Mayor and Council Workshop
6 p.m. September 10, 2024
Council Chamber, and livestream

MINUTES

The Holly Springs Town Council met in a workshop session on Tuesday, September 10, 2024 at the Law Enforcement Center and via livestreaming. Mayor Mayefskie presided, calling the meeting to order at 6:00 p.m. A quorum was established as the Mayor and five Councilmembers were present in the room as the meeting opened.

Council Members Present in the room: Mayor Sean Mayefskie, Mayor Pro Tem Dan Berry, Council members Tim Forrest, Danielle Hewetson, Annie Drees, and Chris Deshazor.

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; John Schifano, Town Attorney; Mathew Mutter, IT; Jesse Dixon, IT; Corey Petersohn, Director, Budget and Strategic Planning; Tina Stroupe, Director, Finance; LeeAnn Plumer, Director, Parks and Recreation; Matt Beard, Parks and Recreation; Cassie Hack, Director, Communications and Marketing; Tamara Ward, Communications & Marketing; Irena Krstanovic, Director of Economic Development; Tyler Garner, Economic Development.

Mayor Mayefskie called the meeting to order.

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

2. Downtown Investment Grant Policy

Irena Krstanovic, Economic Development, reminded Council of the discussion at the retreat last winter and said this item was to receive Council feedback on an update to the Downtown Investment Grant Policy. She outlined the four strategic plan initiatives under Growth Management & Economic Vitality supported by this policy. She outlined the current policy and its application process, including who is eligible, the Town's investment, and minimum criteria. She said the current balance is $110,694 with $25,000 additional budgeted each year. She said there have been no applications since 2020 and the feedback staff received from potential applicants was that the policy is too complicated with not enough monetary support, no support for tenants, and no online application. She outlined the changing market conditions that affect small businesses. She listed the proposed enhancements to the policy, based on these conditions and stakeholder feedback.

Tyler Garner, Economic Development, said the goals of the policy are to target specific industries for downtown, create jobs, support private investment, and expand eligibility to downtown businesses. He said there were three basic parameters that needed to be met. One parameter is that the business must be located in the downtown plan area boundary, and showed how that related to the larger Downtown Village District and the Commercial Core "bowtie." He listed the targeted industries and said that "entrepreneurship" would help provide flexibility to support other small businesses. He listed the additional criteria and said that to be eligible an applicant must fulfill at least three of them.

Mr. Garner said the current policy only applies to new construction or the renovation of an existing building. Staff proposes extending this to tenants leasing within an existing building. The new amount calculation would include a smaller grant amount ($15,000 maximum) towards tenant upfit cost, development fees, and start-up costs. New construction/renovation projects could be eligible for up to $100,000 of public infrastructure costs. Either is contingent on available budgeted funds.

Mayor Mayefskie asked about whether a landlord and a tenant could both get funds for the same building and Ms. Krstanovic told him it would be one or the other, but not both. Council member Deshazor asked incentivizing small business headquarters because they would close at 5 pm. Ms. Krstanovic said most of the buildings are two-story with offices on the second floor. Those employees support the businesses during the day, while others support them after hours. MPT Berry said we need more things to do downtown, not just eating, but activity or entertainment, gathering spaces. He asked for a way to capture that. Ms. Murphy said that adding it as a target industry would give it more emphasis. She explained that creating greenspace will grant that business an incentive.

Mr. Garner gave a high-level overview of the proposed approval process and asked if Council was comfortable with administrative approval for amounts lower than $50,000, with awards over $50,000 coming to Council for approval. He said they are attempting to make this more streamlined and efficient for businesses. Council discussed the makeup of the committee, the timeline on decisions and the benchmarks that must be met before funds are awarded.

Mr. Garner summarized the changes between the current and proposed policies and asked for feedback. There was discussion about the application and when it would be available.

Mr. Garner said next steps were to incorporate Council's feedback into the policy update and bring it to them for approval at the October 15th meeting. Eligible projects will be notified, and policy information will be updated, and an online application will be launched on the Economic Development website.

Council discussed making things easier for small businesses, budgetary requirements, targeted industries and simplifying the process. Mr. Harrington asked for feedback on bringing the changes back to Council before adoption. Consensus was to have a touchpoint at the October workshop.

3. Parks & Recreation Revenues/Fees/Cost Recovery/Fee-in-lieu Policies

LeeAnn Plumer, Parks and Recreation, said that this item was to provide information on the Parks and Recreation Fee and Cost recovery Policy and discuss the results of the Parkland Dedication / Fee-in-lieu Report. She outlined the purpose of the policy in establishing fees and charges and outlined the Town's fee philosophy. She said the policy passed in October of 2022 set target cost recovery rates for three tiers of offerings with Tier 1 having the most community benefit and the lowest cost recovery target, Tier 3 having the lowest community benefit, and highest individual benefit, with the highest cost recovery target. She explained how fees are set considering direct and indirect costs, market rates, and the cost recovery target. That, in order to meet Town priorities of accessibility, there are non-profit discounts on rentals and scholarships offered. All fees are reviewed annually as part of the budget process. Ms. Plummer gave some concrete examples of how our fees compared to those of our neighbors for key sports, field rentals, and summer camp fees. Council discussed the basis for the fees used in the example and how often fields are maintained.

Corey Petersohn, Administration, said that the Town participates in the UNC School of Government Benchmarking Project. Using that data, Holly Springs ranked above comparable municipalities in revenue generated and percent of cost recovery. He said that Holly Springs has more athletic participants per full time equivalent employee and higher community event participation per full time equivalent employee than other similarly sized municipalities. Mayor Mayefskie asked why it was measured per employee. Mr. Petersohn said it makes it easier to compare different sized municipalities.

Ms. Plumer asked Council if the current Fee Policy and philosophy still meet their expectations. Council discussed whether fees for summer camps and nonresidents should be raised. They discussed sponsorships for teams and fields. They requested more information on an overall target number for the whole program and specifics on the top five programs.

Next, Ms. Plumer turned to the Parkland Dedication and Fee-in-Lieu Report from the Tischler Bise study. She outlined the goals of that study. John Schifano, Town Attorney, reminded Council of the sewer and water lawsuit, and how the Court said to do a study to set fees. That is what we are doing here with Parks and Recreation. He reminded the public of the requirements under N.C.G.S. 160D-804(d) regarding land dedication and fees-in-lieu for parks.

Matt Beard, Parks and Recreation, said the legal framework was that new development increases need, and if capacity is not increased the quality or availability will deteriorate. It must be based on growth-related facility costs. He outlined the differences between our current process and the recommended process after the study. He then gave an example using multiple housing types. He said the proposed method would be calculated on a per person basis, rather than per unit.

Mr. Beard said next steps include incorporating Council's feedback with other Unified Development Ordinances updates, which would go to the Planning Board, then a Public Hearing, before being decided on by Council. The Development Procedures Manual would also be updated.

Council discussed the differences between the current system and the consultant's recommendation. They discussed the land values used in computing the examples and how using the consultant's formula would provide a defense in case of a lawsuit, including using them as expert witnesses if it went to Court. Council asked if staff could run these numbers with recently approved developments for comparison. Mr. Beard said they could do that, but that Ragan would be an outlier due to its location and specifics of that project.

4. Updated Town Website Overview

Cassie Hack, Communications and Marketing, said this item was to give Council an update on the recent website refresh. She reminded Council of what the old home page looked like, and then showed the new one, which allows more flexibility in banner photograph, and allows eight (as opposed to six) navigation buttons across the top of the page. She explained that it was Council-centered, making it easy for residents to connect with what is going on. She showed how the news section allowed for more items to show at a time and the links to Town social media, videos, and calendar.

Ms. Hack said the website is the communication tool most-used by our residents, with more than 429,000 views on the homepage and more than 4 million views on pages throughout the site, and then gave examples of the most-viewed pages. She explained that with 62.5% of people viewing the website on their phones, staff has worked to update the mobile experienced to make it more user friendly.

Ms. Hack said that the US Department of Justice issued a ruling requiring government sites to meet a high level of accessibility and that the deadline for Holly Springs to meet this requirement is April 26, 2027. This will require significant work and staff time, although the extent of the task will not be clear until they are in the midst of it.

Council discussed the lack of federal funding to meet this mandate and possibilities for using AI on the website in the future.

Randy Harrington mentioned that Communications would share next week three awards they recently won.

5. Town Clerk and Town Attorney Quarterly Updates

a. Clerk

Linda McKinney, Town Clerk, said she wanted to review best practices in regard to Public Comment Periods and receive feedback from Council, and request feedback on the date and place for Council's 2025 retreat.

Ms. McKinney said that Council had asked her to update the language around public comments on the web page, and as she was doing that, she attended a conference where Public Comment Best Practices was a topic. She outlined seven best practices, and identified where, if at all, they were addressed in the Town's Public Comment policies. She said Council could consider updating these to be uniform and reflect actual practice. She said Holly Springs has more on our website about public comment than our neighbors, and that only one neighboring municipality allows signup by phone ahead of the meeting. She requested feedback on desired updates to the policy, and clarity on sign-up procedures.

Council decided to extend the public comment period to 30 minutes. If more than ten people sign up to speak they would be offered the choice of shortening their time to 2 minute or selecting a spokesperson to speak on their behalf. They requested that sign-up for public comment be open between 3 – 5 pm on the day of a meeting as well as from one hour prior to the meeting. Council also asked for the instructions to the public to include that no speaker may yield their time to another, and stating that speakers must address the Council as a whole rather than addressing an individual.

Ms. McKinney said Council has a choice to make on retreat dates, as their preferred 2nd weekend of February includes Valentines Day this year. The date choices are Feb 4-6 or Feb 20-22. There are three locations that could accommodate us on either weekend. The Graylyn, where we went last year, the DoubleTree in New Bern, or the Rizzo Center in Chapel Hill. She asked for Council feedback on date and location.

Council chose to hold their retreat at the Rizzo on the weekend of February 6th – 8th.

Randy Harrinton, Town Manager, said we have discussed the bridge work that NCDOT will be doing over Little Branch Creek. He asked for guidance given the risks and the priorities of transportation, for the will of the Council to unallocate the money from the extra lanes on that bridge and make it available for a future decision. He would like feedback on this, and he sees three options. 1. Vote on it tonight; 2. Put it on Consent at the next meeting; 3. Put it on New Business at the next meeting if you want to showcase it. Council voted by show of hands to leave the $2 million in the capital fund, but unallocated it for the bridge. The vote was unanimous.

b. Attorney

John Schifano, Town Attorney, said he would give his updates in closed session as they were litigation matters.

6. Closed Session: The Council entered into closed session, pursuant to N.C.G.S. 143-318.11(a)(3) to confer with the Town Attorney and N.C.G.S. 143-318.11(a)(4) to discuss an economic incentive package.

Motion by: Forrest
Second by: Deshazor
Vote: Unanimous

Motion to leave closed session was made by Council member Forrest seconded by Council member Deshazor and passed with a unanimous vote.

7. Adjournment:

Motion to adjourn was made by Council member Deshazor seconded by Council member Forrest and passed with a unanimous vote. The September 10, 2024 workshop meeting of the Holly Springs Town Council was adjourned at 9:05 pm.

Respectfully Submitted on Tuesday, October 15, 2024.

Linda C. McKinney

Linda McKinney
Town Clerk