



**Prosperity & Livability Committee**  
***Members: Ewing, Hudson, Peters, and Golden***  
***Chaired by Council Member Ewing***  
**3<sup>rd</sup> Floor Lobby Conference Room**  
**May 9, 2018 – 10:00 a.m.**

**MINUTES**

**Present:**

Committee Chair Jason Ewing; and Committee Members Jeff Golden, Wesley Hudson, and Monica Peters

**Staff Present:**

Randy McCaslin, Deputy City Manager; Eric Olmedo, Budget and Administrative Director; JoAnne Carlyle, City Attorney; David Dulin, Police Officer; Lee Tillery, Parks and Recreation Director; David Briggs, Theatre Director; Mark McDonald, Director of Transportation; Scott Dingus, Engineering Services; Loren Hill, President- High Point Economic Development Corporation Sandra Keeney, Deputy City Clerk; and Lisa Vierling, City Clerk

**Others Present:**

Debbie Lumpkins, Executive Director- High Point Area Arts Council  
Jim Morgan, Board of Directors and Former Chairman, High Point Area Arts Council  
Mark Harris, Chairman, High Point Area Arts Council  
Steve Ilderton, Incoming Chairman, High Point Area Arts Council  
Louis Thibodeaux  
Susan Harman  
Blaney Prillaman

**News Media:**

No News Media was present.

*Note: The following handout was distributed during the meeting and will be attached as a permanent part of these proceedings:*

- ✓ Special Event Policy- DRAFT
- ✓ List of Events- Staff Recommendations

**Discussion- Special Events Policy**

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**Transcript**

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**Deputy City Manager Randy McCaslin:** We're hoping to wrap up this discussion at this meeting, and hopefully take it to the Council if we get a recommendation today at the next Council meeting, which will be on the 21<sup>st</sup> of May. So, I'm going to turn it over to Eric and Eric's going to walk you through what he's got.

**Eric Olmedo:** What I've got, we have discussed the Special Events Policy. We have presented you with a proposed fee schedule and we've also talked about a list of different special events that occur in the city, and we have a staff recommendation for which events would fall under the city-sponsored policy and I can pass that out. I think that's kind of where we had left it was for you all to review a list and make a policy decision on which events were city sponsored and which ones were not.

**Committee Member Golden:** When we did this list right here, was it by historical participation?

**Eric Olmedo:** That's correct. We looked at history. We looked at the events that the city has advertised, has historically advertised. And, also there's some level of participation at these events. Some of these events are....the ones that we didn't recommend continuing to sponsor are the ones that are smaller in numbers. So that certainly had a part in it.

**Chairman Ewing:** Do we have a cost savings or a cost breakdown based on this list of what we will sponsor what we won't? How much cost we may incur in the upcoming budget year?

**Eric Olmedo:** I do have a cost estimate for each event. I didn't formulate which ones....I wouldn't say that we have a full cost estimate. Usually for the larger events, we did. But we didn't have a full cost for each of them. So, I don't really feel comfortable with throwing a number out.

**Chairman Ewing:** Well it's a staff recommendation. So, are there any questions, concerns?

**Committee Member Peters:** I've got a question. So, on the ones that the city will sponsor, is that 100% sponsor, and then the ones that they won't sponsor is 0% sponsored? So, let's say like the Southside Community event. Would they even get anything like a tent or nothing? I'm just curious.

**Eric Olmedo:** Right, here's the policy that we had presented earlier, I think two meetings ago. We listed out that I think the intent I was following was the ones on this first page, the city co-sponsored and we would sponsor all the materials and manpower for those. If it's a nonprofit event, if they are on the second page, then they would pay a 50% reduced rate on fees/charges. And, then if it's a for profit, it would be 100% their responsibility to pay.

**Deputy City Manager McCaslin:** Even the city-sponsored would not be 100% city. It would be for what we provide, but there will be other sponsors associated with their events too.

**Committee Member Golden:** I am understanding that it doesn't include Police, does it? You can't split the cost for that for a non-profit can you? For law enforcement?

**Eric Olmedo:** I think we can in-kind law enforcement to an event such as the Coltrane Festival.

**Committee Member Golden:** I'm more thinking in line of none of the recommended sponsors. Let's say like an event that needs three police, so I just pay the full price or whatever? Because you really can't really 50% that.

**Eric Olmedo:** You're right.

**Chairman Ewing:** The proposed fee schedule that you gave us, there isn't a separation in the fire, medic, light duty apparatus, police. It's the same for a non-profit and a profit.

**Eric Olmedo:** That's right. I'm sorry on that policy that we gave we did say that rental fees for equipment and public safety personnel would be charged regular rates and all the other fees associated would be discounted at a 50% rate.

**Chairman Ewing:** Does anyone have any problems with the proposed fee schedule that was presented back in March?

**Committee Member Peters:** What did we end up with for the cone rentals?

**Chairman Ewing:** The cone rental fee.....the barricade was \$12; the cone rental is \$5.

**Committee Member Peters:** I disagree with that. I think it needs to be \$2. I know that might sound minor and if it is minor, it should be minor for the city as well. I mean Greensboro charges \$1.10. Asheville charges \$5. I don't think we should be five times more than what Greensboro charges for cones. I think \$2 is good.

**Chairman Ewing:** What's the average amount of cones that are necessary at some of these events? Any idea? I'm sure it varies as to what type of event.

**Officer David Dulin:** Like this weekend, we've got the half marathon.

**Chairman Ewing:** So, let's say a non-running event. More of a self-contained event.

**Officer Dulin:** Even a self-contained event like the July 4<sup>th</sup> event. I can set up 200 cones because there's still entrance and exit plans. So, each event it's hard to come up with an average because each event is completely different.

**Deputy City Manager McCaslin:** We're good with \$2 a cone.

**Committee Member Hudson:** You're really paying for labor.

**Theatre Director David Briggs:** I think one of the reasons why we went with that price was to encourage folks to rent them from someplace else.

**Committee Member Peters:** Well, you know I called some rental places and there aren't any in High Point. You can rent them from Greensboro and they're like \$3.50 a cone.

**Chairman Ewing:** With all these events, and I know that cones get run over. Cones get beat up and what-not. What's our loss? How many cones do we technically lose per event?

**Mark McDonald, Transportation Director:** That varies too, depending on the event. How many you put out there. Sometimes we lose none, but that's rare. We usually lose something somewhere. I would say probably less than 5%.

**Committee Member Peters:** Well, there were a bunch of cones left out here after Furniture Market. Just sitting out there for over a week to be picked up.

**Chairman Ewing:** What's the replacement cost?

**Mark McDonald:** Depending on the size \$15-\$20 a piece. And depending on how many we buy.

**Chairman Ewing:** So, from a proposed fee schedule, are you good with everything except for the cones?

**Committee Member Peters:** Yep.

**Committee Member Hudson:** I'm fine with \$2.

**Chairman Ewing:** \$2 across-the-board, or \$5 for profit and \$2 for non-profit?

**Committee Member Peters:** I say \$2 across-the-board.

**Chairman Ewing:** So, let's do this in two different groupings. If we're good with the fee schedule, **I'll make a motion that we move the proposed fee schedule with the modification for traffic cones to the May 21<sup>st</sup> Council meeting for approval.**

**Committee Member Golden:** Second.

**Chairman Ewing:** We have a motion and a second. All those in favor?

**Chairman Ewing and Committee Members Hudson, Peters, and Golden:** Aye. [4-0 vote]

**Chairman Ewing:** Okay, we'll put the fee schedule on the May 21<sup>st</sup> agenda.

Now for the actual list of events broken down by which ones the city will support in some sort of sponsorship and ones that we will not. Are you okay with the proposed list? Any changes?

**Committee Member Golden:** What's the Clean & Green? Is that the annual clean-up that we do all around town?

**Eric Olmedo:** Yes.

**Committee Member Golden:** So it's separate from the Great American Clean-up?

**Eric Olmedo:** I think it's one in the same. There's two different events. One in the spring and one in the fall. I think they technically have two different names and this was intended both. Actually the Great American Clean-up is lower on the list, so there are two separate events.

**Committee Member Golden:** So you listed them by priority? You said it's lower on the list.

**Eric Olmedo:** No, they're not by priority.

**Committee Member Hudson:** So the Great American Clean-up is the spring event. That was last week, is that right?

**Eric Olmedo:** that's correct.

**Chairman Ewing:** I guess I've got a question. In the recommended, we've got the Go Far 5K May 2017 and the non-recommended, we have the November Go Far in November 2017, which they were both last year.

**David Briggs:** They do them every year.

**Chairman Ewing:** So is that we'll support the spring one, but not the fall one?

**David Briggs:** The fall one actually takes place at the terminal right there downtown. The one in May, they do at Piedmont Parkway and it's a little more self-contained.

**Deputy City Manager McCaslin:** We probably ought to just put spring and fall on there.

**Chairman Ewing:** So, we're going to support the spring from this policy standpoint, but not the fall?

**Deputy City Manager McCaslin:** That's the recommendation.

**Chairman Ewing:** Is that because of the cost from a rental facility, the terminal?

**Dave Briggs:** It's actually the number of officers that we use.

**Chairman Ewing:** Any other questions? Modifications?

**Committee Member Golden:** I'm good.

**Chairman Ewing:** Then I will make a motion to move the recommendations for city sponsored and non-city sponsored events as presented to our May 21<sup>st</sup> meeting with a favorable recommendation.

**Committee Member Peters:** Second.

**Chairman Ewing:** We have a motion and a second. All those in favor?

**Chairman Ewing, and Committee Members Hudson, Peters and Scarborough:** Aye. [4-0 vote]

**Chairman Ewing:** That will be on the May 21<sup>st</sup> agenda as well. Is that the only two action items for the Special Events policy?

**Deputy City Manager McCaslin:** And we thank you.

[end of transcript]

#### **Discussion- Traffic Situations on Rotary Drive**

Mark McDonald, Director of Transportation, noted he provided information going back to the last discussion regarding the traffic concerns on Rotary Drive in 2015. He advised that from a traffic standpoint, nothing has changed. He shared the traffic volumes are at 3,700 cars a day and the speeds are averaging in the 40 mph range. Regarding the crash history in the area, Mr. McDonald noted for a 5-year period (2010-2014), there have been a variety of crashes in the area, but nothing demonstrates a pattern at any one particular location. At the Westwood intersection, over the past eight years, there have been eight crashes, mostly related to failure to yield or running a stop sign.

Mr. McDonald shared that the most recent complaints voiced center on the area around Sunset/Woodland/Fairway/Ray (down at the bottom of the hill on both sides). He then shared some options that staff has prepared for consideration.

- ✓ Putting in roundabouts at the bottom of the hill on Fairway, creating curb lines and deflection. Estimated cost \$218,000.
- ✓ Take intersection at the bottom of the hill on Fairway and T it into Rotary and create a multi-way Stop. Estimated cost \$92,000.

Committee Member Peters liked the roundabouts and asked if one might be sufficient. Mr. McDonald replied that it is a matter of preference, but they could do one or both. He advised that the roundabouts would be the most effective measure.

Chairman Ewing asked how the traffic counts fit in with the indicators identified in the Traffic Calming Policy. Mr. McDonald explained that it does meet some of the criteria, but staff has not plugged in any numbers yet. A discussion followed regarding the congestion at certain times of the day when school is in and the speeding that continues to be an issue. Chairman Ewing

suggested a conversation might be necessary with the Guilford County Schools if it is a school traffic issue.

Committee Member Golden asked about numbers for speed humps/bumps and Mr. McDonald agreed that these may work. He proceeded to describe the recent speed hump installation on Hoskins Street. He noted although the installation is very labor intensive, they have worked well. The estimated costs for speed humps is about \$3,200-\$3,500 a set (for materials only, does not include labor for installation). Mr. McDonald suggested they could possibly do a test case.

Committee Member Hudson pointed out he actually lives within two blocks of the intersection in question and did not personally feel that a roundabout at either of these two locations would do anything at Ray and Ferndale. He suggested putting a 3-way stop at Ray, and a 4-way stop at Westwood or Quaker Lane. He felt that would be the quickest, easiest test run to see if it works. He pointed out that Rotary is a feeder road, not a residential road and putting speed bumps on a feeder road is a bad idea.

Mr. McDonald advised against putting in multi-way stops at every intersection because stop signs do not control speed, except in the immediate area of the stop. He suggested Westwood is probably the most logical place to do something.

Chairman Ewing suggested that staff follow the policy in place and evaluate remedies per the policy to determine the options. He also asked that they look at the school traffic issues and have a conversation with Guilford County Schools about the possibility of changing school traffic patterns to reduce traffic flow. Mr. McDonald pointed out this is something that goes on with others schools as well, and he did not feel that Guilford County Schools could control the traffic any better than the city could.

He agreed to take the data and plug it into the policy to see what the options might be, and offered to look at any other suggestions as well.

Committee Member Golden advised that he did not want a roundabout as the first option and asked what a temporary roundabout would look like. Committee Member Peters mentioned Mayor Wagner's suggestion with roundabouts. Committee Member Hudson saw nothing wrong with doing several trial runs.

Chairman Ewing pointed out that staff needs to apply it to the policy that was adopted to determine if it applies. Mr. McDonald agreed that staff would take the data available and apply it to the policy to see what the options are and would come back to the Committee in June with the results.

### **Discussion- Arts Council Funding**

#### **Transcript**

**Chairman Ewing:** The last item is the Arts Council funding which was deferred to the Committee on Monday night. I know we didn't have much time to prepare anything on it. Does staff have any comments?

**Deputy City Manager McCaslin:** We have nothing further to add.

**Chairman Ewing:** So, the agreement that you all have came before Finance. We discussed it in Finance last week and there wasn't support to move it forward favorably. Of course, Monday night there wasn't support for it either. So, clearly if we're going to do something, we need some sort of modification. I know I talked to Vic and Chris, if we can sort of lay out some thoughts on it, and bring it back for discussion by the full Council at a subsequent meeting, and find a way to do it. I know one of the big concerns that we've talked about is setting a precedent for paying off a note for a non-profit within the city and how that could open the door. One of the reasons we created the non-profit funding ad-hoc committee was to minimize how many non-profits were coming to the city manager saying we want money.

**Committee Member Peters:** And you know that's a good point, and one of the things that we may want to look at in the future is maybe not considering Arts Council a non-profit. And like set aside another budget for the arts because I definitely think the arts are very, very important. And, I got confused the other night and I think that it's bad timing. I feel bad for the Arts Council because if it wasn't just now coming up with the non-profit amount that they're asking for and this note, we wouldn't really be thinking about it. So, I'm 100% in favor for voting exactly like it is without any changes and for their full allocation for the non-profit as well. I feel like it's very important. They've worked really super hard on this. It's a great location and I think it's important for High Point.

**Committee Member Golden:** I won't argue that the entire Council sees the value in arts, but you cannot say that this particular entity is more valuable than another. And if you start giving them the allocation that we did for the non-profit side and give them additional funds, you are setting a precedent that you don't want to set. We've had arts go out of business because they didn't have money, so what makes them different?

**Committee Member Peters:** Well, I think that, you know, if we do this, I think that we need to hold them more accountable. I think that there could be some changes. Well, I've talked to some folks and have some thoughts.

**Jim Morgan:** Mr. Chairman, may I respond?

**Chairman Ewing:** To?

**Jim Morgan:** That concern.

**Committee Member Golden:** I don't have a problem with it.

**Committee Member Hudson:** Can we do our discussion first?

**Chairman Ewing:** So, a couple of concerns that I've got aside from setting a precedent. From an accountability standpoint, we have no leverage or ability to hold them accountable. If we do this, they are not a city extension. They are not our staff. They own the property. So, we have no way to hold them accountable. If we're going to do this, I think we have to create some sort



of leverage which gives us that ability to hold them accountable. Whether it is the city buying the note from a bank and acting as the mortgager, then paying us. Whether it is....we pay off the note and we take title to the property and lease it back to them. I think we need to have some sort of leverage if we're going to hold them accountable. If you look at the operating statement, their cash flow for the last couple of years. Based on their audits, it's not a cash healthy organization and there's concerns by the auditor about their ability to survive.

And, you know, I'll reiterate what I said a few weeks ago. A couple of years ago, we saw a similar case with the City Project. It had run its course effectively and we de-funded it. We made a lot of people upset. Forward High Point came out of the mix of that, which has been really good.

**Committee Member Peters:** I do have to remind you about one thing about that. The reason it was set up that way is because nobody's going to donate money to a city. You're not going to do that. You're going to donate money to a non-profit and that's why the City Project ....the city was the one that recommended that they set it up that way. The city recommended that. So, that's the way it is. They wouldn't have raised that much money had it been a city...

**Chairman Ewing:** That wasn't about fundraising, it was about effectiveness and actually redevelopment. They had sort of hit a wall and it wasn't about funding, it was about putting forth something that was worth what they were given.

**Committee Member Peters:** I actually think there was some grassroots anger that came from that that really blossomed. I told you how I feel. I think that we should support the Arts Council.

**Committee Member Golden:** You don't think that we support them through the grants process?

**Committee Peters:** Well, I think that....well, no I think we do.

**Committee Member Golden:** This funding was roughly what, a \$100,000? Have we done that much every year for the last few years?

**Eric Olmedo:** We've done \$100,000 I believe the last two years. Three years ago, it was \$110,000 and prior to that it was in the \$130,000 range.

**Committee Member Golden:** Easily over a million dollars in the last ten years?

**Eric Olmedo:** Yes.

**Committee member Golden:** I think the city supports the arts.

**Chairman Ewing:** Not including all the in-kind.

**Committee Member Peters:** I understand that, but also the matching grant, if the city's not going to sponsor it....if the city's not on board, it's going to be harder to get the grant started.

**Committee Member Golden:** When I was sitting in a conversation a year or two ago, and we talked about a matching grant. To my knowledge, there has been no money raised on their behalf to even show they were willing to do that.

**Committee Member Peters:** Well, I guess we don't have to pay anything.

**Committee Member Golden:** So, what do we do for the next guy? Because trust me, there are going to be some non-profits sitting out there in the audience that night. So, what are we going to tell them when they come the next month and say, hey, we've got this bill we need paid.

**Committee Member Peters:** I think that maybe we need to look at maybe taking the Arts Council out of the non-profit category and say this is what the city will do for arts. I mean I don't know.

**Chairman Ewing:** Then we start collecting property taxes on Centennial Station?

**Committee Member Peters:** I don't know. I'm just saying there's other ways to think about it.

**Chairman Ewing:** From an economic development standpoint, if we're going to them out of the non-profit funding, then we need to get money back from them instead of giving them money.

**Committee Member Peters:** Right. Okay, I've got you. I don't know what the answer is, but I just feel like it's really important to our community.

**Committee Member Golden:** We all do, but we have to be fair to everybody. And, that's where the issue lies.

**Chairman Ewing:** Again, it's setting a precedent and to the point, where's the risk if they don't raise any money, then we don't have to match it, but we still extend the offer. So, it doesn't mean that someone else might not come in and ask us to extend the same offer, then they are able to fund raise and we have to match.

**Committee Member Peters:** Okay, what's some other solutions? Like I said, I think..... for me, it's modifying and I'm not agreeing that we can't help them, but I think to make it attractive for us and for us to defend to our constituency, we have to have some leverage in it. And, the biggest thing for me would be if we hold title to the property, that gives us the ability where we've got an asset where we can say and that's something there's probably not a lot of non-profits out there that want to give up. If they say you extended this to the city, we want the same offer.

**Committee Member Golden:** Is that something that you could let them speak to now?

**Committee Member Hudson:** Can I ask Randy is that something that the city wants to do? Is that encouraged by the city?

**Deputy City Manager McCaslin:** What?

**Committee Member Hudson:** To actually hold a note to the building. I know there are advantages and disadvantages.

**Deputy City Manager McCaslin:** That is thinking out of the box, and it's something that we really need to evaluate before I really feel comfortable giving you an answer.

**Chairman Ewing:** And, holding the note would carry a lot more risk than just paying off the note and taking title. You know, because holding the note, then we become the bank and they pay us and then you get into the exact same scenario that Greensboro just dealt with a non-profit.

**Committee Member Hudson:** It also helps Jeff's concern. I agree with Jeff's concern because I've had three people call so far and say this is not what the city gets involved in. You're not getting anything, you're just giving. To say, okay, we bought a building for \$150,000-\$160,000 that now the city holds the note for, that is substantial. That is not a bad business deal for the city. That's basically what we're talking about. So, that is different than the Y calling and saying why don't you just give us \$160,000, which is legitimate. It's a legitimate concern.

**Chairman Ewing:** There's consideration on both sides if we do this and we hold the note.

**Committee Member Hudson:** Sure.

**Chairman Ewing:** Any other response? Anything else you want to bring up? Jim, you have just a few minutes.

**Jim Morgan:** Well, I think you've heard from me a lot. I have with me today Debbie, who's our Executive Director; Steve Ilderton, who is our incoming Chair and Mark Harris, who is our Chair. Let me just say this, that I think the key here in what makes this different is what other communities have done for the arts. Winston and Greensboro is a great example, giving them millions of dollars to help them go. And part of our problem has been, you mentioned, you know, matching grants. Yes, the Council has been talking to us for five years about it. And if they would have ever done it, I think that we would have had the building paid for. But the Council never came around and approved that matching grant. Now, the County gave us \$200,000. Just gave it to us.

**Committee Member Golden:** How many times? Was it a one-time gift?

**Jim Morgan:** It was a one-time gift. And it was just a few months after we bought it that they gave us that. So, I just think that the arts are so important for High Point. And, part of my problem here is you've delayed this for five years and now part of this note says that we've got to raise ninety some thousand dollars before June 30<sup>th</sup>. If we don't, we lose that portion.

**Chairman Ewing:** With that, from a time perspective, we don't have \$90,000 in the 2018-2019 budget for this specifically, correct?

**Jim Morgan:** Well the staff.....now, let me say this. The staff was the one that recommended this. The staff approved this and sent it to you for your approval. We worked on it for months.

**Chairman Ewing:** But we haven't funneled it through yet and it hasn't actually been put in the budget.

**Jim Morgan:** Well, here was the point. We were going to do it in two budget years instead of one.

**Chairman Ewing:** The dates, if we do something similar to this, because of the timing and from a budget standpoint, you know, I would rather give you guys until the middle of May next year to raise those funds. That way we know during our budget conversations how much we have to match that we can adopt in the budget ordinance and grant you the first check in July.

**Jim Morgan:** Let me be sure I understand what you're saying, okay? Let's say we change the agreement and half of it doesn't have to be raised by this year. Okay, that takes the pressure off me. Now, if we say May 30<sup>th</sup>, 2019, and we raise it quickly. Not this year, but let's say by July 1<sup>st</sup>. I have \$200,000 or \$190,000 or whatever the numbers are, then I understood that the city would write a check.

**Chairman Ewing:** July 1, 2019 because that's the start of the next fiscal year that we would be able to budget it.

**Committee Member Golden:** Let me clear one thing up. This committee won't be able to do that.

**Jim Morgan:** The budget year would start July 1, 2018.

**Chairman Ewing:** With the current budget, but this isn't in the current budget. So this gives you guys a year to raise the money, but then based on how much money you've raised, gives staff the ability to be able to forecast how much they're going to have to match and put it in the existing, the next year's budget.

**Jim Morgan:** Well, the problem is then you're putting it off really two years if you do that.

**Chairman Ewing:** For the total payment, it would be two years. But, it still isn't....if I read the audit report right, the note isn't due until November of 2020.

**Jim Morgan:** Yeah, but we've got to make payments every year. Whatever way you structure it, what I want to do is to be able to raise the money as quickly as I can. You put your portion in, we put ours in to pay the note off. That's what I plead with you to do.

**Committee Member Golden:** This is my question. If that's the case, let's say we were to accept this today as is, you would be able to raise that \$90,000 by when?

**Jim Morgan:** Under the present agreement, if I did not raise \$93,000 by June 30<sup>th</sup> of this year, the city would be released. Now, if I raise \$45,000 or \$50,000, that's what you'd be obligated for.

**Chairman Ewing:** And private contributions, not grants, but private contributions?

**Jim Morgan:** Well, it could be from a, you know, there are non-profits that give grants for a building.

**Chairman Ewing:** This would be.....for me, it would have to be all private contributors because grants should be subject to operating expenses.

**Committee Member Golden:** My question is why haven't we been doing this all along?

**Committee Member Peters:** I guess we never agreed to it.

**Jim Morgan:** I'm saying adamantly that we would have raised the money if you would have passed the resolution that you would do some matching. And you haven't done that.

**Committee Member Golden:** Forget the matching. I'm saying if you're able to raise that money, why haven't you guys just raised the money over the years?

**Jim Morgan:** We've raised almost \$700,000 over six years and we've had people that give grants say that we would have normally given you a grant, but we're not going to do it because the city is not involved. And, that's one thing they look for.

**Committee Member Golden:** You've been looking for grant money to pay off the mortgage?

**Jim Morgan:** That's correct. And also, individual. If I go to Don and say I've got a matching grant, will you help us? Or if they come to me, I'm more inclined to do it if I'm going to double my money. That's all I'm saying.

**Chairman Ewing:** And I guess that goes back to importance of the arts. You look at some of these other cities that have successful arts councils, arts programming with really engaged citizenry. They have private donors. And they get grants too. They have corporate sponsorships. It's not just a single funding source, but they have large private beneficiaries that write checks. I feel with the amount of money that is able to be raised by HPU, by United Way, Forward High Point, all these different organizations within High Point, if there was a sincere support of the arts as it's currently programmed and operated, then somebody would have no problem pulling out that checkbook and writing a \$90,000 check. If they can get a million dollars, five million dollars, a ten-million dollar commitment from people that live within our city limits, what's \$90,000 to them to support the arts if it is truly what the community is engaged in?

**Jim Morgan:** And I want to say to you, though, that it's easier. I've been raising money now for almost 50 years in this community. It's always easier if you've got, say you're going to double your money and do it. That's the reason we're doing it and we've kind of held back because we've been promised for so many years that we were going to get this matching grant.

**Chairman Ewing:** Who promised that? Jeff and I have been on here since before Centennial Station was purchased and I don't recall a promise.

**Jim Morgan:** We've had discussions all along. The mayor made a motion one time and it failed by one vote.

**Committee Member Golden:** Which mayor?

**Jim Morgan:** The present mayor. When he was on the Council. You voted against it that night. He made a motion that we do a matching grant and you voted against it.

**Committee Member Golden:** I probably did.

**Jim Morgan:** But we've had the discussion since the beginning. And the other discussion we've had, you know, when this started years ago, we were the largest city in North Carolina that didn't have an arts center. And one of the reasons, not to be critical, was we couldn't get the Council to agree where. When I came in as chairman, we got everybody to agree that Centennial Station was awesome, but that's when we did it. That's when we did it.

**Committee Member Peters:** I just wanted to say one other thing, or probably several other things, but one right now. As far as the Arts Council, you know I used to be on the board of the High Point Community Theatre and that's part of the umbrella of the Arts Council. You know, they rent the Theatre for \$10,000 to do their annual, big thing. They're still paying the city and then there's all the volunteers, all the parents who are volunteering, hundreds of thousands of kids go through those programs. It's totally free. They learn about theatre. They learn how to act. They perform. Parents are making costumes, building stage sets. All that goes into it. I mean it literally changes kids' lives. It's not just about going to the function, or did they have a concert that was well attended. It's about the kids' lives that they are changing. You know like with the High Point Community Theatre, it's free for children. So, it's all inclusive.

**Jim Morgan:** Now, on our stability, let me say this. Debbie, we've been in existence what 50 years? 55 years. We're one of the oldest Arts Councils in North Carolina. We're going to be there and I'm going off the board and now everybody is saying hallelujah. But I'm still going to be involved. I'm one of their major donors and I'm going to continue to do it. So, all I'm just begging you to do is give us a match and once we get it paid off, I am very receptive of us sitting down about donating the building to the city with the idea that we get a 25-year lease at some \$1 a year. That's fine. Now, one other thing I want to point out. In this agreement, there is a clause in there that we are prohibited from mortgaging this building for ten years. So, it would be free and clear. Free and clear, for at least ten years. That's part of it.

And the other thing I pointed out the other night is that the money will be certified by the Community Foundation. They have the money before the city writes a check. It may come in to us, but we would take it to them instead of the bank. Now, what we've been doing is taking it directly to the bank. One reason that an organization got into trouble here was that they were taking money that was going to capital and spending it for something else. We haven't done that with a penny of this.

**Chairman Ewing:** Question. We don't agree. We can't come up with terms. We don't do anything about this agreement. It just dies and falls to the wayside. What's your back-up plan?

**Jim Morgan:** Well, you've been our #1 plan because, again, we've been dealing with this for four or five years. I guess we've got to go to Plan B, C, and D.

**Mark Harris:** Can I speak?

**Jim Morgan:** He's the chair.

**Mark Harris:** I'm Mark Harris. One, to address the major concerns and address how it's been impacted in other communities as well. One, the Arts Council in Greensboro is an economic development part of the city. We, this Arts Council, is considered under economic development for the Guilford County. When we get our grant funding, it comes from the county to us. We raise hundreds of thousands of dollars a year. We raise \$70,000 plus a year right now to pay the interest and principal on the building every year. Not taking away any funding at all from our programs. When you ask what's the difference between this non-profit. Well, one, we're not really a non-profit in the sense that we're a charity. There's very few charities in the city that reaches 25,000-35,000 students and people in the city. It's mostly students. It is really getting the arts to students who have never seen it before.

So, one, we are economic development. We are recognized as economic development. Two, the building in Greensboro and in Winston both are held by the city. They are held by the city. It is a city building. Prior to us moving into Centennial Station, this city housed us for free. We were at Parks & Rec too. And we shared a building and we were given \$180,000. If you look at the past giving record by the city. We were truly considered a city organization and we are a city organization. Then we are a public-private partnership. No different than what you are doing with the catalyst project right now. And we will be providing arts and entertainment groups through our membership because it's not just the Arts Council, it's the four or five other organizations, the Ballet, the Theatre, the Carousel Theatre, which gets every second grader in Guilford County and they're under our umbrella in High Point. Every second grader in the county gets to see theatre for free. Every second grader, every year, twice a year, goes to see productions. It has vast impact. Vast impact. Then, last of all. I understand that it's difficult to tell somebody else, but we should not be compared like other non-profits who are asking for football uniforms and other things at community centers. All are important. I support it all. I coach Miracle League. I work with other organizations, not just this one. But this one has more impact on students than any other that I've seen. I was a principal in Guilford County for twelve years and I know that's why it's important to me. I was also principal at Peeler Open School for the Performing Arts, and it that performing arts school, I saw the impact.

Now, as the Dean of the High Point Campus down here at GTCC, I see the arts and what we have in our entertainment technology and how these students come from all over Guilford County and see that the arts have impact. And we have impact. We have impact in your neighborhood. We have impact in your neighborhood. Everywhere. There is not a neighborhood in this city or county that's not impacted by this individual organization. So, it is different. If you took the note and we were able to function just as we are now, we would have

even better impact because right now we're raising money, most of our fundraising doesn't go into programming, it's going into our operational budget so that we're trying to keep that place whereas before, you gave us a place and gave us \$180,000. That's what's different.

Thank you.

**Louis Thibodeaux:** May I say something since the floor has been opened?

What I'd like to say is I'm not against the arts, but let's look at....if it's been ten years that the Arts Council has been given a million dollars, we're talking about in two years if the city could be responsible somewhere in the neighborhood of \$560,000. I think it's been brought up in audits that the Arts Council has had issues with being viable as far as financially. Looking at all of that, I think the vote should be brought to the full Council so the citizens can speak to their representative so it can be a far, across-the-board vote.

**Chairman Ewing:** Any decision would have to be by the full Council.

**Jim Morgan:** I agree with that. Have you ever been to Centennial Station?

**Louis Thibodeaux:** No sir.

**Jim Morgan:** You ought to call Debbie and go before you make up your mind.

**Chairman Ewing:** What I'd like to ask, we've kicked around a lot of different things here and I know conversations that a few of us have had the last week or so with other council members. **I'd like to ask staff to look at some of the impact. If we were to either buy the note, or take over title, how that could impact us from a financial standpoint and budgetarily in moving forward and what structures might be beneficial and what not as far as do we own maintenance, do we not? Then, bring that discussion back for the June 6<sup>th</sup> P & L Committee.**

**Committee Member Peters:** The only problem with that is because they've got until June 30<sup>th</sup>. Is there anyway we can do it for May 21<sup>st</sup>?

**Chairman Ewing:** That's this agreement which is being rewritten if we're doing anything.

**Jim Morgan:** Mr. Chairman, if we're going forward we need Council to vote on it. As I said earlier, you know the time is running out.

**Chairman Ewing:** We have two meetings every month.

**Jim Morgan:** Yeah, but you're next meeting is May 21<sup>st</sup>.

**Chairman Ewing:** We're nowhere near coming up. Like Monday night, we can bring it up and we can shoot it down and move on with our budget. Or, we can have constructive conversation and come to an answer that we can all be happy with.



**Jim Morgan:** But the problem is the way it's worded if we don't get it on the agenda quickly, I can't go and tell somebody....

**Chairman Ewing:** From a date standpoint, the way this is written I would never support this the way it's written. And I know there's a lot of other council members who feel the same way. We've got to find a way to rewrite this agreement, so everyone can be on board with it. So, the way it's written now, don't worry about the timeline. The timeline is null and void. We're trying to figure a way to make something work.

**Jim Morgan:** Alright, then let me make this request. When you're thinking about it Randy, one thing that I want to do is to get rid of the debt as quickly as I can. So, let's assume that you change this end of the year and we can agree on that. But in the next budget year that if we raise the money, we close it out. Do you understand what I'm saying?

**Chairman Ewing:** I understand that you want to pay it off quickly, but from a budget standpoint, if we agree to this, we've got to be able to account for those funds in our budget.

**Jim Morgan:** But the city manager and the staff had studied this and they recommended it to you. That's my point.

**Deputy City Manager McCaslin:** Let me correct that.

**Jim Morgan:** Was I wrong on that, Randy?

**Deputy City Manager McCaslin:** Yeah, we didn't recommend that. That agreement came from the meeting that y'all had with the mayor and Randy was sitting in on that meeting. He put together the agreement based on the discussion at that meeting.

**Jim Morgan:** Right. But what my understanding was and if I'm wrong certainly correct me, was that out of that meeting what he said was the staff recommends Council approve this. That was my understanding.

**Deputy City Manager McCaslin:** That was based on the discussion out of the meeting, yes.

**Chairman Ewing:** Well, regardless of whether it had staff approval or not, the Council makes the decision. There have certainly been staff recommendations that have been made that we have disagreed with in the past that we haven't adopted. So, whether it came as recommended by staff or not is not acceptable by a majority of Council and we need to find something that is acceptable.

**Jim Morgan:** Would you help us, though, in trying to find some middle ground where we can get this paid off?

**Chairman Ewing:** I think that's what we're trying to find. The fact that we're sitting here having this conversation is we're trying to find middle ground. We could have left it dead

Monday night and been adjourned 35 minutes ago. So, I think we're trying to find middle ground.

**Jim Morgan:** Will you help us with that?

**Chairman Ewing:** We're doing that right now. You know we deferred more information to staff to come back on June 6<sup>th</sup> so that we can have conversations and try to find out how to do this without creating a lot of other problems.

**Jim Morgan:** Can we be involved with you and the staff before the meeting, and maybe sit down and tweak this out so that we can come in here and say we're in agreement?

**Chairman Ewing:** I think as we get information together, if we need information or feedback, staff or myself, we can reach out and get that and keep you in the loop. We need to figure out what's going to work for us and then we can bounce it off.

**Jim Morgan:** Let me ask if you can do this for me. If you and the staff work together and when you come up with a proposal, could I sit down with you and our chairman and see if we can't come to some consensus, so we don't take a lot of time? We can just come in here and say we and the staff have agreed to do this under this structure and let's move on. Let's move on.

**Chairman Ewing:** I think it would be viable if we come up with a solid plan by the next vetting date that we could bounce it off you guys to see if it would be palatable.

**Jim Morgan:** Before your meeting, and hopefully we will come in here and say we're all in agreement, we're going to do it and if you match this by so and so date, we'll write a check then we'll move on. I want to assure you, though, that once we reach this agreement and we can prayerfully, hopefully can, then I'm willing to sit down. Let's get it paid for. Then we know what we're talking about. Then let's have some serious discussion about whether it works, if we deed it to you and get a long-term lease. All I want is a home for the arts. I want a home for the Community Theatre and they didn't have one in the Ballet and they now at no charge.

**Chairman Ewing:** We'll come back to discuss on June 6<sup>th</sup>.

**Jim Morgan:** Hopefully before then, please.

**Chairman Ewing:** If we're able to, then we'll definitely come back and try to have discussions. But I think right now we are also a day away from digging into a \$400,000,000 budget that we're going to be reviewing for the next couple of weeks. So, not that you guys aren't as important as everyone getting water, sewer and electric, we've got other things on our plate. So, we're going to continue to work on trying to find a way to make it work, but we also have other things on our plate.

**Jim Morgan:** I understand. One other point and I'm going to be quiet. Please don't hold the fact that we're trying to get a building paid for on our budget. You've been cutting our budget and we need to be back where we were with our budget, please.

[end of transcript]

There being no further business to discuss, the meeting adjourned at 11:27 a.m. upon motion duly made and seconded.

Respectfully submitted,

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Lisa B. Vierling, MMC  
City Clerk

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Jason P. Ewing, Chairman

DRAFT