

MINUTES OF MEETING 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 Tuesday, March 17, 2015, at 7 P.M., in the Council Chambers. The following people were present:

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

Mayor Mann called the meeting to order. Council Member Byron Buckels delivered the invocation. The Pledge of Allegiance was recited.

**PUBLIC COMMENT**

No citizens requested to speak.

**APPROVAL OF AGENDA**

Council Member Wyhof made the motion to approve the agenda. Seconded by Council Member Gaskins, the motion carried unanimously.

**CONSENT AGENDA**

Approval of City Council Work Session Minutes Dated February 3, 2015 - (Filed in Minute Book 83)

Approval of City Council Retreat Minutes Dated February 25, 2015 – (Filed in Minute Book 83)

Approval of City Council Special Meeting Dated February 25, 2015 – (Filed in Minute Book 83)

Approval of Reconvened City Council Retreat Meeting Minutes Dated March 4, 2015 – (Filed in Minute Book 83)

Approval of Resolution to Dissolve the Environmental Affairs Board and Participate in a Joint Environmental Affairs Board with Representatives from the City of Sanford, Lee County and Town of Broadway – (Exhibit A)

Approval of Subordination Agreement with Buggy Factory – (Exhibit B)

Approval of Resolution Authorizing the Sale of Lots 1 Through 10, Block E, Stroud Street to Lee County – (Exhibit C)

Approval of Audit Contract with Joyce and Company – (Exhibit D)

Council Member Gaskins made the motion to approve the consent agenda. Seconded by Council Member Buckels, the motion carried in favor six to one, with Council Member Charles Taylor casting the dissenting vote.

**SPECIAL AGENDA**

**Introduction of Sanford Housing Authority Executive Director Shannon McLean**

Executive Director Shannon McLean recognized Sanford Housing Authority Commissioners Woods, Gardner, Tart, and Tibbs and thanked Council Member Haire for the direction and support provided to the Sanford Housing Authority Board. She has been in the housing industry for over 20 years, working at the Durham Housing Authority for approximately 19 years and for the City of Durham on federal programs for two and one-half years. She thanked Council for the opportunity to serve as Executive Director of the Sanford Housing Authority.

**Presentation of Award to Downtown Sanford, Inc., by Central Carolina Jaycees**

Candace Norris, Past President of the Central Carolina Jaycees, presented an award to Downtown Sanford, Inc. ("DSI") for helping the Jaycees further their mission and grow as a chapter. They had many competitors but won the state competition. DSI allows the Jaycees to sell concessions at "Movies in the Park" night. She presented the award to Carol Carlson, Chair of DSI.

**CASES FOR PUBLIC HEARING: held jointly with the Planning Board.**

**Application by Charles C. Tacia, Jr.** - to rezone a 1.13 acre +/- tract of land addressed as 2516 Fayetteville Street, from Central Business District (CBD) to Light Commercial & Office (C-1) Zoning District. The property is the same as depicted on Lee County Tax Map 9652.19 as Tax Parcel 9652-50-1907-00 Lee County Land Records and is also illustrated as an existing 1.10 acre tract on a Revision Survey for Charles Tacia recorded in Plat Cabinet 2010, Slide 85 Lee County Registry of Deeds - (Exhibit E)

Design Review Coordinator Amy McNeill explained that in January of 2015, Charles Tacia met with staff to discuss options for rezoning property owned by his father at 2516 Fayetteville Street to assist with marketing the property for lease/sale for a wider range of uses than currently permitted in the Central Business District (CBD). Upon conferring with staff and reviewing information regarding the various zoning districts within the UDO, Mr. Tacia decided to pursue a request to rezone the property to Light Commercial & Office (C-1) zoning district.

The subject property is comprised of a 1.13 acre tract of land located in the northwestern corner of Fayetteville Street and W. Raleigh Street in the Jonesboro area. The site is developed with a commercial building built in 1982, and is currently used as a private investigative services office.

Uses within the same block include Key's Upholstery, Inc., a former BB&T bank building (currently for sale), a NAPA Auto Parts store, and a karate studio.

Adjacent zoning includes Central Business District to the north, east and west; and Light Industrial to the south (opposite W. Raleigh Street).

The subject property appears to be served by public water and public sewer.

The current zoning of Central Business District (CBD) is established to provide concentrated downtown retail, service, office and mixed uses (including residential uses) in the existing central business districts. Pedestrian circulation is required, as are common parking areas. Design standards are required in order to maintain a neighborhood commercial scale; to promote pedestrian activity; and to maintain the unique character of the center. The existing site does not

appear to be developed in a downtown central business district manner, as it is a stand-alone building with its own parking area. A list of permitted uses for the CBD zoning district is included within the agenda for reference.

The proposed zoning of Light Commercial & Office (C-1) district is established to provide areas for indoor retail, service and office uses. The purpose of the C-1 district is to accommodate well-designed development sites that provide excellent transportation access, make the most efficient use of existing infrastructure and provide for an orderly transition between uses. C-1 zones should be located in areas which continue the orderly development and concentration of moderate commercial uses and should be located on or within proximity to major and/or minor thoroughfares. A list of permitted uses for the C-1 zoning district is included within the agenda for reference.

Design Review Coordinator McNeill said the subject property has 148 feet of road frontage on Fayetteville Street and 294 feet of road frontage on W. Raleigh Street, which are both City maintained public streets with 50 foot rights-of-way.

The subject property does not appear to be located within a Watershed Conservation Overlay District, a Flood Hazard Area, the 421 Bypass Corridor, or a designated local historic district. It is located within the area included in the Downtown Master Plan for Sanford and Jonesboro, but there does not appear to be enhancements planned in close proximity to the subject property. The Streetscape and Pedestrian Improvements Bonds project appears to include improvements along the W. Main Street and W. Trade Street intersection and the W. Main Street and Lee Avenue intersection. This site is located one block back/southeast of these locations.

If rezoned, all of the uses permitted in the Light Commercial & Office (C-1) zoning district would be allowed and any future redevelopment of the subject property will be required to meet the current development standards of the UDO.

The 2020 Land Use Plan identifies this area as Mid/High Density Residential-Office, which identifies areas that are appropriate for medium and high density residential development, including single-family, duplexes and multi-family developments, as well as office development. It should be noted that the 2020 Land Use Plan identifies the entire Downtown Jonesboro area as Mid/High Density Residential-Office and only identifies the downtown Sanford area as Central Business District, even though both areas have Central Business District (CBD) zoning.

Staff recommends that the Sanford City Council and Planning Board support this rezoning request – even though it is not consistent with the 2020 Land Use Plan - as it appears to be reasonable and in the public interest, based on the fact that the site is not located along a main street within the downtown Jonesboro area (not located on W. Main Street or W. Trade Street); it is not developed in a Central Business District manner (it is a stand-alone building with its own parking area); and the proposed zoning district of Light Commercial & Office (C-1) appears to be an appropriate zoning district to serve as a transition from the Central Business District to other commercial zoning districts in the area. Information presented at the public hearing should also be considered regarding a final decision on the requested zoning map amendment.

Mayor Mann opened the public hearing.

Chris Tacia, residing at 2505 Dalrymple Street, spoke in favor. His father owns the property which was formerly used by Charter Communications. They have tried to sell it for more than a year but when you mention it is zoned CBD, it turns individuals away. Since it is a block off the main area, he would like it rezoned, which will hopefully allow them to bring in a new business to Jonesboro.

No one spoke in opposition. The public hearing was closed.

Application by Beacon Management Corporation - to rezone 8.5 acres +/- from the current zoning of Covington Place Elderly Housing Conditional Zoning District to Winding Brook Apartments Conditional Zoning District (Revision #1) to allow for the development of a multi-family apartment community with revisions to the design as previously approved in February of 2010. The subject property includes five lots located along the northeastern side of Woodland Avenue, opposite the intersection of Harkey Road, now or formerly addressed as 2107, 2111, 2113 and 2201 Woodland Avenue. The property is the same as depicted on Tax Map 9652.18, as Tax Parcels 9652-32-2400-00, 9652-32-2185-00, 9652-32-5208-00, 9652-32-4087-00 and 9652-31-3940-00 Lee County Land Records Office - (Exhibit F)

Design Review Coordinator Amy McNeill explained that Beacon Management Corporation has submitted a request to rezone from Covington Place Elderly Housing Conditional Zoning District to Winding Brooks Apartments Conditional Zoning District (Revision #1) to allow for development of a multi-family apartment community with revisions to the design as previously approved in February, 2010. The project associated with the conditional zoning district is a modified version of the originally approved multi-family project and includes a proposed name change; therefore, the name associated with the conditional zoning district has also changed to assist staff with keeping track of this project/zoning district. The subject property includes five lots located along the northeastern side of Woodland Avenue, opposite the intersection of Harkey Road.

In February, 2010, Council approved a rezoning request from Patrick J. Theismann of Beacon Management Corporation to develop a multi-family apartment community on this site via conditional zoning process. This approval was based on the rationale that the request appeared to be in the public interest based on the information/conditions presented in the conditional zoning petition, the availability of public utilities and that the request was in accordance with the 2020 Land Use Plan.

In January of 2015, with the originally approved multi-family apartment community yet to break ground, Mr. Theismann submitted a rezoning request to revise the site plan and conditions associated with this conditional zoning district. Since the development of this site was approved via a site plan specific conditional zoning district, any/all changes to the site plan and/or the conditions associated with the original approval must be approved by the City Council.

This site is currently served by public water and sewer, which the proposed apartment community will utilize.

The property adjoining to the north and east is zoned Residential-Mixed (R-12) and is developed with single-family homes. The adjoining property to the south is zoned Woodland Storage Conditional Zoning District (Revision #1) and is currently being developed as a mini-

warehouse self-storage facility. The property to the west, opposite Woodland Avenue, is zoned Residential-Mixed (R-12) and is developed with single-family homes and a church; it is developed as Autumn Oaks Apartment Community. The single-family homes and the church are zoned R-12 and the Autumn Oaks Apartment Community has its own unique zoning district.

Winding Brooks Apartments Conditional Zoning District (Revision #1) is a Type 1 Conditional Zoning District, which is a stand-alone district with its own unique conditions.

Ms. McNeill said that the following conditions were included within the written narrative as part of the original 2010 rezoning application and are requested to be modified:

- Covington Place is now being renamed as Winding Brook Apartments.
- The number of apartment units is increasing from 50 to 60.
- The number of one-bedroom apartments is decreasing from 40 to 20.
- The number of two-bedroom apartments is increasing from 10 to 40.
- The original design proposed planters and benches on site and the revised design includes the benches, but removes the planters.
- The 55+ age restriction for residents has been removed.
- The landscaping has been revised to better accommodate the revised site design and must comply with the minimum landscaping requirements of the UDO.

The building design has been revised, but is still single-story buildings with traditional architecture. Also, the site plan has been revised so that there is now one type of apartment building (the larger building), as opposed to two. The site has, therefore, been revised to accommodate the larger apartment buildings, with the most significant area of redesign being to the right/south of the southernmost entrance drive.

All other conditions are proposed to remain the same as previously approved. As with the original rezoning of the site, information submitted as part of this revised rezoning request is legally binding on the land, even if a property transfer were to take place. In order to alter these conditions, if approved tonight, someone would have to appear before Council to change them again.

Staff recommends that Council propose the following conditions for this project, if Council chooses to approve it:

- The developer will continue to work with staff to refine site design and landscaping in the area to the rear of apartment buildings 7 and 8 so that the intent of an opaque screening between the rear of the buildings and Woodland Avenue is accomplished.
- The developer will continue to work with staff to integrate storm water measures on site to ensure that this project will not add to existing storm water problems in the area.
- This project will comply with the standards of the UDO, unless otherwise noted within the conditional rezoning application.

The project will have two points of access off of Woodland Avenue, a City maintained public street with a 60 foot right-of-way. The developer must comply with rules and regulations of the Sanford Public Works Department regarding the driveway connections to Woodland Avenue.

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The 2007 Lee County Comprehensive Transportation Plan Highway Map illustrates Woodland Avenue as an existing minor thoroughfare with no recommendations for improvement. There are no NCDOT traffic counts in the area of the subject property.

The subject property is not located within a Watershed Conservation Overlay District, a Flood Hazard Area or the 421 Bypass Corridor. There are environmentally sensitive areas (wetlands) illustrated on the site plan for this project, which the overall project design appears to have taken into consideration. The developer is responsible for complying with any/all state and federal regulations regarding existing environmental conditions.

The site is not located within a Historic Preservation Overlay District, although it does adjoin the Lee Avenue Historic District to the east, which is on the National Register of Historic Places.

The 2020 Land Use Plan Map identifies the use for the subject property as mid/high density residential-office, which identifies areas appropriate for medium and high density residential development, including single-family, duplexes, and multi-family developments, as well as office development.

A public information meeting was held on March 5, 2015, to allow for discussion of this proposed rezoning, with the main concerns being drainage issues and an increase in traffic on Woodland Avenue.

As per the attendees, there are existing drainage problems in the area associated with the lack of maintenance along an existing creek, causing storm water to back up and flood adjoining property. Therefore, there is concern regarding the amount of storm water runoff which the new project would generate and the potential for the existing drainage problems in the area to worsen.

Also, the amount of vehicular and pedestrian traffic in the area has increased over the years, especially since the development of the Autumn Oaks apartment community. There is concern that the development of a new 60-unit apartment community in the area will add even more vehicular and pedestrian traffic.

Council Member Haire stated that this is one of the cases that the rumor got ahead of the fact. When it was first announced, he received several calls and visits from concerned citizens but once they knew the facts, their only concern was regarding the water. He asked whether a plan had been made for the water runoff.

Mayor Mann opened the public hearing.

Ms. McNeill replied that it was her understanding that storm water measures will be implemented into the site. Staff does not yet have a new grading plan for the site.

Council Member Gaskins added that one would think if it was a problem several years ago, something should have been resolved in the meantime.

Ken Bright, of Ken Bright and Associates Engineering, informed Council that they have been very conscious of the water problems in that area. The site of the metal storage buildings

constructed by Terry Stewart incorporated storm water detention to reduce the impact on any property downstream. He recalled that an eight-inch pipe had been used on this 2.2 acre site (which was paved), whereas typically, a 15-inch pipe would have been used. The intent was to reduce the water to a level lower than that coming off the property at one time. The plan for this project is to follow the same scenario, even though it is not required because they feel it is in the best interest of the community. Sanford should recognize that water dumping on others is a problem which should be addressed; they have taken the position that by working with their clients, they will address it.

Council Member Williams asked about the community meeting which had been held. Ms. McNeill stated that one was held and four property owners attended, whose big issue was drainage. They were concerned that the creek has not been cleaned, causing some culverts and pipes to clog. They were also concerned with the increase in traffic, which comes with every multi-family project.

Council Member Wyhof asked if there were displaced wetlands and whether they will be moved onto another site. Engineer Ken Bright replied that when they did the first plan, they received permits from the Department of Natural Resources and Community Development, which also involved the Corps of Engineers. They were permitted and no additional wetlands were required nor were any jurisdictional streams required in other places to protect them. They did have the permits and they will have to re-file them.

Council Member Gaskins asked if there was a retaining pond in the upper left hand corner of the map. Mr. Bright replied that originally there was, but a grading plan is needed to determine the best layout for any retention ponds. Their vision is that there will probably be more than one. They plan to construct small ponds which are not very deep to address different areas and noted where they may be located on the map.

Patrick Theismann, with Beacon Management, spoke in favor and informed Council that photos of Terrace at Rocky Knoll (their newest development) are available. This development is very similar to what is proposed with Winding Woods Development.

Ray Covington, whose family owns the property, spoke in favor. He has received many inquiries regarding the name change from "Covington Place" to "Winding Brook." He explained that it would be easier to start fresh with a new name. He has also been asked whether the developer plans to build the property and then sell it. He noted that Beacon Management's model is to develop and manage their properties. They have more than 70 employees and this project is a \$15 to \$20 million investment in this community.

No one spoke in opposition. The public hearing was closed.

Consideration of four (4) text amendments to the Unified Development Ordinance ("UDO"):

Zoning Administrator Althea Thompson stated that in August of last year, planning staff met with the Joint Planning Commission (JPC) and discussed several proposed text amendments to the UDO. Staff met with Council in November of last year and from that meeting five amendments were adopted. The last four amendments discussed with the JPC were held back to allow staff an opportunity to conduct citizen meetings with the general public and developers and to explain the amendments, solicit feedback and answer questions.

Tonight a public hearing is being held on the last four items discussed with the JPC.

- The first amendment is to Article 10, Section 10.7, Design Standards for Non-Residential Development Along Thoroughfares and Freeways. Section 10.7 of the UDO regulates new non-residential development along our major thoroughfares and highways and provides minimum standards for exterior design and appearance for new buildings. The proposed changes will require separate standards for commercial developments and for industrial developments. Section 10.7 will be rewritten to apply only to commercial developments along commercial corridors. The section title will read: 10.7 DESIGN STANDARDS FOR COMMERCIAL DEVELOPMENT ALONG THOROUGHFARES AND FREEWAYS and again will apply only to commercial uses.

The standards of the section basically will remain the same with a few minor changes to note. Section 10.7.2.1 which applies to a certain zoning district will now apply to all commercial uses along the corridor and it will now list the specific land uses that the section will apply to. It will also continue to exempt CBD other than the Central Business District in the Town of Broadway.

Also, 10.7.2.3 will exempt Industrial and Manufacturing Uses on sites of five acres or greater and/or a total amount of structures with a gross floor area of 25,000 square feet or greater. The standards for this will be applied to a new section also being amended tonight.

Standards for industrial uses as stated will be included in a new Section 10.8 for Industrial Uses which is the second part of the amendment to Article 10. As proposed, a new Section 10.8 will be added for DESIGN STANDARDS FOR INDUSTRIAL DEVELOPMENT ALONG THOROUGHFARES AND FREEWAYS. The basic design standards are pretty much the same as the commercial with the biggest difference being that the building may have a side façade of 25 percent (50 percent % in commercial) and still 100 percent to the front. That is the largest different to the two sections. Design standards are primarily the same.

Amendments to Article 10, Site Design Standards, are to revise the Section 10.7 title to read "10.7 Design Standards for Commercial Development along Thoroughfares and Freeways"; to revise the standards throughout the section to apply to commercial development and land uses along thoroughfares and freeways; and to add a new section, "Section 10.8 Design Standards for Industrial Development along Thoroughfares and Freeways", and add standards for industrial development and land uses along thoroughfares and freeways (Exhibit G).

Mayor Mann opened the public hearing. No one spoke in favor or in opposition. The public hearing was closed.

- Amendment to Article 8, Subsection 8.2.6 Paving Required (8.2.6.1), to add a new Item (c) to allow the parking for all uses in the land use subheading Industrial and Manufacturing Uses and the Wholesale trade use in the land use subheading General Sales or Service to construct and maintain a gravel surface if the required parking is located in the Side Yard or Rear Yard of a site (Exhibit H).

Mrs. Thompson stated that this amendment relates to the new industrial standards which were just discussed and will relax the general design standards for off-street parking areas in all industrial developments. Staff recommends adding a new Item (c) to allow the parking for all uses in the land use subheading *Industrial and Manufacturing Uses* and the Wholesale trade use in the land use subheading *General Sales or Service* to construct and maintain a gravel surface if the required parking is located in the Side Yard or Rear Yard of a site. Staff has incorporated design standards to this effect, which is high-lighted throughout the ordinance. It will be effective going forward and will not be retroactive.

Mayor Mann opened the public hearing. No one spoke in favor or in opposition. The public hearing was closed.

- Amendments to Article 6.7 Street Design Standards, to revise Section 6.7.1.5 Curb and Gutter, to require curb and gutter in ALL new subdivisions, and to revise **Section 6.7.3 Sidewalks** to require ALL new subdivisions to provide pedestrian sidewalks along one side of a new public street, except residential subdivisions in the unincorporated area of Lee County that include a minimum lot size of 30,000 square feet or greater (Exhibit I).

Mrs. Thompson explained that this amendment is to Article 6, Section 6.1.7.5 and Section 6.7.3 to require sidewalks and curb and gutter within all residential subdivisions, except residential subdivisions in the unincorporated areas of Lee County with lot sizes of 30,000 square feet or greater. The current language requires residential subdivisions with minimum lot sizes of less than 20,000 square feet to have curb and gutter and sidewalks. This amendment will eliminate that language and require all residential subdivisions to install curb and gutter and sidewalks. The language has been drafted as such.

Mayor Mann opened the public hearing.

Paul Adcock, residing at 2164 Valley Road, spoke in opposition. He stated that he was speaking on behalf of his father, Albert Adcock. Several years ago when the UDO was drafted, several members of the development and local building community met with Planning Department staff and discussed how to handle the issue of sidewalks and curb and gutter. They came to a compromise that any "high density" development (less than R-20) would be required to have sidewalks and curb and gutter, but lots of 20,000 square feet or larger would be excluded due to cost and to preserve larger lots. The fear is that if sidewalks and curb and gutter are required, developers coming to Sanford will want to condense their lot sizes to save money and we will eventually not have larger lots, which, along with lower costs, is one of the reasons people come to Sanford. The development and local building communities would like to see the ordinance remain as currently written where sidewalks and curb and gutter are optional. If you want to do them in a 20,000 square foot lot subdivision, it would be permitted but they do not want to see it as a requirement.

Tom Bland, a builder who does not live in Sanford, spoke in opposition. He has bought several lots in a neighborhood formerly known as "Westfall" on Cool Springs Road from the Adcock family. It is potentially a 314 lot neighborhood, which could eventually add about 1,200 people to the population. He supports curb and gutter and sidewalks on small lots. He explained that the standard formula used for many years in building is that the lot cost is about 1/5 the cost of the house. On a typical R-20 lot with 100 feet of road frontage, requiring curb and gutter and sidewalks

would add approximately \$4,000 to the lot cost and likely an additional \$1,000 in drainage and other issues at another point in the neighborhood. Using calculations typically used by a developer, a client could potentially pay an additional \$25,000 for the lot. If you are coming from Wake County for the wonderful things offered here in Sanford and Lee County, suddenly it is not as attractive as it might have been. They have built many homes in Apex over the years, and he would hesitate to begin building in Sanford if new requirements would add up to \$25,000 to the cost of lots. The larger lots still found in Sanford are attractive to builders since they are not often available in other areas where they build.

Van Groce, Jr., residing at 919 Gilmore Drive, spoke in opposition. He has been a builder and developer in Sanford for 20 years. He is on the Sanford Area Board of Realtors, which met today and wants to voice concerns about this proposal. There are some issues not only with cost, but with stormwater which moves quicker off of curb and gutter than it does in ditches; it is a different mitigation issue. The more you have, the better your creeks should be downstream to handle it. He noted that very few subdivisions have been developed in Sanford since the UDO was adopted. The concern is that more regulations on development will discourage other developers. The building community needs regulations to encourage development, not discourage it.

Council Member Taylor asked what the impetus was behind this draft change. Community Development Director Marshall Downey explained that it is staff driven, in the spirit of conversations they have had with Council over the last year about looking forward. It is somewhat in response to the referendum on sidewalk and pedestrian systems and some of the issues considered to improve living standards, appearance and interconnectivity. It was an opportunity, as staff has discussed with Council, to determine how we want to look in the future. There was some concern on staff's part that if we are going to be looking forward in implementing sidewalk and design standards, we would want our neighborhoods to have that same type of design features. Mr. Downey stated that he agrees with much of what has been said by the developers: he participated in discussions in 2003 when revising the UDO was considered. He understands there are economic aspects; however, it is a policy decision that needs to be considered strongly in terms of how we want our neighborhoods to look as we move toward the future.

Council Member Haire asked if builders were well represented at that meeting. Mr. Downey replied he thought there were only two. Mr. Haire asked for confirmation that current regulations leave decisions on sidewalks and curb and gutter up to the builder. Mr. Downey replied that was true: only residential subdivisions less than 20,000 square feet are required to have curb and gutter and sidewalks and the developer has the option in an R-20 neighborhood of whether to install these features and that they are not required for commercial and industrial subdivisions. He noted that this amendment would require sidewalk and curb and gutter in all subdivisions located in the City.

Mr. Haire asked whether there were many other municipalities with this requirement; Mr. Downey confirmed that many other municipalities have these requirements and that R-20 is not a typical model found in urban areas or cities.

Mr. Taylor recalled a conversation with a gentleman who basically no longer does development in Lee County and has gone to Harnett County because he feels that we have become more bureaucratic. That is no reflection on staff; it is the reflection on the direction Council has given staff of what we want Sanford to look like. His concern is the practicality of allowing

development in Sanford and whether we really want to become a showplace. He understands staff's recommendation; however, there is a practical side of him asking at what cost? He asked Mr. Downey whether, with feedback received tonight from developers, he felt 100 percent comfortable with the language as proposed and if not, what changes he suggested be made.

Community Development Director Downey replied that this is a policy decision for Council. Based on conversations at recent retreat meetings, Council must ultimately decide whether or not we collectively want to see an R-20 model continue. He noted that there is nothing wrong with this pattern, but there is an issue with cost of services; staff recommends if we are going to build an urban form, curb and gutter and sidewalks should be strongly considered. There are additional costs incurred associated with the R-20 lots compared to lots zoned R-10 or R-14.

Mayor Mann stated that in the workshops and retreats held recently, there have been discussions about transitioning from a rural to a more urban setting; we are trying to encourage growth and density. We are the least dense county in North Carolina and infill is important. Everyone has made valid points and it is a lot to consider, but ultimately we have to consider what we want to look like and what kind of growth we want to shape. We have discussed updating our Land Use Plan with Lee County and including the wastewater component. It is hoped that these things will bring growth, add jobs and an increased need for housing to be built by these developers. This is where we have been for the last few months and staff has brought that information as a recap to the public. Good points have been made on both sides.

Terry Stewart, of 2505 Brighton Pointe, spoke in opposition. His company has two projects with larger lots (more than two acres), Carter's Grove and Brighton Park, which will essentially go away under this proposed amendment. Chamber of Commerce representatives have taken visitors to these neighborhoods which have two-lane streets and nice landscaping. Arthur James, a partner in Carbondon Cove, had trouble deciding whether to install sidewalks and curb and gutter but when he saw the Westlake Valley neighborhood, he noted that Sanford had something Raleigh did not have.

Mayor Mann requested clarification on whether this proposed amendment would affect only new developments. Mr. Downey confirmed that plats already approved would be grandfathered in.

Rex Brown, residing at 7301 Villanow Drive, spoke in opposition. Chamber representatives have also taken people through his subdivisions. He noted areas in Raleigh and Cary where 0.25 to 0.33 acre lots can sell for up to \$150,000. With these high land costs, they have to put in sidewalk and curb and gutter. Economics is playing into this heavily.

City Manager Hegwer explained that our lack of density hurts us when you look at the cost of providing fire and police services and associated response times. There has been an attempt to review and improve this.

Van Groce, Jr. suggested that when Council is approached to rezone an R-20 lot to R-10 or R-12, Council should approve it rather than denying it based on neighbors' complaints.

Council Member Taylor explained that when a subdivision is developed, it is turned over to the City for maintenance but we have done a poor job maintaining our sidewalks. He lived in the Rosemount-McIver Historic District, where there are many uneven sidewalks. We should keep in

mind that burdens put on developers now will be the City's maintenance issues in ten years. We must be prepared to allocate funds to maintain and keep these areas safe. He noted that one common thread among most developers is that they live in this community; none of them are going to build something that is not reflective of somewhere they would want to live. Herein lies the opportunity for our Planning Department and staff to sit down with these developers and look holistically at our UDO and how we can help stimulate them to develop in our community. He suggested a workshop with developers and the Sanford Home Builders Association.

Council Member Williams noted that the only thing this ordinance is attempting to change is the R-20 structure, which he feels should be left as is. The City is growing and he feels Council is moving too fast in changing things. These developers have done a good job; supply and demand dictates what types of homes are built and whether sidewalk and curb and gutter are installed or not.

Chris Tacia, 2505 Dalrymple Street (work address), spoke in opposition. He suggested that from a realtor's perspective, very rarely does anyone ask for curb and gutter. We have in Lee County the opportunity to give people coming from Wake County and other areas properties more acreage. Many properties zoned R-20 have no access to water and sewer service. In some areas of the county, we may have developers who want a lower zoning of R-10 or R-12 and they would be willing to do curb and gutter. He feels it is best to leave the ordinance as it now stands.

Steve Malloy, residing at 2615 Bellaire Drive, is a real estate broker, who specializes in commercial property. He noted that this proposed change would apply to industrial and commercial subdivisions but feels that sidewalk and curb and gutter are not needed in industrial developments. In talking with people, he has found that Lee County is the hole in the middle of a doughnut: things are growing around us and we are the hole with very little happening. He hates to see more burdens placed on industry, making it more difficult for people to come here and build a factory or warehouse. He also noted there is not much walking done in an industrial subdivision. He feels that industrial/commercial properties and residential properties are two separate issues and he would like Council to take that into consideration.

With no one else requesting to speak, the public hearing was closed.

- Amendment to Article 4, Section 4.12 Historic Preservation Overlay District, to rename Section 4.12.7 to "**Section 4.12.7 Off-Street Parking**", and to add new standards for Off-Street Parking Requirements in the Rosemount McIver Park Historic District (Exhibit J).

Zoning Administrator Althea Thompson advised that this last amendment is to Article 4, Section 4.12 Historic Preservation Overlay District. She said that, based on concerns expressed to staff related to inappropriate vehicular parking on lots in the Rosemount-McIver Park Historic District, staff is proposing an amendment that set standards for vehicular parking within said district. The proposed text amendment would prohibit parking of vehicles (automobile, bus, truck, tractor, motor homes/RVs, motorcycles, motorized scooters/ mopeds, all-terrain vehicles, recreational vehicles, golf carts, go-carts, trailers, campers or other similar devices) on grass, dirt or similar erodible surfaces within this Rosemount-McIver Park District. Staff recommends revising the Section Title of 4.12.7 to "Section 4.12.7 Off Street Parking", and adding Subsections with standards for Off-Street Parking Requirements in the Rosemount-McIver Park Historic District.

The Historic Preservation Commission recommends approval of the proposed text amendment. On January 26, 2015, a citizen input meeting was held and all property owners and residents of the Rosemount-McIver Historic District received post cards inviting them to attend and discuss the proposed changes, answer questions and solicit feedback. Notices of the meeting were mailed to over 250 property owners and residents. Five citizens attended the meeting.

Mrs. Thompson stated that design standards are being added to address off-street parking and to address standards for vehicular surface area. Vehicles in this historic district are required to park on an approved vehicle surface and not on the front lawn of the residential lot.

Mayor Mann opened the public hearing.

Council Member Wyhof asked how long people would have to comply if this were changed. Mrs. Thompson replied that they have done a survey of the number of properties which are not in compliance. Staff is in the process of working with citizens to bring these properties into compliance and we will give them adequate time. Ms. Wyhof asked whether any issues were raised of owners who were unable to pay for adding gravel, etc., to comply or whether we could structure something to help citizens pay for it over a period of time. Mrs. Thompson confirmed that there would be compliance costs and we have not included any provision for helping with costs.

City Manager Hegwer reminded Council that City funds cannot be used on private property to accomplish this goal. Ms. Wyhof stated her concern that no elderly citizens would lose their home over this or have an undue burden placed on them.

Council Member Gaskins noted that this issue has been dealt with by the Historic Preservation Commission for quite some while. He asked Planner II Liz Whitmore how many houses would be affected and what on-street parking would be available. Mrs. Whitmore stated that she and Mrs. Thompson have toured the neighborhood many times, going house by house. The majority of those parking on their front yards do have driveways and they park in the driveways and front lawns mainly because they do not want to park on the street. They determined that approximately 17 percent have driveways but do not want to use them. They may have to do some minor improvements, such as putting down more gravel and something to hold it due to erosion problems in the Historic District. They also found 27 homes with driveways which had not been maintained over time.

Council Member Gaskins asked what parking was available on the street for those without a driveway. Mrs. Whitmore replied there is parking available on the street but noted that there is an area designated as "no-parking" on one side of Cross Street and another stretch of about 50 foot on Chisholm Street. Of the 27 homes, there are two without driveways. 509 Summitt Street lacks a driveway but the owners at 507 Summitt allow them to use theirs (they park behind, by their kitchen door). There is one other house without a driveway but there is an easement behind the adjacent house (behind their house).

Mrs. Whitmore advised that the Appearance Commission tackled this problem city-wide about six to seven years ago but it was much too broad, so it has been narrowed down to the Historic Preservation District. This past summer a citizens' input meeting was scheduled and postcards were mailed to property owners and residents (to ensure that renters would also receive

postcards). Matt Sakarada runs a neighborhood Facebook page where it was posted. About five people attended the January meeting which was specifically about parking. Staff tried to do as much outreach as possible, including making phone calls to advise citizens of the meeting.

Council Member Taylor stated that he is familiar with 509 Summitt Drive because the first vehicle he purchased was totaled in front of that house. He parked on the street and was hit by a driver one night. He asked how many of the 27 houses were rental properties; Mrs. Whitmore did not know. He remarked that there are several people who own multiple rentals and it will be an enormous cost to them. He would like to know how many of the 27 were rentals.

Mrs. Whitmore informed Council that there were eight vandalism cases reported between January 12, 2012, and August 13, 2014. The Police Department did not specify whether or not the vehicles were parked on the street.

Mayor Mann added that one of the main issues he receives calls on is parking in yards and how we look appearance-wise. If we are going to be a city under revitalization, spending \$15 million of taxpayer funds clean up Downtown, we should inspect what we expect. He expects people in Sanford to raise the bar and see this through.

Mrs. Whitmore noted that this issue is citizen driven, by the residents in the Rosemount-McIver Historic District. Her main concern is that property owners should be given time to comply, perhaps a delay of six to twelve months on the deadline but let them know that it must be done.

Attorney Patterson addressed the issue of implementation. She stated that the Historic District is an Overlay District, so additional design guidelines and requirements for development in that area include the authority to place additional rules and regulations on homeowners. She agreed with Mrs. Whitmore that it would be appropriate to have an amortization period, a time in which to comply, because there will be a cost to citizens if applied to an existing, developed area. It can be adopted with a later effective date stated. If it were for all city properties, it would become more of a zoning requirement.

Ken Bright, who does not live in the Historic District but owns a duplex at 310 W. Weatherspoon Street, has experienced several problems there. The lot is 60' wide with one driveway, so if each of the two tenants own a vehicle and each tenant has a visitor, there is a problem fitting four cars. Previously the neighbors next door had three, so they used the space in front of their house but after they moved, the new neighbor objected even though they do not often use the parking. He has no place to put a driveway other than the rear, which requires a permit. He suggested flexibility in the permitting process.

Council Member Gaskins explained that no one can prohibit another person from parking on a public street in front of their house: people may not like it, but others have the right to park on a public street.

Council Member Buckels requested that a provision be made for financial assistance on this requirement. Amortization is good but residents of the Rosemount-McIver Historic District also have other obligations. He suggested more research be done on assistance from the City.

Mayor Mann closed the public hearing and thanked everyone for their comments.

*The Planning Board retired to the West End Conference Room.*

The Mayor declared there would be a recess at 8:30 p.m. The meeting was reconvened at 8:40 p.m.

### **REGULAR AGENDA**

#### **Consider Assignment of Note and Deed of Trust to New Owner and Consent of Transfer From Progressive Development Company to Buggy Factory, LLC – (Exhibit K)**

City Attorney Patterson explained that Council had discussed and approved subordination of the City's loan on the Buggy Factory so that the owners could obtain new construction financing. Since that time, Council has been requested to approve assignment of the Note and Deed of Trust to a new owner entity. Joni Martin, with Progressive Development Company, was at the meeting, along with Attorney Susan Ellinger, who represents all of the different entities being formed for the redevelopment of the Buggy Factory.

Attorney Susan Ellinger explained that she has worked with Progressive Development for the past twelve years. She often works with community development projects and also worked on the Wicker School and Wilrik Building rehabilitation projects locally. When historic tax credits are involved, the owner must be a single-purpose entity, which in this case will be "Sanford Buggy Building, LLC". Progressive Development will still be the Managing Member but this allows an investor to come in and buy the tax credits; it is only an administrative change.

Attorney Patterson explained that this name change requires that the Deed of Trust, secured by the property, be assigned to the new owner and we must consent to the transfer according to the terms of the note.

Mrs. Patterson explained that another item connected with the new financing is that the lease already executed by the City of Sanford, Lee County, and SLCP (now "SAGA") must also be assigned to the new owner, which requires written consent according to the terms of the lease. She noted that there is a time element on this, since closing is scheduled before the end of March.

Council Member Haire asked whether state and federal tax credits could be sold. Ms. Ellinger stated they could and they have received offers to purchase them. In order to claim the credits, investors actually purchase a portion of the entity owning them; it is an income tax structure for entry to the partnership. The developer benefits by receiving equity in the project to complete the rehabilitation. He asked how buyers are located; she explained that they are found at workshops and many large banks are often interested, though not in this transaction. The Bank of America has participated in a number of historic investments, including some Progressive projects. CP&L participated in the Wilrik project here in Sanford. Mr. Haire asked about the Prince Charles Hotel project in Fayetteville, which will be in limbo unless state tax credits are restored since no one will put that much money into the project. She noted that project is using federal historic tax credits and North Carolina "mill" credits. She also noted that these historic tax credits are a great way to leverage investment dollars.

Ms. Ellinger explained that the total development cost is \$5.5 million. They will be borrowing \$3.6 million from BB&T but they will only have \$1.5 in permanent debt. The tax credits will be generating \$4 million in cash tax credit equity during the course of the project (for the Mill credits and federal historic credits going straight to the building). Mrs. Patterson noted that the City's existing \$412,000 Deed of Trust will be in second position (behind BB&T's \$1.5 million Deed of Trust) and will be secured by a property improved to the point of the \$5.5 million. Ms. Ellinger remarked that the property securing our \$412,000 will be much more valuable and will also house City offices, making this a true "win-win" situation.

A motion to assign the Note and Deed of Trust and authorizing staff to execute documents necessary to consent to the assignment of the Lease was made by Council Member Gaskins; seconded by Council Member Post, the motion carried unanimously.

### **OTHER BUSINESS**

Charles Taylor expressed sadness about the Pantry's announcement of 250 layoffs in Sanford and Cary in the next 18 months. He was also disturbed to hear that most of the Pentair management been moved to Cary. They have secured a lease for a building there. Last week, a vote was taken in the Legislature illustrating the spirit of cooperation. We stood to lose \$449,000 locally. There was a split vote with the House of Representatives and our Senator voted for it. He noted that this Board has been critical of the House and Senate leadership and it is up to us to engage and have conversation with these legislators, not to belittle them in meetings because of their votes. Any disagreements should be handled individually, not in a public fashion. He was pleased to have received a note from Representative Salmon.

Council Member Wyhof explained that the City Environmental Affairs Board ("EAB") had met this evening and were pleased that the boards were being merged again. This was never more important than dealing with the issue discussed tonight during a presentation by GIS Director Don Kovaskitz regarding the coal ash. This is something members of the City EAB clearly felt would have been useful to discuss with all members of our community, rather than just with representatives of the City. They are looking forward to those continued conversations. There were serious questions raised at tonight's meeting about discrepancies in what Charah officials told the EAB board members at a January meeting and shown in the presentation. The permit which was filed and some of the actual maps and data revealed serious discrepancies. She would like to reschedule the meeting that should have occurred between elected officials and Charah representatives at the site where some of these questions could be answered in person. Two things needing clarification are: (1) the height of the actual coal ash (elevations discussed were different than shown in their permit and were also inconsistent with returning it to its original topography); and (2) whether this is actually a mine reclamation project, since it appears that more than 70 percent of the planned site is currently unmined land. The public deserves answers and we, as public officials, need to seek them.

City Manager Hegwer stated that he and several members of the Council would be attending Town Hall Day tomorrow at the Legislative Building, visiting with Senator Rabin and Representatives Reives and Salmon. He looks forward to sitting down with all of them.

Mayor Mann thanked staff for today's event with Secretary of Cultural Resources Susan Kluttz touring the Buggy Factory and a walking tour to the Lee Furniture Building. Joni Martin,

City Council Meeting  
March 17, 2015

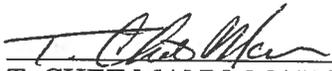
He hopes Secretary Kluttz will use Sanford as a shining example of a community investing within the community, and to help save historic tax credits for future uses in downtowns all through the state. He was very proud of Sanford, especially Council members who attended. Secretary Kluttz commented several times that she did not expect to see so many elected officials and citizens at this gathering.

**ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED  
BY REFERENCE AND MADE A PART OF THESE MINUTES.**

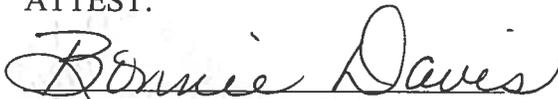
**ADJOURNMENT**

Council Member Wyhof made the motion to adjourn the meeting; seconded by Council Member Gaskins, the motion carried unanimously.

Respectfully Submitted,

  
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T. CHET MANN, MAYOR

ATTEST:

  
\_\_\_\_\_  
BONNIE DAVIS, CITY CLERK