



MINUTES

The Holly Springs Town Council met in regular session on Tuesday, April 6, 2021 in person and via video conferencing. Mayor Pro Tem Berry presided, calling the meeting to order at 7 p.m. A quorum was established as five Council members were present in the Chamber as the meeting opened.

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

Council Members absent: Mayor Sears.

Staff Members Present in Chambers: Randy Harrington, *Town Manager*; Daniel Weeks, *Assistant Town Manager*; Scott Chase, *Assistant Town Manager*; John Schifano, *Town Attorney*; Linda McKinney, *Town Clerk* (recording the minutes); Mark Andrews, *Communication and Marketing*; Jeff Wilson, *Director, IT*; Mathew Mutter, *IT*; LeeAnn Plumer, *Director, Parks and Recreation*; Matt Beard, *Parks and Recreation*; Sean Ryan, *Development Services*; Elizabeth Goodson, *Development Services*; Melissa Sigmund, *Development Services*; Antwan Morrison, *Finance Director*; Tim Athy, *Utilities and Infrastructure*; Paul Liquorie, *Chief of Police*; Corey Petersohn, *Finance*; Kendra Parrish, *Executive Director of Utilities and Infrastructure*; Captain Patterson, *Holly Springs Police Department*.

2. and 3. The Pledge of Allegiance was recited followed by an invocation by Ernie Carpico of Holly Springs Planning Board.

4. Agenda Adjustment: The April 6, 2021 meeting agenda was adopted with changes, if any, as listed: none.

Motion: Villadsen
Second: McGrath
Vote: Unanimous

Public Comment: Public Comment was requested in writing prior to the meeting. The following number of comments was received and provided to the Council prior to the meeting: 2 comments opposed to the rezoning at Norris Crossing; one comment proposing a rerouting of the Arbor Creek Greenway Extension; 2 comments opposed to the 1317 N. Main project; 137 comments in favor of the 1317 N. Main project.

Requests and Communications

5. Transportation and Recreation and Parks Bond Projects Update

Tim Athy, Utilities and Infrastructure, said that he would give an update on the Transportation Bond Projects. He said Holly Springs Road Phase II was underway with the construction bid package. Next steps are to advertise the project for construction bids, provide Certified Construction Cost Estimates to the Local Government Commission (LGC) as part of the bond issuance process. Construction is estimated to start in the late summer of 2021. Upon NCDOT Construction Authorization, the Town will pursue redesign for a left-out vehicle turn at Holly

Ridge Middle School. This will be the largest roadway project in the history of Holly Springs, and the second largest current project, second only to I-540 in Wake County.

He said that the Town received a Federal FY 2022 LAPP grant of \$557,000 for the Holly Ridge Schools Pedestrian Safety project. This will help pay construction costs of enhanced pedestrian crossing devices and safety measures and will be incorporated into the Holly Springs Rd. Phase 2 Transportation Bond project. Funds will not be available until 2022 and staff will be seeking Council approval for funding of additional engineering.

On the Avent Ferry Road Realignment, the 25% design plans are completed. Environmental permits and studies are underway, as well as 65% design plans including roadway and public utilities and private utility design. Estimated construction start will be the fall of 2022. He showed a conceptual drawing of this neighborhood investment project.

Main Street Right Turn Lane project has completed the roadway, signal, and utility design, environmental permits have been submitted, a tree study has been completed and Duke utility relocation plans have been done. The estimated construction start is spring of 2022. This is a year later than discussed earlier, because CAMPO has awarded \$780,000 LAPP Grant funds to help cover project Right of Way and construction costs. The funds will not be available until 2022.

He said that the NC 55 Right Turn Lane project has completed the final construction plans and environmental permits have been submitted. Duke utility relocation plans are underway and the estimated construction start is spring of 2022. CAMPO awarded LAPP Grant of \$508,000 to help cover right of way and construction costs but funds will not be available until 2022. Staff will be seeking Council approval for funding of additional engineering and permitting. Next steps will be completing designs for the four initial projects, issuing initial bond allocation in summer 2021, Town Council approval of Holly Springs Rd. Phase 2 construction contractor and beginning construction of Phase 2 in summer 2021. Spring of 2022 is the anticipated start for the Main St. right turn lane, NC 55 right turn lane, and Avent Ferry Rd. Realignment.

Councilwoman Kelly said that this was exciting for the Town because they know traffic is an issue. She asked if staff could give descriptions of the projects on the Town website, or rename them so that residents could see where these projects are located. She would like the Transportation Bond website to be updated to make it easy for people to see what is going on, where it is, and when it is happening. On the realignment of Avent Ferry, she asked if staff went back to residents. Mr. Athy said that they had held a meeting and the residents left the meeting satisfied. She congratulated him for receiving the LAPP funds.

Councilman McGrath said that NCDOT was above on their LAPP funds in addition to COVID funds and asked if there was a possibility of accelerating this or getting some other funds. Mr. Athy said there was grant money staff was pursuing on the pedestrian end and they will look into other opportunities.

Matt Beard, Parks and Recreation, spoke about the Parks and Recreation bond projects. Mr. Beard said there is \$8 million remaining from the 2011 Parks and Recreation Bond Referendum. \$3.8 million will be for reimbursement for the Cass Holt Road park land purchase; \$500,000 will be partial funding for the first phase of park construction, and \$3.7 million for the Arbor Creek/Middle Creek greenway construction. The Cass Holt Road Park project will have a 7-9-month Park Master Planning process. Staff has selected a consulting firm and are in the process of negotiating the scope. Approval of a design firm contract will come before Council in May. Phase One Design and Construction Document Development will be a 9-12-month process with Phase One construction targeted for winter of 2023.

Mr. Beard showed an overview of the Arbor Creek / Middle Creek greenway project showing the regional connections that are possible, and a more detailed map showing proposed routes, trailheads, and possible Sunset Ridge North connections. He outlined the difficulties with the proposed connections, and said that the Linksland connection would be the most practical. The area has better topography but the environmental studies have not been completed. He said the Town is currently in the construction bid process. He explained the options for submittal to FEMA, including submitting as is and then submitting a map revision for the connection, or delaying two months and submitting it all at once. Randy Harrington, Town Manager asked for feedback from Council on whether speed or completion was more important to them. MPT Berry said he was in

favor of the Linksland connection, and waiting to submit everything to FEMA at once. Councilman McGrath asked how much cost savings would there be if the fifth connection to Woodcreek was removed. He agreed with waiting to submit everything at once, but wonders what the cost offset would be for removing one trailhead to Woodcreek in exchange for the connection to Sunset Ridge North. Mr. Beard said that he did not know the cost estimate, but the Woodcreek connection is much shorter and does not require a bridge, so it would not be a similar cost.

Councilman Villadsen asked if the cost of the Linksland connection incorporated the savings of not doing the Skymont connection or was it above and beyond. Mr. Beard said that by the time they got to cost estimates that connection had already been removed. Mr. Harrington said that the thought at the time was that it might have been a bid alternate, if bids had come in low enough, but as we went forward it became obvious that any additional connection would include more cost. Councilman Villadsen asked for clarification that any connection would involve more cost, this is just the cost of the Linksland one. Mr. Harrington said that was a fair statement. Mr. Beard said that this does not preclude other connections. They could be added in the future if Council wanted.

Councilwoman Kelly said we are only looking at the Linksland connection because a majority of Council did not prefer the Skymont connection. The only connection eliminated for structural reasons was Creek Vista, correct? Mr. Harrington said that early on staff did recommend that northern connection, but based on feedback from Council that was not a preferred connection. Councilwoman Kelly asked if that meant it was never priced out. She asked if it would be the same cost as Linksland. LeeAnn Plumer, Director of Parks and Recreation, said that early on there were estimates that the route around the pond was between \$500,000 - \$600,00 early estimation, but these are based on engineers' estimates. The project is out for bid so staff doesn't know the exact costs. She said they are still looking at this as a whole project, and are hoping for some price moderation. Councilwoman Kelly asked if there was any land acquisition required for Linksland. Ms. Plumer said there was, but it is Sunset Ridge North HOA land, not private property. MPT Berry asked about the Wake County grant money and Ms. Plumer said we did not receive that grant. MPT Berry asked if that was why the Holly Glen greenway was not listed as a funded project. Ms. Plumer said because we will be reimbursing the Parks and Recreation fund for the cost of the parkland, that money will be used for the Holly Glen project. She said there are other greenway grants available that staff is looking into. MPT Berry asked why the Town did not get the grant. Ms. Plumer said they were looking for construction ready projects. Apex received some funding for their Middle Creek Greenway, so there might have been some confusion because of the similar names. Councilman McGrath said the NCDOT COVID-related money he mentioned before is available. Ms. Plumer said staff is aware of that and staff is pursuing it. Councilwoman Kelly said they are still getting emails about land and asked if staff was still talking to residents. Ms. Plumer said they were and that would be discussed on an upcoming slide.

Mr. Beard said that the consultant SEPI was hired in February of 2020, and public input was received from June 2020 to February of 2021. They have been meeting with HOAs and private land owners and will continue to do so over the next few months. Next steps include LGC approval of bond funds in May, permits, easements, and continued work with area residents in the summer of 2021. Staff will be working with FEMA on floodplain revision in the summer and fall of 2021 and further study and design for connections to Sunset Ridge North neighborhood. Construction is estimated to start in the late fall of 2021.

Mr. Harrington said there was no action item for this. Staff wanted to share an update and get some feedback. If Council would like to give guidance on a preferred connection he will work it into the budget process so that the funds are there if Council wishes.

MPT Berry asked Council if there was guidance to be given. Councilman McGrath said he would like to see a cost comparison before he makes any decision. Councilman Wolff asked if Council could have preliminary cost estimates by the May or June workshop. Mr. Beard said he thought he could get the estimate from the consultant by next week. MPT Berry said Council could discuss this at one of the two remaining meetings in April. Ms. Plumer said staff will get the estimates as bids are due the 23rd of April, and they can cost it out. Councilwoman Kelly asked if staff had heard from the neighbors that they are excited about the Linksland access. Ms. Plumer said residents are very excited about having a connection, but did not give any clear preference for

where, they just want a connection. MPT Berry said he likes the idea of including the funds in the budget and exploring the connection. It can always be changed later. Consensus was for staff to get that information and move forward.

Public Hearings

6. 1317 N. Main Street (Sportsmanship Way) Rezoning 20-REZ-03 and Development Agreement

Sean Ryan, Development Services, said the purpose of this item was to continue the public hearing that was started on March 16th for the rezoning and hold a public hearing to consider the Development Agreement. He reviewed with Council the location of the land, north of Sportsmanship Way between Main Street and Highway 55. The property is approximately 20 acres, and the two proposed zonings of CB CU: Community Business Conditional Use, and R-MF-15 CU: High-Density Multifamily Residential Conditional Use. The Future Land Use plan is mixed use. The current zoning is LB Local Business Limited. Mr. Ryan outlined the differences in these zoning types.

Elizabeth Goodson, Development Services, said highlights of the Development Agreement include recommended improvements and 3 fees-in-lieu of construction for transportation impacts; a building height of up to 75 feet, with an enhanced 50-foot building setback and 30-foot undisturbed bufferyard; and allowing a meter-based fee calculation for each building for the DHIC portion of the project, as has been done previously with a similar project.

Mayor Pro Tem Berry reopened the public hearing on the rezoning, and opened the public hearing on the Development Agreement.

Michael Lattner, of Cline Design Associates, 125 N. Harrington St., Raleigh said he was the landscape architect for the applicant. He reminded Council of the conceptual design for the project. He said there was a change on the northern property line from a 30-foot planted buffer to a 30-foot undisturbed buffer which will be supplemented with plantings to make it more opaque. He said the BMP pond has changed due to the topography, and there will be a little bit of grading in a fifty-foot buffer along NC 55 because they need to get underneath the highway and there is a steep hole there that needs to be graded to be able to extend the greenway across the property.

Tucker Shade 800 Wimbledon Dr., Raleigh, spoke for My Computer Career. He outlined the headquarters for My Computer Career, the capital investment of more than \$25 million in commercial buildings, and the jobs retained and gained by keeping My Computer Career in Holly Springs. He described the Performing Arts Theater that My Computer Career wants to construct. He said that jobs that are currently here would stay here, jobs that are now in Apex would come to Holly Springs and additional jobs would be created.

Natalie Britt with DHIC, 113 S. Wilmington Street, Raleigh, described the residential portion of the project. She outlined DHIC, Inc.'s credentials to build and manage affordable housing, and said that they were hands-on and did not sell their units. She described the project as including 124 residential units, community buildings for onsite management and to house a business center for residents, and outdoor amenities. She said that there would be approximately \$25 million in total development costs for the housing portion of the development, and that it would provide affordable housing for an underserved and rapidly growing community.

Laura Holloman with McAdams thanked staff for their time and diligence for getting them to this point. She said that they made sure Council's concerns were heard. They have tried to only disturb what must be disturbed, and have gotten a lot of feedback from residents. They have tried to capitalize on tree preservation, they have heard building height and lighting concerns. They plan to continue working through the site plan with addressing residents' concerns. It is not often that you have a company so invested in the Town that they come out in force to support this.

David Blair, 421 Gooseberry, Holly Springs, said he lives across the street from the project. He wanted an exit onto NC 55 for a third entrance to this project. He thinks there is too much traffic on Main Street and this will add to that problem. He mentioned the smell from the landfill and his

concern about removing trees. He said he thinks there are too many units for the size of the parcel. He didn't know if the traffic study was done during COVID times or before. He was concerned about parking.

Frances Perkins, 109 Fountain Springs Road, Holly Springs, said she was in favor of affordable housing within Holly Springs, but has a few concerns about that piece of land. She asked that Council be careful of putting people where the landfill odor is so bad. She wants Council to take the time to research and make sure that they are doing the right thing and it does not backfire on the Town. She talked about traffic problems. She said this was the time to do the right thing and look at the long-term situation. Maybe this is not the right piece of land for affordable housing. Maybe zoning needs to change to make affordable housing more available. She spoke about working people with service jobs who cannot afford to live in Holly Springs. Affordable housing is long overdue. Please listen to people's concerns.

Councilwoman Kelly asked the development team about the neighborhood meetings. She asked what the likelihood was of Building D (office and retail) and the theater being built. Mr. Shade said the retail building is more than 50% sure, and they already have interest in it. He said the theater is a \$40-50 million dollar venture, to rival DPAC, so if money wasn't an object it would come forward immediately, but it will require some funding. Councilwoman Kelly asked what would be built there if the theater didn't happen. Mr. Shade said that spot has never been thought of for anything else. Councilwoman Kelly asked about the parking deck and shared parking. Mr. Shade said that the surface parking would be adequate for My Computer Career and the deck would be built if the theater was built. He said they were not going to use parking at Ting, the shared parking was for the theater to share parking with My Computer Career because they would operate on different schedules. Councilwoman Kelly asked if they had discussed landfill odor with Wake County or were they willing to assist the Town in dealing with that issue. Mr. Shade said they had had conversations with Wake County and with the Town and they see themselves on the same side as Holly Springs and will be working hard to correct the odor issue. Councilman McGrath asked how that was not going to fall on deaf ears. The County and Landfill management have said that the problem is development in proximity to the landfill. And this is closer than some development they have complained about. He also asked about clear cutting along the northern border and what do they think that will do regarding landfill odor. Mr. Lattner said it is not clear cut – there is a six to eight-foot pathway that they promised to extend. It is a 50-foot buffer and they will keep the grading as minimal as possible. But to keep the greenway ADA compliant they will have to pull the grade back some. But they will plant in that buffer. Will it make a big difference? He doubts that the *existing* vegetation makes a big difference. Studies for filtration of odors throughout a community, he doesn't know how strong they are. Councilman McGrath said that as part of this project Wake County did two studies, one on water and one on toxic emittance from the landfill. Council hasn't gotten copies of those studies. He asked if the development team had seen them. Mr. Lattner said he had not seen any of those studies. Ms. Britt said that the County went through an environmental review process and there were no issues that would prevent the project from receiving federal financing. She has not seen the study, but the property had a clear environmental review. Councilman McGrath said some of our residents' concerns were about access to these units from Holly Springs. For seniors in our community there won't be as much access to this facility. The property management is handed off to a management firm, is that correct? Ms. Britt said there is a third-party property management company, based in Winston Salem, that manages DHIC properties. Councilman McGrath asked if there was a separate application and a separate application fee for each of the DHIC facilities, and if there would be exclusivity for Holly Springs residents. Ms. Britt said exclusivity was not allowed under federal law. They have tried to get the word out in advance to the local community about when the application process opens, what the process is, and get all the information out to all interested people at the same time. Then they have to evaluate applications on a first come first served basis, as long as they meet the criteria.

Councilman Wolff asked how much of the \$25 million costs is coming from the County as opposed to state or federal. Ms. Britt said they requested \$5.2 million from Wake County. There will be a private first mortgage from the sale of bonds, and there is equity raised from private sources

that covers about half of the development costs. Councilman Wolff said there has been a lot of talk about how we want affordable housing, but this is not the right place. To get a 124-unit affordable housing unit without the land donating from the county is not doable. He is a neighbor of the DHIC community with his business, and they have been wonderful neighbors. He said that DHIC community has not hurt property values in Garner and has helped the community.

Councilman Villadsen said this is an imperfect project. Landfill odor issues are uncertain. But there is no way to make it perfect. It meets several of our strategic priority goals. And while the affordable housing doesn't go directly to Holly Springs residents or displaced residents, the people who move in will become Holly Springs residents and we need to keep that in mind.

MPT Berry asked about traffic improvements at Sportsmanship Way, and if signal enhancements would be provided. Jay Clapp from Ramey Kemp and Assoc. said that there were no phasing adjustments as part of the analysis. There will be widening along N. Main St. but as of now there was no change in the phasing as part of the analysis. MPT Berry asked if DHIC was tax exempt. Ms. Britt said the property will be owned by an LLC, but they are able to request a property tax exemption because the LLC is owned by a nonprofit. This is pretty standard across NC now.

Councilman McGrath said that there were other properties that might have been used inside Holly Springs' planning jurisdiction. He asked if DHIC was made aware of any other properties the County had that could be used. Council was told multiple sites were evaluated and this was the only one deemed feasible. Ms. Britt said she was unaware of other properties. DHIC responded to a Request for Proposals. They did not ask if other sites had been reviewed. Councilman McGrath said Sportsmanship Way is a thoroughfare now. What was the assessment of that 20 mph road, on which no one drives at the speed limit. Mr. Clapp said that everything was looked at. Sportsmanship Way is being used. They looked at three different scenarios: Full movement, left-over, or right-in, right-out. Based on their analysis it was determined that left-over was the preferred option from NCDOT and the Town. That pushes everything onto Sportsmanship Way. Most of the time Ting Park should primarily be off-peak compared to the office. There would not be competition on the weekends. The majority of traffic would not compete with Ting traffic. There will be a small section striped as a left turn, then it will be two lanes going to a right on 55.

MPT Berry said that given the landfill, has it been considered as a condition of zoning to require the location of the landfill to be disclosed on the application process or lease documentation to be sure prospective residents are aware. Ms. Britt said she has never included anything like that in a lease, and was not sure that was the appropriate place. She said she was not sure about doing that in a zoning condition. There are pros and cons of where anyone lives. MPT Berry said Council hears frequently from residents that they had no idea that there was a landfill there, so it is a concern of his that residents wouldn't know. Councilman Wolff said he understood the sentiment, but is Council going to require that of realtors? Councilwoman Kelly said that real estate agents are supposed to disclose the location of a landfill. Ms. Britt said that this is a little different because it is not a purchase of real estate. She said they could discuss disclosure with the property management company and decide what the appropriate way to do it would be, and what the messaging would say. There is no intention to hide it, but what is the best way to disclose it. Councilman Wolff asked if she thought the location of the landfill would be a deterrent for people wanting to move in. Ms. Britt said she couldn't speak to that. People have a lot of different things they evaluate when choosing where to live.

MPT Berry asked if the additional buffer was included in the development agreement, and did it run with the land. John Schifano said that it was and it does.

Councilman McGrath said the Town is working with the landfill on metrics and where the odor is and asked if it would be worth working with the County to have some recourse come back to the County if there is an increase in the odor. He asked if there was anything that could be put as a zoning condition to give recourse if the landfill odor did increase. Mr. Schifano said that it would be difficult to make a land use condition conditioned on a third party doing or not doing something. Wake County will not be the property owner. Development agreements are triggered when they buy, or have the property conveyed to them, and if this deal falls through after tonight, the development agreement ends.

Councilwoman Kelly said that from the information gathered so far, from 7,700 records from last year, over 30% of complaints were from 1 to 1 ½ miles out, 12% were 2 to 2 ½ miles out, and 2% were over 3 miles out. Just as proximity has been blamed, the County has mentioned wind speed and direction as causes. She said she was hopeful that there is momentum with Wake County now. We have to solve the landfill issue, period. It's all over town, not just close to the landfill. So this is a Town issue we have to address it whether this goes forward or not. The problem is all over town. It is not just proximity. This is data driven. She is optimistic that we have the ear of the County. She separates that out from the affordable housing. She asked County Commissioners how they felt about putting affordable housing near the landfill, and they said that they had to fix the issue. The landfill is far bigger than this project.

There being no further input, MPT Berry closed the public hearing on the rezoning.

There being no further input, MPT Berry closed the public hearing on the Development Agreement.

Councilman Wolff said he wanted to add on to what Councilwoman Kelly said. Through the formation of the landfill committee and the work by CM Kelly and McGrath, he would say this Council has done more advocacy work on the landfill than any other Council since Mayor Sears when it was being constructed. If this development doesn't happen, we still have Ting Park and Pine Springs Academy the same distance from the landfill. Our oldest community is the same distance from the landfill. This will be a problem whether this project gets built or not. This has been a personal priority of mine. I see 124 units as an opportunity that we cannot afford to turn down, because we're not going to get it again. We do not have the resources to do it on our own. It is not perfect, but we rarely see perfect proposals. It is an opportunity that I can't say no to. It doesn't mean the landfill is not a problem and they won't keep working on it.

Councilman Villadsen said he was guided by the strategic plan, and this hits three priorities, which is rare; economic development, pursuing partnerships, and affordable housing. He is sure we will be dealing with Sportsmanship Way traffic, as we deal with traffic elsewhere in town. But the concerns do not warrant turning this project down.

Councilman McGrath said he doesn't know why Wake County did not consider the site on Old Holly Springs Apex Road, near Carolina Springs. He asked if someone on staff had that discussion with Wake County. That is a twenty-acre property with eight acres that are just as developable as on this site. He agreed that this is a good thing to try to get these 124 units. But he doesn't think we are making the decision based on full information. He said he thinks the other property is more viable: better proximity to schools, across the street from a fire station, and proximity to economic development. He said he was confused about why Council wasn't shown that analysis. This is a rezoning, and the only reason to rezone it is for the affordable housing. My Computer Career could still go on this site without the rezoning. And if there is no financial benefit to Wake County for letting the other side go unclear cut and My Computer Career could still go there, he is not trying to deflate that economic development. What is Wake County going to do with that other property on Old Holly Springs Road. He wants to know how that assessment was made. Mr. Ryan said he did not want to speak for Wake County. They did have an evaluation process where they looked at certain metrics. He was not engaged in any conversations for other properties but the Wake County representative is present if Council wants to ask questions.

Councilwoman Kelly said that there was a document included. Her understanding was this was an RFP that started with Wake County and came to us through Economic Development. So some of the things that were done were done by other people. One of the documents that was included had an LIHTC score and it got 55 out of 60 credits. She said they could find out more about what some of those things are. Things that are important when they score a property are proximity to grocery stores, transit, schools, and that's why she thought this property was chosen. She said she has talked to businesses that have left Holly Springs because they have trouble getting employees because they can't afford to live in Holly Springs. Having this project brings our workforce closer to businesses that are looking for workers. The proximity to transportation is a plus

so that people can get to their jobs. This is a win for keeping an employer that wants to stay in Holly Springs, as well as bringing affordable housing to Holly Springs.

MPT Berry said that same criteria, one of the things they look at is for an incompatible use. There is concern about airports or swamps as incompatible uses, but not the landfill they own. He would have liked to see the study as part of this process. The next project we do with the County he would like to see this information up front. There is anecdotal evidence about the trees helping with landfill odor, but we don't have scientific evidence. He is 100% behind the strategic plan, and we have a specific goal that we would support the County's initiative on this property for affordable housing; we also have a goal that says we will be behind partnerships and he thinks we could not have a better project than DHIC. My Computer Career is an existing business looking to expand, and a lot of their employees are residents. It is a unique project to have economic development and affordable housing connected. He said he was conflicted due to the landfill odor. This County helps the County and the Town in their strategic plans. But the County has told us that we have created the odor problem by developing close to the landfill, and now they want to develop their land close to the landfill. Back to the strategic plan, there is not one dime of Holly Springs tax payer money going into this project, and that is a positive. There are a lot of pros and lot of cons. It is an imperfect project, but there are no perfect projects. He asked if they were ready to vote.

Councilman McGrath this is a rezoning. It seems disingenuous that we are getting information this late in the game. He is suspicious. My Computer Career doesn't need the rezoning, it is only for the R-MF-15. He thinks the other property would be preferable. We are talking about effective transit, but there is no plan to enhance Sportsmanship Way, the bus will add to the complexity of traffic. Nothing in this project compensates the Town for the increased traffic on Sportsmanship Way. We may not be paying for it now, but we will have to pay for it. His compromise would be no rezoning, and evaluate the property near Carolina Springs, and see what happens there. He didn't think there was such a rush that Council couldn't wait for that information. John Schifano reminded Council that the rezoning tonight is a condition in the land purchase agreement with Wake County to be able to get for free the My Computer Career property. Without fulfilling that condition, it is unlikely that the County would grant that property to the Town or My Computer Career, and My Computer Career would be forced to pay full market value to Wake County.

Action: Motion to adopt rezoning ordinance RZ21-01 to adopt statement of compatibility and to approve rezoning.

Motion by: Wolff

Second by: Kelly

Vote:

Yay: Kelly, Villadsen, Wolff, Berry

Nay: McGrath

Action: Motion to approve/deny Development Agreement.

Motion by: Villadsen

Second by: Wolff

Vote: unanimous

7. Economic Development Agreement and Limited Obligation Bond Financing related to FUJIFILM Diosynth Biotechnologies

Irena Krstanovic, Director of Economic Development, said the purpose of this item was to hold two public hearings, and to consider an economic development agreement and limited obligation bond financing related to the FUJIFILM Diosynth Biotechnologies (FDB) project. She gave some background on the company and said that FDB has four locations worldwide, in College Station, Texas, Hillerød, Denmark; Research Triangle Park, NC; and Teesside, United Kingdom. Holly Springs will be their fifth location. Ms. Krstanovic said that FDB is building the largest end-to-

end cell culture biopharmaceutical facility in North America, with a projected opening in 2025. This will bring highly-skilled well-paying jobs to Holly Springs and will broaden the Town's commercial property tax base. Economic impact estimates are \$1.6 billion dollars during construction, and \$422 million annually in on-going economic impact once operational. She outlined key terms of the Economic Development Agreement, including the following:

- Town will purchase 150 acres for \$21 million in Oakview Innovation Business Park and convey to FDB;
- FDB guarantees to pay the Town a minimum of \$46.4 million in property taxes within ten years;
- Town will upgrade Holly Springs Business Park sewer pump station, with Golden LEAF Foundation reimbursing Town for the expense;
- Town will waive legally permissible development fees;
- Town provides FDB with Industrial Water and Sewer Rate Classification;
- Town provides a Business Investment Grant of 70% for 8 consecutive years on any assessed valuation from \$1.5 billion to \$1.835 billion (Phase 1);
- Town donates right of way for southern access road to FDB property and works alongside NCDOT to ensure the road's successful completion;
- FDB creates 725 jobs with a minimum average salary of \$99,800.

Ms. Krstanovic said that there are other partners contributing to bringing FDB to Holly Springs. The State is providing \$81,871,750 in incentives, and Wake County is providing \$60,555,000 in incentives. Other partners include Golden LEAF Foundation, NC State University, Wake Technical Community College, and Duke Energy.

MPT Berry thanked Ms. Krstanovic and other staff for the work to bring this project to Holly Springs. There were hours spent, including nights and weekends, to bring this project. Councilman Wolff said that at the announcement, Wake County commissioners told him that their staff had never worked with an Economic Development team that was as easy to work with as our team. This is a community transforming project. We set a strategic goal of reaching a 70/30 tax base and we thought it was a 20-year goal. This one project achieves that goal. This means that investments will be coming more from the commercial side without tax increases on residents. Ms. Krstanovic said that when that goal was set, we thought it was pretty aggressive, but with this project we achieved it. Randy Harrington, Town Manager said he has never known an Economic Development director who was so passionate about selling Holly Springs and in the coming days we will be celebrating this, but he wants the community to know just how hard she worked to land this wonderful project.

Mayor Pro Tem Berry opened the public hearing on the Economic Development Agreement.

There being no input, Mayor Pro Tem Berry closed the public hearing.

Antwan Morrison, Director of Finance, said that this project is within the Town's means. He said that many safeguards for the Town have been put in to the agreement by Town Attorney John Schifano and others and they should be proud of their work. He said that Limited Obligation Bonds (LOBs) are publicly traded bonds authorized for use by municipalities in North Carolina. They are secured by a related asset or general revenue source other than *ad valorem* taxes. They differ from General Obligation bonds (GO) as LOBs are not backed by the full faith, credit and taxing power of authority and do not require a bond referendum. These are traded publicly, which gives the Town a better interest rate than we could get elsewhere.

Mr. Morrison said that the terms of issuance are a 20-year loan (three years interest only) with the interest rate projected at 3% or lower. Town Hall will be used for collateralization. The Local Government Commission (LGC) requires improvements be made to the collateralized asset and the Town Hall permitting area renovation will qualify for the improvement and a portion will be repaid with permitting fees.

He said that next steps are the application will be submitted to the LGC on April 7th and the final Resolution will come before Council for approval on April 20th. On April 23rd there will be rating agency calls, with S&P and Moody's, May 4th LGC approval, May 12th LOBs sale date, and May 26th LOBs closing date.

Mayor Pro Tem Berry opened the public hearing on the Limited Obligation Bond Financing.

There being no input, Mayor Pro Tem Berry closed the public hearing.

Action 1: Motion to approve Economic Development Agreement between Town and FUJIFILM Diosynth Biotechnologies.

Motion by: McGrath

Second by: Kelly

Vote: unanimous

Action 2: Motion to approve the Limited Obligation Bond financing to purchase land and convey to FUJIFILM Diosynth Biotechnologies.

Motion by: Kelly

Second by: Villadsen

Vote: unanimous

Action 3: Motion to approve Resolution 21-11 authorizing Town Manager and Finance Officer to apply to the Local Government Commission for Limited Obligation Bond Financing.

Motion by: Villadsen

Second by: Wolff

Vote: unanimous

Action 4: Motion to authorize the Town Manager to execute Land Purchase Options with Helix Ventures and Chandler Property Group.

Motion by: Wolff

Second by: Kelly

Vote: unanimous

Action 5: Motion to authorize Town Manager to execute any other necessary and required transactions consistent with prior Council approvals and terms of the Economic Development Agreement.

Motion by: McGrath

Second by: Kelly

Vote: unanimous

Councilwoman Kelly said that she was excited about the relationship with this company, who cares about the Town. They asked about ways to work with neighborhoods etc.

Consent Agenda

The Council passed a motion to approve all items on the Consent Agenda. The motion carried following a motion by Councilman Villadsen a second by Councilman McGrath and a unanimous vote. The following actions were affected:

8. Minutes – The Council approved minutes of the Council workshop meeting held March 9, 2021 and business meeting held March 16, 2021.

9. Engineering Design and Construction Standards Supplement #5 - The Council approved Supplement #5 updates to the Engineering Design and Construction Standards.

NEW BUSINESS

10. Fiscal Year 2021-2022 Strategic Plan

Corey Petersohn, Finance, said the purpose of this item was to update the Strategic Plan for FY 2021-22. He said the plan is updated annually in anticipation of the upcoming budget process, to establish Mayor and Council priorities. He reviewed the updates that Council discussed at their retreat and a workshop meeting. There are new economic development initiatives related to the Downtown Village District and connecting strategic partners; expansion of community engagement through public messaging, Town branding, and website content; increased focus on sustainability and resiliency; and new initiatives focused on public safety, to maintain our status as one of the safest communities in the state.

Councilwoman Kelly thanked Mr. Petersohn for rewording the goal around communication.

Councilman McGrath said that, related to the massive change in our town that we didn't necessarily foresee, he thinks that from an organizational excellence perspective, we need to make sure we invest in personnel and staff to make sure we have the capability to ingest all that is coming to Holly Springs

Action: Motion to adopt the FY2021-22 Strategic Plan

Motion by: McGrath

Second by: Kelly

Vote: unanimous

11. Body-Worn/In-Car Camera System Contract

Police Chief Paul Liquorie said the purpose of this item was to consider a contract with Motorola for the implementation of a police body-worn/in-car camera system. He said that Council received a presentation at their June 4, 2020 workshop on body-worn cameras (BWC). At that time Council directed staff to conduct further research, testing, and evaluation of BWC systems. Chief Liquorie said that at the January 21, 2021 workshop he updated Council on the progress of the BWC testing and evaluation process, policy development, and project implementation. Research testing and evaluation resulted in Motorola's Watchguard system being selected.

Chief Liquorie said that BWC are video recording devices that capture and record officer-citizen interactions and other police related functions. The goals for the system are to meet community expectations and modern professional best practices; to strengthen public trust and transparency with the police department; to enhance accuracy in reporting and evidence collection; to increase agency accountability; and to improve officer training and evaluation. He described the features of the Motorola Watchguard system and gave an overview of the contract and its cost over the next five years. The total cost will be \$836,801 for the five-year contract, and it is an all-inclusive package. The procurement is through the State of NC's existing Motorola contract which provided favorable terms and pricing.

MPT Berry said the Department already has in-car cameras, and asked if there was any surplus or salvage value to them. Chief Liquorie said he was unsure, but staff would look into that.

Action: Motion to approve contract with Motorola for Body-Worn/In-Car Camera System.

Motion by: Villadsen

Second by: Kelly

Vote: unanimous

12. Vehicle and Equipment Replacement Request

Corey Petersohn, Finance, said the purpose of this item was to provide updates on an opportunity to get a jump start on Town vehicle and equipment capital needs in advance of the

upcoming budget. He said that previous yearly funding of \$500,000 to \$1,000,000 was not keeping up with replacement needs. There are operational and safety risks to this, and higher fleet maintenance costs. Vehicles and equipment are often operated until they cannot be repaired instead of being replaced near the end of their useful life. There is an immediate need of \$4.2 million to replace vehicles and equipment that are over the rating threshold for replacement. A high upfront infusion of funds would provide a quicker strategy to get the replacement program on a sustainable, recurring level. Sustaining the fleet would require around \$2 million annually in ongoing funding. The Town would also receive greater surplus revenue from selling vehicles at the most efficient time. He outlined expenses of \$1,660,831 to replace Police vehicles and equipment, Fire Department equipment, facilities maintenance and COVID cleaning, Public Works vehicles, and Parks vehicles and equipment and showed that the majority share is funds from the CARES Act. Other funds would come from the Utility Fund Budget, Capital Project Savings, Powell Bill Street Funds and Parks and Recreation COVID Hold Funds.

Councilman McGrath asked if cleaning protocols were going to be changed based on new CDC protocols. Mr. Harrington said he didn't know exactly what products the day porters are using, but we are at a point where we are considering reducing the frequency of cleanings.

Action: Motion to approve the budget amendment for \$1,660,831 for vehicles and equipment and authorize the Town Manager to execute associated contracts for the purchase of appropriated vehicles and equipment.

Motion by: Wolff

Second by: Kelly

Vote: unanimous

A copy of the budget amendment is attached to these minutes.

13. Appointment of Voting Delegate from Holly Springs to the NC League of Municipalities' annual meeting.

Linda McKinney, Town Clerk, said that Council needs to appoint a voting delegate to the NC League of Municipalities' annual meeting.

Action: Motion to appoint Councilwoman Kelly as voting delegate from Holly Springs to the NC League of Municipalities' annual meeting.

Motion by: Villadsen

Second by: Wolff

Vote: unanimous

OTHER BUSINESS

Mayor Pro Tem Berry said there had been 2,491 cases of COVID-19 in our zip code, and 7 deaths. Trends overall are going in the right direction, so please continue following protocols. The Governor has lifted or raised many restrictions so that is good news. He said that vaccine appointments are opened up to all residents as of today. They are also now asking people if they have a preference for which vaccine they want. If you are eligible, and now everyone is, please sign up if you are interested. He asked Council if it was time to return to live public comment. Councilwoman Kelly asked if a hybrid approach, with both in-person and written comments was possible. Consensus was to support the hybrid approach, but to be strict about the three-minute time limit.

Councilwoman Kelly asked if the Town was considering live attendance for events like Independence Day celebrations or was staff waiting for further guidance. Mr. Harrington said staff has already started thinking and planning around the July 5th event. At a minimum we could fall back on a virtual event, but we would love to have some opportunities to have in-person events while keeping within the guidelines. Councilwoman Kelly said that the Police Department vs. Fire Department softball game is this Saturday at 8 pm and Sunday at 6 pm at Ting Park.

Councilman McGrath said that as things continue to open up, and being stuck in traffic becomes a pleasant reminder of returning to normal, it is worth taking a moment to check in with people who are having difficulty with change, returning to a different rhythm of life. Please take the time to ask people if they are having a hard time.

MANAGER'S REPORT

Randy Harrington, Town Manager, said he had two items.

1. He said there has been a lot of conversation tonight about development, and the pressure on staff. Our previous record for residential building permits was set in 2006 at 105 building permits in a month. In March we set a new record for 111 building permits issued. A lot of building activity is going on in our community. We have had conversations about what that means on the staff side, being able to review and provide adequate comments back to developers.

2. He invited Kendra Parrish, Executive Director of Utilities and Infrastructure to come forward. He said they had had conversations over the past week and a half with Congresswoman Ross. There is a lot of movement at the federal level for grants to municipalities. The Town has an opportunity to submit a requested project related to surface transportation, with a deadline of this Friday. There is about \$15 million of potential allocations to our region. In thinking about a potential request that is high need and they might be receptive to. There are two or three projects that might meet the criteria and he asked Council for feedback on what was important to them. The first project is the Avent Ferry Realignment Project. We're at 65% design, so we're far enough along that that might be attractive. A second project would be the Utley Creek Greenway. We are close to advertising for that, so we could perhaps use federal funds and reallocate the Parks and Rec funds to another project, like the connection to the Arbor Creek greenway. A third would be the Holly Springs Apex Road bridge replacement. We have been discussing with NCDOT that we want to expand to a 4-lane road when they replace the bridge. Our project has to be a project that is on the State Transportation Improvement Plan, if we were successful, it would move the project up the ladder.

Council discussed where the projects were on the STIP and how much each project was estimated to cost. The stipulations that the project serve underserved communities; be on STIP; and be approved by CAMPO were discussed in relation to each of the three possibilities, as well as the probabilities of each project being awarded funds. Consensus was for staff to submit the Avent Ferry Realignment project.

CLOSED SESSION: The Council entered into closed session, pursuant to N.C.G.S. 143-318.11(a)(4) to discuss an economic development matter.

Motion by: Villadsen

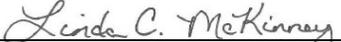
Second by: McGrath

Vote: Unanimous

Motion to leave closed session was made by Councilman McGrath, seconded by Councilwoman Kelly and passed with a unanimous vote.

Adjournment: Councilman Wolff made a motion to adjourn at 10:47 pm. It was seconded by Councilwoman Kelly and passed with a unanimous vote.

Respectfully Submitted on Tuesday, April 20, 2021.



Linda C. McKinney, Town Clerk

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