



January 7, 2020

## MINUTES

The Holly Springs Town Council met in regular session on Tuesday, January 7, 2020 in the Council Chambers of Holly Springs Town Hall, 128 S. Main Street. Mayor Sears presided, calling the meeting to order at 7 p.m. A quorum was established as the mayor and five council members were present as the meeting opened.

**Council Members Present:** Mayor Sears, Councilmen Dan Berry, Peter Villadsen, Shaun McGrath and Aaron Wolff, and Councilwoman Christine Kelly.

**Council Members Absent:** none.

**Staff Members Present:** Randy Harrington, *Town Manager*; Scott Chase, *Assistant Town Manager*; John Schifano, *Town Attorney*; Linda McKinney, *Town Clerk* (recording the minutes); Cassie Hack, *Director Communications and Marketing*; Tamara Ward, *Communications and Marketing*; Mark Andrews, *Communications and Marketing*; Mathew Mutter, *IT*; Gina Clapp, *Director of Planning & Zoning*; Melissa Sigmund, *Planning & Zoning*; Sean Ryan, *Planning & Zoning*; LeeAnn Plumer, *Director Parks and Recreation*; Matt Beard, *Parks and Recreation*; Kendra Parrish, *Director Engineering*; Rachel Jones, *Engineering*; Bronwyn Bishop, *Engineering*; Aaron Levitt, *Engineering*; Irena Krstanovic, *Director of Economic Development*; Seann Byrd, *Director Water Quality*; John Herring, *Chief of Police*; and Leroy Smith, *Fire Chief*.

**2. and 3.** The Pledge of Allegiance was recited, and the meeting opened with an invocation by the Rev. Horace Ferguson, Pastor Emeritus of Holly Springs United Methodist Church.

**4. Agenda Adjustment:** The January 7, 2020 meeting agenda was adopted with changes, if any, as listed: Item 9h moved to New Business.

**Motion by:** Berry

**Second by:** Kelly

**Vote:** Unanimous

**5. Public Comment:** At this time, an opportunity was provided for members of the audience who had registered to speak to address the Council on any variety of topics not listed on the night's agenda. The following comments were recorded:

Christine Walorz, 324 Covenant Rock Lane, said that she lives in Holly Glen and there are many projects going on in Holly Glen and on Avent Ferry Road that are causing congestion. The Lighthouse nursery school going in diagonally across from Primrose will add congestion on Holly Meadow and Capeside, and she is opposed to it for traffic reasons, because Primrose already causes congestion in this area and another preschool will only add to that.

Frank Gillooly spoke about the intersection at Smithfield Drive. You cannot see the curb and the big hole after dark, and he would like something done about it.

### **6a. Happy Holly Days Parade Recognitions**

Mayor Sears recognized Tim Congleton for 25 years of announcing the Holly Springs Christmas Parade. He said that Mr. Congleton has announced the parade since 1994, meaning that he has been the announcer for at least two-thirds of all the parades held. His commentary and humor became a tradition in Holly Springs. At the 2019 Happy Holly Days parade he indicated that

he would not announce future parades. Therefore we as a town would like to celebrate his accomplishment and honor him for 25 years of service to Holly Springs.

Mr. Congleton thanked the Town. He moved here in 1990 and has watched the amazing growth of the Town. He spoke of his long relationship with Mayor Sears and how the growth in Holly Springs has made life better in Holly Springs.

Mayor Sears recognized Joe LeFaro, president of the Kiwanis Club, for the service the Kiwanians provided to the 2019 Happy Holly Days parade, and those of previous years. Much of the volunteer personnel is provided by the Kiwanis Club and the Town could not put on the type of parade it does without their help. He presented Mr. LeFaro with a proclamation honoring the Kiwanis Club for their assistance with the parade. Mr. LeFaro spoke about how much the Kiwanians enjoy volunteering for the parade.

Mayor Sears recognized Tamara Ward, Communications and Marketing. He said that 2019 was her first year of producing and organizing the parade. The 2019 parade was one of the best run parades in the Town's history and that is owing largely to her work and organizational skills. He presented her with a proclamation honoring her work in service to the Town of Holly Springs. Ms. Ward said that she was pleased and honored to receive this, but she feels like she is just doing her job. She can only do it because she has such a great team to work with. She thanked the Communications and Marketing Team for everything they did. She also thanked the dozens of people who came together to make the parade a success; police, public works, parks, and so many others.

#### **7a. LaunchHOLLYSPRINGS Update**

Mr. Bob Shimmel, LaunchHOLLYSPRINGS gave Council an update on LaunchHOLLYSPRINGS. He thanked the Town for the support they have given LaunchHOLLYSPRINGS over the last two years. He outlined the four-part program of the community based program to support underfunded and/or minority & women entrepreneurs, sharing some statistics on the increase in small business initiations in Holly Springs since 2017. Holly Springs has one of the highest ratio of new businesses to population of any municipality in North Carolina. He spoke about the successes of Cohorts 1 and 2, and the potential of Cohort 3. He outlined community involvement, including volunteering at various events in town and supporting local nonprofits. Finally he outlined the 2020 initiatives and programs, including the Cohort 4 program slated for fall 2020. He said that in the spring of 2020 there will be a new Business Enhancement Program to reinforce the businesses that were started in the earlier cohorts.

#### **8a. Joint Public Hearing: 19-PUD-01 Green Oaks West**

Melissa Sigmund, Planning and Zoning, said the applicant is requesting to rezone the property to Planned Unit Development (PUD) and has submitted an associated PUD Master Plan for review. The Development Procedures Manual (DPM) requires a Joint Public Hearing for the PUD Master Plan to allow for both the Planning Board and Town Council to hear public concerns and support for the proposed zoning before consideration of the request. Once this hearing is held, the petition will be forwarded to the Planning Board to review, discuss, and make a recommendation on the Rezoning and PUD Master Plan that will be forwarded to the Town Council for final determination.

Ms. Sigmund said the project is approximately 120 acres. She explained that a PUD takes the place of the zoning and dictates how a project can be developed. She outlined the current zoning on the parcels and said that this would be a transition area from one zoning type to another. She explained the five proposed types of districts within the PUD. She outlined the phasing that the developer has offered, requiring commercial and office/flex space prior to residential/mixed use building. She compared the proposed PUD to the UDO, noting the differences in architecture and landscaping. She then discussed open space and tree preservation requirements. The developer is providing the open space and tree preservation at the commercial level, which is more than would be required for strictly industrial areas.

Matt Beard, Parks and Recreation, discussed the proposed greenways which would be built as part of the PUD. He showed where the town-maintained greenway and the privately maintained but publicly accessible greenways would be in the site. He showed the sidewalk and greenway connections on nearby parcels, and discussed possible connection points to existing greenways, both within Holly Springs and to the greenway systems of Apex.

Rachel Jones, Engineering, showed the water, reclaimed water, and sewer distribution plans. There is an existing water supply and reclaimed water across from this property. Hydraulic analysis were submitted and approved. A sewer analysis was provided and reviewed. She showed the proposed sewer distribution plan. She also discussed the circulation plan, including which improvements were in the Phase 1, 2021 buildout, and which were in the Phase 2, 2024 buildout. There will be road widening of Holly Springs New Hill Road along the frontage of the property. The TIA studied 10 intersections, and 4 site access drives. Recommendations that came out of the analysis include monitoring for signals on Holly Springs New Hill Road, several fee-in-lieu intersections, right turn lanes (see slide) third lane on 55, and traffic signals.

The applicant, Jim Chandler of Chandler Property Group, said that the property includes 11 parcels. Mr. Chandler said that with the land use plan designating the property as business park, they needed to find the highest best use. They think this will improve the commercial residential balance in town and will attract new businesses to Holly Springs.

Laura Holleman with the Spaulding Group said that the Innovation Village concept is new to the Town, and this is what Green Oaks West will be for Holly Springs. It abandons the idea of a business park that goes dark after 5pm. Instead it incorporates retail and housing for a vibrant community. It supports a work-live-play lifestyle, but the main emphasis is as an employment center.

Tony Tate, TMTLA Associates, said they have worked with staff in an effort to create a framework of regulations that assures the Town, the neighborhood and the community that the concepts and directives of the innovation village concept within the comprehensive plan is something that will come to fruition. An emphasis on small-scale retail and clean tech research employment in a village atmosphere. The public realm that you get in a mixed use development, all wrapped into an innovated area.

He said they were looking at the external development around the property, transportation patterns, environmental issues with the long fingers of wetlands and buffers extending through the site, and we were trying to piece all these things together into a comprehensive plan. In doing that they excluded uses, limited single use sites, provided intensity maximums, and development hub locations for prominent buildings. They are trying to create pedestrian / human scale on the street. Parking is located behind and beside buildings. There are open space opportunities and landscape requirements. There are 20 pages of architectural restrictions in the document. They are trying to eliminate sub-standard building materials, and use sustainable materials. Open space is scattered throughout the site and are of different types, and they are delineated in the document.

Mr. Tate said that greenways were not counted in the tree preservation area and buffers were not counted as open space. It provides a healthier environment. He then showed a mock fly-through of the site.

Jeff Hochanadel with Timmons Group said his company did the TIA for the project. They looked at 10 intersections off site and 4 site driveways. They looked at it in 2 phases: 2021 and 2024. (Phase 1 is the area south of Oakview.) They included shopping, hotel, and supermarket in phase 1 and additional of the same for phase 2. Following DOT's warrants, and peak hour warrants, Holly Springs New Hill doesn't have the traffic to meet the warrants at this point, but they recommend a fee-in-lieu for when it does meet the warrants.

Jim Chandler spoke again saying that this development will help the town to become a place that allows people to stay in Holly Springs and make it less of a bedroom community.

Laura Holleman said that the reason they were able to do the "fly through" and show such detailed proposals is because there are so many specifics in the plan. They decided first what they did NOT want: drive through restaurants, and car services. They limited the size commercial to

60,000 sq. feet. A smaller scale neighborhood service type business. The only residential allowed would be in the mixed use upper stories (in pink on the map) or along the “spine” road internally (blue on the map.)

Councilman Wolff said he agreed that this is a new concept for everyone. One thing that caught his eye is that this is primarily an employment center with a maximum of 600 units of residential. How much total residential space are you looking at (square footage wise) compared to the commercial space? He wants to be sure it is kept primarily as an employment center. And with residential limited to multi-family units above commercial, how can the developer make sure that this provides a mixture of residential styles. Laura Holleman said they arrived at residential being only upper story because that was the feedback they were given. Originally they had an area near the wetlands that was totally residential. After a lot of productive meetings with staff, they felt that upper story uses could be present in the development, but town homes or units that are strictly residential would not be allowed. Councilman Wolff said that having a variety, not just premier apartments, would allow people to live where they work. He also asked about neighborhood feedback from 12 Oaks and Hensley. Ms. Holleman said that the meetings were well attended and the main concern expressed by residents were related to traffic. They want the signal, and the developer does too and will push DOT for that. Neighbors liked that drive through, big box, and car care were being excluded and thought that would bring in more diverse interesting businesses. Councilman Villadsen asked for a review of the phasing plan. Mr. Tate said that the first place that will be developed is the southwest corner. There is a restriction requiring a certain amount of office type use be built prior to issuing permits for residential construction. Ms. Sigmund said that 50,000 sq. feet of office/flex space, PLUS 50,000 sq. ft. of commercial must be built before residential. Councilman Berry asked for clarification on building heights along Holly Springs Road. He didn't see that in the PUD document and wants it spelled out. He wants the taller buildings in the center. He also asked for clarification that self-storage units would not be permitted. Ms. Holleman pointed out in the PUD document where buildings along Holly Springs Road were limited to 3 stories. She also clarified that self-storage units would not be permitted. Councilman Berry asked why 100 units of residential are outside of the West Center. Ms. Holleman said they envision this entire street as walkable urban street scale, so if someone wanted to come in and offer something smaller, they wanted to give them that flexibility.

Councilwoman Kelly asked how many jobs they think this will provide, and if they think people will actually live there. Will the folks who work in the restaurants be able to afford to live there? She also said that walkability needs to be connected to 12 Oaks, Hensley, etc. so that people who do not choose to live there can walk to get there. She said she's concerned about the traffic in and out, and that the tree preservation seems to be limited to around the wetlands and the rest would have a very “planted” feel. She is also concerned that cutting down the trees will increase the landfill odor problem. She would like to talk about LEED buildings, and Wi-Fi ready buildings, EV charging stations, and other things that will make this development truly innovative.

Councilman Wolff asked if the fact that some people will live and work here affected the traffic impact analysis. Mr. Hochanadel said that they have to follow the DOT methodology, so the TIA shows a more conservative effect on the intersections. They think it could be less than that.

Councilman McGrath asked him to explain his methodology and how it affects the various roads in the area. Mr. Hochanadel said they look at existing travel patterns and extrapolate from that.

Councilman McGrath expressed concern that there is not enough access to the site to support the commercial development, and other roads need to be looked at.

Van Crandall, Planning Board, said that the completed applicant and petitioner forms were not included and he likes reading those. He also did not see any information about schools in the packet. He wanted to know how staff came up with 118 children added to the schools, with 600 residential units. Ms. Sigmund said the information provided in response to Council questions came from Wake County School System. Staff does not have access to their formulas, but the number of students generated is from them. They say it is much lower for this type of development than from traditional type apartment communities.

Mr. Crandall asked, considering it is being built in phases, why a PUD rezoning instead of the Town's UDO would be necessary. He asked about the developer's experience and whether it was his intent to actually develop it, or sell it after potential Town approval.

Mr. Chandler said that he does not intend to develop it himself, but to bring in a larger, more experienced developer. Ms. Holleman said a PUD is needed because in the UDO there is no mixed use option in a major employment center that would allow this low percentage of residential. Community Business would open up the issues allowing big box commercial, and the UDO doesn't allow for flex space. The developer needs all 11 of the parcels to work together. If they were developed individually, the frontage improvements would kill them. There are parcels that would be eaten up by stream buffers, and they could not afford to bring sewer in to develop the small amount of area left. With a PUD they can tighten up the standards and bring in amenities that couldn't be realized or forced upon a developer coming in with straight industrial or commercial zoning. A PUD also provides more tree preservation, because industrial zoning doesn't require any tree preservation.

Mr. Crandall asked if this provides walkable streets. Mr. Tate said that internally, given the site that and the other constraints that they have, it will not be a grid, but it will be walkable.

Councilman McGrath asked staff why the town is not collecting the fee-in-lieu for along Old Holly Springs Apex Road. He thinks the town needs to start looking at those roads. Councilman Berry said that there will be thousands of employees, and 600 residential units, why are we still waiting on "thresholds" to get signals at Green Oaks and Holly Springs New Hill, and the realignment of Old Holly Springs Apex Rd. Councilman McGrath said the town needs to make Holly Springs Apex Road pedestrian friendly, and he wants the bike lanes separated from vehicular traffic and those improvements should be carried outside of the development.

With that explanation completed, Mayor Sears opened the public hearing. The following input was recorded:

Ralph Joyner, 117 East Hickory Avenue spoke for land owners on New Hill Road. He said that most of the original landowners worked long hours to acquire that land, many working for 10-14 cents a day. He wants to urge the Planning Board and council to approve this project, because it represents a significant financial gain for most of the land owners in the area. He thinks having medical facilities there would be good for the Town. Also, there is not one hotel west of Apex or Cary that can host a banquet for 100 or more people. If we get the hotel, that would be a big gain for the town, so residents wouldn't have to go outside of Holly Springs to host large events.

Mike Valentine, 305 Morning Oaks Dr., said that he was concerned not enough wetlands are being saved. He said the information given at the HOA meeting was different from what was presented tonight. For example, tonight they said that they are proposing 3-5 story buildings along New Hill Holly Springs Road, but they told the HOA they were planning 1 story buildings. He is concerned about traffic and parking. He said that 12 Oaks residents do not want to see a hotel there. Any new hotel should be on Highway 55. He thinks the greenways are too short to be of any use and need to be connected. He is concerned that greenways be runnable as well as walkable, and he said that 12 Oaks residents would need a golf cart crossing in order to access the site.

Mayor Sears closed the public hearing.

Councilman Wolff thinks this is a way to be creative in ways that are sustainable, that preserves trees, and that attract the younger generation. He would like to see more innovation – solar power, more sustainable buildings, LEED building, EV charging stations, etc. Those are the types of spaces the people who will move in to this type of development are looking for, so he encourages the developer to look at those options.

Councilwoman Kelly said some affordable housing percentage, to allow service workers to live near their work, would make this more attractive.

Councilman McGrath said that if we're going to talk about rezoning to a PUD, he thinks it provides an opportunity to preserve the trees. The way it is zoned now, a developer could come in

and raze the trees. He is not concerned about affordable housing here, he thinks we could look at other areas nearby for that.

Councilman Wolff said he agrees to a point, but thinks we need a diverse range of housing to support service workers, and those just coming out of school with student loan debt.

Councilman Berry said that this area has been slated to be a business park for a long time. When this first came to the Town, it had 800 to 1000 residential units, now it is down to 600. He doesn't want to cloud the business park issue with questions of who would live here and what could they afford. He thinks this is unique enough to bring millennials and young professionals to Holly Springs.

He also wanted to reiterate the process for the public: Council is not deciding on this tonight. It will go back to Planning Board, and then come back to Town Council probably in February or March, where it can be discussed and decided on.

**Action:** Motion to forward Planned Unit Development 19-PUD-01 for Green Oaks West to the Holly Springs Planning Board for review and recommendation at a future planned scheduled meeting.

**Motion by:** McGrath

**Second by:** Berry

**Vote:** Unanimous

## 9. Consent Agenda

The Council approved a motion to approve all items on the Consent Agenda, with the exception of 9h which was removed for discussion. The motion carried following a motion by Councilman Berry, a second by Councilman McGrath and a unanimous vote. The following actions were affected:

9a. Minutes – The Council approved minutes of the Council business meeting held December 17, 2019.

9b. Amend Council Meeting Schedule – The Council amended their schedule of regular meetings to include the February retreat. *A copy of the amended meeting schedule is attached to these minutes.*

9c. Stormwater Utility Fee and Program Analysis – The Council awarded a contract to Brown and Caldwell for stormwater consultant services in the amount of \$98,564.50 for analysis and recommendations for a fee and rate structure for the town's stormwater program and utility; and the Council approved a budget amendment transferring \$98,564.50 from Stormwater Reserve Funds (27.95) to stormwater operating project account 31-431 12.01.

9d. Annexation A19-08 Resolution of Sufficiency – The Council adopted Resolution 20-01 directing the Town Clerk to investigate the sufficiency of annexation petition A19-08 and set public hearing for Tuesday, January 21, 2020. *A copy of Resolution 20-01 and map are attached to these minutes.*

9e. Town Hall Commons Infrastructure Project Change Order 9 – The Council approved Change Order 9 in the amount of \$15,986.92.

9f. Digital Recovery and Implementation Services – The Council approved the Corus360 Sale Agreement and Scope of Work for the project VMWare and Veeam Consulting Services for \$20,305.

9g. Chamber of Commerce Sponsorship Grant Part II – The Council approved Diamond Level Chamber Champion Sponsorship (\$10,000) with the Holly Springs Chamber of Commerce and Government Relations Partnership (\$5,000).

## **NEW BUSINESS**

9h. Coworking Station Lease Renewal – removed from Consent Agenda for discussion

Councilman McGrath asked what the difference was between fair market rent and what we are asking for this space.

Irena Krstanovic, Director Economic Development, said the Coworking Station is Class C office space. The Town has been charging them an incentivized rate to help them incubate the businesses. Holly Springs doesn't have much Class C office space so there is not much to compare it to. John Schifano, Town Attorney, said given the square footage, he thinks the market rate would be \$5000 a month, so \$3000 is below market rate, but not greatly so.

**Action:** Motion to approve an addendum to the Coworking Station Agreement with Lighthouse Recruiting, LLC.

**Motion by:** Berry

**Second by:** Wolff

**Vote:** Unanimous

## **10. OTHER BUSINESS**

None that required action.

## **11. MANAGER'S REPORT**

Randy Harrington, Town Manager, said at the last meeting Council received a report from the Holly Springs Police Department about crime statistics. Today Home Snacks, a company that looks at those statistics, said that Holly Springs is the #1 safest community in North Carolina.

**12. Closed Session:** none.

**13. Adjournment:** Councilman Berry made a motion to adjourn at 9:53 pm. It was seconded by Councilman McGrath and passed unanimously.

Respectfully Submitted on Tuesday, January 21, 2020.

  
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Linda C. McKinney, Town Clerk

**Addenda pages as referenced in these minutes follow and are a part of the official record.**