

MINUTES OF RETREAT OF THE
CITY COUNCIL OF THE CITY OF SANFORD
SANFORD, NORTH CAROLINA

The City Council met at the Sanford Municipal Center, 225 E. Weatherspoon Street, on Wednesday, February 25, 2015, at 5:00 P.M., in the West End Conference Room to hold a visioning workshop. The following people were present:

Mayor Chet Mann	Mayor Pro Tem James Williams
Council Member Byron Buckels	Council Member Sam Gaskins
Council Member Norman Charles Post, III	Council Member Jimmy Haire
Council Member Rebecca Wyhof	City Manager Hal Hegwer
City Attorney Susan Patterson	City Clerk Bonnie Davis

Absent:

Council Member Charles Taylor

Mayor Mann called the meeting to order. He explained that City Manager Hal Hegwer would be reviewing what has been accomplished this year in the City, where we are and where we would like to go.

Review of Accomplishments

City Manager Hal Hegwer gave a presentation summarizing accomplishments for this fiscal year (shown on Exhibit A [List] and Exhibit B [Slide Show]).

Review Status of Long and Short-Term Visioning Priorities

Mayor Mann reviewed the status of priorities established at last year's Retreat (shown on Exhibit C). He noted that this was a fairly aggressive plan of work and a large portion of it had been achieved. He is a big believer in defining, "why, how and when" goals are to be accomplished. He would like to see an expedited review process for Planned Unit Developments ("PUDs") and other developments. The hope is that Sanford will draw new development as a result of updating our Master Land Use Plan, which will include a wastewater component. City Manager Hal Hegwer explained that information presented tonight would guide the course of the next meeting.

Mayor Mann explained that there may be some restructuring of Community Development, Planning and DSI (Downtown Sanford, Inc.) Now is a good time to reconsider how we work with DSI since their role will increase as revitalization progresses. Manager Hegwer explained that the SLCPP (Sanford-Lee County Partnership for Progress) and DSI both have marketing components already in their plans and perhaps some synergy can be built by incorporating the economies of scale. Mayor Mann stated that the goal is to assist DSI to become more independent. Although we are willing to help, we do not want to manage downtown. It is their organization and we want them to have the freedom to do what's best for them.

Mayor Mann informed Council that much of the work load assigned to staff has fallen on the City Manager directly. The Mayor would like to consider some type of merit pay to reward Mr. Hegwer, incorporating language for accountability. If we ask for more, it should start at the top and we should reward a job well done, even if we cannot reward

everyone equally. Pay increases for city employees should also be considered. Manager Hegwer stated that a salary study is being conducted at this time. Mayor Mann informed Council that Mr. Hegwer did not know he would be making this request and that if Mr. Hegwer were not doing a good job, he would be requesting a salary reduction.

Council Member Sam Gaskins suggested employment contracts for certain staff members, which will offer protection to staff during times of transition with newly elected officials. Mayor Mann noted that contracts would also benefit the City by preventing others from hiring away staff members and agreed that contracts would give employees security. Mayor Mann requested that the Human Resources Department be consulted on how to proceed with the salary study and that the issue be addressed in a Law and Finance Work Session.

Discussion Regarding Future Growth Philosophies

Marshall Downey, Director of Community Development, gave a presentation on growth management (shown on Exhibit D). He explained that there are two issues involved: (1) formulating a land use plan, and (2) understanding this is an extremely complex issue: there is no simple fix. Adopting a land use plan is not going to necessarily solve growth related matters. This may be a kick-off to those discussions which will likely come back over time, even during development of the plan. There will be public discussions about what Council envisions and how to guide the decision-making process.

Mr. Downey noted that current efforts by the City (the bond projects, UDO amendments for sidewalk, curb/gutter) reinforce efforts to attract quality growth. Boards and officials have been developing a unified development code since the late 1990s and the current UDO, which was adopted in 2006, has proved instrumental. We continue to update it and seek better tools to guide growth. Design and corridor standards, relating to the new shopping center, have received feedback on the positive impact to our community. Mr. Downey noted the importance of understanding the relationship between UDO development regulations and a Land Use Plan.

He stressed that a land use plan is only a blueprint and a policy guide to help staff, decision-makers and the public in understanding the vision for our future. One of the factors that will largely shape the plan is how policy leaders- Council- view these elements. Quality of life and higher density are huge issues. We have to determine what we really want Sanford to look like in the future.

The current default zoning model is R-20, essentially two lots per acre. Relatively speaking, this is a very low density for an urban area; it is not the traditional model normally seen in urbanizing areas, such as Apex or Holly Springs, where typical density is in the 6-unit per acre range (quite different from what we currently have). Mayor Mann noted that this is a factor in the "rural to urban" transition we are trying to make.

Mr. Downey stressed that this transition does not happen in a vacuum. We can put specifics on the map and state what we want our city to look like, but there is a substantial cost and a great deal of decision-making going into it as well, in terms of policies and reporting involved with that type of development. Development along corridors and the commercial maintenance code are tools we have in place. We would next consider how to

further refine these tools and how to implement policy promoting these types of things. He reminded Council that development of PUDs and similar mixed-use projects will require determining how much we want to encourage those and whether we want to incentivize that type of project.

Mayor Mann stated that we must consider the development occurring around us, especially Chatham Park, which will be a defining project. Some growth associated with these projects will come to us: some could be good, some could be bad.

Community Development Director Downey acknowledged that Sanford has a sturdy foundation for growth, in terms of adequate utilities. This Council and prior Councils have ensured an adequate sewer system and water supply; however, like many other communities, we have traditionally been reactionary: most of our development decisions are reactions to proposals. For instance, a private developer looks at property, consults with our staff, makes an application to rezone the property which is processed, goes to the Planning Board and Council, a decision is made to approve or deny it and we move forward. This model is not unique: it has worked and has been effective. However, there is a better way than simply reacting to the market.

Mayor Mann gave an example of problems created in a situation where property is developed near Tramway, then another is developed in the Deep River area. Each would require fire and police services in two totally separate areas; this does not concentrate resources. Having a vision for concentrated growth in specified areas and making those areas denser would be much more efficient growth. When development is proposed, we could suggest areas based on our vision. Developers will typically go where encouraged if resources and utilities are available since they contribute largely to making it economically feasible.

Mr. Downey summarized some key benefits of a land use plan: serving as a guide and blueprint for growth, assuring citizens and the business community of the vision for the community and helping when seeking grants and funding sources.

He presented a recently completed 2030 Land Use Plan Map for the Town of Apex (included with Exhibit D). Each color represents a particular land use, with densities for residential, commercial or industrial (similar to our zoning map); however, the intent is that it will serve as a policy guide, not just as a zoning map. He noted that residential areas are basically 6 units per acre or greater and areas further from town are designated for lower densities of 3 units per acre or less. Areas identified as PUDs and or mixed use residential/commercial serve as transition areas around the commercial nodes. He emphasized that there is a definite land use pattern.

This approach could be taken for the City and Lee County, using this same concept and tied into development regulations. Staff could then assure developers that major decisions will no longer be required. The uncertainty will have been removed since the vision for the future has been identified.

Mayor Mann commented that policies implemented by Apex have been successful because they were recently voted "Number One Small Town in America" by Forbes

Magazine. Mr. Downey confirmed Apex has its own dynamic and there is no suggestion that we establish density patterns like theirs; their map was shown only as an example. Sanford can have a vision setting forth how we want our city to look and how we want it to grow. It does not require everything to be 6 units per acre or greater. Specific designations would be identified by Council and used to guide staff. Draft recommendations would be developed by staff and worked through with Council.

Public Works Director Victor Czar explained that a land use map would only be an overlay of proposed densities on land currently zoned and would not rezone any property: it would serve only as a guide for future development. Mr. Downey stressed that the Apex Land Use Map is not their official zoning map, it is just a policy guide to help developers.

Mayor Mann stressed the fact that Council could revise the land use map when and if desired. He also explained that if a developer wanted to develop a tract as two units per acre (R-20) in an area indicated as higher density, that developer would know that wasn't permitted or it would be more difficult to have that change approved. The economy of scale would not work if the economics were not maximized fully. On the other hand, there would be confidence that a proposed R-14 site (14 units per acre) could be downzoned to an R-12 site (12 units per acre) quite easily.

City Attorney Susan Patterson explained that each time a rezoning request goes before Council, they must consider if it would be in accordance with the land use plan for that site. That is the issue to be considered every time a request is made.

Council Member Williams questioned how these determinations would be made. Mr. Downey explained this is the very heart of his message. The two parts to this concept are: (1) a better description of land use planning, and (2) how to create the plan and get to those difficult issues. It would take approximately 12–18 months to develop a blueprint. We must now determine how to get to that point and transition from where we are to what we want to be at a certain point in the future, whether it be in 2030, 2035 or another year.

Director Downey recommended becoming more proactive. If nothing else is done, an updated land use plan is needed to provide comfort in knowing the vision. The next step would be to review the divide between policies for land use and utilities. It must be determined how the UDO will support recommendations of the plan. We must also determine whether we want to continue to use R-20 as our default zoning or update our zoning map and make the default R-14 or R-12 and deemphasize R-20. Once that plan is established, policy must be established to guide staff in working with developers.

City Manager Hegwer stated that we must analyze how we want to grow and do it efficiently. We must determine what can be done to incentivize growth in specific areas.

Mayor Mann noted that we have no revenue streams to fund growth. He informed Council that that in the course of his job in residential lending, there is no current R-20 development in the nine counties he serves. There is no demand; the market wants smaller lots with curb and sidewalk. Council must decide if that is what we want for Sanford and if so, determine where it could be most successful. We need to consider growth and what is

ongoing in the surrounding areas. It is no longer realistic to market Sanford as a rural, farm community. Efficient growth must be funded through density.

City Manager Hegwer agreed that it is counterproductive to expect growth without density; the City will not be able to provide services as it does currently. He noted that the former model of annexing after growth occurs is inefficient. Mr. Downey stressed that the real challenge is balancing the current reactionary approach with the cost of achieving the density needed to grow in a reasonable manner, into what we envision for Sanford.

Mr. Hegwer requested that Mr. Downey inform Council what tools we have and how they can be used to grow efficiently. Mr. Hegwer acknowledged that there will always be market forces pushing growth into areas not targeted for it, but the goal is to make the wisest decisions possible going forward.

Community Development Director Downey again stressed that adopting and implementing a land use plan is not an isolated objective. We should review our policies and update the UDO, and review components necessary to build the process by which the overall vision of the plan is achieved.

Council Member Williams questioned whether implementing a land use plan would affect developers and contractors only or individual property owners. He noted that larger lots are often needed to provide drainfield space for septic systems where sewer service is not available. Mr. Downey explained that a land use plan would likely apply most often to developers creating new neighborhoods in our community. Public Works Director Czar explained that zoning requirements address minimum lot sizes, not required lot sizes. If a developer's market calls for estate style homes on larger lots, they can do so if zoning permits. It would give developers opportunities.

Mr. Downey informed Council that in his experience with developers, the two questions most often asked are, (1) "Can I get services?" and (2) "What public decisions do I have to go through to get there?" If a land use plan is in place, one of these questions is answered about 90 percent of the time because they know that even if additional approval is needed, they can rely on what the plan indicates. They will know for the most part what will be approved.

City Attorney Susan Patterson requested clarification on infill development and zoning changes to allow for greater density in neighborhoods already established. Mr. Downey confirmed that the plan would primarily affect new project developers but it should also promote infill since it will be easier served. Density would be a factor unless there is some type of topographical feature or something else preventing it.

Community Developer Downey stressed that a land use plan is very much on a "macro" (broad) level. It will, more or less, establish density and define how we want our city to look. It is not on a "micro" (specific) level, in terms of design and house styles. It would illustrate which particular areas of the City we think should be developed to allow particular uses (the number of units per acre, residential/commercial/industrial, etc.). Beyond that, it will not go into more detail. It will, of course, have some narrative and will provide some description as to how these areas will appear. The real key, however, to

updating the UDO, land use regulations and associated water and sewer service policies is to determine how the desired level of growth in the most efficient manner can be achieved.

City Manager Hegwer advised Council that the goal of the next conversation, as we move toward a land use plan, is to decide how it can be achieved: what tools will be implemented and how to we use utilities in the most efficient manner to encourage the type of desired development. We want to grow much more efficiently and in a way that we think our citizens and the development community want us to grow.

Mayor Mann summarized that we must have the desired amenities to achieve the higher level quality of life. Staff was already working on this issue at the beginning of Council's most recent term. We must define who and what we are and find the needed tools to do this; he would like to see a shift, a directional change. The Mayor emphasized that he does not want Sanford to emulate Holly Springs or Apex, although they have grown and it did not happen overnight. Apex was previously much smaller and less developed than Sanford but after utilizing the proper tools, they are now recognized as a leading small town in the country and are larger than Sanford. It is not about being bigger or better; it is about defining what we want to look like, what we want to be and what kind of people we want to attract. The economy of scale proves that if you're not growing, you're shrinking and Sanford has shrunk to some extent. We currently have no new housing development; executives employed by Sanford businesses choose not to live here because of the lack of adequate housing. They are living in these nearby communities which have grown by providing the amenities that enhance quality of life. These are the tools which will bring that kind of growth and development to Sanford. It is up to Council to establish whether or not that is what we want for Sanford. If so, we must define where we want it and how to get there.

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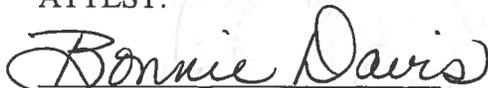
ADJOURNMENT

The meeting was recessed upon motion of Council Member Post; seconded by Council Member Wyhof, it was unanimously passed.

Respectfully submitted,


T. Chet Mann, Mayor

ATTEST:


Bonnie Davis, City Clerk