

NOTICE OF A SPECIAL MEETING OF THE

ASHEBORO CITY COUNCIL

Thursday, February 20, 2014

5:30 p.m.

Notice of a special meeting of the Asheboro City Council is hereby given. This meeting will be held on Thursday, the 20th day of February, 2014, at 5:30 p.m. in the Asheboro City Hall Council Chamber, 146 North Church Street, Asheboro, North Carolina 27203.

This special meeting has been called for the purpose of enabling the governing board to discuss and act, when and where action is deemed advisable by the City Council, on the following items that are to be brought before the governing board:

1. The submission for approval of the minutes of the City Council's previous special meeting on January 30, 2014.
2. The submission for acknowledgment of the receipt from the Asheboro ABC Board of the minutes of the local board's meeting on January 6, 2014.
3. The submission for review and approval of a resolution authorizing the execution, consistent with an existing financing arrangement, of a subordination agreement in favor of the North Carolina Housing Finance Agency in connection with Sunset Place, LLC.
4. The presentation and discussion of a proposed capital improvement plan that is focused on departments that are funded out of the city's General Fund.

This notice is issued on the 12th day of February, 2014, in accordance with the laws and ordinances of the State of North Carolina and the City of Asheboro.

/s/ David H. Smith

 David H. Smith, Mayor
 City of Asheboro, North Carolina

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**SPECIAL MEETING
 ASHEBORO CITY COUNCIL
 CITY COUNCIL CHAMBER, MUNICIPAL BUILDING
 THURSDAY, FEBRUARY 20, 2014
 5:30 p.m.**

This being the time and place for a special meeting of the Asheboro City Council, a meeting was held with the following elected officials and staff members present:

- David H. Smith) – Mayor Presiding
- Clark R. Bell)
 Edward J. Burks)
 Linda H. Carter)
 Michael W. Hunter) – Council Members Present
 Walker B. Moffitt)
 Charles A. Swiers)
- Talmadge S. Baker) – Council Member Absent

John N. Ogburn, III, City Manager
 Holly H. Doerr, CMC, NCCMC, City Clerk/Paralegal
 Leigh Anna Johnson, Public Information Officer

Michael L. Leonard, P.E., City Engineer
Ralph W. Norton, Chief of Police
Trevor L. Nuttall, Community Development Director
Deborah P. Reaves, Finance Director
Jonathon M. Sermon, Recreation Services Superintendent
Jeffrey C. Sugg, City Attorney
Roy C. Wright, Fire Chief

1. Call to order.

A quorum thus being present, Mayor Smith called the meeting to order for the transaction of business, and business was transacted as follows.

2. Consent agenda:

Upon motion by Mr. Burks and seconded by Ms. Carter, Council voted unanimously to approve the following consent agenda items. Council Members Bell, Burks, Carter, Hunter, Moffitt, and Swiers voted in favor of the motion.

- (a) **The minutes of the City Council's special meeting on January 30, 2014.**
- (b) **Acknowledgement of the receipt from the Asheboro ABC Board of the minutes of the local board's meeting on January 6, 2014.**
- (c) **A resolution authorizing the execution, consistent with an existing financing arrangement, of a subordination agreement in favor of the North Carolina Housing Finance Agency in connection with Sunset Place, LLC.**

ASHEBORO CITY COUNCIL RESOLUTION NO. 04 RES 2-14

A Resolution Authorizing the Execution and Delivery of a Subordination Agreement

WHEREAS, by means of a letter of intent directed to the attention of the low income housing tax credit program, the City of Asheboro previously expressed its intent to provide permanent financing, which would be secured with a security interest in real property that would be in second position to the security interest held by the North Carolina Housing Finance Agency ("NCHFA"), in order to induce the NCHFA to reserve to Sunset Place, LLC low income housing tax credits for a low income apartments development to be known as Sunset Place Apartments and to be located on the block formed by Sunset Avenue, North Cherry Street, Hoover Street, and Memorial Street; and

WHEREAS, the proposal to develop apartments to meet the need for low income housing did move forward and, consistent with the above-referenced letter of intent, the city entered into a financing arrangement under which Sunset Place, LLC (the "Borrower") executed a deed of trust (the "City Deed of Trust"), which was recorded on April 16, 2012, in Book 2281, Page 66, Randolph County Public Registry, conveying a deed of trust lien and security interest in the land utilized for the development project; and

WHEREAS, the Sunset Place Apartments have been constructed; and

WHEREAS, with the completion of the construction phase of the project, the construction loan is to be paid off, and a permanent loan is to be closed by the Borrower with NCHFA; and

WHEREAS, in order to close the permanent loan, a subordination agreement must be executed in order to maintain the agreed upon second position of the City Deed of Trust behind the financing and deed restriction instruments to be executed and recorded for the benefit of NCHFA; and

WHEREAS, the subordination agreement for which execution and delivery by the city has been requested (the "Agreement") is attached to this Resolution as EXHIBIT 1 and is hereby incorporated into this Resolution by reference as if copied fully herein; and

WHEREAS, city staff members have reviewed the Agreement and found the instrument to be consistent with the city's financial management practices and consistent with the public purpose for which the Sunset Place Apartments project was originally undertaken; and

WHEREAS, the Asheboro City Council concurs with the analysis of the Agreement performed by city staff members;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Asheboro as follows:

- Resurface Queens Meadow Court.
- Install new design for way-finding signs at various locations throughout the city.
- Install new crosswalks at various locations throughout the city.
- Replace roof at Fire Station #1.

Along with the above list, Mr. Leonard noted that the Fire Department is currently working to become a North Carolina Public Star Worksite. The program is designed to recognize state agencies and local governments for their leadership and success in providing a safe and healthy work environment. The benefits of becoming a Star Worksite include the following:

- Improved employee motivation to work safely, leading to better quality and productivity.
- Reduced workers' compensation costs.
- Recognition in the community.
- Star participant sites generally experience from 60% to 80% fewer lost workday injuries.

As the Fire Department strives to be a Star Worksite, various changes within the department will need to be made in the future in order to meet the following program objectives:

- Management Commitment and leadership
- Employer involvement and participation
- Worksite hazard analysis
- Hazard prevention and control
- Safety and health training.

In addition to the Fire Department's improvements, the Police Department is migrating to the 800 MHz VIPER Radio System (Voice Interoperability Plan for Emergency Responders). The North Carolina State Highway Patrol serves as the management agency for VIPER, and the state manages the towers and the system including maintenance costs. Approximately 260 emergency responding agencies make up the 65,388 users.

The overall project P25 timeline for completion remains scheduled for the end of the second quarter of 2014. Since Asheboro Police Department is the last public agency in Randolph County to migrate to the VIPER system, the city plans to use the drug seizure money to purchase the radios. The proposed Vice/Narcotics building will be delayed until a later date. The total cost of the Motorola 6000 700/800 MHz Model 2.5 Portable Radios (95) with shoulder microphones, belt clips, batteries, chargers, and accessories is approximately \$299,936. The total cost of the Motorola APX 4500 700/800 MHz Mobile Radios (56) with accessories and installation is approximately \$138,421.

Additionally, with the list of current projects, Mr. Leonard noted the following potential projects that will receive further evaluation:

- Renovation of the Asheboro Regional Terminal Building
- McCrary Ball Park stadium renovation
- Zoo City Park soccer facility
- Lake Lucas Peninsula Park
- Proposed Fire Station No. 3
- Implementation of fire truck rotation plan.

An additional potential project that was discussed in the context of contingency planning was the Cranford Building in the downtown area. At some point, city resources may have to be used to either help building inspectors in the discharge of their duties or in order to construct a parking lot if the city were to acquire the lot.

The Cranford building has not been condemned by building inspectors, but individual members of the governing board were concerned about the building's deterioration and the hazards that may be posed by this apparent decay. After discussing the issue, a general consensus emerged about the following two points:

1. The Council would like for Mayor Smith and city staff members to actively explore collaborating with the Cranford family in an effort to resolve the stated concerns in a mutually satisfactory manner. One possible remedy for the concerns would be to arrive at a mutually agreeable valuation for the property so that the city could buy the property, remove any hazards, and construct additional public parking.
2. However, the Council Members are equally adamant that city building inspectors take any action that the inspectors deem appropriate and necessary regardless of whether any actions have or have not been taken by the city to acquire the property. Any

actions taken by inspectors are to be taken independent of any other city activities and are to be based solely on the standards for protecting against dangers to life and health.

In summary, Mr. Ogburn noted that city staff will, later in the year, prepare a 15 year capital improvements plan for both the Water and Sewer Fund and the General Fund for Council's review. A copy of the visual presentation utilized by Mr. Leonard is on file in the City Clerk's office. Other than the consensus that emerged in regard to the vacant Cranford building, no formal action was taken on any of the other potential projects discussed during this meeting.

There being no further business, the meeting was adjourned at 6:53 p.m.

 /s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

 /s/David H. Smith
David H. Smith, Mayor