

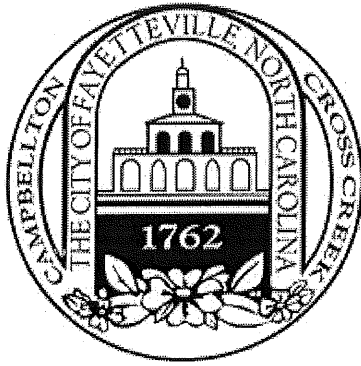
**FAYETTEVILLE CITY COUNCIL
WORK SESSION AGENDA
JANUARY 3, 2011
5:00 P.M.**

VISION STATEMENT

**The City of Fayetteville
is a GREAT PLACE TO LIVE with
a choice of DESIRABLE NEIGHBORHOODS,
LEISURE OPPORTUNITIES FOR ALL,
and BEAUTY BY DESIGN.**

**Our City has a VIBRANT DOWNTOWN,
the CAPE FEAR RIVER to ENJOY, and
a STRONG LOCAL ECONOMY.**

**Our City is a PARTNERSHIP of CITIZENS
with a DIVERSE CULTURE and RICH HERITAGE,
creating a SUSTAINABLE COMMUNITY.**



FAYETTEVILLE CITY COUNCIL
WORK SESSION AGENDA
JANUARY 3, 2011
5:00 P.M.
LAFAYETTE ROOM

1.0 CALL TO ORDER

2.0 INVOCATION

3.0 APPROVAL OF AGENDA

4.0 OTHER ITEMS OF BUSINESS

A. Introduction of Human Resource Director and Transit Director

4.1 Multifamily and Commercial Recycling Update

Presenter(s): Jerry Dietzen, Environmental Services Director

4.2 Consolidated E911 Center Update

Presenter(s): Dale Iman, City Manager

4.3 Revision to the Proposed Purchasing Policy for Local Business Support

Presenter(s): Karen McDonald, City Attorney

4.4 Probationary Rental Occupancy Permit (PROP) Update

Presenter(s): Doug Hewett, Assistant City Manager

4.5 2010 Redistricting & the 2011 Elections

Presenter(s): Kristoff Bauer, Assistant City Manager

4.6 Review of City Council Non-profit Funding Policy No. 135.1

Presenter(s): Dale Iman, City Manager

5.0 ADJOURNMENT

CLOSING REMARKS

POLICY REGARDING NON-PUBLIC HEARING AGENDA ITEMS

Anyone desiring to address the Council on an item that is not a public hearing must present a written request to the City Manager by 10:00 a.m. on the Wednesday preceding the Monday meeting date.

POLICY REGARDING PUBLIC HEARING AGENDA ITEMS

Individuals wishing to speak at a public hearing must register in advance with the City Clerk. The Clerk's Office is located in the Executive Offices, Second Floor, City Hall, 433 Hay Street, and is open during normal business hours. Citizens may also register to speak immediately before the public hearing by signing in with the City Clerk in the Council Chamber between 6:30 p.m. and 7:00 p.m.

POLICY REGARDING CITY COUNCIL MEETING PROCEDURES SPEAKING ON A PUBLIC AND NON-PUBLIC HEARING ITEM

Individuals who have not made a written request to speak on a nonpublic hearing item may submit written materials to the City Council on the subject matter by providing twenty (20) copies of the written materials to the Office of the City Manager before 5:00 p.m. on the day of the Council meeting at which the item is scheduled to be discussed.

Notice Under the Americans with Disabilities Act (ADA): The City of Fayetteville will not discriminate against qualified individuals with disabilities on the basis of disability in the City's services, programs, or activities. The City will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities so they can participate equally in the City's programs, services, and activities. The City will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all City programs, services, and activities. Any person who requires an auxiliary aid or service for effective communications, or a modification of policies or procedures to participate in any City program, service, or activity, should contact the office of Ron McElrath, ADA Coordinator, at rmcelrath@ci.fay.nc.us, (910) 433-1696, or the office of Rita Perry, City Clerk at cityclerk@ci.fay.nc.us, (910) 433-1989, as soon as possible but no later than 72 hours before the scheduled event.

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of City Council
FROM: Jerry Dietzen, Environmental Services Director
DATE: January 3, 2011
RE: Multifamily and Commercial Recycling Update

THE QUESTION:

Does City Council wish to proceed with the Draft Ordinance and program development requiring multifamily communities to provide recycling for their residents?

RELATIONSHIP TO STRATEGIC PLAN:

Goal 4: More Attractive City - Clean and Beautiful

Policy Agenda 1. Commercial, Town Homes and Multifamily Recycling Program - Direction and funding

BACKGROUND:

The City of Fayetteville began curbside recycling in July, 2008. Due to the success, citizen popularity and environmental need for this program, City Council requested that the City expand the program to include multifamily communities and commercial businesses in the 2009 and 2010 strategic planning sessions. In 2009 the market for recyclables dropped to record lows and to begin the multifamily recycling program then would not have been prudent. However, since the start of 2010, the market has rebounded significantly and the opportunity now exists for a favorable and successful program.

In early 2010, a third party conducted surveys and interviews with multifamily community managers, residents and owners. Key findings supported by that survey include:

- Most respondents indicated that they would like to have a recycling program at their site,
- Most did not believe this would happen unless it was mandated by the City,
- Most wanted to contract with their current hauler to deliver the service, and
- Most were willing to pay for the service.

At the April, 2010 City Council work session, City staff recommended to City Council to provide this service through a franchise agreement and to research and develop a proposed agreement to review. City Council asked staff to bring the draft proposal back to Council at a later date. Staff returned to City Council workshop on October 4, 2010 and revised its recommendation, based upon research, to develop an Ordinance requiring multifamily communities to provide the service for their residents. A draft Ordinance is now ready for review and further direction.

ISSUES:

The proposed ordinance requires multifamily communities to offer single stream recycling to their residents at their expense. This will most likely increase the cost to the residents through increased rental rates or association dues. However, providing recycling will allow for a modest reduction in cost for garbage collection.

Multifamily communities will be required to identify space and screening for the recycling containers, keep the area clean, provide recycling information to residents periodically and report the amount of recyclables collected.

BUDGET IMPACT:

Staff time will be required to offer technical assistance, develop educational handouts and placards, collect report data and to answer questions. The number of man hours for this is

unknown at this time but it could result in a few hours per multifamily community initially and less time as the program unfolds. We intend to utilize the department's public information specialist and grant-funded interns for this task. We do not intend to hire additional full-time staff members at this time.

OPTIONS:

City Council may direct the City Manager and staff to continue with the proposed Ordinance for multifamily recycling.

City Council may request a public hearing on this issue at a regular City Council meeting.

City Council may direct the City Manager and staff to develop an alternative program.

City Council may direct the City Manager and staff to abandon the program until a later date.

RECOMMENDED ACTION:

Staff recommends City Council direct the City Manager and staff to proceed with the proposed Ordinance and program development for multifamily recycling for a target start date of July, 2011.

ATTACHMENTS:

Multifamily recycling ordinance

AN ORDINANCE OF THE CITY OF FAYETTEVILLE IN THE COUNTY OF CUMBERLAND, STATE OF NORTH CAROLINA, PROVIDING SPACE FOR APPROPRIATE CONTAINERS AND THE COLLECTION OF SINGLE STREAM RECYCLABLES FROM MULTIFAMILY COMMUNITIES;

WHEREAS, The City of Fayetteville and Cumberland County must comply with the Solid Waste Management Act of 1989, and, in particular, develop programs to assist in achieving the forty percent (40%) waste reduction goal as set forth in N.C.G.S. 130A-309.04(c) (2); and

WHEREAS, recycling by multifamily residential communities will assist in enabling the City of Fayetteville and the Count to comply wit the goals and objectives f the State of North Carolina, Solid Waste Management Act of 1989; and,

WHEREAS, a local survey and individual interviews revealed that the owners, managers and associations of multifamily communities want recycling to be collected and hauled by the development's current waste hauler contractors or have the option to provide their own service; and,

WEREAS, a local survey and individual interviews revealed that the residents and managers of multifamily communities want a recycling program at their communities; and,

WEREAS, a local survey and individual interviews revealed that the residents and managers of multifamily communities are willing to pay for this service; and,

WHEREAS, the managers of multifamily communities revealed that they believed the only way to get the program is for it to be made a mandate by the City of Fayetteville;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA, AS FOLLOWS:

SECTION I. Purpose. The purpose of this ordinance is to ensure that all existing and future multifamily communities in the City of Fayetteville are provided access to convenient recycling containers, whether carts or dumpsters, so the residents of those communities can recycle the same materials that are collected by the City of Fayetteville's single family curbside recycling program.

SECTION II. Definitions. The following definitions shall apply to standards dealing with this ordinance

- 2.01 City - City of Fayetteville, NC A municipal corporation in the state of North Carolina.
- 2.02 Recyclables – Newsprint with inserts, brown, clear and green glass containers, aluminum beverage containers, steel cans, plastic bottles and jugs, corrugated cardboard, magazines, office papers, residential mixed

paper (office paper, junk mail, catalogs and paper board such as cereal/food boxes) and other local recyclable processor agreed upon materials.

- 2.03 **Storage Area** – Any outside area, including pad, privacy fence or screened area, designated for the location of recycling carts or dumpsters for the collection and storage of solid waste or recycling, and prior to removal by a hauler.
- 2.04 **Recyclable Processor** - A recycling processor selected by the contractor to accept the recyclable materials collected by contractor under this agreement.
- 2.05 **Recycling Container** - A receptacle designed for the purpose of the collection of recyclable materials. The cart-type receptacle shall be wheeled, complete with handle and attached lid and approximately 95 gallons in capacity. The dumpster, if provided, shall be appropriately sized for the capacity needed to provide weekly collection of recyclables without over filling and spillage.
- 2.06 **Contractor** - The person, corporation or partnership awarded the contract by the multifamily community's authorized management agent and performs cart or dumpster services, recyclable materials collection, hauling and delivery.
- 2.07 **Recycling Collection Services** - The collection and delivery of recyclable materials within the limits of the City of Fayetteville.
- 2.08 **Multifamily Community** – Any community existing of seven (7) units or more on one tract of land, and/or not designated by the County tax office as a single family residence, including but not limited to apartments, town houses, condominiums and mobile home parks.
- 2.09 **Unit** – The dwelling space that a person or persons rents, leases, or owns within the multifamily community, to reside in.
- 2.10 **Recycling** – The process by which recovered materials are collected, separated, processed and reused as materials for the manufacturing of new consumer products.
- 2.11 **Solid Waste** – Any garbage or refuse that is discarded that cannot be recycled by the local recycling processor including solid, liquid and semisolid except those exclusions found in Federal and State Statutes and Acts; i.e. tires, wooden pallets, oyster shells, car batteries, etc.

SECTION III **Provisions** The following provisions are intended to indicate minimum standards for multifamily communities in order for them to be in full compliance of this Ordinance:

- 3.01 Multifamily communities' management will provide a sufficient number of containers, either 95 gallon roll-type or dumpsters, with a total capacity to handle one week storage of single stream recyclables intended for transport to the recyclable processor prior to collection by the contractor.
- 3.02 Multifamily communities will locate the recyclable storage area or multiple storage areas within a reasonable distance to all units in the

multifamily community so the storage area will be convenient to each resident. Co-locating the recycling containers with the solid waste dumpsters is recommended where practical. The storage area shall also be in a safe and well lit area for the security of your residents.

- 3.03 The initial container capacity recommended by NCDENR is to provide one 96 gallon recycling cart for each 10 units or one 4 Cubic Yard dumpster for each 40 units. This may be adjusted based upon the demand from the community and the addition or deletion of accepted recyclable materials by the local recyclable processor. The storage area shall be easily accessible to allow collection vehicles easy ingress and egress.
- 3.04 Information shall be provided to the tenants, renters, or owners about the recycling program and the items that are recyclable by the multifamily management staff. This can be in the form of a flyer, or other forms of communication and on signs posted at each storage area where the recycling containers are placed. Information shall be provided to all residents at the start of the program, new residents and periodically to existing residents after the start of the program. Educating residents is key to a successful program.
- 3.05 The multifamily management company shall contact a reputable contractor and negotiate the delivery of containers, maintenance of containers, pick up and delivery of the recyclables and pay the negotiated rate for these services. Keep in mind that you will be able to reduce the size of your garbage dumpsters or size of garbage dumpsters when your recycling program begins so this should be factored in your price negotiations.
- 3.06 Access to the storage area must comply with the American with Disabilities Act and containers shall not be placed so they interfere with traffic patterns within the development.
- 3.07 A report of the amount of recycling materials collected at each multifamily community will be required each quarter. First quarter beginning January 1 each year. A report form will be provided to you by the Environmental Services Department and assistance from your contractor may be needed to complete the form. The form must be returned to the City of Fayetteville Environmental Services Department, no later than 30 days following the end each quarter, via mail at 455 Grove Street, Fayetteville, NC 28301 or by fax to 910-433-1516. Call 910-433-1329 if you wish to send the report via email.
- 3.08 Recycling storage areas must be screened from view as required in the City of Fayetteville zoning ordinance for garbage dumpsters.
- 3.09 The recycling storage areas must be kept clean and orderly so materials are not left on the ground around the recycling containers.
- 3.10 Collection times for the recycling materials shall not be before 7:00 a.m. or after 10:00 p.m.
- 3.11 The Contractor's collection vehicles must be well maintained so as not to leak hydraulic oil or other liquids from the vehicle.

Section IV New multifamily community construction

- 4.01 Effective within 180 days from the adoption of this ordinance, every new multi-family community site plan shall provide for exterior storage for the collection of recyclables.
- 4.02 The exterior storage area:
 - a. Shall be co-located with residential solid waste and shall be clearly designated with signs and markings for single stream recycling.
 - b. Shall be located so it is within a reasonable distance to all residents of the community.
 - c. Can be located in a parking area, if the proposed use provides at least the minimum number of parking spaces required for the use after deducting the areas used for storage.
 - d. Shall be appropriately screened according the zoning or unified development ordinance covering dumpster screening requirements.
 - e. Shall be accessible for collection vehicles and located so that the storage area will not obstruct pedestrian or vehicular traffic movement on the site or on public streets adjacent to the site.
 - f. Shall comply with the Americans with Disabilities Act.
- 4.03 The failure of the developer in submitting a site plan that does not include provisions for recycling storage area(s) shall result in the plans being returned for re-work and re-submission. If the resubmitted plans still do not allot space for recycling, such omission shall constitute a violation of this ordinance and plans will not be approved.

Section V Jurisdiction

5.01 The provisions of this Ordinance shall apply to the incorporated and unincorporated planning jurisdictions of the City of Fayetteville.

Section VI Penalties

- 6.01 Insert standard Ordinance penalty and reference the Ordinance number
- 6.02 Or – Violations by any provision of this ordinance shall be punishable as a misdemeanor pursuant to N.C.G.S. 14-4 (a). The fine to be imposed may exceed fifty dollars (\$50.00) but shall be no more than five hundred dollars (\$500).
- 6.03 Officials charged with the enforcement of this ordinance may institute a criminal action for injunctive relief to restrain any actual or threatened violation of this ordinance. The action may b brought in the Environmental Court of Cumberland County.
- 6.04 This ordinance may also be enforced by any other remedy available under Article 9 of Chapter 130A of the North Carolina General Statutes, as

amended from time to time, and such remedy is incorporated herein by reference.

Section VII Effective Date

- 7.01 A certified copy of this Ordinance shall be filed in the City clerk's office within ten days (10) after enactment and this Ordinance shall take effect 180 days from the date of enactment.

Adopeted by the City of Fayetteville City Council, Fayetteville, North Carolina in an open meeting duly assembled in the council chambers on xxxxx, 2011.

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of City Council
FROM: Dale Iman, City Manager
DATE: January 3, 2011
RE: Consolidated 911 Center Update

THE QUESTION:

What progress has been made toward consolidating 911 Emergency Dispatch?

RELATIONSHIP TO STRATEGIC PLAN:

Goal 2 - Growing City, Livable Neighborhoods - A Great Place to Live
Goal 3 - More Efficient City Government - Cost-Effective Service Delivery

BACKGROUND:

The City and County have been working together and making steady progress toward the goal of consolidating Emergency Dispatch services. A review of the accomplishments and a schedule for further implementation will be provided at the January 3, 2011 Work Session.

ISSUES:

A complete assessment of all issues including operations, technology and facilities should be completed before developing an implementation plan.

BUDGET IMPACT:

Unknown at this time.

OPTIONS:

Complete the assessment before developing an implementation plan.
Develop the implementation plan with available information.

RECOMMENDED ACTION:

ATTACHMENTS:

Consolidated 911 Center Update



To: Fayetteville City Council
Cumberland County Board of Commissioners

From: Dale Iman, City Manager
James Martin, County Manager

Date: December 17, 2010

Re: Consolidated 911 Center / Public Safety Answering Point to Serve Cumberland County

As you know, County and City staffs have worked collaboratively to enhance community safety and increase efficiency in the provision of emergency communication services. Specifically, the staffs are evaluating the practicability of a consolidated public safety answering point (PSAP) to serve the entire county.

This item was discussed at your joint meeting on November 18, 2010. During that meeting the County asked if the City was committed to moving towards a consolidated PSAP; the City committed to providing a response to that question by January 31, 2011.

This joint report seeks to answer that question and provide a framework to examine this issue further towards our common goals of enhanced public safety dispatch through shorter emergency medical response times and increased operational efficiency.

First, City and County management believe that the goal of a fully consolidated PSAP to serve Fayetteville and all of Cumberland County has merit. In addition to allowing both entities to consolidate resources, it also makes good common sense. When calling E911, citizens are indifferent as to who answers the call as long as they receive prompt and professional assistance to address their need. In addition, when citizens call E911, both of us also want to ensure that we are maximizing the public dollars needed to operate the PSAP. A joint PSAP we believe can accomplish both objectives.

To systematically achieve those objectives, we offer the following framework for your information:

Phase	Task	Benefit	Implementation Status
I	Computer Assisted Dispatch (CAD) between both 911 centers with CAD-to-CAD Communications.	CAD-to-CAD permits either PSAP to process and dispatch any 911 call received by the respective PSAP without having to transfer the caller. This reduces 911 call processing and dispatch time, resulting in decreased response times for all public safety agencies.	Project is in process, with completion expected by 1/15/2011.
II	Merging the two CAD systems and standardizing the protocols and procedures	CAD-to-CAD will allow data to be shared between agencies and require only one mobile data terminal in each first-responder vehicle, which will be a significant cost savings. Savings should also be seen in maintenance contracts and reduction in modules associated with OSSI, the CAD vendor. This should also reduce time and mutual aid calls between first-responder agencies. This would allow automatic CAD-to-CAD call transfers which currently have to be done manually.	County and City IT departments scheduled a meeting with the vendor for Dec. 16. The vendor cancelled due to inclement weather. It will be rescheduled after Jan. 3. After that meeting, a project timeline will be established. The estimated initial cost for the CAD merger is \$150,000.
III	Physically merging operations into one call center	Provides the opportunity to avoid duplicative expenditures on redundant 911 Communications infrastructure and administrative / supervisory staff. Establishes a single point of contact responsible for maintaining 911 Communications System and for managing 911 Communications staff. Additionally, it demonstrates the continued collaboration between the City and County governments to gain greater efficiencies in the provision of necessary services.	Unknown at this time. Staff will develop an action plan, with resource needs, by 04/30/2011.

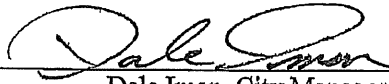
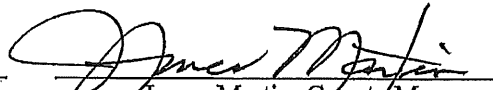
This framework was also presented to both boards during the November 18 meeting. Since that time, Cumberland County sponsored a joint seminar sponsored by the National Emergency Number Association (NENA) on November 30. The workshop titled 911 Center Consolidation focused on all of the issues we are exploring locally, and provided those in attendance with real-world perspective based on the 911 center consolidation currently occurring with Charleston County and the City of Charleston, SC.

Mr. Jim Lake, who presented the seminar and is Director of the Charleston County Consolidated 911 Center, stressed the importance of fully evaluating all aspects of consolidation before moving forward with the decision to develop an implementation plan. Consolidation offers a lot of value in terms of public safety and efficiency; however, the success of consolidation is predicated on a full understanding by all parties of what the consolidation will and will not provide. The full assessment process includes a detailed analysis of the **operational, technology and facility** issues associated with consolidation and can reduce the occurrence of surprises during the implementation and planning process.

We are aided by having a head start on this effort due to our earlier meetings. However, as a result of the information learned at the Consolidated 911 Center seminar, we both feel that more time than originally anticipated is needed to complete the assessment and develop an implementation plan to guide us towards possible consolidation of our separate communication centers.

To that end, we would like to bring back to both bodies an action plan by April 30 to move this effort forward. The action plan will include our anticipated timeline and the resources needed.

In conclusion, we both feel that the consolidation of our separate PSAPs is a logical and potentially beneficial goal. Achieving that goal, however, will require careful consideration, planning and negotiation on many issues. That level of preparation will require us to take a more deliberate approach, one that will require time, but a process we believe is more likely to achieve our common goals of enhanced community safety through shorter response times and greater efficiency.


Dale Iman, City Manager
James Martin, County Manager

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of City Council
FROM: Karen M. McDonald, City Attorney
DATE: January 3, 2011
RE: Revision to the Proposed Purchasing Policy for Local Business Support

THE QUESTION:

Whether Council desires to amend its proposed purchasing policy.

RELATIONSHIP TO STRATEGIC PLAN:

More Efficient City Government – Cost Effective Services Delivery

BACKGROUND:

City Council during its May 2010 work session directed staff to “establish a policy to help our local small business owners to receive a larger percentage of City contracts”. As a result, during your September work session, we discussed the various types of contracts and the state law requirements. In November, the Cumberland County Board of Commissioners revised the language in their purchasing policy. At that time, some Council members expressed interest in considering adoption of the policy adopted by the County. The County’s policy is intended “to encourage the award of more contracts of less than \$30,000.00 to local vendors”. The County’s policy provides a definition for “local vendor or supplier”. I am attaching a copy of the revision that was considered and adopted by the Board of Commissioners for your consideration.

ISSUES:

Is the adoption of the attached amendment consistent with Council’s interest of helping local small business owners.

BUDGET IMPACT:

OPTIONS:

1. Direct staff to finalize the proposed policy for adoption.
2. Direct staff to explore other options or policies.

RECOMMENDED ACTION:

Provide direction to staff regarding the proposed policy.

ATTACHMENTS:

County Memo
Amendment for Consideration



COUNTY of CUMBERLAND

Public Information Office

TO: DEPARTMENT HEADS

FROM: SALLY SHUTT, COMMUNICATIONS MANAGER *Sally Shutt*

DATE: NOVEMBER 8, 2010

SUBJECT: PURCHASING POLICY AMENDMENTS

The Board of Commissioners approved the following amendments to the Cumberland County Purchasing Procedures Manual on November 1. The updated purchasing procedures are attached. The revisions are highlighted on page 6 and appear below:

Contracts for the provision of services in any amount and all contracts for the purchase of apparatus, materials, supplies and equipment in which the aggregate purchase price in any single contract is less than \$30,000 shall be awarded to local vendors or suppliers, to the greatest extent possible, in accordance with the further conditions set out herein.

Local vendors or suppliers shall be those who demonstrate that they pay business personal or real property taxes and are either self-employed residents of Cumberland County or employ at least one resident of Cumberland County as an employee or officer of the contracting business entity.

CM110810-1

Amendment for Consideration by City Council

Contracts for the provision of services in any amount and all contracts for the purchase of apparatus, materials, supplies and equipment in which the aggregate purchase price in any single contract is less than \$30,000.00 shall be awarded to local vendors or suppliers, to the greatest extent possible, in accordance with the further conditions set out herein. Local vendors or suppliers shall be those who demonstrate that they pay business personal or real property taxes and are either self-employed residents of Cumberland County or employ at least one resident of Cumberland County as an employee or officer of the contracting business entity.

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of City Council
FROM: Doug Hewett, Assistant City Manager
DATE: January 3, 2011
RE: Probationary Rental Occupancy Permit (PROP) Update

THE QUESTION:

Do the modified PROP program recommendations address the concerns identified by City Council?

RELATIONSHIP TO STRATEGIC PLAN:

2010-11 Policy Agenda, Target for Action: Rental Registration and Probationary Rental Occupancy Permit

BACKGROUND:

Since 2007, the City has explored various programs aimed at addressing community concerns associated with residential rental properties. Some of the concerns about residential rental properties are as follows:

1. Adequacy - Do the properties meet all of the minimum housing code standards, and is the property fit for human habitation?
2. Information Sharing - Do we know where the rental properties are in our community, and how do we share information with new rental residents about city codes?
3. Education - How can the city help both tenants and landlords deal with issues from housing discrimination, rental contract development, background checks, etc.?
4. Responsibility - How can the city engage the rental property owner in dealing with repeat code violations and criminal activity by their tenants.

Initially our efforts focused on development of a rental inspection program that would have, in part, addressed the concerns 1-3. Subsequently, our efforts focused on development of both a rental registration program that would have addressed concerns 2-3, and the probationary rental occupancy permit (PROP) program that would address concern 4.

At the City Council's October 4, 2010 meeting, staff was directed to focus solely on development of PROP for City Council's consideration. This update seeks to provide City Council with staff's recommendations consistent with Council's direction.

ISSUES:

1. Will the PROP program provide a direct benefit to the property owner? No. However, the program will benefit adjacent property owners who are negatively impacted by activities occurring on the rental property, as it requires the residential rental property owner/agent to work with the City to mitigate repeated violations of city code or criminal activity.
2. What is the intent of the programs? PROP ordinance is intended to address problem rental properties in established neighborhoods and is targeted toward rental properties where violations occur. The goal is that no PROP will ever be issued, because if that is the case it means that rental property owners throughout the city are ensuring that their properties are well kept, up to City code and are well monitored and their tenants are respectful of their neighbors.
3. Will the PROP program punish responsible property owners? No. The program is designed to address repeated and serious violations of City Code, or criminal activity that leads to convictions.

4. Why doesn't the City enforce the current standards and ordinances? The City does enforce those ordinances. However, there is not a requirement that the property owner/agent work with the City to mitigate the negative impacts that occur on rental property by the tenants.
5. Can property owners/agents control the actions of their tenants? No. However, they can control to whom they rent their property. PROP is designed to ensure that property owners/agents who continuously rent property to tenants who negatively impact the quality of life of surrounding property owners work with the City to mitigate those effects.
6. Why aren't tenants held responsible? Ultimately, the condition of the rental property and the activities of the tenants must be closely monitored by the property owner. Property owners are expected to write clear expectations of tenant behavior relative to neighbors into leases, and take action to encourage tenants to comply with these expectations or seek evictions for problem tenants.
7. Will these programs impact military families who are stationed in other areas or deployed? PROP could impact military families who currently reside outside of the area and have rental property in Fayetteville. If adopted, we would design the programs to be as web-based as possible; which would aid absentee owners.
8. Will PROP be self-supporting through fees to enter the program? No. By the time a property would be assigned to the PROP program, the City would have expended tremendous resources on previous code violations and response to criminal activities. PROP, like all code enforcement activities and law enforcement efforts, is primarily a quality of life issue that wouldn't be self-supporting. Fees would offset some costs, but not the majority.
9. Has staff explored fee modifications to code enforcement violations, privilege licensing fees, etc., as a way to provide financial resources to fund PROP? Yes, however, we don't believe that those modifications would fully fund PROP.
10. What changes does staff recommend to the PROP program if adopted by the City Council? Staff recommends only focusing PROP violations on code enforcement and zoning issues - not criminal activity for at least the first couple of years. We believe that we can still address most of 'concern 4' above by addressing code enforcement and zoning issues. Including criminal convictions would require extensive coordination, not only with arrest warrants from the Police Department, but the tracking of those warrants all the way through the ultimate outcome. PROP was originally envisioned as being based on criminal CONVICTIONS. This model tracks on how Raleigh developed their PROP program originally - code/zoning issues and subsequently criminal activity.
11. What resources are needed to implement on the PROP program? Staff believes that we will need a full-time housing inspector and a part-time administrative assistant to implement this program. Additionally, there is a need to cover communications, supplies, and computer program modifications to support this effort. It should be noted that under this revised program design, staff has not included any indirect costs associated with increased support requirements for other city departments beyond Development Services. As such, there isn't money budgeted to support any legal fees or financial collection services that are likely to be generated by the implementation of such a program. Staff will provide a budget outline during the work session.

BUDGET IMPACT:

The budget impact is dependent on the ultimate program design established. As such, staff will be seeking direction from City Council on the proposed staff modifications to the PROP program. We are still developing recommendations for new revenues that could offset some of the cost of this program.

OPTIONS:

1. Accept/Reject staff's recommendation for PROP program modifications, and provide further direction.
2. Request additional information.

RECOMMENDED ACTION:

Staff recommends that City Council table consideration of the residential rental properties programs, including PROP. Without a comprehensive approach to these type properties that addresses most of the concerns identified in 2007, any program will likely not have the desired impact. Additionally, given the funding constraints the city faces, staff has been unable to find a suitable revenue source that would enable the implementation of this program without funding from the general fund. Lastly, the city has made great strides in recent years at improving livability throughout the community. Those efforts are visible in our parks, transit system, development activity, community wellness plan and in the increase in issuance of code enforcement citations and abatement. Given this trend, staff recommends we build on those successes, and explore future options to deal with problem residential properties; regardless if they are rental or owner-occupied.

CITY COUNCIL ACTION MEMO

TO: Mayor & Member of City Council
FROM: Kristoff T. Bauer, Assistant City Manager
DATE: January 3, 2011
RE: 2010 Redistricting & the 2011 Elections

THE QUESTION:

How would the Council like to manage the redistricting process that may be required as a result of the 2010 census and its likely impact on the election calendar.

RELATIONSHIP TO STRATEGIC PLAN:

None

BACKGROUND:

The Voting Rights Act of 1965, "The Act," places the City of Fayetteville's voting practices under the jurisdiction of the Justice Department. This is not unusual in North Carolina. This scrutiny requires the City to establish election methods that meet certain standards that are reviewed and approved by the Justice Department, and, relevant in this case, to review those procedures as the population changes to ensure that election procedures remain consistent with the requirements of The Act over time. The 2010 census will update demographic information in the community relevant to judging the City's compliance with The Act.

ISSUES:

The challenge is that 2010 census data will not likely be available on a time line to allow for the completion of changes to Fayetteville's districts or practices, if any, prior to the established registration date for fall municipal elections. Staff will discuss the schedule challenge and options for moving forward. Input is sought regarding preferences and objectives for the redistricting process and the options for managing the likely schedule conflict.

BUDGET IMPACT:

If the Council chooses to utilize contract resource to assist in the process, then budget resources will need to be identified.

OPTIONS:

RECOMMENDED ACTION:

This item is for discussion only.

CITY COUNCIL ACTION MEMO

TO: Mayor and Members of City Council
FROM: Dale Iman, City Manager
DATE: January 3, 2011
RE: Review of City Council Non-Profit Agency Funding Policy No. 135.1

THE QUESTION:

Does City Council wish to amend Policy No. 135.1 regarding funding "outside agencies"?

RELATIONSHIP TO STRATEGIC PLAN:

Goal 3 - More Efficient City Government - Cost-Effective Service Delivery
Objective 4 - Producing results following the Strategic Plan and budget

BACKGROUND:

The City of Fayetteville historically funded a small group of non-profit agencies through general fund appropriations. In 1995 City Council Policy 135.1 was established to guide the process of appropriating funds for non-profit agencies. In August of 2001, an initiative was put in place to ask the State legislature to change the occupancy tax rate and the model for disbursement of revenue. The new model would provide a growing, dedicated source of revenue from the occupancy tax for the Arts Council and the Convention and Visitors Bureau.

The attached memorandum from City Manager Stancil outlines the benefits of the proposal and recommended approval. It is worth noting that the fifth bullet in the memorandum states, "Successfully begins the process of informing outside agencies that City funding will be reduced over the coming years and directing them to seek other means of funding, freeing up City funds for core City businesses and relieving pressure on the tax rate".

The approved FY2011 General Fund Budget included funding for non-profit agencies at 75% of the previously approved level of funding. This action is consistent with the expressed desire to encourage the non-profit agencies to look for alternative means of balancing their annual budgets. During the FY2011 budget process several City Council members asked that the issue be brought to a work session for full discussion early in the FY2012 budget development process.

ISSUES:

The FY2011 budget provided a total of \$229,875.00 to the following agencies:

Arts Council	\$75,000
Airborne & Special Operations Museum	\$56,250
Friends of the Park (for Fascinate U Children's Museum)	\$48,000
Women's Center	\$28,125
Child Advocacy Center	\$22,500

BUDGET IMPACT:

Provide budget guidance consistent with the consensus of City Council.

OPTIONS:

Solicit for additional funding of non-profit agencies
Gradually reduce funding for non-profit agencies
Maintain current level of funding for non-profit agencies

RECOMMENDED ACTION:

Does the City Council wish to continue funding for non-profit agencies?

ATTACHMENTS:

Non-Profit Agency Funding Policy

SUBJECT - OUTSIDE ORGANIZATIONS Funding	Number 135.1	Revised	Effective Date 1-23-95	Page 1 of 3
--	-------------------------	----------------	---------------------------------------	--------------------

I. Definition:

- A. An outside organization is defined as a nonprofit organization incorporated by the State of North Carolina and which is not a Joint City-County Agency.

II. Eligibility:

- A. Eligibility is limited to nonprofit organizations which have a central office in the City and which have a community service function considered to be of significant importance to the City and which have been established for at least 90 days.
- B. The organization must be governed by a Board of Trustees or a Board of Directors. Either Board must have minority representation.
- C. The organization must assure that it does not aid or perpetuate discrimination on the basis of handicap in providing any aid, benefit, or service as pursuant to Section 504 of the Rehabilitation Act of 1973, as amended.

III. Application:

- A. Each applying organization must submit a copy of its Bylaws, a list of the membership on the governing board, a satisfactory statement of problem definition and anticipated solution and a proposed budget showing anticipated revenues and expenditures. These materials along with the request for appropriation must be submitted by March 22 to the City Manager's Office. Along with the proposed budget the agency must submit a statement of previous funding sources as well as funding sources for the fiscal year for which funding is requested in such detail as may be required by the City Manager.

IV. Funding:

- A. Appropriations shall be made for a fiscal year period beginning July 1 and ending June 30.

SUBJECT - OUTSIDE ORGANIZATIONS Funding	Number 135.1	Revised	Effective Date 1-23-95	Page 2 of 3
--	-------------------------------	----------------	---	--------------------

B. Monetary disbursements shall be made by quarter and only after a review of quarterly operations and financial statements and pre-audit by the Internal Audit office of the Finance Department. Quarterly operational and financial statements shall be in such detail as required by the Finance Director acting in compliance with the fiscal control laws of the State of North Carolina pertaining to local government. These quarterly reports must be submitted to the office of Internal Audit in the Finance Department, City Hall, 433 Hay Street, Fayetteville, North Carolina. If after a review of the previous quarterly financial report, it is determined that expenditures were made which were not in compliance with the fiscal control laws, the amount of those expenditures may either be deducted from the next quarter's appropriation or the next quarter's appropriation may be withheld, depending on whichever is recommended by the City Manager.

C. At any time the City Manager deems necessary or appropriate, an Internal Audit may be made of the organization's books or records to assure the accuracy and reliability of the financial condition of the organization.

V. Early Termination:

A. The City Council may terminate any grant at the end of any quarterly period.

VI. End of Fiscal Year:

A. Organizations must provide the City a certified audit or other audit by independent auditors approved by the City Manager of their financial operation for the grant period.

B. All unused funds, on a proposed basis of the entire certified revenue and expenditure audit, must be returned to the City's General Fund.

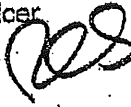
SUBJECT - OUTSIDE ORGANIZATIONS Funding	Number 135.1	Revised	Effective Date 1-23-95	Page 3 of 3
--	-------------------------	----------------	---------------------------------------	--------------------

- C. Application for renewal grants, for each one-year period, must be made on the same requirement basis as the original grants. The City Council, at its option, may deny renewal grants.



City Manager's Office

Memorandum

To: Mayor and Members of City Council
CC: James Martin, County Manager
John Meroski, Convention and Visitors' Bureau
Deborah Mintz, Arts Council
Lisa Smith, Chief Financial Officer
From: Roger L. Stancil, City Manager 
Date: 8/19/01
Re: Occupancy tax

Attached are letters from the Arts Council, the Fayetteville Area Hospitality Association and the Convention and Visitors' Bureau (CVB), all endorsing the same plan for the increase of the occupancy tax. This agreement has been reached in a manner that gives me great hope that our community decision-making processes are maturing and that we can resolve our differences locally to present a united front to the General Assembly and others.

This matter is on your agenda for Monday night. I recommend that you also endorse this agreement to the legislative delegation so they can immediately introduce appropriate legislation.

The agreement accomplishes the following objectives:

- Achieves the Arts Council desire to have a dedicated funding source with potential for growth;

August 19, 2001

- Moves toward the Arts Council's stated goal of a minimum of \$800,000 annual funding from local government sources;
- Recognizes the importance, and current plight, of the hospitality industry in Fayetteville;
- Recognizes and funds the need for additional funding for marketing our community and its assets;
- Gives the CVB and the Arts Council a common objective (growth in the occupancy tax through increased occupancy of hotel rooms) that will stimulate their cooperative efforts;
- Successfully begins the process of informing outside agencies that City funding will be reduced over the coming years and directing them to seek other means of funding, freeing up City funds for core City businesses and relieving pressure on the tax rate. This effort begins to achieve your two **High Priority Policy Targets for 2001: Long-term Financial Policy and Community Information and Marketing Plan.**

What does this agreement mean for the City, and the County? The bottom line is that your contribution to the Arts Council would not be reduced immediately but over the next few years. The agreement only works if you agree to that concept. The chart below outlines the result, assuming the current revenue from the occupancy tax of \$400,000 per year per penny levied, with half of the additional tax going to the Arts Council and half to the CVB; City and County contributions gradually decrease but support a gradually increasing total for the Arts Council.

Fiscal year	City	County	Occupancy tax	Arts Council
2001-02 \$.01 effective 01/01/02	\$ 250,000	\$ 205,000	\$ 100,000	\$ 555,000
2002-03 No change	\$ 200,000	\$ 200,000	\$ 200,000	\$ 600,000
2003-04 \$.02 effective 01/01/04	\$ 175,000	\$ 175,000	\$ 300,000	\$ 650,000
2004-05 \$.03 effective 01/01/05	\$ 125,000	\$ 125,000	\$ 500,000	\$ 750,000
2005-06	\$ 100,000	\$ 100,000	\$ 600,000	\$ 800,000

August 19, 2001

I recommend that you commit to the level of annual funding shown above on the amount needed to reach the total in the last column, whichever is less. Our hope is the hotel business will grow and, therefore, the proceeds from the occupancy tax will grow.

I also recommend that you request the Arts Council to present you with their plans for this growth in funding and the CVB to present you their plans for marketing the community with these additional funds.

I am sending you this information today so you will know the agreement reached by the CVB and the Arts Council before your meeting tomorrow. If you would like to discuss this with me, I will be at home this afternoon (485-2477), or you may call 988-6451 and leave a message. I will return your call in a timely manner.

**2001 - MEETING MINUTES CITY OF FAYETTEVILLE NORTH CAROLINA /
REGULAR MEETING AUGUST 20, 2001 / 3. / B. Appearance by Deborah Martin
Mintz, Executive Director, Fayetteville/Cumberland County Arts Council,
regarding the proposed increase in occupancy tax for Fayetteville-Cumberland
County.**

**B. Appearance by Deborah Martin Mintz, Executive Director,
Fayetteville/Cumberland County Arts Council, regarding the proposed increase in
occupancy tax for Fayetteville-Cumberland County.**

Ms. Deborah Mintz, Executive Director of the Arts Council of Fayetteville and Cumberland County, presented this item on behalf of the Arts Council and the Fayetteville Area Hospitality Association and the Convention and Visitors Bureau.

Ms. Mintz presented the following proposal to increase the occupancy tax in Cumberland County by 3 percent with the following conditions:

1% increase January 1, 2002
50% to Fayetteville Convention and Visitors Bureau
50% to Arts Council

No tax increase in 2003

1% increase in 2004
50% to Fayetteville Convention and Visitors Bureau
50% to Arts Council

1% increase in 2005
50% to Fayetteville Convention and Visitors Bureau
50% to Arts Council

Ms. Mintz stated that the support of both the City of Fayetteville and Cumberland County was crucial to the success of this proposal.

Mayor McBryde requested Mr. Cam Stout, Chair of the Fayetteville Area Convention and Visitors Bureau Board of Directors, to verify that the proposal presented by Ms. Mintz was the same proposal his organization had agreed upon. Mr. Stout replied in the affirmative.

The following chart was used to outline the results of the proposal:

<u>Fiscal Year</u>	<u>City</u>	<u>County</u>	<u>Occupancy Tax</u>	<u>Arts Council</u>
2001-02 \$.01 effective	\$250,000	\$205,000	\$100,000	\$555,000

City of Fayetteville, North Carolina Official Meeting Minutes

01/01/02

2002-03	\$200,000	\$200,000	\$200,000	\$600,000
No Change				

2003-04	\$175,000	\$175,000	\$300,000	\$650,000
\$.02 effective 01/01/04				

2004-05	\$125,000	\$125,000	\$500,000	\$750,000
\$.03 effective 01/01/05				

2005-06	\$100,000	\$100,000	\$600,000	\$800,000
---------	-----------	-----------	-----------	-----------

MOTION: Councilmember Milligan moved (1) to endorse the agreement to the legislative delegation so that they can immediately introduce the appropriate legislation; (2) to commit to the level of annual funding shown on the chart or the amount needed to reach the goal in the last column of the chart, whichever is less; (3) that the Arts Council present to the Council their plans for the growth in this funding; and (4) that CVB present their plans for marketing the community with these additional funds.

SECOND: Councilmember Fogleman

Councilmember Worthy inquired if this action would bind future councils. Mayor McBryde stated any other council could do as they please in regards to the budget and this action would not bind their funding.

Councilmember Robertson stated he could not support the motion because he did not mind maintaining current funding as long as it was needed, but he did not think there should be a glimmer of hope for the Arts Council that if anything happened to their outside funding the City would pick it up and that was what the motion stated.

City Manager Roger Stancil stated Councilmember Milligan's motion said whichever is lesser of the amount of the chart or the amount to make it to \$800,000.00 total. Therefore it would not be more than what was seen under the City block of the chart but the intent would be that what is listed under City would be the most the City would fund. Mr. Stancil also stated that if the occupancy tax produced more than \$400,000.00 annually, then the City would reduce their contribution.

Councilmember Robertson stated he could vote for that.

Mayor Pro Tem Pitts stated that he wanted the Arts Council to recognize that although the Council had good intentions this would be binding for only about three months or when the

City of Fayetteville, North Carolina Official Meeting Minutes

current fiscal budget ends.

VOTE: UNANIMOUS

RESOLUTION

SUPPORTING AN INCREASE IN THE OCCUPANCY TAX LEVIED IN CUMBERLAND COUNTY

WHEREAS, the Fayetteville Area Convention & Visitors Bureau (FACVB) is the official agency for the City of Fayetteville charged with the promotion of travel and tourism; and

WHEREAS, the City of Fayetteville is strongly interested in economic development through tourism, the third largest industry in the state, in order to promote the general economic well-being of all its citizens; and

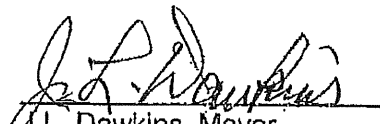
WHEREAS, the FACVB has proposed to expand its program of work to include image advertising, national publicity, a film commission, a sports commission, local community marketing, a historic trolley tour, funding for an expanded Dogwood Festival and other projects highly desirable to the city; and

WHEREAS, the new programs proposed by the FACVB will require additional funding through an increase from three to six percent in the occupancy tax levied in Cumberland County; and

WHEREAS, the FACVB and the Fayetteville Area Hospitality Association have endorsed the proposed increase in the occupancy tax provided all new revenues are dedicated to travel and tourism promotion through the FACVB and the majority of the Board of Directors of the FACVB remain members of the hotel industry;

NOW, THEREFORE BE IT RESOLVED, that the City of Fayetteville endorses an increase in the occupancy tax levied in Cumberland County for the purposes and manner as herein described.

ADOPTED THIS 23rd DAY OF AUGUST, 1999.


J.L. Dawkins, Mayor
City of Fayetteville

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

SESSION LAW 2001-484
SENATE BILL 348

AN ACT TO AUTHORIZE CUMBERLAND COUNTY TO INCREASE ITS
OCCUPANCY TAX AND TO MAKE OTHER ADMINISTRATIVE CHANGES
TO ITS OCCUPANCY TAX.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 983 of the 1983 Session Laws reads as rewritten:

"Section 1. It is the purpose and intent of this act to provide Cumberland County the authority to levy a transient occupancy tax as hereinafter set forth.

Sec. 2.

(a) Authorization and Scope. – Cumberland County is hereby authorized to impose and levy a tax not to exceed three percent (3%) of the gross receipts of any person, firm, corporation or association derived from the rental of any sleeping room or lodging furnished in any hotel, motel, or inn located in Cumberland County and subject to the ~~three percent (3%) sales tax levied imposed by the State of North Carolina, under G.S. 105-164.4(a)(3).~~ This tax is in addition to any State or local sales tax. The tax shall not apply, however, to any room or rooms, lodging or accommodations supplied to the same person for a period of 90 continuous days or more. The tax shall also not apply to sleeping rooms or lodgings furnished by charitable, educational, benevolent or religious institutions or organizations not operated for profit.

(a1) Additional Tax. – In addition to the tax authorized by subsection (a) of this section, the Cumberland County Board of Commissioners may levy a room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of accommodations taxable under that subsection. The tax authorized by this subsection may not be levied earlier than January 1, 2002. The levy, collections, administration, use, and repeal of the tax authorized by this subsection shall be in accordance with this act. Cumberland County may not levy a tax under this subsection unless it also levies a tax under subsection (a) of this section. The rate of tax levied under this subsection may not exceed the applicable maximum provided in the chart below based on the period for which it is in effect:

<u>Period</u>	<u>Maximum</u>
<u>After 1/1/2002</u>	<u>1%</u>
<u>After 1/1/2004</u>	<u>2%</u>
<u>After 1/1/2005</u>	<u>3%</u>

(b) Administration. – A tax levied under this act shall be levied, administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in G.S. 153A-155 apply to a tax levied under this act.~~Before adopting or amending an ordinance imposing and levying such a tax, the Board of Commissioners shall hold a public hearing on the ordinance or amendment. The Board shall cause notice of the hearing to be published not less than 10 days nor more than 25 days before the date fixed for the hearing.~~

Sec. 3.

(a) ~~Such tax, if levied, shall be due and payable to the county in monthly installments on or before the 15th of the month next succeeding the month in which the tax accrues. Every person, firm, corporation or association liable for the tax imposed pursuant to this act shall, on or before the 15th day of each month, prepare and render a~~

return on a form prescribed by the county, a true and correct statement showing the total gross receipts derived in the preceding month from rentals upon which the tax is levied. Collection of the tax, and liability therefor, shall begin and continue only on and after the first day of the calendar month set by the board of commissioners in the ordinance levying the tax.

(b) Any person, firm, corporation or association who fails or refuses to file the return required by this act shall pay a penalty of ten dollars (\$10.00) for each day's omission.

(c) Any person, firm, corporation or association who willfully attempts in any manner to evade the occupancy tax, if levied on any person required to pay the occupancy tax, or to make a return and who willfully fails to pay such tax or make and file such return, shall, in addition to the penalties provided by law, be guilty of a misdemeanor and shall be punished by a fine not to exceed one thousand dollars (\$1,000) or by imprisonment not to exceed six months, or by both such fine and imprisonment.

Sec. 4. Distribution and use of the first three percent (3%). Cumberland County shall allocate the net proceeds collected as follows:

(a) Cumberland County shall retain three percent (3%) of the gross proceeds of the tax collected to compensate it for any administrative or collection expenses incurred in implementing this program. "Net Proceeds" shall mean gross taxes collected less any monies retained by the county for administrative and collection expenses.

(b)(a) Fifty-The first fifty percent (50%) of the net proceeds from the tax in a fiscal year of the occupancy tax levied under subsection (a) of Section 2 of this act shall be retained by the county and shall be allocated for the benefit of the Cumberland County Auditorium Commission to help finance major repairs, renovation, rehabilitation, or other capital improvements to its existing facilities and any new additions. These funds may also be utilized by the Commission as approved by the county board of commissioners for financing construction of new convention oriented or multipurpose facilities. These funds will not be used for the acquisition, construction, renovation, or operation of any sleeping room or overnight lodging. These funds shall be budgeted, appropriated, and expended under the auditorium budget through regular county budgeting appropriation and expenditure methods.

(c)(b) Fifty-The remaining fifty percent (50%) of the net proceeds from the tax in a fiscal year shall be designated, within the auditorium commission budget of the occupancy tax levied under subsection (a) of Section 2 of this act collected through June 30, 2002, shall, on a quarterly basis, be remitted to the Fayetteville Area Convention and Visitors Bureau specifically for advertising the auditorium and promoting travel and tourism within the County of Cumberland. Beginning on and after July 1, 2002, the remaining fifty percent (50%) of the net proceeds of the occupancy tax levied under subsection (a) of Section 2 of this act shall, on a quarterly basis, be remitted to the Cumberland Tourism Development Authority. The Authority shall use the net proceeds remitted to it under this subsection specifically for advertising the auditorium and promoting travel and tourism within the County of Cumberland. These funds shall be budgeted, appropriated, and expended under the auditorium budget through regular county budgeting, appropriation and expenditure methods, however, 180 days prior to the adoption of the annual county budget, in which this tax is first budgeted, an advisory committee, the constitution of which is described herein below, shall be formed to plan and propose areas and items of expenditure for the funds designated under this subsection.

Sec. 4.1. Distribution and use of additional tax. - Cumberland County shall, on a quarterly basis, remit the net proceeds of the occupancy tax levied under subsection (a1) of Section 2 of this act to the Cumberland Tourism Development Authority. The Authority shall use fifty percent (50%) of these net proceeds to promote travel and tourism in Cumberland County and for tourism-related expenditures in Cumberland County. The remaining fifty percent (50%) shall be distributed to the Arts Council of

Fayetteville/Cumberland County for arts festivals and other arts events that will draw tourists or other business travelers to the area. The Authority and the Arts Council are encouraged to give favorable consideration to tourism-related expenditures of the Seniors Call to Action Team, Inc. (SCAT) and the Martin Luther King, Jr. Committee.

The following definitions apply in this act:

- (1) Net Proceeds. – Gross proceeds less the cost to the county of administering and collecting the tax, as determined by the finance officer, not to exceed three percent (3%) of the first five hundred thousand dollars (\$500,000) of gross proceeds collected each year and one percent (1%) of the remaining gross receipts collected each year.
- (2) Promote Travel and Tourism. – To advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the area; the term includes administrative expenses incurred in engaging in these activities.
- (3) Tourism-Related Expenditures. – Expenditures that, in the judgment of the Tourism Development Authority, are designed to increase the use of lodging facilities, meeting facilities, and convention facilities in a county by attracting tourists or business travelers to the county. The term includes tourism-related capital expenditures.

~~Sec. 5. This advisory committee shall be constituted of: (a) two representatives nominated by hotels and motels within the county which have in excess of 100 rooms subject to this occupancy tax and appointed by the county board of commissioners; (b) two representatives nominated by hotels and motels within the county which have fewer than 100 rooms subject to this occupancy tax and appointed by the county board of commissioners; (c) the chairman of the Travel and Tourism Committee of the Fayetteville Area Chamber of Commerce, in an ex officio capacity; (d) the County Manager of Cumberland County in an ex officio capacity; and (e) the Auditorium Manager of the Cumberland County Memorial Auditorium, in an ex officio capacity. All members to this advisory committee, whether in an appointed or ex officio capacity, shall have equal rights and privileges. This advisory committee will remain intact from term to term to provide information and advice to the Auditorium Commission for the expenditure of these funds on a continuing basis as the need arises.~~

~~The budget process for these funds shall be as follows: Promotion Plan formulated by the advisory committee and submitted, through the Auditorium Manager, as part of the Auditorium's overall budget to the Auditorium Commission for its review and approval, then to the Cumberland County Board of Commissioners, through the County Manager for its review and adoption.~~

(a) Appointment and Membership of Tourism Development Authority. – When the Cumberland County Board of Commissioners adopts a resolution levying a room occupancy tax under this act, it shall adopt a resolution creating a county Tourism Development Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the membership of the Authority including the members' terms of office and for the filling of vacancies on the Authority. The county board of commissioners shall designate one member of the Authority as chair and shall determine the compensation, if any, to be paid to members of the Authority. All members to the Authority, whether in an appointed or ex officio capacity, shall have equal rights and privileges. The Authority shall be composed of the following members:

- (1) Two representatives nominated by hotels and motels within the county which have in excess of 100 rooms subject to this occupancy tax and appointed by the county board of commissioners.
- (2) Two representatives nominated by hotels and motels within the county which have fewer than 100 rooms subject to this occupancy tax and appointed by the county board of commissioners.

(3) The President of the Fayetteville Area Chamber of Commerce, in an ex officio capacity.

(4) The County Manager of Cumberland County, in an ex officio capacity.

(5) One member of the public who is not affiliated with travel and tourism and who reflects the cultural diversity of the county.

(b) Duties. – The Authority shall expend the net proceeds of the tax levied under this act for the purposes provided in this act. The Authority shall promote travel, tourism, and conventions in the county, sponsor tourist-related events and activities in the county, and finance tourist-related capital projects in the county.

(c) Reports. – The Authority shall report quarterly and at the close of the fiscal year to the county board of commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the board may require.

Sec. 6. Chapter 360 of the 1965 Session Laws is amended as follows:

(1) by deleting the word "Treasurer" in the third sentence of Section 1(b)(3) of that act and substituting the words "County Manager"; and

(2) by adding a new sentence at the end of Section 3 of that act to read: "Occupancy tax revenues as authorized in AN ACT TO AUTHORIZE AND IMPLEMENT AN OCCUPANCY TAX IN CUMBERLAND COUNTY may be utilized by the Auditorium Commission, as approved by the board of county commissioners, in aiding and encouraging convention and visitor promotion in Cumberland County."

Sec. 7. This act is effective upon ratification."

SECTION 2. G.S. 153A-155(g), as amended by S.L. 2001-162, S.L. 2001-305, S.L. 2001-321, S.L. 2001-381, S.L. 2001-434, S.L. 2001-439, and S.L. 2001-468, reads as rewritten:

"(g) This section applies only to Anson, ~~Avery~~, Brunswick, Buncombe, Cabarrus, Carteret, Craven, Cumberland, Currituck, Dare, Davie, Granville, Madison, Montgomery, Nash, Pender, Person, Randolph, Richmond, Rowan, Scotland, Stanly, Transylvania, Tyrrell, Vance, and Washington Counties, and to the Township of Averaasboro in Harnett County."

SECTION 3. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 6th day of December, 2001.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives