

MEMORANDUM

Date: July 15, 2008
To: Mayor & City Council
From: John Howren, Chairman, Facilities Committee
Subject: FACILITIES COMMITTEE REPORT

The City Council Facilities Committee met on Monday, July 14, 2008, and reports the following items for City Council's consideration. The following Committee members were present: John Howren, Chairman, Dave Kirlin, and James L. Watson (Councilman Dale Burkette was present as well).

1. Payment in Lieu of Solid Waste Pick-Up at Select Condominium Developments:

In December of 2000, the City Council voted to compensate selected condominium complexes for garbage services. The subsidized cost for private curbside service for FY 07/08 was approximately \$5,344 for seven complexes. In looking at the overall current budget and corresponding expenditures, compensation to these condominium complexes was questioned as to applicability. Since these complexes voluntarily elect to provide curbside pick-up in lieu of bulk container service by the City (and to be consistent with the existing Ordinance), staff recommended that the earlier decision by City Council to provide direct (annual) compensation, be reconsidered and subsequently discontinued.

Committee Recommendation:

The Committee voted unanimously (3-0) to recommend that the payment in-lieu-of be discontinued. The Committee directed staff to contact the impacted condominium complexes, as well as, to review the equity of other solid waste collection services, including bulk container services to apartment complexes.

Necessary Council Action:

Accept or reject the Committee recommendation.

2. Recreation Fee for New Residential Developments:

Staff presented a proposal to establish a Subdivision Ordinance amendment to create the Parks and Recreation Open Space Dedication and/or Payment In-Lieu Policy for all new residential developments, including single-family, town homes, and apartment units. The City would be divided into four districts and a payment per dwelling unit would be assessed. Payments collected would be used to fund recreational initiatives in the same district in which the development is built.

Land could either be dedicated (upon approval of the City Council), or when a payment in lieu of is utilized, said payment would be due at the time a building permit is obtained. This proposal does not impact the existing "open space" requirements already in City ordinances, nor would it apply to any current developments (in progress) that have received preliminary plat approval. It would further not apply to developments already approved for "vested rights" (however, it would apply when said vested rights time period expires).

Committee Recommendation:

The Committee voted unanimously (3-0) to direct staff to take the steps outlined in their recommendations, specifically, pursuing further discussions with the development community and soliciting input, and then bringing a proposed ordinance amendment before City Council.

Necessary Council Action:

Accept or reject the Committee recommendation.

3. Offer to Purchase Property from City of Gastonia – 414 Robinwood Road (PID 114983) and 1460 Robinwood road (PID 114982):

Mr. John Michael Delaney made an earlier offer to purchase City property located at 414 Robinwood for \$15,000, and City property at 1460 Robinwood Road for \$3,000. This offer to purchase was discussed at the last Management/Facilities Committee meeting, but was continued in order to

obtain an up-to-date property appraisal. The appraised value for 414 Robinwood Road is \$15,000 and the appraised value for 1460 Robinwood Road is \$12,600. Mr. Delaney's current offer to purchase this property has been increased to match the appraised values (\$15,000 and \$12,600 respectively).

Committee Recommendation:

The Committee voted unanimously (3-0) to recommend selling both properties to Mr. Delaney, subject to the ten day upset bid process, and that a resolution declaring the property surplus be adopted.

Necessary Council Action:

Accept or reject the recommendation of the Facilities Committee.

4. Golf Course Management Agreement:

A proposal has been received to create a public-private partnership arrangement that will significantly reduce the City's subsidy to the Golf Course while providing adequate incentives to ensure that the Golf Course will operate at current levels or better for at least the next 15 years. The proposed Golf Course Management Agreement includes Richard Duffie as the Manager of such, and continues to operate as a public course and would ensure fees that are competitive with the market.

At the end of 15 years, Mr. Duffie would have the option to purchase the golf course at the appraised value subject to the upset bid process. An amount equal to the appraised value will be credited to the contract (Mr. Duffie) as deferred compensation for satisfactorily completing the terms of the Agreement. If approved, staff also recommends that all affected (current) full-time positions at the Golf Course be placed in other full time slots within the City if at all possible.

Committee Recommendation:

The Committee voted 2-1 (Kirlin dissenting) to recommend approval of the Agreement with an effective date of August 1, 2008. (Councilman Kirlin expressed concerns that an appraisal should be completed before the Agreement is signed and suggested that any savings realized the City, through elimination of subsidies to the Golf Course, be specifically dedicated to other recreational initiatives.)

Necessary Council Action:

Accept or reject the Committee recommendation.

5. Other Related Items:

A. Update on Inventory of City Owned Properties:

Staff continues to pursue finalizing a more accurate and detailed (City) property inventory listing, to maintain property links with the County tax and parcel data, and to complete a GIS based mapping initiative for use by the City and potential buyers of surplus City property.

Necessary Council Action: None at this time, this item was presented for informational purposes only.

B. Update on Waterproofing Strategies for the Development of the Pell (Main Avenue) Property:

The Pell Property (adjacent to the City's Downtown Main Avenue property) is experiencing water intrusion that could possibly be originating from the adjoining City property. The City is working closely with the developer to resolve this issue by installing a sump pump and drainage system to help address these concerns for the short term.

The Committee also discussed the status of the overall demolition and/or selective demolition of the City's Main Avenue property. Staff is preparing a bid package for several downtown City properties, including possible options for demolition of the old First Union and Fidelity Bank buildings.

Necessary Council Action: None at this time, this item was presented for informational purposes only.

C. Update on Sales Tax Distribution:

Staff updated the Committee on the ongoing impact of the distribution of local sales tax as related to the 2003 Agreement between Gaston County and each municipality in the County. Gastonia is still experiencing no growth in sales tax revenues and will most likely not see any for the foreseeable future. Because the Agreement is based upon an ad valorem calculation to determine how local sales tax revenues are distributed, it results in a formula that encourages higher property taxes in order to increase local sales tax revenues for municipalities. Discussion was also presented concerning the apparent inequity between municipalities and hold harmless payments made by the County.

Because of the long term outlook of little to no growth in our sales tax revenues, staff recommended that the Committee and full Council consider alternative measures for revenue enhancements or spending cuts to address revised municipal operating costs such as in the area of public safety. Staff presented the concept of lobbying the State legislature for consideration of a future (public) local sales tax referendum specifically related to increasing funding and operations in the area of public safety.

Necessary Council Action: None at this time, this item was presented for informational purposes only.

D. Downtown Pedestrian Financing Plan:

The City plans to develop the area at the end of South Street in front of the Rotary Pavilion as a downtown park and plaza, and to be completed in conjunction with a downtown hotel/conference center. Staff is proposing a joint financing plan to include City funds, possible grants, GDDC funds, as well as private sector contributions and sponsorships for a total project budget of \$750,000.

The Committee expressed a desire to commit to this proposal collectively with the GDDC and move forward in finalizing funding options. The Committee also supported the "textile historical theme" as presented by staff, and directed staff to continue this effort, recognizing that the final design/layout would ultimately be subject to full Council approval.

Committee Recommendation:

The Committee voted 3-0 to proceed as proposed for the Downtown Pedestrian Park funding initiative as presented, with City participation in the amount of \$250,000.

Necessary Council Action:

Accept or reject the Committee recommendation.

E. Residency Requirements for Department Heads:

The City Manager recommended to the Committee that this be forwarded to the Personnel Committee as the most applicable committee for further presentation and discussion.

Committee Recommendations:

The Committee voted unanimously (3-0) to refer this matter to the Personnel Committee.

Necessary Council Action:

None at this time, this item will be forwarded to the Personnel Committee for further handling.

After a request for any other items for discussion (none), the meeting was adjourned.