



# Holly Springs Town Council

## Town Council Meeting Agenda Cover Sheet

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### Agenda Item#: 8.

#### Public Hearings

**Title:** Holly Springs New Hill Road Rezoning & Development Agreement 21-REZ-01 - Legislative Hearing

**Strategic Priority Area:** Responsible & Balanced Growth

**Staff Resource:** Cheryl Caines, Development Services, Rachel Jones, Development Services

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#### Action(s):

1. Conduct Legislative Public Hearing
2. Adopt Rezoning Ordinance RZ21-07 to adopt a statement of compatibility and to approve rezoning
3. Approve a Development Agreement

#### Explanation:

- The property consists of seven parcels, totaling approximately 5.855 acres.
- The property is located at the NW corner of Holly Springs New Hill Road and Old Holly Springs Apex Rd.
- A number of residential and non-residential developments have been constructed in this vicinity in the past 5-6 years, including Oakview Elementary School, Hensley subdivision, Thales Academy, Extra Space Storage, and Holly Springs Place apartments.
- The applicant's proposal is to rezone the property from R-10 Residential to CB CU: Community Business Conditional Use to support the development of a commercial center (integrated center).
- The Future Land Use Map designates the property as Mixed Use Center.
- Mixed Use Center offers the opportunity to serve broader economic, entertainment, and housing needs in the community.
- The project includes a Development Agreement with terms associated with phasing of the project construction, a fee-in-lieu for the realignment of Old Holly Springs Apex Road and Holly Springs New Hill Road and land conveyance of property owned by the town to facilitate the road improvements along the frontage of the property.

#### Conditions of Approval

The petitioner has proposed conditions of approval on the property:

1. Buildings shall have a minimum height of 20 feet and 2 stories, with the exception of 1 single-story building allowed for childcare/pre-school or similar uses. The single story building is still required to meet the 20 foot minimum height requirement.
2. The 10' pedestrian side path will be extended to the existing stub within the right-of-way in front of Thales Academy (PIN 0649265028).
3. Drive-thru facilities (if any) shall position service lanes to run parallel with Old Holly

Springs Apex Road to allow for safe pedestrian access to the facility and commercial center.

4. The following uses shall be prohibited:

- a. Motorcycle/Scooter Sales
- b. Self Service Laundry/Costume Rental
- c. Public Utility Substation
- d. Bed & Breakfast/Bus Station/Agricultural Seed Sales
- e. Neighborhood Recycling Collection Point
- f. Automobile Parts Sales (new)
- g. Quick Oil Change Facility
- h. Car Wash (automatic or self)
- i. Gasoline Service Station without repair

6. Any restaurant business having a drive-thru service shall be part of a two-story building and will require a Special Exception Use permit.

7. All parking areas located between a front building line and a street shall be limited to either a single loaded parking area or 1 double loaded parking area with 1 access drive.

8. Low-impact landscape design techniques and sustainable stormwater practices will be incorporated into the development.

9. The Town requires certain fees to be paid upon development of land and for the granting of a building permit. Said fees are listed in the Town's annual budget, and with this rezoning the Developer agrees he/she (i) is familiar with these fees, (ii) does not dispute the reasonableness of these fees as set forth in the Town's annual budget; and (iii) notwithstanding any reimbursements discussed at this time through an Infrastructure Reimbursement Agreement, hereby agrees to timely pay all normal and customary fees applicable to Developer in connection with Non-Residential and Residential Projects. Such fees are listed in the current year annual budget of fees at the time the fee is due under the ordinary course of development unless otherwise specifically noted in the Developer Agreement.

10. The Town requires, pursuant to N.C.G.S. § 160A-372, the dedication and construction of streets and rights of way, as shown in the approved Comprehensive Transportation Plan and the approved Transportation Assessment Report, to create conditions essential to public health, safety, and the general welfare. A rezoning may be delayed until such time as necessary transportation improvements (to include offsite improvements) may be made, unless the Town and the Developer can enter into agreements to accelerate the time for completion of these needed improvements.

11. A fee-in-lieu (FIL) will be offered towards the realignment of Old Holly Springs & New Hill Roads. Developer offers the amount of \$234,000 to be paid at release of construction drawings.

12. Development may be split into two Phases. Phase 1 defined as up to 3 acres developable beside Thales Academy PIN 0649265028 (not to include any shared SCM or parking/entrances on remaining acreage). Phase 2 shall be the remaining developable acreage towards the intersection of Old Holly Springs & New Hill Roads. Should the development be divided into 2 phases, then Developer shall pay the proportionate share of the FIL at time of approval of those construction drawings for Phase 1. Proportionate share to be determined as a percentage of acreage developed versus overall acreage. Developer shall be responsible for any thoroughfare widening as part of the overall development or Phasing and any improvements such as turn lanes required by NCDOT.

## **Planning Board Recommendation**

The Planning Board discussed the following issues and concerns on November 23, 2021:

- Existing traffic issues on adjacent streets and additional traffic related to future commercial development.
- Street improvements and access restrictions.
- Pedestrian access from nearby apartment developments.

Planning Board Recommendation:

Planning Board recommended approval (5 -1- 2)

There was one vote against the motion due to concerns that the Traffic Impact Analysis did not thoroughly address traffic issues.

## **Background:**

- Developer Agreements are a tool used when a partnership is proposed. There are several types of agreements that can be used. Infrastructure Reimbursement Agreements are used when utilities or road projects are being built beyond a project's impact and the oversized portion of the project cost is reimbursed to a developer upon completion of the improvements. Development Agreements are used when there are zoning related items considered. They also can include fee-in-lieu terms or other reimbursements. This agreement type is a Development Agreement.
- The primary reason for this agreement is to help complete a needed improvement adjacent to this project that is shown in the town's adopted Comprehensive Transportation Plan - the Old Holly Springs Apex Rd and Holly Springs New Hill Road intersection realignment. There are multiple development projects that trigger this need and two projects that were approved prior to this project's submitting their application that have committed to paying a fee-in-lieu proportionate to their impact for constructing improvements at this intersection. At the time of review of this rezoning application, an additional project was submitted that also impacted this intersection.
- In July 2021 at the Town Council work session, staff brought forward a discussion with the Town Council about a strategy to enter into a developer agreement with Green Oaks Tech Center PUD developer and proceed with collecting a fee-in-lieu from this project to get the realignment completed.
- Since the work session, the Green Oaks Tech Center PUD project proceeded and was approved along with a development agreement on November 30, 2021. This rezoning and associated agreement have followed closely behind that work.
- The rezoning public hearing was continued from the scheduled December 21, 2021 to January 4, 2022.
- Parcels were rezoned from R-20 Residential to R-10 Residential by the Town Council on October 26, 1993.

## **Funding Source(s):**

N/A

## **Attachment(s):**

1. 21REZ01\_Holly Springs New Hill Rd PB staff report
2. 21REZ01\_Holly Springs New Hill\_Attachments
3. Draft\_New Hill 1300 LLC\_Development Agreement
4. RZ21-07 Holly Springs New Hill Rd Ordinance