



MINUTES

The Holly Springs Town Council met in regular session on Tuesday, September 21, 2021 in person and via video conferencing. 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 in the Chamber as the meeting opened.

Council Members Present: Mayor Sears, Mayor Pro Tem Dan Berry, Councilmen Peter Villadsen, and Aaron Wolff, and Councilwoman Christine Kelly.

Council Members absent: Councilman Shaun McGrath.

Staff Members Present in Chambers: Randy Harrington, *Town Manager*; Scott Chase, *Assistant Town Manager*; Daniel Weeks, *Assistant Town Manager*; John Schifano, *Town Attorney*; Linda McKinney, *Town Clerk* (recording the minutes); Mark Andrews, *Communications and Marketing*; Mathew Mutter, *IT*; Kathy White, *Deputy Clerk*; Irena Krstanovic, *Director, Economic Development*; Chris Hills, *Director, Development Services*; Sean Ryan, *Development Services*; Elizabeth Goodson, *Development Services*; Bronwyn Bishop, *Development Services*; Cheryl Caines, *Development Services*; Adam Huffman, *Parks and Recreation*; Matt Beard, *Parks and Recreation*; Kendra Parrish, *Executive Director of Utilities and Infrastructure*; Rachel Ingham, *Utilities and Infrastructure*; Seann Byrd, *Water Resources*; John Mullis, *Public Works*; Corey Petersohn, *Finance*.

2. and 3. The Pledge of Allegiance was recited followed by an invocation by Jonathan Sherrod of Kirk of Holly Springs.

4. Agenda Adjustment: The September 21, 2021 meeting agenda was adopted with changes, if any, as listed: items 9, 10 & 11 moved to New Business.

Motion: Berry

Second: Villadsen

Vote: Unanimous

Public Comment: At this time, an opportunity was provided for members of the audience who had registered to speak to address the Council.

The following comments were received in person:

Brenda Carroll, 104 Lucky Ribbon Lane, spoke in support of the Housing Affordability study. She asked Council to consider all possible actions to make Holly Springs affordable for the people who already live here and those who want to live here.

The following written comments were received:

- one anonymous comment opposed to having a Sheetz in downtown;
- one anonymous comment requesting a vaccine mandate for first responders;
- one comment from Sharon Alkadi requesting a mask mandate in all indoor public spaces;
- one comment from Jay Lewis and others living on Luftee Lane objecting to a sidewalk at Honeycutt Farms.

Public Hearings

5. Green Oaks Tech Center PUD 21-PUD-01

Sean Ryan, Development Services, said the Planned Unit Development is an option which encourages creativity and innovation in the design of developments, including layout of land uses and open space, and high standards of design. It serves to establish the permitted uses and development standards for a property. This application is for a nonresidential PUD at the Green Oakes Tech Center, next to the Holly Springs Business Park, across from Oakview Elementary School. The land is currently zoned R-30 and R-10 residential and Business & Technology Conditional Use, and is designated Innovation Village on the Future Land Use Map. Mr. Ryan said that this project would cover a total area of about 120 acres, with three development districts: Innovation, for research & technology and office uses; Commercial for neighborhood, local, and regional commercial uses; and Southern Edge for office and industrial uses.

Elizabeth Goodson, Development Services, said that public water and reclaimed water are available to the site and the hydraulic water model and fire flow analysis report has been completed, as has the sanitary sewer analysis. She said a Transportation Impact Analysis (TIA) was required and had 11 study intersections. There will be multiple site access points anticipated on New Hill Road and Green Oaks Parkway. She said the TIA required road widening across property frontages and all access points were evaluated via the TIA process.

Matt Beard, Parks and Recreation, gave an overview of proposed greenway locations in the PUD. He said sidepaths were proposed along Thomas Mill Road and a greenway connecting close to Thales Academy.

Ms. Goodson said a Developer Agreement was anticipated to come before Council in October, and anticipated highlights would be the design and construction of the realignment of Old Holly Springs Apex Rd. and Holly Springs New Hill Road intersection; contribution of a fee-in-lieu proportionate to impact for GB Alford/ NC55 widening; and potential contribution of fee-in-lieu proportionate to the project impact toward improvements of the Old Holly Springs Apex Rd. and Bennet Knoll Parkway intersection.

Mayor Sears opened the public hearing.

Elizabeth McMillan with Crescent Communities, Lori Milam with Land Design, Steven Harris with O'Brian Atkins, and Cliff Lawson with Timmons Group presented for the applicant. Ms. McMillan gave an overview of Crescent Communities. She spoke about the benefits of a PUD and the proposed masterplan and its three districts. She said she believes the PUD is consistent with the Future Land Use Map. She said the plan will feature several open spaces, including tree preservation areas and greenways. She said there will not be residential, but office and life-science space, and commercial spaces.

Lori Milam, Land Design, said the site is mostly undeveloped currently. She explained the plan for open space, both active and passive, and tree preservation. She explained that the retail site would be along the frontage where it was more visible. She showed where sidewalks and proposed greenways would be. Along Thomas Mill Road would be primarily office and commercial. She said that if there was only one tenant, they would follow the stricter standards of the Innovation District for the whole site.

Ms. Milam said the landscape buffers on the perimeter would be 20 feet on Holly Springs New Hill Road and Green Oaks Parkway, 10 feet on Thomas Mill Road, and 15 feet on the eastern boundary adjacent to the residential sides. She gave an overview of the utility plans for the site,

Cliff Lawson, Timmons, said the TIA is still under review. He said they recently responded to staff's comments, and submitted a TIA. There are turn lanes and signalization, and fees-in-lieu toward the realignment and for signalization. He said the traffic improvements would be done in phases.

Steven Harris, architect, spoke about the architectural themes of high-tech architecture with modern design addressing scale and balancing unifying and individualized features. He envisions lots of glass and massing.

Ms. McMillan said they are evaluating site credits to promote LEED certification, as well as the wellness and tree preservation.

Council member Kelly asked what level of LEEDS they were considering. Ms. McMillan said it was too early to tell.

MPT Berry asked why they were requesting a PUD when this is all 100% commercial and whether they were planning something that did not fit into existing zoning. Ms. McMillan said the PUD allowed more flexibility. Sean Ryan said our current zoning districts, in order to get the mix of commercial and industrial they are anticipating, would require multiple zoning districts.

MPT Berry asked if they planned to recruit and build to suit, or were they planning to build and then recruit. Ms. McMillan said it would be a phased approach, but if a tenant came to them they would be willing to talk about that. MPT Berry reiterated the importance of the realignment of Old Holly Springs Apex Road and Holly Springs New Hill Rd. to that area.

Council member Wolff asked what kind of retail was being envisioned in that area. Ms. McMillan said it was too early to be specific but they anticipate retail that would serve the as an amenity to the commercial. They are limited to be accessory uses so would not be the first to be developed. Ms. Milam said they worked with staff to create a list of uses that would be acceptable in that area.

The following input was received in writing prior to the hearing: from Brian Headley, 240 Lucky Ribbon Lane, Holly Springs "I am a resident of the 12 Oaks Subdivision community. I understand there is a public hearing scheduled for September 21, 2021, regarding the Green Oaks Tech Center. I may or may not be able to attend, but I do have a couple of comments to pass on to the Planning Board:

1. The greenway trail/nature path runs from New Hill Road to Green Oaks Parkway. In the Southern Edge District, the greenway trail does not extend to Thomas Mill Road anyplace. I recommend that a connection from the main greenway trail to Thomas Mill Road be established in the plan.
2. There are no drawings showing landscaping in the median of New Hill Road as the drawings show for Oakview Innovation PUD. The median strip of New Hill Road should have a landscaping plan developed, similar to the adjoining PUD.
3. Speed limits on roads and parking spaces should be designed to allow for the use of golf carts on the newly developed roads and parking areas.
4. Gas stations/fueling stations should not be allowed in the commercial district.
5. Automotive repair facilities (Quick oil change, tire repairs/sales, etc.) should not be allowed in the commercial district.
6. Schools similar to the elementary school or Thales Academy on New Hill Road should not be allowed in the commercial district, due to traffic issues they create.
7. General Note - The community neighborhood meeting for the Green Oaks Tech Center was held on June 22, 2021. Notice of the meeting was issued to the Twelve Oaks Master Association, Inc. on June 11, 2021. I am quite certain that the 12 Oaks Master Association did not notify the 12 Oaks homeowners and that is the reason no 12 Oaks homeowners showed up at the neighbor meeting, not because there was no interest in the project."

There being no further input Mayor Sears closed the public hearing.

Action: Motion to forward Planned Unit Development 21-PUD-01 for Green Oaks Tech Center to the Holly Springs Planning Board for review and recommendation at their regularly scheduled meeting on September 28, 2021.

Motion by: Berry
Second by: Kelly
Vote: unanimous

6. Voluntary Annexation A21-02, Crespo

Bronwyn Bishop, Development Services, said that application was received for a voluntary annexation of 1.095 +/- acres located at 4528 Sunset Lake Road, owned by Julie and Juan Crespo. The applicants requested annexation in order to connect to Town utilities. The property meets all statutory requirements for annexation. Staff has received feedback from all departments and there are no issues with this annexation.

Mayor Sears opened the public hearing and received the following input: none.

There being no input Mayor Sears closed the public hearing.

Action: Motion to adopt Annexation Ordinance A21-02 annexing 1.095 +/- acres owned by Julie and Juan Crespo.

Motion by: Wolff
Second by: Villadsen
Vote: unanimous

Consent Agenda

The Council passed a motion to approve all items on the Consent Agenda, except items 9, 10, and 11 which were moved to New Business. The motion carried following a motion by MPT Berry, a second by Council member Wolff and a unanimous vote. The following actions were affected:

7. Minutes – Council approved the minutes of the Business Meeting held September 7, 2021.

8. Position Reclassifications - Council approved the reclassification of three positions in Public Works.

12. Twelve Oaks Pump Station Bypass Budget Amendment – Council approved a budget amendment to continue bypass pumping at Twelve Oaks pump station.
A copy of the budget amendment is attached to these minutes.

NEW BUSINESS

9. Contract for Tennis Instruction – The Council moved this to New Business for discussion.

10. Contract for Basketball and Softball League Officials – Council member Kelly pulled this from Consent for discussion.

11. Contract for Baseball League Officials – Council member Kelly pulled this from Consent for discussion

Council member Kelly asked the Town Attorney, since these are contractors who appear to be Town employees to some, if something should be added to the contract that the vendor must inform the Town of any behavior by their employees that is discriminatory. John Schifano said that the contract requires that there be no discriminatory conduct. These contracts put the vendors in the same situation as employees. And each of these contracts is terminable at will. If the Town received complaints, we have the right to terminate the contract without an investigation.

MPT Berry expressed concern that each of these contracts began on July 31. Mr. Schifano said the vendors are being paid, but staff has had to work with the Finance Department to do some fine-tuning with these contracts to make sure everything was correct. The vendors had been working under the previous contract. MPT Berry asked if the instructors who left RDU Tennis last spring were back with the company. Adam Huffman said those instructors have chosen to leave RDU Tennis.

Council member Kelly asked who to reach out to if parents reach out to Council members with concerns. Mr. Huffman said to contact him or to LeeAnn Plumer.

Action : Motion to approve Consent Agenda items 9, 10, and 11.

Motion by: Kelly

Second by: Wolff

Vote: unanimous

The following actions were affected:

9. Contract for Tennis Instruction – Council approved a contract with RDU Tennis for FY22 at a maximum amount not to exceed \$52,175.

10. Contract for Basketball and Softball League Officials – Council approved a contract with Triangle Officials for basketball referee and softball umpire services for an amount not to exceed \$50,786.

11. Contract for Baseball League Officials – Council approved a contract with Fun2Ref for baseball referees for an amount not to exceed \$54,699.

13. Collins Park Master Plan Amendment 15-MAS-04-A03

Cheryl Caines, Development Services, said this item was a request for Amendments to the Collins Park Master Plan to reduce setback along Ralph Stephens Rd. and to reduce the landscape yard on the western boundary. She oriented the audience to the location of the site and explained that when the Master Plan was approved in 2015 the zoning on the adjacent sites was residential and required a greater setback and denser buffer. Since that time, the adjacent parcels have been rezoned Community Business.

The requested changes are permitted by the UDO, but because the original Master Plan was approved by Council, the amendment is required to be approved by Council also. The applicant is requesting a reduction from a 50-foot front yard setback to a 30-foot setback, and is willing to meet the requirements. The applicant is requesting a reduction from a 25-foot Type C bufferyard to a 10-foot Type A yard, which is permitted by the UDO.

Rick Madoni, Planning Board, said that the Planning Board recommended approval with a vote of 9-0. There was discussion about the widening of Ralph Stephens Road, but there were no issues.

Tom Spaulding of The Spaulding Group spoke for the applicants. He said that both amendments are allowed by the UDO and he hoped Council saw it as he did.

MPT Berry asked Town Attorney John Schifano if these amendments were because the adjacent zoning changed, and whether the issues that caused this item to be tabled a few months ago had been resolved. Mr. Schifano said yes.

Action: Motion to approve Master Plan Amendment 15-MAS-03-A03 for Collins Park, with the conditions listed in the agenda packet.

Motion by: Villadsen
Second by: Wolff
Vote: unanimous

14. Housing Affordability Study Consultant Contract

Sean Ryan, Development Services, said that this item was for Council to receive an update on the Housing Affordability Study consultant selection process and project advisory committee and to authorize the Town Manager to negotiate and execute the contract for the Housing Affordability Study. This study supports Initiative 5.4 of the Strategic Plan under Responsible and Balanced Growth: Complete a Housing Study and create a Citizens Affordable Housing Committee. He said the study will support other initiatives: help identify partnerships to create affordable housing (Initiative 5.2) and make policy recommendations, including permitting and development requirements (Initiative 5.3). The ad hoc advisory committee will guide the plan through the end of the project. They will help assure that recommendations align with the needs and priorities of the community. An interest form/application process to provide broad representation of the community is underway, if Council approves.

Mr. Ryan said that staff had 10 responses to the RFP. The selection committee narrowed it down to four which they interviewed. The Selection Committee felt HR&A Advisors was the best fit due to their previous experience, their approach to the project, and their public engagement plan.

Christiana Whitcomb, of HR&A Advisors, introduced her company and gave an overview of the process they would use, and the six major phases of that process. She said they were committed to working within the Vision Holly Springs plan. She discussed the different strategies they would use to engage the community, the way the steering committee would be used to guide the planning process and align the recommendations with the needs, priorities, and realities in Holly Springs, and how they will engage Town leadership throughout the project to provide information, solicit feedback, identify tools, and build support for recommendations.

Mayor Sears asked about affordable housing v. workforce housing v. other nomenclature. Ms. Whitcomb said they make an effort to be clear on the terms they use and make sure the community understands the terms as they are being used, so that reactions aren't based on assumptions.

MPT Berry said HR&A Advisors was the most expensive of the 10 firms who responded. His concern is that the firm has been involved in so many neighbors, so what tangible results can we expect to take away from this. He asked how this would be tailored specifically to Holly Springs, and what approaches would be used that did not use taxpayer funds. Ms. Whitcomb said there are similar trends across the county, but there are demographic differences. And the priorities of Holly Springs are different from the priorities in other towns in Wake County. Council's priorities will drive the recommendations we focus on. In terms of public spending, we try to be really clear. If putting money into affordable housing is a priority, we will try to be as clear as possible about what that would accomplish. How much money the Town will think about committing will depend on your priorities. And we will be clear about the options, including seeking out other funding.

Council member Wolff said the work of HR&A Advisors throughout the county is admirable and he considers their working with other areas in Wake as an asset. This is a regional issue. The issue of public investment will be decided by the next Council and many Councils down the road. He asked if the community's attitude toward public investment would be included in the community survey. Ms. Whitcomb said they would get lots of input from the steering community to see what the best approach for Holly Springs would be. We try to gauge the level of public interest in what role the community expects from the Town.

Council member Kelly said she was amazed at how the pressure on housing has increased, even in the last six months. That a realtor spoke for this is something we've never seen. In the last two months, people who have lived here for decades but have rented have been displaced because landlords are selling their properties. Do you also look at the balance of affordability, and the pressure of getting staff, because people can't work in the service industry and live near here. It's

all connected. Ms. Whitcomb said in the second part of our scope we identify what is in the market and what is coming; and who is benefitting and who is not benefitting from the current situation; who is leaving, and who is not coming that might have. Council member Kelly asked if they consider the situation in terms of whether this is a housing bubble or a larger trend. Ms. Whitcomb said it has been a crazy time for housing markets all over the country, but this is just exacerbating trends the Town already had. We will look at market trends.

Mayor Sears said the average selling price in town was over \$500,000 for the last two months. We have a hospital coming in. So, whether it is called “workforce” or “affordable,” how do we take care of those employees the hospital is bringing in? Ms. Whitcomb said we try to look at the jobs being added and what the salary is for those. If it becomes a priority to support those who will work for the hospital, we would provide options to address that.

MPT Berry asked who ultimately owns the accountability for the study. Mr. Ryan said the Council will have to adopt the study. It will go through the typical review process of committee, and Planning Board, but ultimately this is Council’s plan. Randy Harrington, Town Manager, said the Council can receive and endorse or approve the plan in its entirety, or can choose the recommendations that you feel are most appropriate. You will have opportunity to fine tune it.

Action: Motion to authorize the Town Manager to negotiate and execute the contract for the Housing Affordability Study with HR&A Advisors, Inc. for a total not to exceed \$125,000.

Motion by: Kelly

Second by: Wolff

Vote:

Aye: Kelly, Villadsen, Wolff

Nay: Berry

The motion passed.

15. Interlocal Agreement with the City of Sanford for a Joint Water Treatment Plant Engineering Design TP 20-010

Rachel Ingham, Utilities and Infrastructure, said that the purpose of this item was to review the Town’s current water supply and demand and to discuss additional water supply sources. She said the current water supply is 12 million gallons per day (MGD) with 10 MGD from the agreement with Harnett Regional Water, and 2 MGD from Jordan Lake. She said that full buildout according to the Future Land Use Map would require 16 MGD by 2036. The anticipated arrival of the FUJIFilm Diosynth Biotechnologies and Amgen projects accelerates the timeframe on needing that extra supply.

Ms. Ingham said that the City of Sanford has plans to expand its water treatment plant. With this expansion we could obtain the additional 4MGD needed to meet the Town’s additional demand. With five regional partners, Sanford, Chatham County, Fuquay-Varina, Pittsboro, and Holly Springs, the estimated cost to Holly Springs would be \$32.7 million. The Town entered into a Memorandum of Understanding (MOU) with Sanford in September 2020 for a Preliminary Engineering Report (PER) for the water treatment plant expansion, and in June 2021 with Fuquay-Varina for a PER for water conveyance. Now staff is asking Council to consider entering into an Interlocal Agreement with Sanford to design the water treatment plant expansion. This does not commit the Town to construction costs at this time, and if Council decided to go in a different direction later there is still that option. She said the funding was in place for the two MOUs and this ILA would be funded by American Rescue Plan (ARP) Act funds. A future agreement with Fuquay-Varina for the conveyance could also be funded with ARP funds. Future construction, if Council decides to go that route, could be funded by Federal and State grants, local fees and charges, and future debt issuance. Once the Town commits to the Sanford expansion, there would be access to more sources of funding.

Mayor Sears asked Randy Harrington, Town Manager, to speak about funding. Mr. Harrington said there are a number of sources to be explored. One is water rates. With the size of a project like this, there is some rate increase expected. But this is a long-term investment in our

community. Other funds could be federal and state grants. There are a lot of partners involved and that distributes the cost. Our analysis indicates that this is our most economically feasible approach.

Council member Kelly congratulated staff for a great presentation and excellent work. She is pleased that staff is thinking ahead.

Action 1: Motion to adopt Capital Project Ordinances 21-38 and 21-39 transferring \$2.5 million in American Rescue Plan Act funding to the Sanford water project.

Motion by: Villadsen

Second by: Kelly

Vote: unanimous

Action 2: Motion to approve an Interlocal Agreement with the City of Sanford for cost sharing associated with a joint water treatment plant expansion design.

Motion by: Berry

Second by: Wolff

Vote: unanimous

OTHER BUSINESS

Mayor Sears said the Chamber Candidates forum is tomorrow night at 6:00 pm at the Cultural Arts Center.

Council member Kelly gave an update on the landfill meeting and the progress that has been made by GFL and Wake County. Odor complaints are trending downward. We are not done, but are going in the right direction.

MPT Berry asked about solutions for streaming meetings. Mr. Harrington said there will be an update in the Friday briefing. COVID has impacted the delivery of a lot of equipment. It was planned for late summer, but has been impacted by delays. A more in-depth briefing about the ability to stream from the Chamber and from the LEC will be sent to Council on Friday.

Mayor Sears said the hospital opening has been delayed. It is currently scheduled for November 4th. One of the reasons it keeps getting delayed is because hospitals are stretched right now due to COVID. Much of the staff for Holly Springs' hospital was coming from UNC Rex in Raleigh and they are needed there to treat COVID patients, so they cannot come here yet.

MANAGER'S REPORT

Randy Harrington, Town Manager, said the Farmers Market this week is having a Moonlight Farmers Market, at the Cultural Center Thursday from 5-8. Most of the regular vendors will be there.

CLOSED SESSION: none.

Adjournment: MPT Berry made a motion to adjourn at 8:53 pm. It was seconded by Council member Kelly and passed with a unanimous vote.

Respectfully Submitted on Tuesday, October 5, 2021.



Linda C. McKinney, Town Clerk

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

