

**TOWN OF WENDELL
BOARD OF COMMISSIONER MEETING MINUTES
March 27, 2017**

The Wendell Town Board of Commissioners held their regularly scheduled meeting on Monday, March 27, 2017, in the Town Board Room, Wendell Town Hall, 15 East Fourth Street.

PRESENT: Mayor Virginia Gray; Mayor Pro Tem Jon Lutz; Commissioners: John Boyette, David Myrick, Ben Carroll, and Jason Joyner.

STAFF PRESENT: Town Manger Teresa Piner, Special Assistant to the Manger-Town Clerk Sherry Scoggins, Finance Director Butch Kay, Planning Director David Bergmark, Public Works Director Alton Bryant, IT Administrator Tamah Hughes, and Police Chief Bill Carter.

CALL TO ORDER:

Mayor Gray called the meeting to order at 7:00 p.m. and welcomed attendees.

PLEDGE OF ALLEGIANCE:

Antonio Lester, student at Wendell Creative Arts & Science Magnet Elementary School led the Pledge of Allegiance.

INVOCATION:

Mr. Bob Fleming of Covenant Presbyterian Church provided the invocation.

1. ADJUSTMENT AND APPROVAL OF THE AGENDA:

<p>ACTION</p>

<p>Mover: Mayor Pro Tem Lutz moved to approve the agenda as presented.</p>
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<p>Vote: Unanimous.</p>

2. PUBLIC COMMENT PERIOD (*one hour time limit in total*):

Ms. Regina Harmon provided an update on the Wendell Chamber of Commerce:

- Chamber put together a booklet sharing the events of the Town and includes coupons
- Saturday, May 13, 2017 – sponsoring Spring Fling from 9 a.m. to 7 p.m. and partnering with the Town of Wendell Appearance Commission
- Friday, May 19, 2017 –Annual Golf Tournament co-sponsored by the Wendell Chamber of Commerce and East Wake Education Foundation

3. CONSENT AGENDA

The Board of Commissioners uses a Consent Agenda to act on non-controversial and routine items quickly. The Consent Agenda is acted upon by one motion and vote of the Board. Items may be removed from the Consent Agenda and placed on the Regular Agenda at the request of the Mayor or a Commissioner. The Consent Agenda contains the following items:

- a. Approval of the Minutes from the March 13, 2017, regular meeting.
- b. Wake County Tax Report.

- c. Approval of resolution directing the Town Clerk to investigate a satellite annexation petition, A-17-03, for 21.24 acres of property (including ROW) located at 1505 Marshburn Road and identified by PIN # 1784495755.

ACTION:

Mover: Mayor Pro Tem Lutz moved to approve the consent agenda as presented.

Vote: Unanimous.

4. RECOGNITION OF WENDELL CREATIVE ART & SCIENCE MAGNET ELEMENTARY SCHOOL TEACHER: ABIGAIL HODGES.

SPEAKER: Mayor Gray

ACTION: Recognition

[Staff Report]

Item Summary

Abigail Hodges is Wendell Creative Arts and Science Magnet Elementary School's 2016-2017 Teacher of the Year. Mrs. Hodges joined WES in 2014-2015 as our science specialist. She quickly became a member of our Wendell family. Mrs. Hodges helps our students and teachers be excited about science and hands-on learning and is constantly working to improve student learning. In December 2016, Mrs. Hodges volunteered to take a vacant 4th grade ELA classroom position to help our staff and students. Mrs. Hodges exemplifies our school's mission and vision and is an asset to our staff and town.

Mayor Gray introduced and recognized Wendell Creative Art & Science Magnet Elementary School teacher Abigail Hodges; staff report included above in italics.

5. RECOGNITION OF INTERIM PRINCIPAL MIKE CHAPPELL, WENDELL CREATIVE ART & SCIENCE MAGNET ELEMENTARY SCHOOL.

SPEAKER: Mayor Virginia Gray

ACTION: Recognition

[Staff Report]

Item Summary

Opportunity for Interim Principal Chappell to share what Wendell Creative Arts & Science Magnet Elementary School has accomplished to-date for the school year and upcoming events.

Mayor Gray introduced and recognized Wendell Creative Art & Science Magnet Elementary School Interim Principal Mike Chappell; staff report included above in italics.

Interim Principal Mike Chappell stated this is his favorite school he has served and his last week. The new principal will begin on April 10, 2017. Wendell Elementary has about 550 students. Wendell Elementary was named Magnet School of Distinction for another year. New principal is Jack Zellmer, who is presently an assistant principal at Wakefield Elementary School. The choral students recently performed at the Pieces of Gold and will also perform at the Stars of the East. Wendell Elementary School recently hosted an A+ Arts Meeting as WES is an A+ Arts school. Also, had a group from Texas to tour the school last week to see the creative arts and

science program.

**6. PRESENTATION OF LIFESAVING AWARD TO WENDELL POLICE
SERGEANT BRIAN L. HARE.
SPEAKER: Police Chief Carter
ACTION: Presentation.**

[Staff Report]

Item Summary

On Saturday, October 31, 2015 at 3:55 p.m., officers with the Wendell Police Department were dispatched to a home in the 500 block of Oak Dare Lane in reference to a 3 year old child that was unresponsive. Sergeant Brian Landon Hare was first to arrive on the scene and found the child lying on the floor and not breathing. Sergeant Hare began life saving measures and determined that the child had food lodged in his airway. Sergeant Hare was able to free the food from the child's airway and the child resumed breathing. The child was transported to Wake Medical Center for further evaluation and he made a full recovery.

The Wendell Police Department has a peer driven Awards Committee that reviews actions, such as the one outlined above. Nominations for the awards can be made by peers and the details of the officer(s) actions are presented to the Committee. The Committee then votes and makes a recommendation to the Chief of Police with regard to the award.

In order to be eligible for the Lifesaving Award, an officer must meet one or more of the following criteria as quoted from the Police Department Policy and Procedure Manual:

- 1. Being directly responsible for saving the life of another human being, or*
- 2. Actions by the employee led to prolonging a life to the extent that the victim was released from medical care. Evidence supports that the officer was directly responsible. Documentation and other supportive evidence such as statements from physicians, witnesses and/or supervisor will be included with the original recommendation for this award.*

The actions of Sergeant Brian Landon Hare were reviewed by the Awards Committee and it was a unanimous decision that he be awarded the Wendell Police Department Lifesaving Award.

Police Chief Carter provided an overview of the Lifesaving Award to Wendell Police Sergeant Brian L. Hare; staff report included above in italics. Chief Carter presented the Lifesaving Award to Sergeant Hare. He recognized Brandon Lee to assist him with presentation of the pin for Sergeant Hare's uniform. Brandon was the young man saved by Sergeant Hare. Brandon presented the pin to Sergeant Hare.

Sergeant Hare expressed his appreciation for working with the Town of Wendell and thankful that he was able to help Brandon.

Mayor Gray congratulated Sergeant Hare!

Mayor Gray called for a recess. Mayor Gray called the meeting back to order.

7. DISCUSSION ON POTENTIAL AMENDMENT TO THE TOWN'S ECONOMIC DEVELOPMENT INCENTIVE POLICY.

SPEAKER: Planning Director David Bergmark

ACTION: Direction from the Town Board.

[Staff Report]

Item Summary

Economic development incentive policies are meant to incentivize specific activities that advance the Town's economic goals. As a community evolves and changes, so too will its economic priorities. As such, it is prudent to periodically review the town's economic incentive policies to ensure they meet the Town's current needs.

At the January 9, 2017 meeting, the Town Board reviewed the current economic development policies and took a comprehensive look at its priorities for economic development. Based on input received at that meeting, staff has created draft language for the Town Board's consideration. The draft language consists of revisions to the 2009 adopted incentive policy covering new large businesses and business expansions, as well as a separate document with multiple downtown redevelopment incentive options. The downtown incentive options use the DMX zoning district to define the eligible area. The Town Board could consider broadening this boundary for the purpose of offering incentives, if so desired. Once the Town Board has determined which incentive grants best serve the town, these incentives could be merged into a single document.

Please note that no incentives are granted as a matter of right, even if an applicant meets all eligibility requirements.

Current Large Business Incentive Policy:

Currently, the town's Large Business Incentive grant (adopted 2013) states that "all new large businesses meeting the investment/job threshold requirement will be considered for an incentive grant equivalent to 75% of the Town of Wendell local property tax assessment on the new investment for each year over a total five-year period for each \$2 million in investment in land and buildings or \$1 million in investment in buildings."

Staff believes that the threshold of \$1 million in building value or \$2 million in land and building value is too low of a threshold. In order to grant an economic development incentive, a public hearing must be held. With today's construction cost most new commercial development would exceed the \$1 million building value threshold. For example, the McDonald's in town has an assessed building value of \$1,208,286 and the Family Dollar has an assessed building value of \$992,793. While the Family Dollar falls just short of the threshold for a grant, an additional \$7,000 of improvements could have easily been made so that a grant could be sought. Using the current incentive policy, if all eligible new commercial buildings are provided the full incentive grant, the Town could potentially find itself lagging 5 years behind in local property tax revenue, as it would only be receiving 25 percent of the property taxes it would otherwise realize from new commercial buildings valued at 1 million dollars or more.

Staff also believes that the 2013 incentive policy lacks the detail to guide the incentive policy process. For this reason, staff used the 2009 incentive policy as the template for revision.

Current Small Business Incentive Policy:

While the Town does currently have an incentive policy intended to support small businesses as well as large, there are limitations within the small business policy which may not incentivize opening or relocating a business to Wendell. The current small business incentive policy allows

for parking reductions, development permit fee exemptions or reductions, accelerated review processes, and business privilege license fee reduction. Although these policy features may sound positive, their true impact is limited.

Staff believes that there are other options such as targeting specific businesses or zones with grants that would be more effective in bringing desired small businesses to the town and be more of a cost benefit to the business owner and the town.

Summary of Proposed Large-Business Incentive Policy Changes:

Raise the minimum investment (building and equipment – not land) from 1 million to 5 million dollars for new businesses. The incentive grant is equivalent to 75% of assessed value on new investment, paid over a 4 year period, reduced by 10% each year.

- Create a tiered system which offers more incentive for investments of \$25+ million, and \$50+ million. Tiers increase the percentage and duration (5 years instead of 4).*
- Require a minimum of 15 jobs which pay at least 75% of the county average wage (county average wage is \$50,120) and which covers at least 50% of health insurance premiums for new businesses.*
 - Increase the # of jobs required for \$25+ million investment and \$50+ million tiers to 25 and 50 jobs.*
- Limit eligible users to manufacturing, industrial, distribution, office, and service industries (not retail) [This is consistent with 2009 policy]*
- Create a business expansion grant for \$1 million dollars or more of investment with 5 new employees equivalent to 75% of the assessed value of the new investment over a 4 year period, reduced by 10% each year.*
 - Increase to 85% over 5 years (reduced 10% each year) for business expansion investments of 10 million or more with 10 or more new employees.*

Summary of Downtown Incentive Grants for Consideration (DMX District):

- 1. Downtown Wendell Residential Incentive Grant – 1:1 matching grant program (up to \$7500) for creating upper-story residential units within the DMX district (paid in lump sum following CO).*
- 2. Downtown Wendell Redevelopment Incentive Grant – New building or modification to existing building within the DMX district which results in an increased tax value by at least \$50,000. The Grant amount varies from \$10,000 - \$20,000 depending on the amount of increased value and is paid out over 3 years.*
- 3. Façade Grant – The Board could budget funds for the façade grant, and consider increasing the match for retail and restaurants in the DMX district.*
- 4. Restaurant Up-fit Assistance Grant – 50% matching grant (up to \$30,000) for up-fitting a building in the DMX district to serve as a restaurant. The grant is paid out over 3 years.*
- 5. Downtown Retail Up-fit Grant – 50% match (up to \$5000) for up-fitting a building in the DMX to serve a new retail user. Requires detailed application including business plan, photographs, renderings, contractor info, proof of funds, etc.*

Planning Director David Bergmark provided an overview on potential amendment to the Town's Economic Development Incentive Policy; staff report included above in italics.

Commissioner Boyette questioned if movie theater is listed as service or retail. Planning Director Bergmark stated language can be added to clarify the uses.

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Commissioner Boyette questioned if the \$7,500 for the Downtown Wendell Residential Incentive Grant is per unit or per project. Planning Director Bergmark stated per unit could become cost prohibitive. He can clarify based upon the Board's direction.

Commissioner Boyette stated he does not know how many will use the Downtown Wendell Residential Grant as there are only a few buildings that allow for living on the second floor. Redevelopment Incentive Grant stated a project might come in close to 20 or 30 percent and can see it being utilized. Façade Grant is a nice but does not know that it pushed anyone over the edge to improve the store front. Restaurant Up-fit Grant is one that he likes and he would like to see more stipulations such as the owner who up-fits is the one who will claim the grant. Downtown Retail Up-fit up to \$5,000 may help. The Restaurant Up-fit is the one the piques his interest.

Mayor Pro Tem Lutz concurs with the Restaurant Grant. The goal for him is that the Façade Grant would improve the store front. He would like to see more from a small incentive policy to entice small businesses to improve what they have. Large business policy seems like a large number.

Commissioner Joyner questioned if there is a way to qualify for the Redevelopment Grant and the Restaurant Up-fit. Planning Director Bergmark stated he can review the language for the number of grants a person may be given at one time.

Commissioner Myrick stated if the amount is \$30,000 than an owner ought not to be double-dipping. If a restaurant comes downtown and provided \$30,000 by the Town and they do not stay for the allotted time, is the next person that comes in eligible for the grant. Planning Director Bergmark stated the grant is for up-fitting and language clarifying what is eligible expenses for up-fitting could be included. He said the grant is paid out over 3 years, so if the restaurant leaves after one year, they would not be eligible for the rest.

Commissioner Boyette believes there needs to be some restrictions because as written now it states up-fitting for building in the DMX. The language does not include the purchase of new appliances. In his mind, up-fitting would be a new fire suppression system, new hood system, oil separators for the drains, up-fitting sewer lines, etc. Does not wish to include purchase of kitchen equipment due to wear and tear.

Commissioner Joyner questioned if there could be a caveat for a business that is vacant longer than three months.

Commissioner Myrick would like stability in the tenants.

Planning Director Bergmark stated the final decision of the grant belongs to the Town Board.

Mayor Gray stated she would like parameters so it does not appear that the Town Board is picking and choosing who is approved or not approved. Consideration [for the Restaurant Grant] when a business leaves and takes the appliances and equipment. Residential Incentive Grant is

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liked and she sees four or five spots in downtown. Façade Grant was not funded this fiscal year and the Town Board can re-evaluate funding for this grant. The purpose of the Façade Grant is to improve the appearance and it puts peer pressure on the neighbors. Downtown Retail Up-fit Grant looks good and she would like to see more downtown.

Planning Director Bergmark asked for clarification on small businesses if the Board prefers to see something for an existing business.

Mayor Pro Tem Lutz stated he envisioned more in-line with an existing business was going somewhere other than downtown and improving an existing building within Wendell.

Mayor Grant stated she sees that for the Façade Grant as well because she does not want the businesses left out while encouraging the new businesses to locate in Wendell.

Planning Director Bergmark stated he did not hear consensus of not seeing any one of the proposals. He heard more detail needed for the Restaurant Grant. He asked if there are any of the grants the Board did not wish to have back for additional discussion.

Commissioner Joyner stated he has concern with the Residential Incentive Grant as he does not see this as a true economic development grant. He would like to see development and he would prefer to see the restaurants.

Mayor Gray stated growth is good for everyone in downtown.

Planning Director Bergmark questioned if it would make a difference if the residential incentive grant was opened to new structures in the downtown that include residential above commercial, rather than creating residential above existing structures.

Mayor Pro Tem Lutz stated he would like to see all and if the Board decides it is not a favorite it could be scratched.

Planning Director Bergmark requested Board direction on the Large Incentive Policy. He said the comments of the Large Incentive Policy were shared with Dan Klausner of Newland Community for input.

Commissioner Myrick questioned if there will be a cap on the grants on an annual basis.

Planning Director Bergmark stated the Board has options:

- Budget a set amount for each grant the Board approves to use;
- Structure pay-out for the next fiscal year with Board appropriation during the budget process.

Mayor Gray stated she likes the raising of the minimum investment amount from \$1 million to \$5 million.

ACTION: Update and bring back to Town Board for discussion and possible action.

8. UPDATE ON THE FY 18 WAKE TRANSIT WORK PLAN.

SPEAKER: Planning Department

ACTION: None – Information.

[Staff Report]

Item Summary

Wake County is initiating a new round of public outreach for the Draft FY18 Wake Transit Work Plan, which begins implementation of the Wake County Transit Plan adopted in June of 2016. The Draft Work Plan is available online for review and comment at <http://www.waketransit.com/fy18-work-plan/>.

The Fiscal Year 2018 Annual Work Plan allocates the funds expected to be received from July 2017 through June 2018. This will be the first full year of tax collection. The Work Plan focuses on regional bus connections, increasing weekend and evening local bus service, and supporting the Wake TRACS system.

The Work Plan includes services that can be implemented without additional bus purchases. Future bus service improvements will be made each year as funding and supporting items such as new buses become available. Additionally, it outlines planning efforts and studies that will bring new bus service and facilities, Bus Rapid Transit corridors, and the Commuter Rail corridor from a vision to a reality. Capital costs associated with the work plan are divided between four categories: Capital Planning, Vehicles, Bus Infrastructure, and Reserve for Future Projects.

Public Information and Comment meetings are being held throughout Wake County in late March. The Eastern Wake County meeting is being held at the Eastern Regional Center on Wednesday, March 29th (4:30pm – 7:00pm). Wendell planning staff will be in attendance.

Wake County has developed a ‘Wake Transit Plan Implementation Primer’ Presentation which staff will present to the Board at the March 27th meeting. Additionally, it is staff’s desire to make the Town Board aware of upcoming agreements which the Town Board would need to sign by June 30th at the latest in order to be a party to and a beneficiary of Wake County Transit funds.

The Wake County Transit plan permanently relieved Wendell of its responsibility for supplying a local match for the GoTriangle express bus service which serves Wendell and Zebulon. The Draft FY18 work plan goes further by allocating \$4200 to pay for Wendell’s Park and Ride lot lease, which the Town is currently paying with local tax dollars. In order to receive these funds, the Town Board will need to sign the following agreements by June.

1. Master Participation Agreement (prerequisite to the Annual Operating Funding Agreement)

a. The purpose of this Participation Agreement is to:

- i. serve as the master joint agency operations agreement referenced in Section 8.02 of the Governance ILA;*
- ii. establish standards that will govern the Parties’ eligibility for inclusion of sponsored Implementation Elements in the Wake Transit Work Plan and receipt of any funding allocation from Wake County Transit Tax Revenue;*
- iii. evidence the Parties’ approval of the Wake County Transit Plan and the annual update process; and*

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Wendell. Thanked the staff for creating opportunity for people to come to Wendell.

Mayor Gray has participated in a number of tree plantings this year with one more to go. The Tree Board has helped with the tree plantings at the school and at the Community Park. This year the Perennial Garden Club and the Wendell Historical Society planted a tree at the Historical Post Office Site. She thanked Phillip Smith and the Tree Board for their hard work and engaging the children during the ceremony.

Mayor Gray attended the Wake County Mayor's meeting.

Mayor Gray stated the ProTown BMX show was held this past Saturday. Both shows were successful. Businesses downtown shared an increase in foot traffic and revenues.

12. CLOSED SESSION.

ACTION: Will be called if necessary.

No closed session called.

13. ADJOURN.

ACTION:

Mover: Mayor Pro Tem Lutz moved to adjourn at 8:06 p.m.

Vote: Unanimous.

Duly adopted this 10th day of April 2017, while in regular session.

ATTEST:

Virginia R. Gray, Mayor

Sherry L. Scoggins, MMC; Town Clerk