

PROSPERITY AND LIVABILITY COMMITTEE

Chaired by Council Member Ewing

February 4, 2015 – 9:00 a.m.

Third Floor Lobby Conference Room (Fishbowl)

Present:

Committee Chair Jason Ewing (Ward 6) and Committee Members Latimer Alexander (At-Large), Alyce Hill (Ward 3) and Jay Wagner (Ward 4).

Also Present:

Council Member Cynthia Davis (At-Large)

Staff Present:

Randy McCaslin, Assistant City Manager; Joanne Carlyle, City Attorney; Jeron Hollis, Communications Officer; Marty Sumner, Police Chief; Wendy Fuscoe, Core City Administrator; Mark McDonald, Transportation Director; Eric Olmedo, Budget and Performance Manager; Loren Hill, President- High Point Economic Development Corporation; Mike McNair, Director of Community Development; Lisa Vierling, City Clerk; Tom Vincent, Deputy City Clerk.

Others Present:

Richard Wood, City Project

Media Present:

Pat Kimbrough – *High Point Enterprise*

AGENDA ITEMS

Committee Chair Ewing informed other Council Members that copies had been made of the map Pam Sterns distributed at the February 2 Council Meeting. Mr. Ewing said if Council Members wanted to move forward on any of her points to let him know and this could be discussed at future meetings. Mr. Ewing also noted this was Council Committee between Council, Staff and Agenda presenters and the meeting should be kept to agenda items and staff reports. He said the Committee is planning to have a public forum in the future.

Update on Downtown Development Incentive Grant and the Building Revitalization and Demolition Grant

[Note: all handouts referred to are attached to these minutes as a permanent part of the proceedings.]

Wendy Fuscoe, Core City Administrator, pointed out the two new incentives summarized in sections 4.1 and 4.2 in the draft of the Reinvestment Incentives Policy: the Building Revitalization and Demolition Grant and the Development Incentive Grant. Ms. Fuscoe noted the amounts for the Building Revitalization and Demolition Grant had been changed from \$30,000 and \$20,000 to \$20,000 and \$10,000. Committee Chair Ewing said the City of Hickory started the program with a larger dollar amount to stimulate interest and scaled it down as

participation grew. Mr. Ewing asked if perhaps the City of High Point should follow that model. Ms. Fuscoe said the other cities had much bigger buildings and the area in High Point does not have buildings that large. She noted the amounts were up to Council to decide but she thought these were sufficient.

Ms. Fuscoe pointed out the section highlighted in green on the attached map that she was requesting be added to original area originally considered to be eligible for these grants. The reasoning behind the addition is that there is large property for sale in that area which is a nice piece of land that can be redeveloped.

Development Incentives Grant

Ms. Fuscoe went over the example on page one of the Development Incentive Grant Guidelines. She explained if a building owner put \$500,000 of improvements in a building and the tax value increased by that much, the first year the City would reimburse the building owner 100% of the increase in property tax and over the next four years 80%, 60%, 40% and 20%. Council Member Alexander asked if a company comes in and makes these improvements but after two years reduces or ceases their business activity, if the company would lose its grant. Ms. Fuscoe said it was tied to the tax value and not the business being done in the property. With the Building Revitalization and Demolition Grant, the grantee would lose the money if they did not have a tenant. Committee Member Wagner pointed out the company had to pay the full tax amount and they would be reimbursed in the form of a grant because the City cannot rebate taxes. Committee Member Alyce Hill asked if the owner sold the business would the rebate still be in effect. Ms. Fuscoe noted the ability to do that in other cities is tied to special legislation and so the City would not be able to keep the rebate in effect. Assistant City Manager Randy McCaslin said the need for special legislation still had to be checked. Ms. Fuscoe pointed out the examples on page two of what happens if the property is revalued in the midst of the grant. Committee Chair Ewing asked what if a company did \$500,000 of improvements, then in year three they spend another \$500,000, is that stretched out another five years from year three. Ms. Fuscoe said she had not thought about it. Committee Member Hill pointed out someone could manipulate the schedule and space out their improvements. Committee Member Alexander suggested it should be limited to one grant per five year period per property. The Committee agreed with Mr. Alexander's suggestion and Ms. Fuscoe said she would put it in the policy. Committee Chair Ewing expressed the desire to have language in here prohibiting showrooms from receiving those grants. Ms. Fuscoe said she would add language excluding adult businesses, civic businesses, institutional, educational and showrooms.

Ms. Fuscoe inquired about the Committee's feelings about enlarging the area eligible for the grants as outlined on the attached map. The Committee had a discussion about the nature of the businesses in the proposed enlarged area. Committee Chair Ewing noted that for the purposes of the Development Incentive Grant, the Committee was happy with the expanded boundaries and the exclusion of showrooms only. Committee Member Alexander questioned if on the streets bordering the eligible area, the entire street was eligible or just the one side of the street. The Committee was in agreement as long as the business was addressed on that portion of the street it did not matter what side of the street it was on with the only exclusions being showrooms and adult businesses. The Committee agreed if the use changes during the grant period the property

would become ineligible. Council Member Cynthia Davis asked how many grants were available. Ms. Fuscoe said there was one per property.

Building Revitalization and Demolition Grant

Wendy Fuscoe, Core City Administrator, said this grant provided up to \$20,000 or 15% of the eligible project costs, whichever is less. She explained the money for these grants is distributed over three years. If the property changed to an excluded use during that time it would not be eligible for the grant payments. The grants will go before a committee of five people appointed by the City Council.

Committee Member Alexander expressed concern that if someone met all the criteria for the grant and was turned down, the applicant might sue the City. Committee Chair Ewing suggested putting language in along the lines of “meeting all requirements does not guarantee grant approval.” Committee Member Wagner pointed out that Council does this currently with economic incentive projects. Assistant City Manager Randy McCaslin said that Council could grant authority with the Grant Committee to determine if the applicant could receive the grant up to the limits of the budget. Committee Chair Ewing said \$300,000 had been allocated in the budget for these specific grants. The Committee agreed to put in language that said grants would be awarded “at Council’s discretion” and that these grant applications would go before Council before approval.

Committee Member Alyce Hill asked if the Council wanted to consider a narrower geographic boundary to focus the right types of development. Committee Chair Ewing pointed out the current exclusions and that there is a provision if there is a change of use. Committee Member Alexander said it was better to start out broader to get participation and amend the policy later if situations arise.

Committee Member Alexander inquired how this was going to be publicized. Suggestions included: notices sent to every property owner in the area, inserts with utility bills, presentations to the Realtor’s Association, press releases, informing people as they come into the Planning office, and putting up signs on ongoing projects. Committee Member Alexander said if the City is serious about making a difference the City should take the next step from enactment to encouragement.

Committee Chair Ewing asked if the policy, with the suggested changes made, could be put on the City Council’s February 16th agenda for approval.

A motion was made by Committee Member Wagner, seconded by Committee Member Alexander to forward the policy to Council to be placed on the February 16th Agenda with a favorable recommendation for approval. Motion passed unanimously (4 – 0).

Discussion on Resolution to Support Historic Tax Credits

Committee Member Alexander said the Historic Tax Credits are a big issue around the state and many local governments are passing similar resolutions in support of the Historic Tax Credits. He added this is a high priority of the North Carolina League of Municipalities; the tax credits

have been a great benefit to the City of High Point and this resolution needs the strong support of the Council. Committee Member Wagner said the Governor is in favor of restoring the Historic Tax Credits and used the City of High Point as an example when he announced his efforts to restore the tax credit. Wendy Fuscoe, Core City Administrator, said the City had invited the Secretary of the Department of Cultural Resources to come to High Point and have lunch at the String and Splinter to personally see the effects of these tax credits. Committee Chair Ewing said this is a huge benefit to this community and others in the state and the City should support the restoration of the Historic Tax Credits and show the legislature that the City supports it.

A motion was made by Committee Member Hill, seconded by Committee Member Alexander to forward the resolution to Council to be placed on the February 16th Agenda with a favorable recommendation for approval. Motion passed unanimously (4 – 0).

Discussion Regarding Long Street One-Way Restriction

Assistant City Manager Randy McCaslin explained this had been brought up by Committee Member Alexander in a City Council meeting and Marty Sumner, Chief of Police and Mark McDonald, Transportation Director, were at the meeting to provide information.

Committee Member Alexander said his original concern is that the current one-way restriction is confusing and has served its original purpose. He said the one-way restriction stopped cruising in High Point and that was the only reason it was put in place. Committee Chair Ewing asked what the objection is to the one-way restriction. Committee Member Alyce Hill said the restriction offers no benefit and is frequently ignored.

Police Chief Marty Sumner said the City struggled for two summers to curb cruising. The cruisers came south on Main Street and would turn either on Lexington Avenue or Rock Spring, then go back north on Long Street to go up to State Street to get the left turn light. Chief Sumner said the cruising could not be checked with trespassing or license checks. When the cruisers were waiting at the light on State Street to turn, traffic would back up all the way down Long Street with loud music playing. Chief Sumner said the environmental design was designed specifically to stop that flow and it completely eliminated the problem. He added a problem he thought might still exist: there's still no other way for them to turn around, \$4 for a gallon of gasoline helped alleviate cruising but now gas is cheap again and they will find it again. He added if the City decides to slow down Main Street that will make it even more attractive to cruisers. Chief Sumner said if the left-turn restriction was a problem for the residents, the City could offer permits to the residents. Committee Member Alexander said he disagreed, he did not see cruising as an issue, he sees it as a law that is not enforced and restricts businesses that have rear entrances or side exits that funnel traffic back. Mr. Alexander said he would like to see this on the Council's agenda when he is there so he can vote to get rid of it. He added the signs could be quickly put back up if there is any sign the problem is coming back. Council Member Cynthia Davis said her Aunt lives on State Street and people still shoot down State Street with their radios on and come out on Rockspring.

Mark McDonald, Transportation Director, said this issue first came up in 2012 from Council Member Alexander and Council Member Henley. The City has received few if any complaints from businesses in the area. The City did a traffic study and some traffic counts and concluded from a traffic standpoint there was no reason not to change it. Mr. McDonald did not recommend changing the one-way restriction and said it would only be a minor inconvenience to keep the restriction. Council Member Cynthia Davis asked if there was a hot spot at the apartment complex on Long. Chief Sumner said there was but it is not related to traffic. Ms. Davis noted that if the traffic flow was opened up could create some frequent in-and-outs with what goes on there. Chief Sumner said the potential was there but it was not a major concern. He added if Council wants to undo the left-turn restriction, the only fix if the cruising problem reemerges is to reinstate the left-turn restrictions.

Committee Chairman Ewing said if the left-turn restriction is removed and then later put back in force, the City would have to reeducate citizens about the restrictions. He said if it is only a minor inconvenience that is a lot of hoops to jump through just to test it out.

A motion was made by Committee Member Alexander, seconded by Committee Member Wagner to put this matter on the City Council's agenda the first week of March the removal of the Long Street one-way restriction with the understanding that if there is a problem the City will immediately put it back in place. Motion passed 3 – 1, with Committee Chair Ewing casting the dissenting vote.

Discussion Regarding Left Turn Restrictions from Rockspring Road onto North Main Street

Mark McDonald, Transportation Director, said this restriction began at the same time as the Long Street one-way restriction and was part of the same Council action. Mr. McDonald added that there was a well-documented crash history at this intersection. In the two years prior to the left turn being prohibited there were sixteen crashes at this intersection and over the past five years there have been ten crashes. Committee Chair Ewing asked what alternative remedies there were to mitigate traffic incidents at that intersection. Mr. McDonald said the only alternative was to install a median on Main Street and added that if the left-turn restrictions were removed the City would be reintroducing an old problem.

The Committee had a general discussion about movement out of business's parking lots and visibility issues. Although no formal vote was taken, the Committee was in agreement that the left-turn restrictions should stay in place for now.

Oversize Vehicles Parking on City Streets

Committee Member Alexander said the problem is truck drivers parking their large rigs on residential streets and he had seen this problem around town and recently in Ward 6. Mr. Alexander said the police are responsive but the fine is only \$5 and not much of a deterrent. Police Chief Marty Sumner said if the City wants this enforced and for it to have some teeth the fines would need to be increased. Committee Chair Ewing suggested the City should look at other fines that need to be increased. Mark McDonald, Transportation Director, explained there

are two ordinances that address this issue: one is for on-street parking and one is for parking of oversize vehicles in residential neighborhoods. Mr. McDonald said he looked at what Greensboro, Winston-Salem, Concord, Burlington and Wilmington are doing about this issue. All those cities have ordinances that restrict large vehicles on residential streets. Most cities fines are \$10 and \$15 with fines for oversize vehicles as high as \$50. City Attorney Joanne Carlyle said \$50 is the upper limit.

Committee Member Alexander brought up lawn care companies who leave their pickup trucks and trailers on the street while performing lawn maintenance. Committee Member Wagner suggested an exemption could be made for vehicles that are providing a service and not just being parked. Mr. McDonald said Section 5-1-42 read "the parking of vehicles in excess of three-quarter ton rated capacity shall be prohibited in residential districts and/or the right-of-way except for unloading and loading purposes, emergency home service and for the use of conducting legal non-conforming uses...". Committee Member Wagner suggested increasing the fine but making a technical change to exempt people providing services. Assistant City Manager Randy McCaslin suggested that staff could come up with some wording and bring it back to the Committee. Chief Sumner suggested staff just look at the fine amounts and the definition of heavy vehicles. He said his officers were not going to cite people doing business.

Discussion on Mini Concert Series by City Project

Richard Wood of the City Project said the Ilderton Beach Blast has been a big success and draws 800 – 1500 people a night. Mr. Wood said the City Project wanted to do something else for the citizens of High Point. City Project has been in contact with a promoter and the plan is to do a series of mini-concerts hoping to draw 100 to 150 people. The concerts would be free to the public and offer food trucks and beer. Mr. Wood said the first choice was to hold the concert at the Train Depot. The City Project voted at their Board Meeting to pay \$20,000 to the promoter to put on these concerts. There are in-kind sponsors such as Adams Inn and Blue Rock Pizza and there is some financial support from the Bank of North Carolina. Sonic Pie Promotions will be in charge of this. Mr. Wood said they would like to have the City as a sponsor in exchange for any fees they would use the City Logo in any promotional or print media. Committee Member Alexander clarified that what Mr. Wood was asking for was the waiving of the \$400 fee for using the Train Depot. Mr. Alexander added that in-kind sponsorships similar to this was something he wanted the Committee to discuss. Committee Member Hill said she recently spoke to a business owner on Kivett and the business owner said there was a need for events like this in High Point. Ms. Hill added she was sure the business owners would be glad to help promote these events. Committee Member Alexander said he had spoken to Jason Nixon, a businessman on Church Street, who would like to block off a portion of Church Street to have a street event to launch a new product line. Mr. Alexander said the City should be open and creative and look for opportunities like that.

Committee Chair Ewing asked if the Committee was in favor of waiving the \$400 fee for the City Project to use the depot to hold these concerts. There were no objections.

Downtown Venue Policy Discussion

Committee Chair Ewing said he wanted to discuss setting up a dollar amount in the next budget cycle to offer in-kind sponsorships for the use of City venues for public events. Committee Member Wagner pointed out if the City sets up a fund to allow in-kind gifts everyone will want one and if the City is going to do that, why doesn't the City just abolish the rental fee. Mr. Wagner suggested waiving fees for core downtown facilities. Committee Member Alexander suggested that staff come back with some recommendations. Committee Chair Ewing suggested getting information on historic rent, revenue and costs at events open to the public.

Committee Chair Ewing said the Committee needed to talk about an issue not on the agenda. The Hospital wants to have a half-marathon on May 2 and another organization wants to have a bicycle race the same afternoon. Mr. Ewing was concerned about police coverage for that large amount of time. He suggested officers from outside agencies getting paid for the marathon in the morning and then the City in-kind the police presence for the bicycle race. Mr. Ewing wanted to know if the Committee would support staff in doing what staff needs to do to support these events. There were no objections.

Discussion on Possible Date and Time Change for Committee

Committee Chair Ewing said there had been discussion about a quarterly public forum for this committee and hoped to have this scheduled for March. After some discussion the Committee agreed on March 23rd from 6:00 p.m. to 8:00 p.m., location TBA.

There being no further business to discuss, the meeting adjourned at 11:10 a.m. upon motion duly made and seconded.

Respectfully Submitted,

Jason Ewing, Chairman

Attest:

Tom Vincent, Deputy City Clerk