

MONDAY-5:30 P.M.

SEPTEMBER 27, 2010

WORK SESSION

The City Council of the City of Elizabeth City held its monthly work session on the above date and time in the City Council Chambers of the Municipal Administration Building with Mayor R. A. McLean presiding. Those members attending were: J. M. Baker, M. E. Brooks, L. Hill-Lawrence, L. A. Hummer, R. E. King, B. S. Meggs, J. A. Stimatz and J. B. Walton. City Staff attending were: City Manager R. C. Olson, City Clerk D. S. Pierce-Tamplen, City Attorney W. H. Morgan, Deputy City Clerk V. D. White, Planning Director J. C. Brooks, Inspection Director S. E. Ward, Police Chief C. E. Crudup, Finance Director S. E. Blanchard, Human Resource Director K. W. Felton, Parks and Recreation Director B. V. White and Electric Director K. F. Clow.

Mayor McLean established a quorum was present and called the meeting to order. He called upon Councilman Michael Brooks for the invocation after which the Pledge of Allegiance was given.

1} APPROVAL OF THE AGENDA:

Mayor McLean called for approval of the prepared agenda.

A motion was made by Mayor Pro Tem L. A. Hummer, seconded by Councilwoman J. M. Baker to approve the agenda as presented. Those voting in favor of the motion were: Hummer, Baker, Brooks, Hill-Lawrence, King, Meggs, Stimatz and Walton. Against: None. Motion carried.

2} GARDEN OF HOPE:

Mayor McLean called upon City Manager Olson for comments.

Mr. Olson stated that the Garden of Hope has sent in a proposal to run the Homeless Shelter that is located at 709 Herrington Road. The City Council took up this matter at their August 23, 2010 meeting. Staff had a number of different concerns associated with the proposal that was originally submitted. They concluded that as of the August 23, 2010 date that Garden of Hope has still not received their 501c3 from the IRS. They have never managed a program such as this. There were no MOUs in place with different partnerships. There is no history associated with this group because of how new they are. There was no detailed financial plan submitted. They have identified costs to run the shelter but did not identify any revenue sources that could help supplement or make

sure that the shelter is a viable option. There was no detailed financial plan submitted and that is why staff had originally recommended at your August 23, 2010 meeting for denial of this application and offered another alternative to the Council. At the August 23rd meeting the Council requested that we invite the principals in the Garden of Hope House to appear before the City Council to address and answer some of the concerns mentioned by city staff. We have with us tonight Ms. Helen Williams who is the representative of the Garden of Hope House and she is here to address any concerns that you may have. Maybe explain a little about their organization with a purpose focus and goals and what their missions are.

Ms. Helen Williams stated that they are new and they have been basically working with the community doing intakes and assessments and linking people to the services that they need when they come in. Yes, they are new but we were at one time volunteering with the Tabernacle of Faith and trying to get them on track. As far as what we think would be needed within the community they pretty much work with that everyday. We are not new on that aspect. We are new at the aspect of actually having a homeless shelter. We do have some knowledge because we all have volunteered and we all have worked at some aspect with the homeless.

Councilman J. B. Walton said the City Manager made a statement that you had not received a 501c3 designation from the IRS. What is the hold up on that?

Ms. Williams stated we had to formulate our board. When we decided to go as a homeless shelter we were actually compiling our board members. They are actually meeting tonight to sign the by-laws so we can actually send that along with the application for the 501c3.

Mr. Walton said so that is something that you have to have before you can open the shelter.

Ms. Williams said that according to what your guidelines here say but we are registered with the State. The 501c3 allows us to actually apply for federal grants.

Mr. Olson said that the big advantage is any corporation that has a 501c3 or any entity basically if you donate money to them it is tax deductible on your income tax. That is the primary benefit. They are registered with the Secretary of State as a viable corporation in the State of North Carolina. However, their status is in limbo now because of the lack of the 501c3 to allow individuals to donate and receive the tax deduction benefits. He is not sure but the last 501c3 he was involved in usually takes anywhere from six months to a year before you actually get that document back from the federal government. About ten years ago they

started doing a lot more scrutiny with the 501c3 and the process which used to be about a 90 to 120 days process has really bogged down and now it is a minimum of six months.

Ms. Williams said she made contact with them and depending on where we are if we are actually saying that this is an emergency and we can prove it is an emergency it can be anywhere from 30-90 days.

Councilman King stated Cornerstone is affiliated with this organization.

Ms. Williams said yes our office is located in the house that is provided by Cornerstone. They are supported of us in that aspect.

Mr. King asked if Cornerstone would be giving you any financial support.

Ms. Williams' replied yes but they haven't committed to a fee or a certain amount. They are willing to help financially.

Mr. King asked how she was planning on running the shelter without people donating monies right now because you don't have your 501c3 yet. What type of financing do you have to run it?

Ms. Williams said they are looking at churches that will step in and just say they will help. We don't have any other manner of doing that unless they actually do that; the churches and people out in the community. We can't officially take donations but if they are willing to go and pay a light bill or something that way we won't take money until we have the 501c3.

Mr. King asked if she had made contact with other churches.

Ms. Williams stated that we started making contact with churches Thursday to see where they stood with that to understand where we were. We were getting some positive feedback. We also have a group from Virginia that is willing and interested in helping us. So, we are not closing any door to anyone that wants to help us because there is a great need out there.

Councilwoman Hill-Lawrence said you can take donations but you just can't use them for tax deductibles. Let them give you all they want to give. Actually, you are starting at a good place. You don't have any money so you don't have any financial records yet. One suggestion that she has is if you can get written commitments.

Councilman Brooks said they don't need a 501c to accept donations. He likes the networking part. Anything can work if your heart is in it and you are willing to

network with others. If you can't help them then there is no where to send them for help. It will work and he hopes you are successful.

Ms. Baker asked what size staff do you have and is it a paid staff or going to be a paid staff. Do you have a budget? How many people will you serve at one time?

Ms. Williams said we do have a budget but all the people that work with us are strictly volunteers but will eventually be on the payroll. We have two counselors that have Master Degrees. We all have many years working within the human services aspect. We are just putting our time and hours in to make sure the citizens of the area are serviced. As to the number of people that will depend on what the City will allow for us to have in the house. It was nine originally for that house.

Mr. Stimatz said he thinks it is great that you are bringing people in and linking them with services and you can do that but we are talking about running a homeless shelter. That is putting people up overnight, supervising that shelter and funding that shelter. His first question is what is your relationship with the Homeless Coalition?

Ms. Williams said she just fell in with the Coalition knowing that it was here and started making contact to see how we could connect our agency with the Homeless Coalition. We have been on the web and looked to see where the closest agency that we could link ourselves with to let them know who we are. We are members of the Coalition.

Mr. Stimatz asked what actual funding commitments do you have in hand, letters or cash money for revenue.

Ms. Williams said as far as cash money we have no cash money. We have people saying that they will begin to help us once we have the house but they have not written a letter. That is what we were talking about when we talk about actually going out for the face to face contact to get those commitments. Until we have it we don't have a commitment.

Mr. Stimatz said that is the problem that we have run into before. In fact that was Pastor Robinson's problem. He was committed to this issue and he put a lot of time and effort into it. He has dealt a lot with these kinds of issues in a previous life providing service connected stuff. He had to implement that program, etc. The problem that you run into is people forget that it costs money. In looking at what we hear here, you don't have any revenue sources. You don't have a detailed financial plan. You don't have an operating plan. He knows you want to do it but that is like not having a business plan for a

business. That concerns him that you don't have that. He is not prepared to say yes at this point. He doesn't know how much longer we can delay any action on this before we need to do something with that property.

Mr. Olson said the property has been vacant since August 27th. It has been vacant roughly 30-days. We need to have someone in that structure within 90-days.

A motion was made by Councilman J. A. Stimatz, seconded by Councilwoman J. M. Baker to table action until our next meeting. You need to identify some revenue sources, have a clear financial plan and have a clear operating plan.

Mr. Brooks said he understands the money and everything but you are talking about tabling something that has been closed for 30-days. You are talking about 90-days of people out there that are homeless. He is not going to agree with tabling it. We can iron out the other things as we go step by step. Until they actually get the building he can understand why people won't make a commitment. People need help out there. We have people that can't pay their electric bill that are working everyday. He won't vote to table it because when you go out on the street and you see people living out of baskets and the cold months are coming on.

Mr. Walton said maybe Councilman Stimatz will accept a friendly amendment. We can vote on allowing them to use the building but bring us back information at our next meeting. That will give the donors the opportunity to know that you do have a building. But you need to submit a plan to us by October 11, 2010. Then we can go forward with it. That is if Tony will accept that friendly amendment.

Mr. Stimatz said he understands what you are saying and he thinks he could live with a contingent placed upon it. They have to show revenue and they have to have a financial plan and operating plan that fits their financial plan. He will accept the friendly amendment. He withdrew the original motion.

A motion was made by Councilman J. A. Stimatz that we approve this group for operation of this facility contingent upon prior to opening the doors they show us an efficient revenue stream, a clear financial plan and an operating plan that satisfy us that they are viable. Councilwoman J. M. Baker seconded the motion.

Mr. Olson cautioned that you need to remember that you have CDBG funding involved in this. You are required under our grant agreement to have at least a sub-recipient agreement before you allow anyone to inhabit that particular

structure. If the Council's direction is to instruct staff to go ahead and draft a sub-recipient agreement and a lease agreement with this organization and bring it back at your next Council meeting we will be happy to do that.

Mr. Stimatz said the whole point is we are not going to execute it until you can show us this stuff. In concept we agree. We would love someone to run it. You are willing to run it. The concern is you haven't demonstrated you have the practical revenue to do that. We want to see that. We will go ahead and draft the lease agreement and sub-recipient agreement. You need to do these things because it is a waste of effort if you do not.

Mr. King asked if she thinks two weeks would be enough time to get this information that we need.

Ms. Williams said we would really be stretching it trying to do that. We will do our best to get it together.

Mr. King said he would like to give them 30-days so they will have enough time. We want something in writing that will show the financial support.

Ms. Hill-Lawrence said that she thinks you ought to read the proposal. She has read the proposal. She thinks every council member ought to read the proposal so you will know what you are agreeing too. They really have a good program design. It troubles her about the churches' commitments as churches are strapped now for money themselves. They can make the commitment but may not be able to fulfill the commitment. Have you tried working under another agency that has a 501c3 already?

Ms. Williams said yes. Dr. Adams has one with the Criminal Justice and he is willing to allow us to go under his umbrella until ours come in.

Ms. Hill-Lawrence asked if the Homeless Coalition has any funding to help with something like this.

Mr. Stimatz said the money that they have is for the emergency placement of people in hotel. That is the program that they operate and they also do some other things. They have a 501c3 designation and you could go to them and work under theirs. It would make more sense because then you would have the word homeless in the name.

Councilwoman Meggs asked if you have even thought about going to the Salvation Army and work with them. At one time they did have a homeless shelter but they couldn't get anyone to run it. There may be some possibilities there.

Mr. Brooks said we can do the sub-recipient agreement and within 30-days they come back with the commitments along with a lease agreement. Can we do all this?

Mr. Olson replied that before anyone goes into the shelter they have to have a lease agreement and a sub-recipient agreement. We can do that. He doesn't see that there will be any additional items added to the sub-recipient agreement and/or the lease agreement that we previously had with the former sub-recipient. He will have to discuss that with the City Attorney. He has not reviewed those documents in four or five months but he thinks it will be very easy to modify. What he is gathering from Council is before this body executes the sub-recipient agreement/lease agreement you want certain assurances from this group that they have the financial ability and a business plan to run the shelter. That is a policy decision for this board. Whether you are satisfied with the documents that come back with is entirely up to this body.

Ms. Baker said she wanted to say that she thinks all of us want to see this work. We are all behind you. We need help for our homeless. We do have the Homeless Coalition and we are all hoping the two groups can work together which we didn't see a lot of that before and working toward the same goals. She thinks they do have a 501c3 already. It would make great sense.

Mayor McLean said that there are a lot of churches that are not 501c3. You may want to check on that. We have also got to make a note if we are willing to give them the full use of this facility without them being a 501c3. He thinks that we need to be clear on that. He called for a vote on the motion.

Mr. Olson asked to make one statement that has caused us problems in the past. We cannot have a church affiliated homeless shelter because there is a prohibition in HUD guidelines for that. That is why we could not do a sub-recipient agreement with Galilee Missionary Baptist Church. We had to do it as Weeksville CDC.

Councilman Stimatz asked to restate the motion.

A motion was made by Councilman J. A. Stimatz, seconded by Councilwoman J. M. Baker that we approve in principle the Garden of Hope House application to operate a homeless shelter at 709 Herrington Road and for staff to prepare the lease and sub-recipient agreements for signature subject to assurance from the Garden of Hope House organization as to their financial and operational viability within 30-days. Those voting in favor of the motion were: Stimatz, Baker, Brooks, Hill-Lawrence,

Hummer, King, Meggs and Walton. Against: None. Motion carried.

3} HEARING FOR THE REVOCATION OF TWO TAXICAB FRANCHISE AND PERMIT TO DRIVE:

Mayor McLean called upon City Manager Olson for comments.

Mr. Olson stated that we have a request from two individuals that are either taxicab franchise holders and/or drivers whose permits have been failed to be renewed by the Elizabeth City Police Department.

Sgt. Rick Pureza came forward and explained the reasons for the two denials. The two permits that have been rejected are Anthony Sawyer and Keshae Tyrone Williams. Both of the individuals were convicted of a crime within the last year. Mr. Sawyer was charged with a felony but he pleaded it down to misdemeanor larceny. Mr. Williams was charged with felony larceny by an employee and pled down to misdemeanor larceny.

Mr. Sawyer and Mr. Williams both addressed City Council regarding their convictions. Both individuals admitted their wrong doing and asked for forgiveness of their actions. Both men have families and the taxicab business is their livelihood. The owner of Moore's Taxi spoke on behalf of both individuals.

A motion was made by Councilman J. B. Walton, seconded by Councilman R. E. King to not deny Mr. Anthony Sawyer's privilege to drive a taxicab. Those voting in favor of the motion were: Walton, King, Baker, Brooks, Hill-Lawrence, Hummer, Meggs and Stimatz. Against: None. Motion carried.

A motion was made by Councilman R. E. King, seconded by Councilman J. A. Stimatz to reinstate Mr. Williams's privilege to drive a taxicab. Those voting in favor of the motion were: King, Stimatz, Baker, Brooks, Hill-Lawrence, Hummer, Meggs and Walton. Against: None. Motion carried.

4} GOALS AND OBJECTIVES:

Mayor McLean acknowledged Dr. Hezekiah Brown who was the facilitator for our retreat. This information was prepared by the City Manager. As part of the retreat each member was assigned a specific set of goals on which to work. Staff is aware of the status of some of these goals and objectives. Each member spoke regarding their goals and any progress that has been made.

Councilwoman Hill-Lawrence stated she was charged with updating the Rules and Procedures for City Council. She stated she would like to hold a special work session in order to study the draft rules and procedures. It was the consensus of Council to hold a Special Work Session on October 11, 2010 at 5:30 p.m. in the City Council Chambers of the Municipal Administration Building for review of the draft rules and procedures.

5} ADJOURNMENT:

Due to the time the Committee Reports would not be given at this time. Mayor McLean entertained a motion to adjourn.

A motion was made by Councilman J. A. Stimatz, seconded by Councilman M. E. Brooks to adjourn the meeting. Those voting in favor of the motion were: Stimatz, Brooks, Baker, Hill-Lawrence, Hummer, King, Meggs and Walton. Against: None. Motion carried.

Mayor Mclean adjourned the meeting at 6:55 p.m.

Dianne S. Pierce-Tamplen, MMC
City Clerk

Roger A. McLean
Mayor