

**TOWN OF WENDELL
BOARD OF COMMISSIONER MEETING MINUTES
May 22, 2017**

The Wendell Town Board of Commissioners held their regularly scheduled meeting on Monday, May 22, 2017, in the Town Board Room, Wendell Town Hall, 15 East Fourth Street.

PRESENT: Mayor Virginia Gray; Mayor Pro Tem Jon Lutz (arrived at 7:13 p.m.);
Commissioners: John Boyette, David Myrick, Ben Carroll, and Jason Joyner.

STAFF PRESENT: Town Manger Teresa Piner, Finance Director Butch Kay, Planning Director David Bergmark, IT Administrator Tamah Hughes, and Police Captain John Slaughter.

CALL TO ORDER:

Mayor Gray called the meeting to order at 7:00 p.m. and welcomed attendees.

PLEDGE OF ALLEGIANCE:

Samara Fennel, second grade student at Lake Myra Elementary School, led the Pledge of Allegiance.

INVOCATION:

Reverend Bob Albritton of Wendell United Methodist Church provided the invocation.

1. ADJUSTMENT AND APPROVAL OF THE AGENDA:

ACTION

Mover: Commissioner Myrick moved to the agenda as presented.

Vote: 4-0.

2. PUBLIC COMMENT PERIOD (*one hour time limit in total*):

No public comments were received by the Town Board.

3. CONSENT AGENDA

The Board of Commissioners uses a Consent Agenda to act on non-controversial and routine items quickly. The Consent Agenda is acted upon by one motion and vote of the Board. Items may be removed from the Consent Agenda and placed on the Regular Agenda at the request of the Mayor or a Commissioner. The Consent Agenda contains the following items:

- a. Approval of the Minutes from the May 8, 2017, budget work session meeting.
- b. Wake County Tax Report – March 2017.

ACTION:

Mover: Commissioner Myrick moved to approve the consent agenda as presented.

Vote: 4-0.

4. RECOGNITION OF LAKE MYRA ELEMENTARY TEACHER: MONIQUE FENNELL.
SPEAKER: Mayor Gray
ACTION: Recognition

[Staff Report]

Item Summary

Ms. Monique Fennell has been a 5th grade teacher at Lake Myra Elementary for the last 6 years. Prior to arriving at Lake Myra Elementary, she taught for 5 years in Virginia and 5 years in Durham County. She received her undergraduate degree from UNC-Chapel Hill and her Masters from NC Central. She is a true leader at Lake Myra. Despite changes in staffing she has continued to be the glue that has held her grade level together. She is always student centered, putting individual growth and learning above everything else.

Mayor Gray recognized Lake Myra Elementary Teacher: Monique Fennell; staff report included above in italics.

5. RECOGNITION OF LAKE MYRA ELEMENTARY STUDENTS PARTICIPATING IN THE LEADER IN ME PROGRAM.
SPEAKER: Mayor Gray
ACTION: Recognition

[Staff Report]

Item Summary

Showcasing of the Leader In Me Program at Lake Myra Elementary. The following students will speak about the 7 Habits and how the Leader In Me Program has impacted their lives:

- *Owen Sese,*
- *Kayla Williams,*
- *La'Toina Wiggins,*
- *Elizabeth Walker, and*
- *PJ Wilson.*

Mayor Gray recognized the Lake Myra Elementary students participating in the Leader In Me Program; staff report included above in italics.

Owen Sese stated the Leader In Me Program keeps him inspired and focused.

Kayla Williams stated the Leader In Me Program makes her a better leader by following the habit, "Seek first to understand than to be understood."

PJ Wilson stated the Leader In Me Program chose synergizing because he likes working in a team.

Elizabeth Walker stated the Leader In Me Program will allow her to be successful in middle school.

6. RECOGNITION OF PRINCIPAL TINA ZARZECKI, LAKE MYRA ELEMENTARY.

SPEAKER: Mayor Gray

ACTION: Recognition

[Staff Report]

Item Summary

Opportunity for Principal Zarzecki to share Lake Myra Elementary School's year-to-date accomplishments and upcoming events.

Mayor Gray recognized Principal Tina Zarzecki, Lake Myra Elementary; staff report included above in italics.

Principal Tina Zarzecki expressed her thanks for allowing the Town Board to showcase what is going on at Lake Myra Elementary. Lake Myra Elementary will continue to integrate technology into the learning curriculum. Staff works with the PTA to get books into the hands of students. Continue to implement the Leader In Me Program and it is in its fourth year with students. Successful year at Lake Myra Elementary and will continue with the Leader In Me Program and getting books to our students.

7. RECOGNITION OF "SPRING IN WENDELL" CHILDREN'S ART CONTEST PARTICIPANTS.

SPEAKER: Mayor Gray

ACTION: Recognition

[Staff Report]

Item Summary

On Saturday, May 13, 2017, the Town of Wendell hosted "Spring In Wendell" Children's Art Contest. Students in kindergarten through fifth grade from Wendell Elementary, Carver Elementary, Artopia, and Art of Giving participated.

This evening is an opportunity to recognize all our budding young artist participants and share the first and second place winners for the following categories:

For kindergarten and first grades:

1st place - Emmy Flowers

2nd place - Corder Reese Chilton

For second and third grades:

1st place - Regan Quinn

2nd place - Mikaela Triplett

For fourth and fifth grades:

1st place - Comiyah Jones

2nd place - Madeline McAllister

Private Schools category:

1st place - Sophia Jonson

2nd place - Julia Spinks

Town Manager Piner recognized the participants in this year's "Spring In Wendell" Children's Art Contest; staff report included above in italics. She stated despite the weather, the turnout was great. Thanked the students for participating in the community event.

[Mayor Pro Tem Lutz arrived at 7:13 p.m.]

Mayor Gray called for a recess at 7:14 p.m. Mayor Gray called the meeting back to order at 7:24 p.m.

Public Hearing Guidelines:

- Case is announced
 - Staff presentation
 - Applicant presentation
 - Public hearing is opened; citizens will follow the same rules as Public Comment Period and will have five minutes to speak
 - Close public hearing
 - Board members ask questions
 - Board may take action
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8. PUBLIC HEARING FOR PROPOSED FY 2017-2018 TOWN OF WENDELL BUDGET.

SPEAKER: Town Manager Piner

ACTION: Public hearing. Board may take action at its June 12, 2017 Board meeting.

[Staff Report]

Item Summary:

The proposed FY 2017-2018 [July 1, 2017 – June 30, 2018] Budget for the Town of Wendell has been prepared in accordance with the Local Government Budget and Fiscal Control Act. The budget presents financial information summarized by major categories of expense for each department and outlines the operations of the Town. As mandated by State law, the budget is balanced and identifies methods of raising and spending funds for specific programs during the coming fiscal year.

The budget development process focused on providing high quality services while moving toward meeting the goals of the Town Board and community in a fiscally responsible manner. The development of the budget was guided by the priorities established at the 2017 retreat though the updating of the Town's Financial Goals and Policies and the development of an Equipment Replacement Policy. Priorities were influenced by the positive economic changes in the area resulting in increased workloads; desire to improve customer service, and efficiency and effectiveness through technology.

The proposed budget maintains a tax rate of .49 per \$100 of valuation. Projected property tax revenues make up approximately 32 percent of the Town's budget. Property tax revenue is based upon the values of existing homes, non-residential buildings, as well as new construction. Tax revenues for 2018 have seen an increase of approximately \$200,000. An increase in revenues will allow for the purchase of equipment and the addition of needed staff by leveraging of loans, fund balance and the operating budget.

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FY 2018 will also see an increase in the debt service for the operation budget from \$175,500 in 2017, to \$336,000 in 2018. The Town's debt service comprises approximately 4.56 percent of the Town's operating budget.

Grants proposed for this year include a Wake County ABC Grant for \$21,000 to support Camp Choices and Track-out Camp and a Governor's Crime Commission Grant in the amount of \$24,206 for firearm replacement.

The proposed balanced budget was presented at the May 8, 2017, Board meeting with notice of the public hearing scheduled for this evening.

Town Manager Piner provided an overview of the proposed FY 18 budget; staff report included above in italics. Town Manager Piner stated the budget does not include all the needs of the community:

-  Planning tools and guides to prepare for the growth – downtown enhancement, small area plans to connect growth in the west
-  Lights for Field 3
-  Additional updated bathrooms at the park facilities
-  Additional major road repairs for local streets
 - o Reviewing with NCDOT the state maintained streets within Town
-  Bond referendum for future growth and demands
-  Vans for transportation for Track Out Camp and Senior Programs
-  Wi-Fi at the park

FY 17-18 budget was placed on the Town's website and made available at Town Hall and the Wendell Library. Additionally the budget was shared on the Town's Facebook, Twitter, weekly updates, kiosk, PSA's to the Eastern Wake News, Grey Area, and Wendell Falls HOA and posted on the Town's door.

Mayor Gray opened the public hearing at 7:35 p.m.

Allison Strickland of Interact, 1012 Oberlin Road in Raleigh, expressed appreciation for being included in this year's budget. Each year Interact serves 9,000 victims; this is 23 +/- families being served per day. She shared "forget me not" flower seed packets as a thank you for being included in this year's budget.

Mayor Gray closed the public hearing at 7:40 p.m.

ACTION: Slated for action by the Town Board at its June 12, 2017, meeting.

9. DISCUSSION OF PROPOSED FY 18 FEE SCHEDULE.

SPEAKER: Town Manager Piner

ACTION: Discussion. Board may take action at its June 12, 2017 Board meeting.

[Staff Report]

Item Summary:

On an annual basis, staff reviews its current fee schedule to determine if revisions are needed or to add additional information for clarity. For water and sewer fees, the utility merger agreement requires utility fees to be equal to or more than those charged by the City of Raleigh. Per the Pro

forma, water and sewer fees will increase by 5 percent.

Town Manager Piner provided an overview of the proposed FY 18 fee schedule; staff report included above in italics.

Commissioner Joyner questioned if the Town if matching the City of Raleigh fees. Town Manager Piner stated yes.

Commissioner Joyner questioned the entire facility fee for the Community Center. Town Manager Piner stated that happens at least once a month. The Town is entering the time of year when the entire facility could be rented every weekend and the Town limits it to a couple of weekends per month.

Commissioner Joyner requested Parks & Recreation Jeff Polaski research the lighting of the fields. Town Manager Piner stated the estimate to light the fields is \$110,000 to light the fields or more.

Commissioner Joyner questioned the cost for setting up an agreement with a rental company for lighting.

ACTION: Slated for action by the Town Board at its June 12, 2017, meeting.

- 10. PROPOSED TEXT AMENDMENT TO TOWN OF WENDELL CODE OF ORDINANCES CHAPTER 4 REGARDING ESTABLISHMENT OF BIRD SANCTUARIES AND PROHIBITION AGAINST HUNTING BIRDS.**
SPEAKER: Police Chief Carter
ACTION: Discussion. Board may take action.

[Staff Report]

Item Summary:

North Carolina General Statute 160A-188 provides that “a city may by ordinance create and establish a bird sanctuary within the city limits. When a bird sanctuary has been established, it shall be unlawful for any person to hunt, kill, trap, or otherwise take any protected birds within the city limits except pursuant to a permit issued by the North Carolina Wildlife Resources Commission under G.S. 113-274(c) (1a) or under any other license or permit of the Wildlife Resources Commission specifically made valid for use in taking birds within city limits.” Certain Birds are considered not protected under applicable federal and state law and include but are not limited to English Sparrows, Pigeons and European Starlings. As such the current ordinance is unclear on the mechanism to obtain a permit to eradicate these birds should they become a nuisance. Accordingly, the North Carolina Wildlife Resource Commission reports that a Town may allow the depredation of unprotected birds subject to its own ordinances.

Periodically non-protected birds nest and roost in or around structures. In certain circumstances they congregate in a manner as to constitute a nuisance or menace to health or property. The requested amendment to the ordinance will provide for depredation techniques to be utilized to eliminate the hazard causing birds.

The proposed amendment requires that the property owner or applicant shall first make

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reasonable attempts at removal utilizing non-lethal depredation techniques. If non-lethal efforts are not successful, the property owner or applicant would be required to make written application to the Town Manager requesting authorization to use lethal techniques. Lethal depredation techniques would only be carried out by registered Wildlife Damage Control Agents under the authority of the North Carolina Wildlife Resource Commission. A permit for lethal depredation techniques could be issued by the Town Manager and would be valid for 30 days.

Town Manager Teresa Piner provided an overview of the proposed text amendment to Town of Wendell Code of Ordinances Chapter 4 regarding establishment of Bird Sanctuaries and prohibition against hunting birds; staff report included above in italics. Town Manager Piner stated the current ordinance makes dealing with nuisance birds cumbersome and unclear as to a process for removal.

Commissioner Myrick questioned if this will impact bird hunters. Commissioner Boyette stated the field mentioned by Commissioner Myrick is in the ETJ and this will not impact bird hunters.

Commissioner Boyette questioned what birds the Town is receiving complaints. Town Manager Piner stated pigeons.

Commissioner Boyette stated he has noticed barn swallows taking up at his home.

Mayor Gray questioned the steps taken. Town Manager Piner stated a permit would be issued for 30 days. There are various methods that can be used.

Commissioner Myrick questioned the cost to the homeowner. Town Manager Piner stated she does not know the cost to the homeowner contracting with the state.

Commissioner Boyette stated this would not be a homeowner going out to shoot birds. Town Manager Piner stated that is correct, and that is why the preference is a registered wildlife agent.

Commissioner Joyner stated this is before the Town Board because the process was too complicated and in re-writing the ordinance it was doubled in size and is not less complicated. The Town is inserting itself in the process. He is comfortable striking the clubs from the ordinance and including a manner advisable by the North Carolina Wildlife in a manner by the Police Chief.

Town Manager Piner stated other community ordinances were reviewed.

Commissioner Boyette is comfortable striking the clubs and lethal methods being performed by a licensed wildlife agenda.

Mayor Gray stated the homeowner needs to exert efforts that are non-lethal first.

Commissioner Myrick stated he is comfortable with the Wildlife agent and Chief of Police and removing the clubs.

ACTION:

Mover: Commissioner Joyner moved to table until such time staff decides to bring it back to the Town Board.

Vote: Unanimous.

11. DISCUSSION OF ECONOMIC DEVELOPMENT INCENTIVE POLICY.

SPEAKER: Planning Director David Bergmark

ACTION: Discussion.

[Staff Report]

Item Summary:

Economic development incentive policies are meant to incentivize specific activities that advance the Town's economic goals. As a community evolves and changes, so too will its economic priorities. As such, it is prudent to periodically review the town's economic incentive policies to ensure they meet the Town's current needs.

At the January 9, 2017 meeting, the Town Board reviewed the current economic development policies and took a comprehensive look at its priorities for economic development. Based on input received at the January 9th and March 27th meetings, staff has created draft language for the Town Board's consideration. The draft language consists of revisions to the 2009 adopted incentive policy covering new large businesses and business expansions, as well as a separate policy incentivizing downtown redevelopment and investment. The downtown incentive options use the DMX zoning district to define the eligible area. The Town Board could consider broadening this boundary for the purpose of offering incentives, if so desired.

Please note that no incentives are granted as a matter of right, even if an applicant meets all eligibility requirements.

Current Large Business Incentive Policy:

Currently, the town's Large Business Incentive grant (adopted 2013) states that "all new large businesses meeting the investment/job threshold requirement will be considered for an incentive grant equivalent to 75% of the Town of Wendell local property tax assessment on the new investment for each year over a total five-year period for each \$2 million in investment in land and buildings or \$1 million in investment in buildings."

Staff believes that the threshold of \$1 million in building value or \$2 million in land and building value is too low of a threshold. In order to grant an economic development incentive, a public hearing must be held. With today's construction cost most new commercial development would exceed the \$1 million building value threshold. For example, the McDonald's in town has an assessed building value of \$1,208,286 and the Family Dollar has an assessed building value of \$992,793. While the Family Dollar falls just short of the threshold for a grant, an additional \$7,000 of improvements could have easily been made so that a grant could be sought. Using the current incentive policy, if all eligible new commercial buildings are provided the full incentive grant, the Town could potentially find itself lagging 5 years behind in local property tax revenue, as it would only be receiving 25 percent of the property taxes it would otherwise realize from new commercial buildings valued at 1 million dollars or more.

Staff also believes that the 2013 incentive policy lacks the detail to guide the incentive policy process. For this reason, staff used the 2009 incentive policy as the template for revision.

Current Small Business Incentive Policy:

While the Town does currently have an incentive policy intended to support small businesses as well as large, there are limitations within the small business policy which may not incentivize opening or relocating a business to Wendell. The current small business incentive policy allows for parking reductions, development permit fee exemptions or reductions, accelerated review processes, and business privilege license fee reduction. Although these policy features may sound positive, their true impact is limited.

Staff believes that there are other options such as targeting specific businesses or zones with grants that would be more effective in bringing desired small businesses to the town and be more of a cost benefit to the business owner and the town.

Summary of Proposed Large-Business Incentive Policy Changes:

- *Raise the minimum investment (building and equipment – not land) from 1 million to 5 million dollars for new businesses. The incentive grant is equivalent to 75% of assessed value on new investment, paid over a 4 year period, reduced by 10% each year.*
 - *Create a tiered system which offers more incentive for investments of \$25+ million, and \$50+ million. Tiers increase the percentage and duration (5 years instead of 4).*
- *Require a minimum of 15 jobs which pay at least 75% of the county average wage (county average wage is \$50,120) and which covers at least 50% of health insurance premiums for new businesses.*
 - *Increase the # of jobs required for \$25+ million investment and \$50+ million tiers to 25 and 50 jobs.*
- *Limit eligible users to manufacturing, industrial, distribution, office, and medical industries (not retail or tax exempt uses)*
- *Create a business expansion grant for \$5 million dollars or more of investment with 5 new employees equivalent to 75% of the assessed value of the new investment over a 4 year period, reduced by 10% each year.*
 - *Increase to 85% over 5 years (reduced 10% each year) for business expansion investments of 10 million or more with 10 or more new employees.*

Summary of Downtown Incentive Grants for Consideration (DMX District):

1. *Downtown Wendell Redevelopment Incentive Grant – New building or modification to existing building within the DMX district which results in an increased tax value by at least \$50,000. The Grant amount varies from \$10,000 - \$20,000 depending on the amount of increased value and is paid out over 3 years.*
2. *Restaurant Up-fit Assistance Grant – 50% matching grant (up to \$30,000) for up-fitting a building in the DMX district to serve as a restaurant. The grant is paid out over 3 years.*
3. *Downtown Retail Up-fit Grant – 50% match (up to \$5000) for up-fitting a building in the DMX to serve a new retail user. Requires detailed application including business plan, photographs, renderings, contractor info, proof of funds, etc.*

Changes Made following the March 27, 2017 Town Board Meeting:

1. *All incentive grants, with the exception of the Downtown Retail Up-fit Grant, were structured so that payments would begin in the following fiscal year for budgeting purposes. As proposed, the Downtown Retail Up-fit Grant would be budgeted for in advance; much like the façade grant was in past years.*
2. *Language was added requiring the legally binding contract to be fully executed shortly following the Town Board's approval (within 60 days for downtown incentive grants and within 6 months for the Large Business Incentive Grant). Failure to do so renders the Town Board's approval null and void.*

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- a. This change was made to avoid a circumstance where the Town Board approves a request at a public hearing, but the applicant does not finalize the legal contract to be signed by all parties for a year or more.*
3. *The Large Business Expansion investment threshold was increased from 1 million to 5 million dollars to be consistent with the New Business investment threshold.*
4. *The list of eligible businesses for the New Large Business Incentive Grant was modified to replace 'service industries' with 'office and medical facilities'.*
5. *Language was added to the Restaurant Up-fit Assistance Grant to clarify when equipment improvements are eligible for grant funds.*
6. *Language was added requiring the applicant to commence work within 12 months of approval by the Town Board, and requiring that there be no stoppage of work exceeding 6 months once work is commenced.*
7. *Language was added to the Downtown Incentive Grant Policy specifying that applicants may not be awarded multiple grants for the same project.*
8. *The 'Downtown Wendell Residential Incentive Grant' was removed from the list of downtown incentives. Staff had concerns that the \$7500 grant amount previously provided for upstairs residential projects may not be sufficient to incentivize this desired product.*

Planning Director David Bergmark provided an overview of the proposed revisions to the Economic Development Incentive Policy; staff report included above in italics.

Mayor Pro Tem Lutz stated this appears to be a whole lot of money being given away for a Town that needs money. Planning Director Bergmark stated other incentive policies were reviewed and most began at 75%. He can continue to research incentive policies and added it could be the amount of the project could be raised.

Mayor Pro Tem Lutz questioned if the Town has used this policy. Planning Director Bergmark stated it was used by the Triple A Louvers. With this policy, the Triple A Louvers would not be eligible.

Mayor Pro Tem Lutz stated that Town is growing and sees \$5 million as too high. Planning Director Bergmark stated he can find examples of \$5 million projects.

Mayor Gray questioned examples. Planning Director Bergmark stated McDonalds came in at \$1.2 million.

Commissioner Myrick questioned how the Downtown Incentive Grants would be paid out. Planning Director Bergmark stated if the person receives the full amount of the grant, the first payment would be in the next fiscal year with an equal amount of payment over three fiscal years. He stated if the business changes, the funds would go to the building owner rather than the new business.

Commissioner Myrick stated that is a lot of tax dollars going back to the property owner. He does not want to adopt a grant that the Town Board does not have monies to support.

Mayor Gray questioned how neighboring communities are using this. Planning Director

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Bergmark stated restaurant is a venue requested in Wendell. He can find examples from other communities to share.

Commissioner Boyette stated he is conflicted with the incentive policy and the role government should play in private business

Mayor Gray requested everyone review the information before making a decision.

Commissioner Joyner suggested contacting the Department of Commerce to see if the Town's policy aligns with the State's.

ACTION: This item will come back to the Town Board after the Town Board has had an opportunity to review requested information and after following up with the Department of Commerce.

12. UPDATE ON BOARD COMMITTEE(S) BY TOWN BOARD MEMBERS:



Fire Board [Commissioner Jason Joyner]



Conference Table (Greater Raleigh Convention and Visitors Bureau)[Mayor Gray]

Commissioner Joyner he was unable to attend the last meeting.

Mayor Gray she had a conflict the same day as the Greater Raleigh Convention and Visitors Bureau Conference Table.

Mayor Gray attended the CAMPO Board meeting and the discussion was about the implementation of the Wake County Transit Plan.

13. COMMISSIONERS' REPORTS.

Commissioner Joyner stated he discussed the budget at the last meeting. He encouraged citizens to get involved.

Commissioner Boyette stated if citizens are not at the budget hearing, perhaps they are happy with the budget. He is happy to see the tax rate remaining the same.

Commissioner Myrick stated he had one citizen approach him with a request to not raise taxes. He wished everyone a safe and happy Memorial Day. He challenged everyone to speak with their children about what Memorial Day is.

Mayor Pro Tem Lutz expressed his apology for being tardy. T-ball game went into extra innings. He attended the Chamber Golf Tournament on Friday.

Commissioner Carroll stated his thanks to everyone at Lake Myra Elementary and he was inspired by the Leader In Me Program. While at the park yesterday, he was impressed with the level of professionalism by the police office responding to a concern.

14. MAYOR'S REPORT.

Mayor Gray stated the Spring Into the Arts was great. She appreciated the adjustments by the employees to make it work. She thanked Ms. Zoe Brown, third grade student at Wendell Elementary, who served as her personal assistant during the Arts Walk.

Mayor Gray thanked Parrish Realty for an opportunity to talk about Wendell.

Mayor Gray reminded everyone of the Memorial Day Service by the American Legion Post on Sunday, May 28th at 5 p.m.

15. CLOSED SESSION.

ACTION: Will be called if necessary.

No closed session was called.

16. ADJOURN.

ACTION:

Mover: Mayor Pro Tem Lutz moved to adjourn at 8:37 p.m.

Vote: Unanimous.

Duly adopted this 12th day of June 2017, while in regular session.

ATTEST:

Virginia R. Gray, Mayor

Sherry L. Scoggins, MMC; Town Clerk