

City Attorney Pope stated that since adopting the existing Rental Housing Code (RHC) in July, 2008, the Council has received a substantial amount of input and feed-back from the public and in response to that, the Council has requested that he make some suggested revisions in order to address the concerns that have been expressed. Mr. Pope summarized the substantive changes between the existing RHC and the proposed new RHC.

Chief Building Inspector Mike Blackmon made the following comments about the Minimum Housing Code (MHC) and the proposed Rental Housing Code (RHC) to try to clear up some misconceptions that have been spread through-out the community. In 1991, when he was first hired, the Council, at that time, had a proactive approach to try to rid the City of substandard housing either by having the property owner

renovate the property to provide adequate and affordable housing or to demolish the dwelling in an effort that maybe someone would build something new in its place. Since that time, the City has had approximately four City Councils and Mayors, all of whom, have had the same proactive approach to minimum housing. Throughout the years, there have been members of the various Councils, that have expressed a concern about the possibility of strengthening the requirements of the MHC. Over the years, there have been revisions and modifications to the MHC. In researching the number of rental units within the City, it was discovered that there are approximately 1300 rental units in the City. Approximately 357 of these units are inspected every two to three years by third party agencies. The remaining 943 rental units may go uninspected, unless a complaint is filed. There are other municipalities within the State that have similar ordinances. With the approval of the RHC, this would be another modification that would strengthen the existing code with hopes of continuing to provide adequate and affordable housing for the citizens of Dunn and it would give the City the ability to inspect the remaining units without having to wait for a complaint.

Mr. Blackmon clarified inconsistent information that is being spread through-out the City and answered the following questions that have been posed to him by various sources:

1. Will I have to paint my house every time it is inspected? No, this is not a safety issue unless it becomes very filthy.
2. Will the plumbing have to be changed to meet the requirements for a new dwelling? No, if everything works adequately with the minimum required facilities, then they will not have to re-plumb the entire house. If something new is installed, it would have to meet the code as required by State law.
3. Will I have to re-wire my entire house to meet the requirements for a new house? No, as long as the wiring appears adequate, and the receptacles are working properly. Some houses may require smoke detectors, which is a safety issue.

Mr. Blackmon stated that the purpose of these codes is to provide the minimum standards of fitness to provide a relatively safe and sanitary place for someone to live and raise their families.

Mayor Harris asked if there was anyone present to speak for or against the repeal of Ordinance Section 4-39 or the proposed Section 4-39 Rental Housing Code.

Honorable Judge Wiley F. Bowen, 118 Jones Drive – He currently serves as an attorney in Raleigh but he has lived in Dunn for a long time. He stated that the Council will do the right thing if they repeal the original RHC and reject the new proposal. The basic flaws remain and cannot be cured by beefing up the preamble to the ordinance nor making some suggested changes to paragraph 11. The changes still have a mandatory inspection. The required mandatory inspection of a tenant's dwelling and not a mandatory inspection of the homeowner's dwelling takes away the tenant's rights to security and safety in their home. The proposed ordinance is a burden on low-income tenants, widows and senior citizens. If the Council adopts the proposed ordinance, they are imposing the burdens of this ordinance on the backbone of this community. This ordinance has angered many citizens with City government. Dunn has had many houses on the market for many months without a buyer. Many people feel they have been beaten up by the federal government, the state government, county government and now feel assaulted by the City Council. He spoke of the rising prices for everyday items and the recent increase in the tax revaluations. Based upon the economy, housing values have dropped 20 to 25% yet they receive a 20% increase in revaluations. The citizens are in a state of economic shock and now the Council is proposing to add more pain. The impact on the proposed ordinance goes far beyond the fees. He spoke of the anger expressed by the people and their perception that the City Council is trying to prove something. Is it right to try and drive out all low income citizens from a neighborhood? He summarized problems within this ordinance including penalties and the notification requirement whenever a vacancy occurs. The preamble of this ordinance recites there are residential properties that fail to meet the requirements of the MHC. Where is the evidence to support the conclusion that a rental unit is more probable to be unsafe than a unit not for rent? The record fails to show that the Council considered other alternatives to accomplish its goal, and other methods of financing. The plan violates the residents and the property owner's civil rights under the guise of protecting tenants. The proposed ordinance invites litigation, not only against the City, but also against individual Council Members, it is a waste of money, energy and talent. It may also require expenditures which could be used to enforce the MHC. The laws have been on the books for a long time; it just has not been enforced. The Council will best serve the community by repealing the original ordinance and rejecting the new proposed ordinance.

Mr. James Eason, 207 N. Orange Ave. – He stated that this revised ordinance is still a violation of his right to privacy. He has lived in his apartment for over eight (8) years and it has never been inspected and there is no need to inspect it. He does not need the bureaucracy of the federal government, taxes, police, or City Council Members aggravating him. He wants to live his life in privacy. His apartment has not been painted in the eight (8) years he has lived there. Why should he pay a tax on property he does not own? If property owners didn't wait twenty (20) years to upgrade their property, it wouldn't be this way. It is a shame for the Council to pick on the tenants to make them go deeper in their pockets. With less money, it will cause the creation of gangs.

Mr. C.L. "Bozie" Tart, 511 W. Pearsall St. – He stated that he is a former Council Member. His company owns approximately ten (10) rental properties and there is not one of his properties that he would be ashamed to live in. The City of Dunn Inspections Department performs inspections for the Town of Angier and Erwin. Why do they need to create another job, with more bureaucracy to do a job that should be done anyway? He will agree that they need to get rid of the slum properties. If the Inspections Department is spread so thin, that they cannot get the job done then the City is at fault. The City does not need another code, hire another person, buy another vehicle and furnish another office to cost taxpayers money when they are already paying taxes to do the job any way. Stop contracting inspectors out to other towns; keep them here at home to do the job they were hired to do. It is a moral issue with some members of the Council to take care of the citizens and put them in decent housing and he agrees with it. However, the Council cannot legislate morals to the landlords. This code discriminates against people that are offering a real service to the City of Dunn. With close to 1000 decent rental units, could you imagine what would happen if these units were taken from the City? The Council needs to be more in tune with the good property owners that provide decent housing.

Mr. Allen D. Westbrook – He stated that his company has always had a great relationship with the Dunn Inspection Department. His rental business consists of a management office and his company works hard to be attentive to their tenant's many needs. As a landlord, he hears of the financial hardships first-hand. He tries to work with his tenants before the eviction process which can be costly. When a tenant cannot meet their bills, he spoke of the fees involved in an eviction as well as the loss of rental income that the landlord experiences. He works with a commitment to provide good housing for his tenants. With rental property, insurance inspections have become more prevalent compounded with the recent revaluations of property. He would need a full-time coordinator to handle the regulations within this proposed ordinance. It is an administrator nightmare to coordinate all the requirements within the proposed ordinance. The process should be streamlined. Everyone is under financial pressure, whether you're a business owner or a tenant. He asked that the Council repeal this ordinance.

Mr. Huey G. Malloy, 1003 S. McKay Ave. – He stated that they do not need to change the current laws on the books. Some of his tenants are elderly and sick. He stated that some of his property values doubled with Harnett County's revaluations. He's had occasions when some folks have lived in one of his houses for six months without paying him. It's hard to add the extra fees.

Mr. Douglas Godwin, 725 Westbrook Avenue – He stated that they do not know how many substandard houses there are in Dunn. As a realtor, he has driven the streets of Dunn for the last twenty-one (21) years and it's hard to find substandard housing in Dunn. Why would an inspector want to inspect 900 houses when you can ride by and look at a house and tell whether it's a good house; why waste time if a house looks good outside? He served on the Council for eight years and not once during that time, did the Council vote against the citizens of Dunn. During his term on the Council, if they had an issue with a packed courtroom, without public support, they knew they were on the wrong track. This rental housing issue will not go away; people are angry and before this matter is over, it will cause many hard feelings, cost the City of Dunn a great deal of money defending lawsuits and it will be a great embarrassment for the City and all the effort that has been applied in promoting Dunn will be thrown away. This is not a landlord versus City fight; this is a landlord, tenant and taxpayer versus City fight. The current MHC works fine. He asked that the Council vote for the citizens of Dunn by voting "no" to the RHC. If the Council feels the RHC is needed, then he asked that they put it on the next election ballot and let the citizens of Dunn vote for it.

He read a letter provided by Dr. Ken McElynn that was received from the Institute of Justice stating their position against forced inspections and violations to privacy within the RHC; a copy of the letter was provided to the Council.

Ms. Teresa Stephenson, Ponderosa Subdivision – She stated that during a previous public hearing about the RHC, she submitted a petition signed by 73 citizens in support of the RHC. She asked that this petition be made a part of her comments heard tonight. She also presented another petition with 13 additional signatures that she asked to be added to the original 73 signatures and made a part of her comments tonight. All rental properties should be inspected the first year and she gave examples. An 85 year-old man moved into a rental unit in her neighborhood that had heating problems and no locks on the house, and another neighbor had problems with their landlord taking care of basic maintenance. She spoke of some that did not sign the petition for fear of retaliation from their landlord. People need to be protected from slumlords. Taxpayers should not bear the burden of paying any inspection fee since the taxpayers do not reap the benefits or tax credits given to the landlords made on these properties. She referenced the City of Dunn Pedestrian Plan, Appendix C, Page C7, states that according to the 2000 US Census Data, the City of Dunn’s population is racially balanced between Caucasian and African-American and relatively low income with nearly one-quarter of the population below the poverty level. She spoke of the population age group 20-44 being significantly less than the state and national averages which could indicate that young workers are moving away to find job opportunities or that Dunn is not attracting younger workers ages 20-44. When investors and business people visit the City, they only have to travel one block off of Highway 421, to see the poor state of the City. The condition of our homes says a lot about who and what we are. The City has allowed a few people with dinosaur mentalities who claim to love this City, to run this City into the ground. It is past time that the laws and ordinances caught up with the changing times. No new industry is going to come into the City unless they clean it up and show people that they really do care. With the state of the economy causing people to lose their homes, this would put more people needing to rent and therefore more people that need to be protected from slumlords. Statistics show violate crime is four times more likely to happen on rental properties than on properties owned by individuals. Statistics also show that neighborhoods with a high number of rental properties deteriorate more quickly. Most landlords do not live near their rental properties and do not have rental properties in their neighborhoods. Some are taking this ordinance personal. The RHC is not an inspection of a person but the inspection of a structure.

Mr. Lee James Best Jr., 506 W. Cumberland St. – He stated that with the proposed ordinance, his understanding is that a landlord would be required to report a vacancy within seven days to the governing authority. There are many landlords who only rent a few houses that they may have inherited and they are not in the business of renting units. He stated that his plans for his property are none of the government’s business. It will be difficult to fairly enforce this ordinance. Fair methods of raising revenue need to be examined and the existing adequate ordinances pertaining to rental units need to be left as they are.

Mr. Billy Barfield, 1304 Guy Avenue – He stated that in the proposed ordinance, it makes an exemption to government subsidized housing, which he opposes. Government subsidized housing is just as bad as any other house in the City. He is in favor of repealing the RHC. He is appalled that anyone on this Council would make up their mind to vote in favor of this ordinance without hearing what the citizens have said tonight.

Mr. Roger May, 101 Chelsea Lane – He stated that he has had rentals since 1966. He has always had a good relationship with the City inspector. He owns three rental houses within his own neighborhood; one next door and two directly behind his house. He attributed problems within the Ponderosa Area to repossessed homes due to the economy and causing the neighborhood to go down.

Mr. Bob Nichol, 1602 Brunswick Drive – He stated that the MHC is 25 pages in length and the RHC consists of 10 pages. The MHC has served the City well over the years and they do not need more bureaucracy to what they already have. The City Council needs to look at it very closely and vote their convictions.

Mr. Abe Elmore, 124 Fairfield Circle – He stated that he was the Mayor of Dunn for 16 years and during his term, he had to make difficult decisions. He attended the Council Retreat in February and heard the presentation by the City Attorney and it seemed that most of the language in the RHC already existed within the MHC. The problems that Ms. Stephenson spoke about in her neighborhood, could have been handled through the MHC. It doesn’t make sense to put another set of codes in place when the existing code could be used if it was enforced. He asked the Council to repeal the existing RHC and to reject the proposed RHC.

Mrs. Donna Kennedy, 416 Spring Branch Road – She asked the Council to search their conscience and repeal this ridiculous ordinance. There are citizens that can pick up the phone to report any problems. There isn't any reason to add extra laws or codes. Renters are trying to make ends meet and no one is forced to stay in a condition that they feel is inappropriate. She mentioned that the original ordinance was adopted in July, 2008 at a time when the Council meeting night was changed from Thursday to Tuesday and during the week of July 4th, and she felt it was slipped in the back door.

Mr. James Clark, 611 N. Wilson Avenue – He wishes the Council would take heed to what the community has said. A house, no matter who lives in it or its condition, is a house. He asked what would a full-blooded American say about this? He is not anti-American. Don't tax senior citizens or anyone in a rental house. His way is not to pay public officials anything.

Mayor Harris asked if there was anyone else that would like to speak for or against the Rental Housing Code.

Hearing no further comments, Mayor Harris called for a five (5) minute recess at 9:07 pm.

Mayor Harris reconvened the meeting. A motion was made by Council Member Billy Tart and seconded by Council Member Turnage to close the public hearing at 9:12 pm. **Motion unanimously approved.**

ITEMS FOR DECISION

Repeal Ordinance Amendment OA-05-08 Section 4-39. Rental Housing Code Adopted July 8, 2008

Motion by Mayor Pro Tem Robinson and seconded by Council Member Maness to repeal Ordinance OA-05-08 Section 4-39. Rental Housing Code adopted July 8, 2008 effective upon the adoption of a new Rental Housing Code.

Attorney Pope clarified the motion for the Council. The motion on the table is that the existing RHC would be repealed effective upon the adoption of a new RHC and if a new RHC is not adopted then the existing RHC adopted July 8, 2008 would stay in effect and would not be repealed.

Council Member Billy Tart stated that he has searched his conscience. He researched the Daily Record 1997 edition where a Dunn family perished in a rental home without a smoke detector. The current method is not working. He mentioned the possibility of self-inspections by the landlord which would certify to the City that smoke detectors, plumbing, electrical, etc. are in place.

Mayor Pro Tem Robinson stated there are some fine landlords within the City but the current MHC has not worked, none of which would suggest that there are inefficiencies within the current Inspections Department. Based on staffing and the MHC, Chief Building Inspector Mike Blackmon and his department do a tremendous job. In his personal experience, there is housing in this City that does not meet those codes, is not safe, and they have people living in them and some of the landlords are not responding. At the same time, they have senior citizens living in communities with their social networks who are not complaining to the landlords because they are afraid they will be asked to move. The current MHC is not working and the evidence is down every street in town including Broad Street. The Council has an obligation to make sure that the housing in this City is safe. With the proposed ordinance becoming effective July 1, 2009, they still have an opportunity to examine and discuss any changes they may want to make to it. His interest is in protecting the people of Dunn who have to seek housing using the rental method.

Mayor Harris clarified the motion that is on the floor; the repeal of the existing ordinance would be tentative upon passing the proposed ordinance.

Council Member Joey Tart stated that his dad served on the Council for 19 years with some of the folks who spoke tonight. As he has explained to his father, the code that was put in effect during that time is not working. This Council has thought long and hard and worked together to try to put something in place that would help the citizens of Dunn. He explained that there are folks that cannot afford to fix their homes if

the landlords are not willing to make proper repairs. Anyone that condemns the Council for trying to make the public safe is wrong. He is tired of hearing that the Inspectors are in other towns inspecting and need to be kept in town. Chief Inspector Blackmon runs a good department and if he did not have time to inspect for these other towns, he would let them know. The Council has not received complaints about the Inspectors not doing their job in town. It is in the best interest of the City of Dunn for years to come, to pass a RHC. He is not going to vote for a motion that will take the Council back to the existing RHC that the Council just spent the Retreat working to repeal.

Council Member Maness stated that people have complemented the inspections department and at the same time insinuated that the Inspector is not enforcing what is on the book; he disagrees with this assumption and he thinks that Chief Inspector Blackmon is one of the finest Building Inspectors in the State of North Carolina and he does his job well, however, he has to have the tools to work with to be able to enforce the MHC. The Council asked Mr. Blackmon what he needed to be able to help with the rental housing issues and he suggested that the Council look at what other municipalities were doing and recommended the RHC to be able to do his job.

Council Member Galbreath stated that the Council has given this issue a lot of thought and they have worked very hard on this ordinance. He is not here to win a popularity contest but to ensure the safety of the citizens. Two years ago in his district, his constituents experienced two house fires, one in which a two year old child could not get out of a house that was substandard and another one three days later in an unoccupied house that was also found to be substandard. East Dunn is affected by this and there is a lot of rental property within his district. He has a responsibility to his constituents to ensure their safety and ensure that the citizens have affordable, decent and safe housing. He is in favor of approving the RHC. People do not like change but it's time for this City to move forward by putting the RHC in place.

Ayes	Nays
Robinson	Joey Tart
Maness	
Galbreath	
Billy Tart	
Turnage	

Motion carried 5-1. *A copy of Repealed Ordinance (O2008-10) Section 4-39 Rental Housing Code adopted 7-8-08 as OA-05-08 is incorporated into these minutes as Attachment #9.*

**Repeal Existing Annual
Application/License Fee of \$65.00
Rental Housing Code**

With the repeal of OA-05-08, the Council will need to repeal the existing annual application/license fee of \$65.00 per unit, which was implemented in the FY 2008-2009 fee schedule.

Motion by Mayor Pro Tem Robinson and seconded by Council Member Galbreath to repeal Rental Housing Code Annual Application/License Fee of \$65.00 per unit effective upon the adoption of the new revised RHC OA-01-09. **Motion unanimously approved.**

**Ordinance Amendment OA-01-09
Section 4-39. Rental Housing Code**

Motion by Council Member Galbreath and seconded by Council Member Maness to adopt OA-01-09, Section 4-39. Rental Housing Code.

Council Member Turnage stated that in his ward, there is one dilapidated house. He is serving all of Dunn and not just his ward. There is a lack of education about this ordinance and he must vote his conscience.

Council Member Billy Tart stated that what they have is not working and he is not sure that the Council shouldn't make additional changes to the ordinance.

Mayor Pro Tem Robinson stated that one of the reasons why he is willing at this point and time to vote in favor of the new RHC is because he realizes that the members of this Council heard the concerns about the additional costs, and the cost to the renters. This still gives the Council an opportunity to make some adjustments based on information shared with them tonight to work on the proposed RHC before the July 1, 2009 effective date.

Mayor Harris stated that there is a concern with the downturn of the economy. He suggested that they not charge a fee for the registration of the rental units or for the initial mandatory inspection for a period of at least 1 ½ years. Allow self-inspections by a qualified inspector. As a Council, they need to take the people with them; they do not need to be out in front of the people. With the tight budget, they do not need a lawsuit. He wants to provide safe, decent, affordable housing so that the tragedy of death does not occur again. He does not want blood on his hands but at the same time, he does not want to walk ahead of the citizens but by their side. The Council has listened to some great points made by the people tonight.

Mayor Pro Tem Robinson called for the question.

Ayes	Nays
Turnage	Galbreath
Maness	Billy Tart
Robinson	Joey Tart
	Mayor Harris

Motion Failed.

**Adopt Annual Application/License
Fee Effective July 1, 2009
Rental Housing Code**

Action was taken on this item of business later in the meeting.

**Adopt Initial Mandatory Inspection
Fee Effective July 1, 2009
Rental Housing Code**

Action was taken on this item of business later in the meeting.

Public Comment Period

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

No comments were heard.

1st CLARIFICATION (RHC)

Mayor Harris explained that the July 8, 2008 ordinance is effective because the motion to adopt OA-01-09 failed.

Council Member Galbreath stated that because there was some information that was not clear during the vote on OA-01-09, he offered a motion to approve OA-01-09 without the fee schedule. A second was offered by Mayor Pro Tem Robinson.

City Attorney Pope questioned whether or not the motion was in order procedurally since it was nearly identical to the motion previously voted on and the motion was withdrawn.

Mayor Pro Tem Robinson asked Mayor Harris if there could be a substitute motion to reconsider OA-01-09. Mayor Harris responded yes, that such a motion would be in order and no member of the Council objected to the motion being out of order.

Motion by Mayor Pro Tem Robinson and seconded by Council Member Galbreath to reconsider the motion previously made to approve the proposed Rental Housing Ordinance. **Motion unanimously approved.**

Motion by Mayor Pro Tem Robinson and seconded by Council Member Galbreath to approve the proposed Rental Housing Code OA-01-09.

Council Member Billy Tart would like to amend the RHC to allow the landlord to self-inspect their units with certified electrician and plumber to be an option and he would like to see the fee waived if it's a burden on the landlord or tenant.

Mayor Harris stated that a motion would be in order to amend the ordinance to allow self-certifications by the landlord within six months and to keep the registration in place.

With reference to self-inspections, Mayor Pro Tem Robinson suggested they let the City Attorney look at the legal ramifications and liabilities of initiating this type of requirement.

Additional discussion that the Council can work on changes to the new RHC before it becomes effective July 1, 2009.

Council Member Galbreath called for the question to vote. He yielded to a comment by Council Member Billy Tart.

Council Member Billy Tart asked to table this issue until the next meeting.

Mayor Pro Tem Robinson called for the question to vote.

Ayes	Nays
Turnage	Billy Tart
Maness	
Robinson	
Galbreath	
Joey Tart	

Motion carried 5-1 to adopt the proposed Rental Housing Code. *A copy of Ordinance (O2009-03) Section 4-39 Rental Housing Code OA-01-09 is incorporated into these minutes as Attachment #10.*

**Adopt Annual Application/License
Fee Effective July 1, 2009
Rental Housing Code**

**Adopt Initial Mandatory Inspection
Fee Effective July 1, 2009
Rental Housing Code**

Motion by Council Member Maness and seconded by Council Member Joey Tart to delay action on Item 22 (Adopt Annual application/license fee effective July 1, 2009) and Item 23 (Adopt Initial Mandatory Inspection Fee effective July 1, 2009). **Motion unanimously approved.**

FINANCIAL REPORT

Manager Autry provided the following financial update to the Council:

- The City as of January 31, 2009 had \$3,194,558 in cash in the General Fund and \$2,212,733 in the Water and Sewer Fund.
- Investment earnings are in the 1.5% - 0.5% range.
- The January sales tax distribution was \$114,335. Currently we are at 40.65% of budget. The City should be at 41.67% collected.
- State Franchise revenue as of January 31 was \$269,197. Currently we are at 57.28% of budget. The City should be at 50.00% collected.
- Building Permit Fees are \$35,145 or 41.35% of budget. The City should be at 58.33% collected.

- Water and sewer revenues were \$2,082,676 or 57.87% of budget. The City should be at 58.33% of budget.
- Fuel cost per gallon have fallen from a high of \$3.94 a gallon in July, 08 to \$1.34 a gallon in January, 09.
- As of December 31, 2008, we were 57.07% spent in the general fund and 53.33% in water/sewer fund. This takes into account one-time expenditures that are paid in one amount (ie, debt payments, property, liability and workers comp. premiums). The City should be at 58.33% spent.

Motion by Council Member Joey Tart and seconded by Council Member Turnage to accept the Financial Report. **Motion unanimously approved.**

ADMINISTRATIVE REPORTS

Motion by Council Member Billy Tart and seconded by Council Member Galbreath to accept the Administrative Reports. **Motion unanimously approved.**

2nd CLARIFICATION (RHC)

Upon request by the audience for clarification, Mayor Harris explained that the original ordinance (OA-05-08) adopted July 8, 2008 was repealed along with the fee. The new proposed ordinance (OA-01-09) was passed but no fees were set. The new ordinance will be effective July 1, 2009.

EXECUTIVE REPORTS

With no further business to discuss, a motion was made by Council Member Maness and seconded by Council Member Joey Tart to adjourn the meeting at 10:21 p.m. **Motion unanimously approved.**

Oscar N. Harris
Mayor

Attest:

Debra G. West
City Clerk