

Planning Board Meeting
March 11, 2013
Council Chambers

Minutes & General Account

Planning Board Members Present: Kerry Miller, Chair; Art Wise, Vice-Chair; Eddie Oakley, Sarah Glanville, Dot Perdue & John Capes (Alternate)

Staff Present: Chuck Smith, Matthew Johnson & Martha Wolfe

Visitors Present: Carol Brooks of the Jamestown News

1. Call to Order – Kerry Miller called the meeting to order.
2. Approval of minutes from the March 11, 2013 meeting – Art Wise made a motion to accept the minutes as presented. Dot Perdue made a second to the motion. The motion passed by unanimous vote.
3. Consideration of amendment to the Land Development Ordinance regarding Electronic Gaming Operations – Matthew Johnson stated the goal tonight is to get input from the Planning Board regarding sweepstakes operations. Any changes would be presented to the Town Council for approval. Johnson gave highlights of the sweepstakes electronic gaming operations. He stated the Town Council originally adopted the current electronic gaming operations regulations in 2010. Shortly thereafter the State banned internet sweepstakes type businesses with the ban to begin in December 2010.

A lawsuit was then filed which allowed the businesses to remain in operation. The Court of Appeals finally heard the case and invalidated the ban on the businesses March 2012. During this time period, the Town, on advice of the Town Attorney, waited to see the outcome of the court cases regarding the legality of the electronic gaming operations. In January of 2013, the electronic gaming operations were told they had to close.

In August 2012, the Town Council asked the staff to get information on privilege license taxes. Part of the privilege license tax is related to the sweepstake businesses and if we could capitalize on some of that revenue.

A new technicality in the sweepstakes operation is the software vendor that is used in many of the businesses has changed their software to be in compliance with the law. Jamestown is not the proper agency to determine the legality of the software. That is an issue for the Guilford County Sheriff Dept. Per Johnson there are 2 electronic businesses located in town. One has closed and one is still in operation.

Johnson stated the Town Council voted against Privilege License Taxes at the February 19, 2013 meeting. We have to assume that the remaining business is claiming they are in compliance with the law. The Sheriff Dept. is aware of the business.

Johnson's question to the Planning Board is how we want to proceed with the Town's current ordinance. The current ordinance states that an electronic gaming operation can only be located in an industrial district. The location of the current electronic gaming business is in a commercial district. So, they are not in compliance with the zoning district location.

Second, the hours of operation, access and visibility regulations are not in compliance. The maximum number of terminals is limited to 15 and the current business is not in compliance with this regulation.

Part 5 of the current ordinance initiated a grace period. There is a Sunset Clause which stated any operation that was in existence prior to the effective date of this ordinance, would need to come into compliance within 120 days. The reason this was not enforced was because of the lawsuits. The Town Attorney advised us to wait and see what the final outcome would be of the legal status. It is still not completely clear what the law is. There are still a lot of legal loopholes and software changes. Johnson said it is still a gray area regarding software compliance.

However, the sweepstakes business is not in compliance with the zoning district location. We can either change our ordinance to allow them to remain in this location or we can leave the ordinance as it is currently written and require the business to move to the proper zoning district.

Johnson contacted the Sheriff Dept. regarding the sweepstakes business in town. He was told by the Sheriff Dept. that enforcement is ongoing at this time for all internet sweepstakes that are open and operating.

Johnson asked for direction from the Planning Board. The Planning Board discussed the regulation of ½ mile distance between gaming operations. Johnson said ½ mile covers a lot of the commercial property in town, except the Sheetz area.

Johnson said if we were to enforce the current ordinance it would take time & effort on the part of Jamestown and some legal fees. We also do not know if the Sheriff's Dept. will deem the operation legal or not. If the Sheriff's Dept. deems them illegal, that would solve the problem without any effort or expense on behalf of the Town.

Eddie Oakley said Archdale just changed their ordinance regarding electronic gaming. Johnson said Archdale relaxed their ordinance greatly. The reason they did it was for their privilege license tax. They wanted to earn revenue from it.

Oakley would like to see us enforce the Town's current ordinance. He stated the current business is open until 2:00 am. Johnson said we can limit hours of operation. When the ordinance was first adopted, the owners of the electronic gaming business were notified of the zoning district violation. But that was almost 3 years ago. If required to move, the Town Attorney would contact the business.

Sarah Glanville made a motion to stay with the LDO and the regulation of the electronic gaming operation as is currently written and approved. Eddie Oakley made a second to the motion. The motion passed by unanimous vote.

Johnson said he will contact the Town Attorney about starting enforcement proceedings and he will follow up with the Sheriff's Dept.

4. Public Comment Period – No one registered to speak.

5. Other Business –

Miller said the Council voted not to seek alternate funding sources for future prioritization of projects. So, he thinks our update on the Land Plan priorities is on hold at this time.

The Planning Board discussed the By-pass construction and NCDOT projects. Smith stated that NCDOT has been great to work with. DOT has helped the Town with sidewalks, street widening, signalization, re-stripping, etc. NCDOT has granted the Town a \$100,000.00 enhancement grant for sidewalk funding.

The Planning Board talked about fund raising events and how to fund projects.

Johnson said we do not anticipate an April meeting at this time.

Dot Perdue made a motion to adjourn. Art Wise made a second to the motion. The motion passed by unanimous vote. The meeting adjourned at 7:10 pm.