

Mayor and Council Workshop

6 p.m. November 8, 2022

Holly Springs Law Enforcement Center and livestream



MINUTES

The Holly Springs Town Council held a workshop meeting on Tuesday, November 8, 2022 at the Law Enforcement Center and via livestream. Mayor Mayefskie presided, calling the meeting to order at 6:00 p.m. A quorum was established as the Mayor and three Council members were present as the meeting opened.

Council Members Present in the room: Mayor Sean Mayefskie, Mayor Pro Tem Dan Berry, and Council members Aaron Wolff, and Tim Forrest.

Council Members present via electronic means: Kristi Bennett and Shaun McGrath.

Council Members absent: none.

Staff Members Present in the room: Randy Harrington, Town Manager; Linda McKinney, Town Clerk (recording the minutes); Daniel Weeks, Assistant Town Manager; Scott Chase, Assistant Town Manager; Antwan Morrison, Finance Director; Corey Petersohn, Budget, Innovation and Sustainability; Mathew Mutter, IT; John Schifano, Town Attorney; Cassie Hack, Director of Communications and Marketing; Kendra Parrish, Executive Director of Utilities and Infrastructure; Chris Hills, Director, Development Services; Sean Ryan, Development Services; Elizabeth Goodson, Development Services; Catherine Jacobs, Development Services; Aaron Prichard, Development Services; Seann Byrd, Utilities and Infrastructure; Rachel Ingham, Utilities and Infrastructure

1. Overview: Randy Harrington, Town Manager, gave an overview of the meeting agenda.

2. Utility Allocation Policy

Kendra Parrish, Executive Director of Utilities and Infrastructure, said this item was to brief Council on stakeholder input for a Utility Allocation Ordinance and receive input from Council for such an ordinance. She said a Utility Allocation Ordinance was a guide for distributing the remainder of the wastewater flow, and is needed because water is a limited resource and an asset to be managed. She said staff has studied how other communities handle allocation, and studied their ordinances. She outlined our current capacity, permitted capacity and daily flow. She said the challenge comes with the recent wave of success the Town has experienced in attracting major employers, and several years of growth. She explained the amount of water allocated to different “buckets,” from projects that have been permitted, but are not yet flowing, to projects that are approved and in the Town limits, to projects that have been submitted to staff but not yet brought to Council, and finally to projects that are speculative at this time and not formally submitted. If all the approved projects “hit” at once, we would be over the current capacity. The planned plant upgrade to 8 million gallons per day (MGD) is set to be complete in 2027 or 2028. The upgrade would be difficult to speed up due to the complications of upgrading while continuing to treat waste water, and the desire to make the upgrade further upgradable.

Ms. Parrish outlined the current permitting process, outlining the points at which flow amounts are determined. It can take two to five years from preliminary plan discussions to the

actual flow received at the Water Treatment Plant. So timing is important. Timing is where they reconcile the estimated flow to the actual.

She said that stakeholder input included the desire to solidify utility capacity earlier in the process, to ensure economic development is able to continue, to provide clear guidelines and certainty in the process and to make sure one user does not get all of the utility capacity. Stakeholders also requested an effective policy to address sunseting, and phasing of the larger developments, and pointed out Johnston County's Ordinance as a good example of these provisions.

Ms. Parrish said that staff recommends continuing the quarterly reconciliations and establishing a Utility Allocation ordinance. She gave options of how to divide the allocations. She recommended reserving 30% of capacity for Economic Development, with the remainder split, either 30% non-residential and 70% residential; or 40% non-residential and 60% residential. She said that priority could be assigned based on vicinity to existing infrastructure; available pump station capacity; whether the project is economic development, non-residential or residential; public infrastructure improvements; sustainable design; affordable housing; gateway and transit improvements; and amenities included. She said there should be a sunset or expiration clause and phased development, issued by year. She said next steps would be drafting the ordinance and bringing it back to Council in January.

Council member Forrest asked what the current breakdown between residential and non-residential is, and said he would like to see it before an Ordinance is drafted. Ms. Parrish said that staff would get those numbers together and get them to Council. She said that as the strategic plan changes, these percentages could change. It would be a living document. Council member Forrest asked if this was going to be a discussion topic at the retreat. Randy Harrington, Town Manager, said the retreat is the place to make any adjustments to the strategic plan, and if there is direction from the group ahead of the retreat staff can prepare that.

Council member Wolff said that although this was not intended as a development tool, a nice side effect is providing incentive to developers, giving them a "carrot" to work towards, when we are statutorily limited as a body in what we can ask for. Having this, and having those elements of what we desire from our strategic plan in this policy is awesome. The percentages are going to be the most difficult thing. With FujiFilm we reached our 30/70 goal and now we are facing a housing deficit. What we can project over the next five years will be key to finalizing those percentages, because the closer we can get to getting it right the first time, the better.

MPT Berry said he likes the direction we are heading in. He said he is not entirely worried about some of the 3rd order effects that could come from this. As a group Council needs to align on where things rank as far as priorities. He said staff should definitely explore a sunset provision, given some of the projects the Town has seen in the past. We shouldn't be holding allocations for projects that aren't moving.

Council member Bennett said that affordable housing is listed in the priority assignment. She asked if priority could be based off of land use. She asked if they could add in other things that they would like to make sure to keep as a priority, like schools, churches, hotels, or specific businesses. Ms. Parrish said staff has talked about that with other communities that have an ordinance, and what has resonated is that having a clear and concise ordinance, which shows the developers how they score, is desired. Our partners do want to see a list of how they get those points. Staff would probably like to have some sort of priority list, and what that includes, for transparency. From the administration side, staff wants to be sure the ordinance works seamlessly. She added Affordable Housing to the list because that is a priority in many of the communities staff investigated; it may not be Council's priority. This is totally directed by Council as to what gets priority and how it is listed.

Council member McGrath said he would like to add "legally defensible" to the clear and concise requirement. He asked for Town Attorney, John Schifano's opinion. Mr. Schifano said we are going to make the ordinance as defensible as possible. He said the slippery slope would

be requiring people who don't meet the criteria to pay more in order to get an allocation. That's where the problem was in the past for some municipalities. There is nothing wrong with saying we can't rezone you right now, or allow you to build because we don't have the water and sewer capacity. The key is to keep things at a legislative rezoning stage. That is the key, and also to be very cautious to not say "we don't have the capacity now, but you can pay into the system and get the capacity." Council member McGrath said he wants to be sure that any priorities are legally defensible. He said he agrees that we need to have a sunset clause that is fair and equal across all projects that aren't progressing. He wants a clear communication plan to the developers because they need to know five to ten years out. He said that Public Infrastructure Improvements is a top priority for him, and affordable housing which can come with an economic development project to provide the housing for transitory or lower-wage workers.

Council member Forrest asked if it was possible for already assigned projects to be based on a decision matrix based on priorities. Ms. Parrish said that these are just ideas but staff does plan on having a weighted value of how a particular project ranks. And as flow becomes available the top priority gets to advance to construction drawing. It's uniform and holds everyone to the same standard.

Ms. Parrish said that what she is hearing is that there needs to be a lot of work on the priorities and what is more highly rated. She suggested that it could be brought back to another workshop with more details on the ranking before the Ordinance is drafted.

3. Northeast Gateway Plan Update

Chris Hills introduced new members of the Development Services team who will be presenting in the months and years to come: Catherine Jacobs will work with Elizabeth Goodson's team; Aaron Prichard, will work with Sean Ryan's team.

Sean Ryan, Development Services, said this item was to provide Council with an update on the final draft of the Northeast Gateway Master Plan and outline the adoption process. He said the project was to guide land use, development, and community investment around the future interchange of Holly Springs Rd. and NC 540. He outlined the project process and said that we are currently at the final master plan and design manual stage. The process included five Advisory Committee meetings; interviews and focus groups with key stakeholders; Council work sessions; and two open houses. The feedback that was received was a desire to establish a unique identity; focus on unique, local businesses; preserve natural beauty; promote integration with surrounding neighborhoods; provide safe and protected routes to walk and bike; control traffic; and promote balanced growth.

Mr. Ryan said the area was divided into seven planning subareas. These were discussed at the June workshop and provide distinct character, and more predictable outcomes. Each subarea would have a distinct character, mix of uses, and development pattern. The plan identifies desired uses, intensities, and improvements and gives necessary guidance for future growth and development, while providing flexibility. Subareas 1, 2, 5, 6, and 7 would be transition areas to protect the existing neighborhoods around the gateway area. Subareas three and four are the two intense commercially focused areas, and he wanted to dive into them in more detail.

Mr. Ryan said that Subarea 3 was the Gateway Core. It would be primarily commercial and office space, with supporting residential uses. He showed the model progression from sketch to design outlining major built and open space features of the area, and how the model changed in response to feedback. He said that Subarea 4 was a mix of Neighborhood Commercial and Residential and supports a wide variety of residential housing types. He showed the model progression from sketch to design outlining major built and open space features of the area, again responding to feedback from the Advisory Committee and the other stakeholders.

Mr. Ryan said that implementation of the plan would include UDO updates; placemaking tools; design guidelines; and an action matrix. Next steps will be a 30-day public comment period

from November 9 to December 9; taking the plan to the Planning Board on November 22nd for recommendation; and a public hearing and adoption at the December 20th Town Council meeting.

Chris Hills said, one of the things the team worked on was making sure there were areas for community gathering places. He said that transportation is important, highlighting areas of Subarea 3 for a multimodal transportation.

Council member McGrath said that on Subarea 3 and Edwards Road, what he sees is a stiff challenge for any developer because there is a lot of open space and a lot of infrastructure improvements needed. He said this might make it undevelopable because the project would have to have a high profit margin to sustain all the infrastructure improvements and open space. On Subarea 4, he said there are for sale signs on several of the existing homes. Those residents might say they are being pressured out but some of them are willingly putting for sale signs out knowing that this is coming, and we should watch that.

Council member Bennett said she was happy to see the feedback taken into consideration. She is excited about the possibilities for the future.

MPT Berry said that Mr. Ryan did a good job highlighting the committees' feedback on this. He still thinks there are two areas with a lot of density and the infrastructure improvements to support that density stick out. The Town needs the infrastructure in place, or a large project that will support those improvements. For Subarea 3, this was looked at as a key opportunity for this particular piece of town. The plan does a good job of transitioning to the neighborhoods. Neighborhoods preferred the offices close to them due to the traffic patterns. He wondered if all the mixed-use areas outlined will actually be mixed use. But he thinks the report is on the right track.

Council member Wolff said he agrees that the one thing we have to wrestle with is how to incentivize large projects to come in and do these infrastructure improvements and build to this plan. We don't have developers bringing these types of projects to us. So we need to figure out how to go out and attract those partners who are going to build that plan, and who can bring us a cohesive plan or PUD that can be phased in.

Council member Forrest said he agrees with his colleagues. His only question is whether the statement of "more non-residential use" was referring to greenways and parks. Mr. Ryan said he was referring to more commercial or office uses, moving mixed-use to retail on the ground level and offices above, and trying to get our main commercial corridor on this main gateway into Holly Springs.

4. 2023 Council Meeting Calendar

Randy Harrington, Town Manager, said that the clerk would outline a potential change to the traditional schedule, dropping a few meetings that have traditionally small agendas, or are close to the Retreat, which would give a little more space to Council. He said that the second part of this would be to consider cancelling the November 15th meeting, which has a very light agenda. He said that there is still a lot of work going on, but we are in a part of the cycle where not a lot is coming to Council at this time.

Linda McKinney, Town Clerk, said that Council will vote on their schedule of meetings at the December meeting, but she wanted feedback tonight on their preferences in order to prepare that calendar. She said if Council wanted to continue with the current schedule, that would mean 1st and 3rd Tuesday business meetings, except the first Tuesday of July and August are off for summer; workshop meetings on the second Tuesday of each month, with the exception of August being off for summer and an additional workshop in May (fourth Tuesday) for the budget; and the retreat in February.

Ms. McKinney asked if Council would be interested in revising that calendar to remove a February meeting, due to the retreat, and the first Tuesday meeting in November, due to that being election night, and if Council wanted to lighten February, would they prefer to remove the

February workshop, or the first Tuesday business meeting. She said that this would also be the time to think about whether they are happy with the start times for their meetings, or if they wanted to adjust that also.

MPT Berry said he used to think more meetings meant doing better work. Now he's not convinced that is the case. He talked about how staff time is taken up with preparing for meetings. He said he would like to free up staff time to do more than prepare for meetings. He called out neighboring municipalities who only meet twice a month. He said he appreciates the proposal to take some meetings off the calendar, but would like to propose about 15 business meetings (one on the 3rd Tues, and once a quarter one on the 1st Tuesday) and 10 workshops (not one in August). That would free up staff time and Council time. He thinks they could be just as productive with fewer meetings.

Council member Wolff said that what MPT Berry said makes sense. Apex has a time limit on their meetings – they do not go past nine. If we lessen the number of meetings we would need to be cognizant of keeping them short enough so we aren't working past a certain point, and be willing to push other business to the next meeting if necessary. If others aren't comfortable with MPT Berry's option, then he would prefer Option 2, with maybe dropping the Feb 7th not Feb 14th meeting.

Council member Forrest said that sometimes less is more. He doesn't see any harm in trying MPT Berry's proposal. His only concern is whether, with our growth patterns, this will slow down the development process. He said Council can always reassess after the first quarter if it doesn't work.

Council member Bennett said she liked MPT Berry's proposal. She would lean heavily on staff recommendation as far as how it would work best for Holly Springs, not another municipality. But she agrees that more effective but fewer meetings is always a good choice. She said she does like workshops but would prefer to spend Feb 14th with her husband rather than with Council.

Council member McGrath said he likes MPT's proposal. But he would like staff to come back with a proposal for 16 and 10, with 6 placeholder optional meetings that could be added in, just to see how many we would actually need in the upcoming year. He agrees with dropping the election night meeting in November, and wants Feb 14th to be a business meeting and move the workshop to the 21st. He wants to continue to put emphasis on the business meetings, not the workshops, as this is when residents can come and make their opinions known.

Ms. McKinney agreed to forward the new proposal to Council by email for comment before the December 6th meeting. Council then moved to amend their current meeting schedule.

Action: Motion to amend Town Council calendar to delete the November 15, 2022 meeting.

Moved: Berry

Second: Forrest

Vote: unanimous

5. Open Discussion

Linda McKinney, Town Clerk, said that the Holly Springs Chamber of Commerce would offer Council an "in-kind" tree for the Winterfest with the Tree Trail event this year, and asked if Council wanted to use decorations like last year's, and whether they wanted to decorate on

November 30th or December 1st. Consensus was to use the same decorations, and decorate on December 1st.

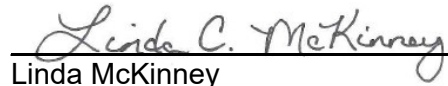
Mayor Mayefskie said that the Veterans' Day Celebration, with the impending weather, may be moved to the Cultural Center. It will be announced on Thursday if it is moved.

MPT Berry said that the Holly Springs High School Football team last week won a playoff game for the first time. He said he had asked the hospital to light up purple to support the team. He asked if there was something else the town could do – paint the town purple? Something to unite the town in support of Holly Springs High School being in the playoffs. He encouraged residents to support the football team and the other athletes at Holly Spring High School.

Council member Bennett said she was grateful that there was an early voting site in town. She hopes everyone went to vote, and wished a happy Veterans' Day to all our veterans.

6. Adjournment: There being no further business for the evening, motion to adjourn was made by MPT Berry second by Council member Forrest and passed with a unanimous vote. The November 8, 2022 meeting of the Holly Springs Town Council was adjourned at 7:34 pm.

Respectfully Submitted on Tuesday, December 6, 2022.



Linda McKinney
Town Clerk