



MINUTES

The Holly Springs Town Council met in a workshop session on Tuesday, March 10, 2020 in the Holleman Room of Holly Springs Town Hall, 128 S. Main Street. Mayor Sears presided, calling the meeting to order at 6:05 p.m. A quorum was established as the mayor and three council members were present.

Council Members Present: Mayor Sears, Councilmen Dan Berry, Peter Villadsen, Shaun McGrath.

Councilman Aaron Wolff and Councilwoman Christine Kelly arrived at 6:10 pm

Council Members Absent: none

Staff Members Present: Daniel Weeks, Assistant Town Manager; Scott Chase, Assistant Town Manager; Linda McKinney, Town Clerk (recording the minutes); Kathy White, Deputy Town Clerk; John Schifano, Town Attorney; Cassie Hack, Director Communications and Marketing; Melissa Sigmund, Planning & Zoning; Gina Clapp, Director of Planning and Zoning; Kendra Parrish, Director of Engineering; Irena Krstanovic, Director Economic Development; Patty Dressen, Interim Director of Finance; Corey Petersohn, Finance; Kimberly Keyes, Administration; Jeff Wilson, Director of IT;

2. Workshop Overview

Staff Resource: Randy Harrington, Town Manager
Mr. Harrington gave an overview of the items on the agenda.

Councilmembers Kelly and Wolff arrived at this point.

3. Space Needs Analysis

Staff Resource: Kimberly Keyes and Daniel Weeks, Administration

Daniel Weeks said that the Town has been conducting a space needs study for Town Hall, and introduced Natalie Stenger and Brent Green from Creech and Associates. Mr. Green said that they had considered various solutions for the space problem in Town Hall and showed gave an overview of the process used. Ms. Stenger then showed examples of five considered solutions. She then explained the process they had used to assess space in Town Hall, the deficit of around 15,000 square feet, and the parking needs associated with employment at Town Hall. She outlined five initial massing models they studied in order to meet these space needs, and explained why Option 5 was the best solution. Next she walked through the five phases of the plan, from renovating existing space in Town Hall to improve reception services, to moving some departments into the old Police Station once it becomes available, to renovating Town Hall infill space left open by those departments that moved, to construction of a new three story building and the final renovations to Town Hall. They showed potential floor plans for these phases, and potential elevations for the finished project.

Mr. Weeks explained that the next steps would be budget requests for the proposed improvements in 2021, moving the Parks & Recreation and IT departments to the old Police Station in 2021, and consideration of purchasing the Rendering House/Village Condos.

Randy Harrington said that the plan is conceptual. This is not exactly what is going to happen over the next twenty years, but it gives us some avenues or approaches on how to address the growing space needs. Mayor Sears asked about the timeline. Mr. Green outlined those phases starting with Phase 1 in early 2021, to Phase 5 being 8 to 10 years out.

There was discussion around whether traditional offices and cubicles are the best use of space or whether Town Hall should move to an open plan. Mr. Green said that an open plan was looked at, but so many positions in local government require privacy that a totally open plan doesn't work. There was further discussion about whether telecommuting and other changes in workforce practices were considered when drafting this plan. Mr. Green said that there is no policy in place regarding telecommuting, and therefore it could not be taken into consideration until there is, but that might relieve some pressure, and that some positions were more conducive to telecommuting than others.

There was further discussion around the financing and whether a financial plan had been created. Mr. Harrington said that the purpose of this study was space, and a financial plan would have to happen in the future, but at some point the pressure need would be great and having a plan in place ahead of time would assist in planning.

Finally there was discussion about seeking to purchase and retrofit already existing properties rather than building a new building. It was pointed out that this raises ADA considerations which could make it prohibitively expensive.

4. Green Oaks West Development Agreement

Staff Resource: Kendra Parrish, Director of Engineering; Melissa Sigmund, Planning & Zoning

Kendra Parrish, Director of Engineering, said that the Green Oaks West PUD came before Council and Planning Board for a joint public hearing on January 7, 2020. The following issues were identified at that hearing for further review and consideration: the mix of residential and non-residential; transportation improvements; sewer improvements; and pedestrian connections. Since that time staff has been working with Mr. Chandler on a Development Agreement. Due to traffic and engineering studies, the developer has felt a need to make changes to the PUD in order to pay for the improvements needed. Melissa Sigmund, Planning & Zoning, showed the plan that was presented at the public hearing. She then showed the revised plan submitted by the developer in which the central portion of the property has been changed from Office/Institutional to Mixed Residential. The developer anticipates stand-alone residential in this area, rather than the previously discussed residential up, non-residential down. This plan reverts to the initially proposed design concept which the Technical Review Committee warned them against pursuing.

Staff requested input from Council prior to getting into the details of the negotiations. Council indicated that they wanted to hear the details of the negotiation before they made any decision. They asked staff about "worst case scenarios" and Ms. Parrish said that, with standalone residential allowed, the worst case scenario is that the 600 residential units get built and the commercial would not get built.

Ms. Parrish outlined the points of negotiation on the proposed Development Agreement. She said the goal was to have nonresidential, with residential supporting it. Staff suggested 100,000 square feet of nonresidential and 250 residential units could get building permits at the same time. The Developer requested it be increased to 400 residential units. Phase II would be a check-in where, prior to additional residential units having permits issued, 100,000 square feet of nonresidential needs to have a CO and an additional 150,000 sq. ft. of nonresidential shall have a building permit. Developer thinks that should not have any restrictions on the residential.

Council discussed phasing in the residential and their commitment to keeping the business park nonresidential. They said that the included residential portion of this was envisioned as incidental to the nonresidential. They did not agree with allowing the developer no restrictions on building the residential component. They said that they were more willing to

negotiate regarding sewer improvements than road improvements, and that they would prefer fee-in-lieu payments be upfront, rather than phased in, as construction dollars lose value each year.

Pedestrian connections were discussed and Ms. Parrish said the developer was asked to build an 800 foot sidewalk connection along the north side of New Hill. He was willing to obtain the easements and turn them over to the town, but not to build the sidewalk. Council discussed what it would take for Public Works to build the sidewalk and how the materials could be financed. Council expressed a desire to guard against the worst case scenario, and to ensure that the nonresidential is built and that it “pushes the needle” towards the goal of 70% residential, 30% non-residential.

Ms. Parrish said the next steps will include continuing the conversation with the developer along the guidelines given by Council. Another public hearing will be scheduled and before it gets to Planning Board the final terms of the Development Agreement would be worked out. Mr. Parrish said that staff will meet with the developer and continue the conversations. If we need to check back in with you along the way we will. Mr. Harrington said we can have some touch points to check back in with Council as the process continues.

Mr. Harrington asked Council for a time check on what they wanted to do with two remaining topics and 20 minutes left. Council decided to continue with both items.

5. Strategic Plan Check In

Staff Resource: Randy Harrington, Daniel Weeks, and Scott Chase, Administration; Corey Petersohn, Finance

Randy Harrington, Town Manager, said that the purpose of this item is to continue discussion of potential updates to Town Council's Strategic Plan. He said that at the retreat, Council discussed various aspects of the strategic plan. He gave an overview of which initiatives have been completed, or are nearly completed. New initiatives to support the Strategic Priority Areas were also discussed.

Council discussed what the residential v nonresidential ratio should be, how it could be achieved, whether numbers should be included in the strategic plan at all. The consensus was to keep the 70/30 as a goal.

Regarding affordable housing, Council decided at the retreat to focus on two primary issues: displacement of residents and having a variety in housing prices. Goal 5 was proposed under Responsible and Balanced Growth: “Leverage Town and regional partners to mitigate resident housing displacement from NCDOT and Town infrastructure projects and increase housing variety and price points.” There were four proposed initiatives beneath this goal. Council discussed them each, attempting to reach a consensus on definitions of the problem and appropriate solutions.

Gina Clapp said that neighboring municipalities have either just completed housing studies, or are in the beginning phases of housing studies. She outlined potential components of a housing study, should Council wish to commission one, and the price range of \$50,000 to \$90,000 for such a study. She looked at Morrisville's recently completed study, and it was not unique to Morrisville, it was more “any town USA.” She did not see their RFP to see what they looked for. Affordable housing is not a local problem; it is a regional problem. She said there are more and more resources that we can tap into from the School of Government (SOG) and other sources.

Ms. Clapp said staff would like to know what Council's goals are, what the local/regional market is or is not; and then create a plan of action. She suggested using SOG and Wake County resources to narrow down Council's goals and plans.

Council discussed the pros and cons of commissioning a housing study, versus forming a committee or dedicating staff time to studying the problem. There was a question on whether

the issue could be studied by staff or a committee in time for an item to be put in the budget for the next fiscal year. Mr. Harrington said that a process like that takes 4 to 6 months, and a staff person would be needed to support that committee. He said that if Council is unsure of what it wants to do, some funding could be carved out in the budget that was unspecified and would be available later if Council wanted to spend it on a housing study.

Mayor Sears asked for a vote on Initiative 5.4 at this time.

Action: Motion to amend proposed strategic plan to include initiative 5.4 as amended: "Conduct a Housing Study to analyze the Town's housing composition, strengths, challenges, gaps, and potential courses of action, and form a housing committee."

Motion by: Wolff

Second by: Kelly

Vote:

Aye: Wolff, Kelly, Villadsen

Nay: McGrath, Berry

The motion passed.

There was consensus (no vote taken) to amend proposed Initiative 5.2 to take out "single family" and to keep goal 5, amended to strike "and increase housing variety and price points."

Mr. Harrington, Town Manager, said that the next steps would be for Council to consider adopting the FY2021-2020 Strategic Plan at their April 7th business meeting, and for Strategic Plan elements to be reflected in the Manager's recommended budget on May 12th.

6. Unified Development Ordinance Decision Matrix:

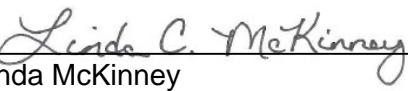
Staff Resource: Gina Clapp, Director of Planning & Zoning

Gina Clapp, Director of Planning & Zoning, said that the purpose of this item was to provide Council with a general overview of how the various decision making processes are determined for development proposals. She said that administrative decisions must meet or exceed the UDO requirements, which were set by Council. She went on to explain the value of administrative decisions in saving time and costs, which makes the town more small business friendly. She explained that there were four basic types of decision procedures. Public Hearing-Legislative; Public Hearing-Quasi Judicial; Administrative – Town Council; and Administrative – staff. She outlined the parameters for each type of decision making process. She showed how neighboring municipalities grant staff decision making authority, and the special requirements for projects in the downtown village district.

Mayor Sears asked if the requirement for a neighborhood meeting was new. Ms. Clapp said that for rezoning, that rule has been in place for 5 to 8 years. But there is no requirement for a neighborhood meeting for a SEU or Development Plan. Council asked questions about requiring neighborhood meetings for other than rezoning, and was advised that staff encourages it, but can only require it for a rezoning.

7. Adjournment: Motion to adjourn was made by Councilman Villadsen, second by Councilman Berry, and passed with a unanimous vote. The March 10, 2020 workshop meeting of the Holly Springs Town Council was adjourned at 9:33 pm.

Respectfully Submitted on Tuesday, April 7, 2020.



Linda McKinney
Town Clerk