

**HIGH POINT CITY COUNCIL
REGULAR MEETING
MARCH 16, 2015 – 5:30 P.M.
COUNCIL CHAMBERS – HIGH POINT MUNICIPAL BUILDING**

MINUTES

ROLL CALL and MOMENT OF SILENCE

Mayor Bencini called the meeting to order and asked for a moment of silence, which was followed by the Pledge of Allegiance.

Upon call of the roll, the following Council Members were present:

Mayor William S. Bencini, Jr., Mayor Pro Tem James C. Davis; and Council Members Cynthia Y. Davis (At-Large), Jeffrey Golden (Ward 1), Christopher Williams (Ward 2), Alyce Hill (Ward 3), Jay Wagner (Ward 4), and Jason Ewing (Ward 6).

Council Member Latimer Alexander (At-Large) was absent.

RECOGNITIONS / AWARDS

150084 Proclamation- Stand Up for Transportation Day

Mark McDonald, Director of Transportation, and Angela Wynes, Transit Manager, will be present to receive a proclamation proclaiming April 9, 2015 as “Stand Up for Transportation Day” in High Point.

Mayor Bencini read a Proclamation into the record designating April 9, 2015 as Stand Up For Transportation Day in High Point.

Mark McDonald, Director of Transportation, thanked Mayor Bencini noted this was a regional and national effort. Mr. McDonald acknowledged Angela Wynes, Transit Manager, who is involved with the regional effort with PART and other agencies. Ms. Wynes encouraged everyone to come by the terminal on April 9th where their grand event will be. She said a petition would be available to encourage Congress to provide a long-term stable funding source for public transportation.

150085 Proclamation- "National Community Development Week"

Michelle McNair with Community Development will be present to receive a proclamation proclaiming the week of April 6-11, 2015 as "National Community Development Week" in High Point.

Mayor Bencini read a Proclamation into the record designating the week of April 6-11, 2015 as "National Community Development Week" in High Point.

Alisha Doulen, Community Resource Specialist, shared that they were partnering with neighborhood leaders to hold events to celebrate the week. They will be in the second floor lobby showcasing CDBG funded activities and projects.

REGULAR AGENDA ITEMS**FINANCE COMMITTEE** - Mayor Pro Tem Davis, Chair**150086 Contract- Steel Poles for Skeet Club Road Widening Project**

Council is requested to award contract to Trinity Meyer Utility Structures for the purchase of Steel Poles for the Skeet Club Road widening project in the amount of \$312,829.00

Approved a contract to Trinity Meyer Utility Structures for the purchase of Steel Poles for the Skeet Club Road widening project in the amount of \$312,829.00.

A motion was made by Mayor Pro Tem Davis, seconded by Council Member Davis, that this Contract be approved. The motion PASSED by an 8 - 0 unanimous vote. (Council Member Alexander was absent.)

150087 Contract - Underground Cable

Council is requested to award contract for the purchase of underground cable to HD Supply of Wake Forest, NC for the purchase of 750 MCM Underground Cable in the amount of \$303,120.00.

Approved a contract for the purchase of underground cable to HD Supply of Wake Forest, NC for the purchase of 750 MCM Underground Cable in the amount of \$303,120.00.

A motion was made by Mayor Pro Tem Davis, seconded by Council Member Davis, that this Contract be approved. The motion PASSED by an 8 - 0 unanimous vote. (Council Member Alexander was absent.)

150099 Revised Non-Profit Agency Application Guidelines/Policy

Consideration of revisions to the Non-Profit Agency Application Guidelines/Policy that is being recommended by the Finance Committee.

A motion was made by Council Member Cynthia Davis, seconded by Mayor Pro Tem Davis to suspend the rules and move this item out of pending. The motion PASSED by an 8-0 unanimous vote (Council Member Alexander was absent.)

Mayor Pro Tem Davis said the Non-Profit Policy adopted by Council last year included specific dates, the updated policy revises the specific dates to deadlines like "the third Friday in February." Mr. Davis added it was the consensus of Council to add to the policy what value of a penny on the tax rate would be allocated for non-profits. The current draft of the policy stated that the amount would be one-third of a penny on the tax rate. The Council agreed they would change the "one-third of a penny" to "rate to be determined." Council Member Wagner asked if the policy changes were retroactive to affect the current cycle. Mayor Pro Tem Davis said it only be applied moving forward,

but he thought the value of a penny would be determined in the upcoming budget cycle. Mayor Bencini said the dates would not apply to this year. Council Member C. Davis clarified that the value of a penny would be determined by City Council.

Approved revisions to the Non-Profit Agency Application Guidelines/Policy that is being recommended by the Finance Committee.

A motion was made by Mayor Pro Tem Davis, seconded by Council Member Williams, that the Revised Non-Profit Agency Application Guidelines/Policy be approved. The motion PASSED by an 8 - 0 unanimous vote. (Council Member Alexander was absent.)

Pending Items

150053 Proposed Auditing Firms - FY June 30, 2015 - 2018

City Council is requested to consider the recommendations for firms providing qualified audit services and designate one of those firms as the City's auditors for the fiscal years ending June 30, 2015 - 2018; and direct the Financial Services Director to submit the Contract to Audit Accounts and the Client Engagement Letter/Scope of Services for the FY ended June 30, 2015. (This item was discussed in Finance Committee on February 16th and Council set the date of Monday, March 2nd for a Special Meeting to receive presentations by the auditing firms.)

A motion was made by Council Member Cynthia Davis, seconded by Mayor Pro Tem Davis to suspend the rules and put this item on the agenda. The motion PASSED by an 8-0 unanimous vote (Council Member Alexander was absent.)

Mayor Pro Tem Davis shared that the Finance Committee recommended retaining the firm Cherry Bekaert for the purpose to provide audit services for the fiscal years ending June 30, 2015 through 2018.

Eddie Burke of Cherry Bekaert, who will be serving as the Engagement Partner for the audit, introduced Justin Parks, who will be serving as the Manager on the audit. Mr. Burke thanked the Council for putting their trust in Cherry Bekaert and said he looked forward to meeting with Council when they present the audit report.

Approved retaining the firm Cherry Bekaert as auditors for the fiscal years ending June 30, 2015 - 2018; and direct the Financial Services Director to submit the Contract to Audit Accounts and the Client Engagement Letter/Scope of Services for the FY ended June 30, 2015.

A motion was made by Mayor Pro Tem Davis, seconded by Council Member Davis, that the contract be approved. The motion PASSED by an 8 - 0 unanimous vote. (Council Member Alexander was absent.)

PROSPERITY & LIVABILITY COMMITTEE - Council Member Ewing, Chair**150089 Long Street One-Way Traffic - Rescind Restriction**

Council is requested to amend Article P of the Transportation Department traffic schedule to rescind the existing one-way traffic restriction on Long Street, southbound from Rockspring Road to State Street, between the hours of 8:00 p.m. and 6:00 a.m. daily.

Council Member Ewing advised this request came from Council Member Alexander. Mark McDonald, Director of Transportation, said the restriction has been in place since approximately 1995 and was put in place to stop evening and weekend cruising on Main Street. Mayor Bencini asked if the restrictions had been effective. Mr. McDonald said it worked at the time it was implemented. Council Member Ewing said Police Chief Sumner had expressed concerns about removing the restrictions. Mr. McDonald added that the Chief believed the restrictions were still an effective deterrent against cruising. Council Member Wagner said the discussion in the Committee was to try removing the restrictions and if cruising became a problem to reinstate the restrictions. Council Member Cynthia Davis said some residents on State Avenue were concerned that traffic would increase if the restrictions were removed. She added after hearing Chief Sumner's opinion, she would yield to the Police Chief's knowledge. Council Member Ewing said he had concerns about taking the signs down. If cruising becomes a problem again the signs would have to put up again, retrain the citizen traffic, and enforce the restrictions. Mr. Ewing thought that was a lot of steps to go through and stated he would not be supporting this motion.

A motion was made by Council Member Wagner, seconded by Council Member Hill, that this matter be approved. The motion failed by the following 3-5 vote:

Aye (3): Council Member Hill, Council Member Wagner, and Mayor Bencini

Nay (5): Council Member Williams, Mayor Pro Tem Davis, Council Member Ewing,
Council Member Golden, and Council Member Davis

Absent (1): Council Member Alexander

150090 Rescind No Turn on Red Restrictions

Council is requested to amend Article P of the City of High Point Transportation Department traffic schedule to reflect the recommended elimination of the No Turn on Red restrictions at ten (10) signalized intersections in the City.

Amended Article P of the City of High Point Transportation Department traffic schedule to reflect the recommended elimination of the No Turn on Red restrictions at ten (10) signalized intersections in the City.

A motion was made by Council Member Ewing, seconded by Council Member Davis, that this matter be approved. The motion PASSED by an 8 - 0 unanimous vote. (Council Member Alexander was absent.)

150091 Speed Limit Changes - Various Streets Within the City of High Point

Council is requested to amend Article P of the City of High Point Transportation Department traffic schedule to reflect speed limit changes on several city and state system streets.

Amended Article P of the City of High Point Transportation Department traffic schedule to reflect speed limit changes on several city and state system streets.

A motion was made by Council Member Ewing, seconded by Mayor Pro Tem Davis, that this matter be approved. The motion PASSED by an 8 - 0 unanimous vote. (Council Member Alexander was absent.)

**Ordinance No. 7129/15-12
Ordinance Book, Volume XIX, Page 12**

**Ordinance No. 7130/15-13
Ordinance Book, Volume XIX, Page 13**

**Ordinance No. 7131/15-14
Ordinance Book, Volume XIX, Page 14**

Introduced 3/16/2015; Adopted 3/16/2015

150092 Resolution - Sublease of Depot Property To Sonic Pie Productions, LLC For Concert Series

Council is requested to adopt a resolution allowing the sublease of Property at the Depot to Sonic Pie Productions, LLC for a series of mini concerts, without rental fee.

Mark McDonald, Director of Transportation, said the City has a lease agreement used for other events at the Depot and this agreement contains the \$400 rental fee. Council Member Ewing explained the purpose of this resolution is to waive the \$400 fee for the City Project to utilize the Train Depot for a series of mini-concerts. Mr. Ewing said in the future the Committee would discuss whether or not to authorize the Committee or the City Manager to allow certain groups to waive the fees to use certain City facilities. Council Member Cynthia Davis asked to have the dates of the concerts read into the record. Mr. Ewing said the dates are all Fridays: May 22nd, May 29th, June 5th, June 12th and June 19th. Council Member Cynthia Davis stated she would not support the motion because the monies being used for this were given to City Project and she does not believe that this is the intent of those dollars. Ms. Davis said we were the ones paying for the event and David Briggs, the Theatre Director, could coordinate events like this in the future.

A motion was made by Council Member Ewing, seconded by Council Member Wagner, that this matter be adopted. The motion carried by the following 7-1 vote:

Aye (7): Council Member Hill, Council Member Williams, Mayor Pro Tem Davis, Council Member Ewing, Council Member Wagner, Council Member Golden, and Mayor Bencini

Nay (1): Council Member C. Davis

Absent (1): Council Member Alexander

**Resolution No. 1446/15-17
Introduced 3/16/2015; Adopted 3/16/2015
Resolution Book, Volume XIX, Page 17**

Closed Session – Legal Matter and Personnel Matter

A motion was made by Council Member Cynthia Davis, seconded by Mayor Pro Tem Davis to suspend the rules and put this item on the agenda. The motion PASSED by an 8-0 unanimous vote (Council Member Alexander was absent.)

At 6:05 p.m., Council Member Ewing moved to go into Closed Session pursuant to N.C. General Statute 143-318.11(a)(3) to discuss a legal matter regarding Seaboard Chemical and to discuss a personnel matter pursuant to N.C. General Statute 143-318.11(a)(6). Mayor Pro Tem Davis made a second to the motion, which carried unanimously.

Council reconvened into Open Session at 6:15 p.m. Mayor Bencini announced that as a result of the Closed Session, action on the following matter was necessary:

150100 Arbitration in Accordance with the Dispute Resolution Provisions in the Contract Documents between Seaboard Group II, the City of High Point (City) and Purifics ES, Inc.

Council is requested to approve Williams Mullen filing a demand for arbitration pursuant to the Rules of the International Chamber of Commerce in accordance with the dispute resolution provisions on the Contract Documents between Seaboard Group II, the City of High Point (City) and Purifics ES, Inc. with the Group paying 75% of the costs of the arbitration from its Remedial Action Trust Fund account, subject to the following conditions: 1) The City agrees to join in filing the demand for arbitration and pay its 25% share of the costs; and 2) Total expenditures for all expenses, costs and attorneys' fees shall not exceed \$100,000 without further approval of the Group and the City.

Approved Williams Mullen filing a demand for arbitration pursuant to the Rules of the International Chamber of Commerce in accordance with the dispute resolution provisions

on the Contract Documents between Seaboard Group II, the City of High Point (City) and Purifics ES, Inc.

A motion was made by Council Member Ewing, seconded by Council Member Williams, that this matter be approved. The motion PASSED by an 8 - 0 unanimous vote. (Council Member Alexander was absent.)

PUBLIC HEARINGS - 6:15 P.M.

FINANCE COMMITTEE - Mayor Pro Tem Davis, Chair

150088 Cascade Die Casting Group Expansion - Incentives Based Public Hearing

Monday, March 16, 2015 at 6:15 p.m. is the date and time established for an incentives based public hearing on the Cascade Die Casting Group Expansion. City Council is requested to authorize up to \$75,000 in performance-based incentives for the Cascade Die Casting Group expansion project at 1800 Albertson Road and 501 Old Thomasville Road; and authorize the city manager to execute a performance agreement with the company, containing benchmarks for the company to achieve and a schedule for the payment of such financial assistance.

Sandy Dunbeck, Senior Vice President of the High Point Economic Development Corporation, said she was pleased to bring to Council a south High Point manufacturing project for an existing company that has operated in the City of High Point since 1985. The Company is Cascade Die Casting which currently has two locations in south High Point. The company currently has 184 full-time employees in High Point. Ms. Dunbeck said the project was particularly interesting because the company is an automotive supplier. She noted it was a competitive project with the company considering locations in Michigan and Mexico. Ms. Dunbeck said if this company selects High Point for this project, twenty-five new full-time jobs would be added with an average wage of approximately \$36,629 in year one and \$37,906 in year two. Along with the new jobs, the increase in the local tax base would be approximately \$6 million for High Point and Guilford County. The company is asking the City Council to consider authorizing up to \$75,000 in performance based financial incentives: \$55,000 for the Capital Investment Policy and \$20,000 for the Job Creation Policy. Ms. Dunbeck said any such incentives would be subject to the company meeting their benchmarks spelled out in the Performance Agreement and would be paid post performance. The company has also requested State incentives for this project and if granted would require a local match. This project will generate over \$200,000 in new tax revenues to High Point over a ten year period. She added that the company understands if performance based incentives are authorized by the High Point City Council, per the City's incentive policy, it would need to hold a job fair in central High Point to help with the City's goal to employ as many High Point residents as possible. After today's Public Hearings, we expect the company will make its location decision by sometime next month.

Phillip Torchio, Chief Operating Officer of Cascade Die Casting at 1800 Albertson Road, gave a brief history of the Company and explained the company employed a diverse workforce and offered health and educational benefits. Mr. Torchio said he was excited about the opportunity and appreciated Council's consideration.

Mayor Bencini asked what percentage of die cast automotive parts manufacturing has been outsourced offshore. Mr. Torchio said he could not venture a guess, but there had been a lot. Mayor Bencini said he would like to hear Mr. Torchio's theory about how his company has been able to succeed. Mr. Torchio said Cascade Die Castings used to make small castings but said he saw a lot of small castings being produced offshore because they were easy to ship. His company concentrated on larger castings that would not be so easy to ship and that met the automotive industry's high standards

There being no one else speaking to this matter, Mayor Pro Tem Davis closed the Public Hearing and asked if there any comments from Council. Council Member Cynthia Davis said she received several calls in regard to this request and a great deal of the constituents she represents have done their homework and are very concerned about the outsourcing aspect. Ms. Davis added that she is very much aware there is a match involved but at this time she is not able to support the request.

Authorized up to \$75,000 in performance-based incentives for the Cascade Die Casting Group expansion project at 1800 Albertson Road and 501 Old Thomasville Road; and authorized the city manager to execute a performance agreement with the company, containing benchmarks for the company to achieve and a schedule for the payment of such financial assistance.

A motion was made by Council Member Ewing, seconded by Council Member Williams, that this matter be approved. The motion carried by the following 7-1 vote:

Aye (7): Mayor Bencini, Mayor Pro Tem Davis and Council Members Golden, Williams, Hill, Wagner, and Ewing

Nay (1): Council Member C. Davis

Absent (1): Council Member Alexander

PLANNING & DEVELOPMENT COMMITTEE - Council Member Wagner, Chair**150093 Ordinance - Blue Ocean Traders - Zoning Case 15-03**

A request by Blue Ocean Traders to rezone an approximately 1.65-acre parcel from the Light Industrial (LI) District to a Conditional Zoning Central Business (CZ-CB) District. The site is lying at the northeast corner of S. Centennial Street and Depot Place (105 Depot Place).

The Public Hearing for this matter was held on Monday, March 16, 2015.

Herb Shannon, Senior Planner, provided an overview of the staff report, which is hereby attached in Legistar as a permanent part of these proceedings.

This request involves rezoning of a 1.6 acre parcel lying at the northeast corner of South Centennial Street and Depot Place. Currently the site is Light Industrial Zoning District, the applicant is requesting a Conditional Zoning Central Business District. Mr. Shannon added the site is in the downtown area and near existing Market Showroom uses. The applicant is requesting rezoning in order to expand Showroom activities that may be permitted on the site and erect temporary fabric structures on the site. He said the request is consistent with the land use plan and with the Core City Plan. Mr. Shannon said this is near the fringe area of the downtown area and previous City Councils had expressed concerns about rezonings in the Central Business District (CBD) near the fringe area based upon parking and allowable uses. He noted there also concerns about adjacent residential districts and some intensive uses allowed under CBD zoning. The same prohibited uses for CBD sites abutting residential districts are in effect for this request. Staff finds the request is compatible with the surrounding area and is recommending approval of the request. The Planning and Zoning Commission reviewed this and recommended approval by a vote of 8 - 0.

Council Member Wagner opened the public hearing. There being no one to comment, Mr. Wagner closed the public hearing.

Adopted Ordinance providing for the rezoning of this property from the Light Industrial (LI) District to a Conditional Zoning Central Business (CZ-CB) District based on consistency with the city's adopted plans. Council finds this action to be reasonable and in the public interest based on the findings in the Staff Analysis section of the staff report.

A motion was made by Council Member Wagner, seconded by Council Member Davis, that this Ordinance be adopted. The motion PASSED by an 8 – 0 unanimous vote. (Council Member Alexander was absent.)

**Ordinance No. 7130/15-13
Introduced 3/16/2015; Adopted 3/16/2015
Ordinance Book, Volume XIX, Page 13**

150094 Ordinance - James and Kathleen Koch - Annexation Case 15-03

A request by James and Kathleen Koch to consider a voluntary contiguous annexation of an approximate 23.4-acre parcel lying along the west side of Kendale Road approximately 2,800 feet (0.53 mile) north of Skeet Club Road. The property is addressed as 4429 Kendale Road and also known as Guilford County Tax Parcel 0171279.

The Joint Public Hearing for this matter and related matter **#150095 Ordinance - D.R. Horton - Zoning Case 15-04** was held on Monday, March 16, 2015 at 5:30 p.m.

Herb Shannon, Senior Planner, provided an overview of the staff report, which is hereby attached in Legistar as a permanent part of these proceedings.

This request involves a 23.4 acre parcel lying along the west side of Kendale Road, approximately a half-mile north of Skeet Club Road. The applicants are requesting annexation in order to have access to City utilities. The applicant is proposing to develop a single-family subdivision on this property. Mr. Shannon said the annexation petition represents a logical progression of City's annexation policy and the annexation would not affect the City's ability to provide services to this property or other properties in the area. Currently the property has an Agricultural Zoning District under Guilford County's zoning jurisdiction. The applicants have requested a conditional zoning to residential family RS-9 District in order to develop a 46 unit single-family subdivision. Mr. Shannon said the requested rezoning is consistent with Land Use Plan in the Northwest Area Plan. He added the development is compatible with the surrounding area. Mr. Shannon said this site is in a critical watershed area and has density restrictions of a maximum of three units per acre. Staff suggests that approval of the applicant's request is reasonable and in the public's interest because it is consistent with the land use plan and the density restrictions of the watershed regulation will ensure compatibility as to density and intensity of development in this area. The Planning and Zoning Commission reviewed this request at their March 10 Public Hearing and recommended approval of this request by a vote of 8 - 0. There is a note that the applicant is working with the abutting property owner (the Greens) to the north. The applicant has requested a continuance as they in negotiations with the property owners on the appropriate manner of buffering their development.

Frankie Jones, 300 N. Green Street, Greensboro, an attorney with Smith Moore Leatherwood, the law firm representing D.R. Horton, said he would like to ask for a continuance to April 13 to give D.R. Horton more of an opportunity to work with the Greens to establish an acceptable buffer as a condition to the rezoning.

Jay Steven Motsinger, said he owns 68% of the land (44.73 acres) right across the road. He said at some time he was going to put that land up for sale. Mr. Motsinger expressed concern that the City did not realize the value of the property and thought the houses built on the property should be more expensive. Mayor Pro Tem Davis said the costs of the houses built on the property were up to the developer and not something the Council

could act on. Mr. Davis asked if Mr. Motsinger would consider meeting with developer's attorney and relate some of his concerns. Mr. Davis added the critical watershed restrictions would not allow more than two houses per acre and 7500 square foot lots Mr. Motsinger was concerned about would not be allowed.

Jack E. Graham, 4441 Kendale Road, explained the state regulation was two units per acre but the documentation was gross acreage. If it was two houses per acre, there would be houses all over. This was a cluster development based on gross acreage.

Mayor Bencini asked, in the interest of time, if Mr. Motsinger had a position on the proposed rezoning.

Jay Steven Motsinger said he had no position to state. He thought Council had not seen the area because it is a wonderful area. He added he was more than thrilled with the idea that his farm would be part of the City of High Point.

A motion was made by Council Member Wagner, seconded by Council Member Williams, that the public hearing for this matter be continued to the April 13, 2015 meeting. The motion PASSED by an 8 - 0 unanimous vote. (Council Member Alexander was absent.)

150095 Ordinance - D.R. Horton - Zoning Case 15-04

A request by D.R. Horton to rezone an approximately 23.4-acre parcel from the Agricultural (AG) District, within Guilford County's zoning jurisdiction, to a Conditional Zoning Residential Single Family-9 (CZ RS-9) District. The site is lying along the west side of Kendale Road, approximately 2,800 feet (0.53 mile) north of Skeet Club Road. Approval of this rezoning request is contingent upon City Council approval of a voluntary annexation request.

The joint public hearing for this matter and related matter **150094 Ordinance - James and Kathleen Koch - Annexation Case 15-03** was held on Monday, March 16, 2015 at 5:30 p.m.

Note: Please refer to **150094 Ordinance - James and Kathleen Koch - Annexation Case 15-03** for specific comments made at the public hearing for Zoning Case 15-04.

Herb Shannon, Senior Planner, provided an overview of the staff report, which is hereby attached in Legistar as a permanent part of these proceedings.

A motion was made by Council Member Wagner, seconded by Council Member Williams, that the public hearing for this matter be continued to the April 13, 2015 meeting. The motion PASSED by an 8 - 0 unanimous vote. (Council Member Alexander was absent.)

BOARDS AND COMMISSIONS APPOINTMENTS AND VACANCY REPORT**150098 Appointment of Brian Petty to the Parks & Recreation Commission**

Council Member Jason Ewing is recommending the appointment of Brian Petty to the Parks & Recreation Commission to fill the Ward 6 vacancy. Appointment effective immediately and will expire 7/1/2015.

A motion was made by Council Member Cynthia Davis, seconded by Mayor Pro Tem Davis to suspend the rules and put this item on the agenda. The motion PASSED by an 8-0 unanimous vote (Council Member Alexander was absent.)

Approved the Appointment of Brian Petty to the Parks & Recreation Commission. Appointment effective immediately and will expire 7/1/2015.

A motion was made by Council Member Ewing, seconded by Council Member Davis, to approve the appointment of Brian Petty to the Parks and Recreation Commission. The motion PASSED by an 8 - 0 unanimous vote. (Council Member Alexander was absent.)

150097 Boards & Commissions- Vacancy Report

Attached is the current list of vacancies for all Boards and Commissions. [No action is necessary on this item]

APPROVAL OF THE MINUTES OF PREVIOUS MEETINGS**150096 Approval of Minutes**

- High Point City Council Special Meeting; March 2, 2015 @ 3:00 p.m.
- Finance Committee Meeting; March 2, 2015 @ 4:30 p.m.
- High Point City Council Regular Meeting; March 2, 2015 @ 5:30 p.m.
- Planning and Development Committee; March 3, 2015 @ 4:00 p.m.

A motion was made by Council Member Davis, seconded by Council Member Williams, that the preceeding minutes be approved as submitted. The motion PASSED by an 8 - 0 unanimous vote. (Council Member Alexander was absent.)

MISCELLANEOUS**150101 Legislative Update**

Fred Baggett, the City's lobbyist, provided an update on upcoming legislation. *Fred Baggett, the City of High Point's lobbyist, said the most significant financial issue at the General Assembly is the possible redistribution of sales tax by changing the formula how the local sales tax is distributed to the 100 counties. Currently, the distribution of the local option portion of the sales tax, which is 2 cents, is based on a combination of population and point of sale formulas. Where the transaction occurs counts for most of the distribution formula. Mr. Baggett stated there is a significant effort to change the formula to tilt it towards the rural counties. It is being negotiated now to come to a better result for urban areas. He said the other big issue is how to make up the loss of the privilege license revenues. That is now part of the sales tax distribution debate. Mr. Baggett said they hope to recoup the lost privilege license revenue in the conversation about sales tax redistribution. He added that a baseline provision in any sales tax redistribution bill is a hold harmless provision: no county or no municipality going forward would receive less money than they do now under the current distribution formula.*

Mr. Baggett said High Point has considered local bills; one on privilege license or business regulation to require businesses to be registered and collect a small fee to cover the costs of administering the program. He added because of the sensitivity about business taxes this local act would be problematic. The other local bill is one that would deal with doughnut hole annexations. Under revisions of the annexation law last year the City may not annex those doughnut holes. Mr. Baggett pointed out this was also a problematic subject.

ADJOURNMENT

There being no further business to come before the Council, the meeting adjourned at 7:30 p.m. upon motion duly made and seconded.

Respectfully Submitted,

William S. Bencini, Jr., Mayor

Attest:

Thomas Vincent, Deputy City Clerk

