

MEBANE CITY COUNCIL
REGULAR MEETING
JANUARY 5, 2009

Members Present: Everette Greene Patty Philipps
 Tim Bradley Bob Hupman
 Ed Hooks

Mayor Stephenson called the Regular Monthly meeting to order at 6:00 p.m. in the Civic Room of the Mebane Arts & Community Center. Councilmember Bradley gave the invocation.

Mayor Stephenson announced Agenda Item VIII, Approval of a sewer easement acquisition, was removed from the agenda. Also Agenda Item X. Public Hearings - #2 - Request from Atlantic Multifamily, LLC to rezone property from B-2 (General Business) to CU-R-6 (Conditional Use-Multi-Family) for the development of an apartment complex, and Item XI. - #1 Approval of Preliminary Subdivision Plat for Atlantic Multifamily, LLC for the development of "Mebane Apartments", was requested to be tabled until the February 2, 2009 regular monthly meeting. Councilmember Hooks made a motion, seconded by Councilmember Greene, to table the requests. The motion carried unanimously.

City Engineer Darrell Russell introduced Tony Tate, Landscape Architecture, P.A. who gave a presentation on possible fencing and landscaping ideas at the new cemetery. City Manager Robert Wilson stated to Council that the presentation before them was not a proposal but rather an idea of designs and cost for the fencing and landscaping.

Council questioned if the fencing would surround the entire cemetery. Mr. Wilson answered no; the fencing would only be at the front entrance of the cemetery.

Mr. Tate told Council he was approached by Mr. Russell and Mr. Wilson about developing preliminary ideas for the entrance way and fencing at the new cemetery. Mr. Tate presented several photo examples of cemeteries from past and present. He recommended having numerous evergreens within the cemetery. After much discussion, Council requested Mr. Tate to prepare more designs for their review at budget time. Mr. Tate stated he would be happy to bring more designs back to Council. No formal action was taken.

Becky Loy & Larry Brooks of Cobb, Ezekiel, Loy & Company, P.A. were present to report on the Audited Financial Statement for the City of Mebane as of June 30, 2008. Larry Brooks introduced Becky Loy as an audit partner in the firm. Becky Loy explained that Mebane received an unqualified opinion, which is the best you can get. She reviewed the annual audit with the Council. No formal action was taken by the Council.

City Manager Robert Wilson presented a budget summary of the percentage of revenues and expenditures for the period July 1, 2008 thru November 30, 2008 compared to the

same period for 2007. He also reported to the Council the appropriations that have been made since the fund balance as shown in the audited Financial Statements and the resulting amount available for appropriation in the General Fund.

City Engineer Darrell Russell spoke to Council concerning the proposed bids for restrooms at Lake Michael Park. Mr. Russell told Council bids were received for the construction of two new restrooms buildings. Three bids were received, with bids ranging from \$169,000 to \$178,783. Atlantic Coast Contractors of Mebane was the low bidder with a base contract amount of \$169,000. City Manager Robert Wilson requested Council to consider awarding the contract at budget time. After some discussion, Council agreed to wait until budget time before taking any formal action.

Councilmember Hooks made a motion, seconded by Patty Philipps, to accept the City Clerk's Certificate of Sufficiency on the petition of voluntary contiguous annexation of the property of Kathleen Thomas located at 818 E. Oakwood Street Ext. The motion carried unanimously.

City Manager Robert Wilson stated during the City Clerk's investigation for the annexation of the property of Kathleen Thomas she discovered the survey map and metes and bounds description did not meet the City's regulations, therefore she is requesting to delay adopting a Resolution Fixing the Date of Public Hearing for the annexation of the property of Kathleen Thomas until she receives an accurate map and metes and bounds description. The Council agreed.

The Council received the proposed 2009 Executive Board for the Mebane Fire Department. Because Tim Bradley was proposed to serve as the 1st Assistant Chief, he requested to be recused. Councilmember Philipps made a motion, seconded by Councilmember Greene, to recuse Councilmember Bradley. The motion carried unanimously. Councilmember Hooks made a motion, seconded by Councilmember Philipps, to approve the 2008 Executive Board for the Fire Department as proposed. The motion carried unanimously.

No one spoke during the Public Comment period.

A Public Hearing was held on a request from Rex Todd, The Landmark Group, for approval of a Community Revitalization Plan (CRP). The Second Street West Community Revitalization Plan relates to the rehabilitation of the former R. L. Stowe Mill. Mr. Todd elaborated on the description of area included in the CRP. He stated the CRP pulls from the already adopted 2010 Land Development Plan (LDP). It sets forth five (5) basic goals and strategies for renewing the designated area, cleaning up abandoned sites, renewing older buildings, encouraging high density program development, accommodating single and multi family development, etc. The document also talks about preserving the historic properties within the area, targeting the former R.L. Stowe Mill which they are proposing to place on the National Register of Historic Places.

Mayor Stephenson asked Mr. Todd to briefly describe the proposed plan for the former R.L. Stowe Mill.

Mr. Todd stated they will convert the Mill into 75 apartments. They will use low income housing tax credits from the North Carolina Housing Finance Agency (NCHFA), Federal Historic Rehabilitation tax credits and the North Carolina Mill Rehabilitation tax credits plus housing development funds. Mr. Todd stated that the City will be holding a second Community Development Block Grant Hearing in the future for the May application. He stated the project would be completely landscaped to meet the City's standards and those of the NCHFA. He said the Landmark Group will own, operate, manage and maintain the property.

City Attorney Charles Bateman stated while Mr. Todd is primarily concerned with the rehabilitation of the Mill structure, the overall Second Street Community Revitalization Plan encompasses other elements and the City will use its Code Enforcement to help clean up housing and seek additional grants for further housing redevelopment in that area.

Councilmember Bradley asked if there are any plans within staff to complete the revitalization plan for remaining parts of the City.

City Manager Robert Wilson said yes, it would be a part of planning in the future. He stated this particular area was chosen because of the grant program which deals with the R.L. Stowe Mill project.

City Attorney Charles Bateman stated that this is a starting point and staff looks forward to trying to increase the scope of activities and area of activity trying to bring more systems to the west end area.

Tom Boney, Editor of the Alamance News, said that the agenda states that the City is applying for a Community Development Block Grant (CDBG). Mr. Boney requested clarification whether the City is applying for a CDBG.

City Attorney Charles Bateman stated that the City would be applying for a CDBG but not at this time. Mr. Bateman clarified that the caption on the agenda was incorrect and that tonight's Public Hearing was for approval of the CRP.

Tom Boney asked if the Landmark Group is a private profit or non-profit company.

Mr. Todd stated they are a private for profit company.

Mr. Boney requested clarification whether the City would be receiving tax dollars in the form of a Block Grant and then giving those funds to the Landmark Group exclusively for the Mill project.

Mr. Todd answered yes but in the form of a loan and the money would be paid back to the City. When the money is paid back the City would keep and use for community development eligible expenses in this area or any other area in the City.

Mr. Boney questioned what the purpose of the remainder of the CRP is if the financial ties deal only with the rehab of the Mill.

Mr. Todd stated that we serve several masters, those being real estate economics, the NCHFA's criteria for funding and also what the community wants. He said this plan being proposed is driven in the areas which should be continually enhanced and the City has quite a track record since 2006 of Community Development Block work within this area. It's building a nest into which to put tax credit financing and it only makes sense to enhance an area into which tax credit dollars can be leveraged.

No one from the public spoke concerning this matter. Councilmember Hupman made a motion, seconded by Councilmember Phillips, to approve the Second Street West Community Revitalization Plan and to re-adopt the 2010 LDP. The motion carried unanimously.

A Public Hearing was held on five separate requests from Mebane 8540, LLC. and Brown Investment Properties, Inc. All five Public Hearings requested as:

- 1) REQUEST FROM MEBANE 8540, LLC FOR AN AMENDMENT TO THE CU-R-6 (CONDITIONAL USE MULTI-FAMILY-ACTIVE ADULT COMMUNITY) TO PERMIT MULTI-FAMILY/TWO FAMILY RESIDENTIAL, COMMERCIAL AND OFFICE INSTITUTIONAL DEVELOPMENT AS PART OF THE PLANNED UNIT DEVELOPMENT, (PUD).
- 2) REQUEST FROM MEBANE 8540, LLC TO REZONE PROPERTY FROM CU-R-6 (CONDITIONAL USE-MULTI-FAMILY) TO CU-B-2 (CONDITIONAL USE-GENERAL BUSINESS) AS PART OF THE PLANNED UNIT DEVELOPMENT, (PUD).
- 3) REQUEST FROM MEBANE 8540, LLC TO REZONE PROPERTY FROM CU-R-6 (CONDITIONAL USE-MULTI-FAMILY) TO CU-O&I (CONDITIONAL USE-OFFICE AND INSTITUTIONAL) AS PART OF THE PLANNED UNIT DEVELOPMENT, (PUD).
- 4) REQUEST FROM BROWN INVESTMENT PROPERTIES, INC. TO REZONE PROPERTY FROM R-20 (SINGLE FAMILY RESIDENTIAL) TO CU-R-6 (CONDITIONAL USE-MULTI-FAMILY) AS PART OF THE PLANNED UNIT DEVELOPMENT, (PUD).
- 5) REQUEST FROM BROWN INVESTMENT PROPERTIES, INC. TO REZONE PROPERTY FROM R-20 (SINGLE-FAMILY) TO CU-O&I (CONDITIONAL USE- OFFICE AND INSTITUTIONAL) AS PART OF THE PLANNED UNIT DEVELOPMENT, (PUD).

Attorney Lawson Brown spoke on behalf of Mebane 8540, LLC and Brown Investment Properties, LLC. Mr. Brown requested to speak on all five (5) public hearings at once. Mr. Lawson Brown gave a pin point presentation. He called Council's attention to the acreage labeled "Arrowhead North, Section 1", a total of 26 acres, which was the acreage previously dealt with during the Kavanagh rezoning that was for an over 55 adult

community for apartments and condominiums. This site plan now has added to it, the Carden property that Brown Investments has under contract which is located in the northern portion of the site map, making the 26 acres a total of 28 acres. Lawson Brown pointed out on the map, traveling east on Arrowhead Blvd., an incorrect leftover/crossover at the second entrance of the out parcels. He stated that NCDOT would not approve the leftover/crossover; therefore as a condition, there would not be a leftover/crossover, there would be a right in/right out only at the second entrance. Mr. Brown stated after a preliminary meeting with a hotel developer they would like to request, as a condition, to change the 35ft. height requirement to 50ft. height to allow more occupied space for a hotel structure. As a condition, Mr. Brown requested cross easements for access to the out parcels, there would be no access off of Arrowhead Blvd. directly into the out parcels. Mr. Brown also requested, as a condition, a reduction of landscape buffers to 20ft with 10 ft. for commercial and 10 ft. for apartment. Mr. Brown stated that another major item of change, as a condition, was when the leftover/crossover was eliminated it necessitated a double left into the apartments and a left access into the out parcels, a straight third lane and a fourth lane turning into the Tanger development.

Chester Brown, III of Brown Investment Properties, Inc. spoke on behalf of their requests involving +/- 28 acres. He stated his company's interest is developing the property into apartment buildings. Mr. Brown stated they were attracted to this project due to its proximity and visibility along I-85/40, proximity to the employment base of Alamance Regional Hospital and the proposed Tanger Factory Outlets and the proximity of goods and services that residents would have access to. He stated that their target market would be young professionals working in Mebane and the triad. They would offer 240 apartments including 1, 2 and 3 bedroom apartments with monthly rent ranging from low \$700's-\$1,000. The exterior would be covered in hardi-plank. Mr. Brown stated that the property would include landscaping, a professionally designed clubhouse with resort style pool, heavy amenities including a grilling and cabana area, professional grade fitness equipment, cardio facility and gaming room.

Councilmember Hupman asked Mr. Brown if the project is approved when they would expect to begin the project. Mr. Brown answered as soon as financing could be obtained, hopefully within 6 months. He stated the project would be completely built out once project started and they would encourage local trades to bid on jobs created by the project.

Mr. Brown stated more features that their properties would include are ceramic tile flooring, resilient channels within the walls which help with sound continuation, insulation around waste lines, thicker padding for carpets.

Mayor Stephenson asked Mr. Brown if they keep or sell their properties. Mr. Brown answered that it is based upon the market. He stated that because of this site's central location he feels it will appreciate in value, but it's not to say they would not sale it but they build the properties as if they will hold them for a very long time.

There was additional discussion among the Council and John Davenport, Traffic Engineer of John Davenport Engineering Inc., Winston Salem concerning the traffic patterns on Arrowhead Blvd.

Edward Dilone, 741 S. Eighth Street, spoke in opposition of the project. He spoke of his concerns with traffic, overcrowding of schools and possible change in property values. He questioned Council about Mebane's current percentage of vacant apartments. He questioned the percentage of current young professionals, the targeted market for the apartment complex. He questioned what determines notification of adjacent property owners about the proposed project. He was not notified and felt he should have been.

The Council felt that Mr. Dilone's comment concerning adjacent property owners being notified was fair.

Planning Director Montrena Hadley stated only the property under consideration for the rezoning, +/- 29 acres within the total +/- 214 acres, was considered when notifying adjacent property owners.

Councilmember Hupman questioned if notification of all adjacent property owners could've been sent.

City Attorney Charles Bateman stated as a courtesy it could be done if directed by Council but it is not required by state law.

In response to Mr. Dilone's earlier question, City Manager Robert Wilson stated that the apartment complexes located in Mebane are close to full capacity. Mr. Wilson also stated that as required by law staff notified property owners adjacent to the property under consideration.

Mr. Dilone asked Council to deny the request tonight and allow the public hearing to continue in order to allow other surrounding property owners to be notified.

City Attorney Charles Bateman stated the Public Hearing was properly advertised.

Councilmember Hupman made a motion to table and continue all five (5) Public Hearings until next month's regular meeting and to notify adjacent property owners surrounding the entire Arrowhead Project.

Mr. Bateman stated that Planning Director Montrena Hadley will use best efforts to give first class mail notice to adjacent property owners; however he doesn't want the City to get into a trap of saying this is a legal requirement, this is a courtesy notice only as directed by City Council.

Robert Wright, Owner and Developer of Mebane 8540, LLC spoke in interest of his project. He stated that a delay would be a burden and is significant to those who have been planning and working hard to see this project become successful. He stated that he

is willing to meet with any one that may have questions or concerns in relation to this project.

John Davenport spoke concerning the traffic impact study. He stated that an entire comprehensive study was done as required by NCDOT.

Twillia Buffington, 1255 Woodhaven Drive, shared her concerns with the request to reduce buffers between commercial and residential properties to 20ft. instead of the usually required 50ft. She also had concerns with the traffic pattern for the out parcels. She also requested Mr. Brown to show her the location of the holding ponds and the creek.

Attorney Lawson Brown spoke to the concerns stating the request for reduction of the buffers was due to geographic constraints. He also pointed out the ponds and creek on the map as requested.

Councilmember Philipps seconded the motion on the floor, to table and continue all five (5) Public Hearings until next month's regular meeting and to notify adjacent property owners surrounding the entire Arrowhead Project. The motion carried unanimously.

The Council received a request for Final Subdivision Plat approval for the Third Street Partners, "The Governor's Green", Phase Two. Councilmember Philipps made a motion, seconded by Councilmember Bradley, to approve the request. The motion passed with a 4-1 vote. Ayes-Philipps, Bradley, Greene, Hupman. Nays- Hooks.

Councilmember Bradley made a motion, seconded by Councilmember Greene, to approve the Tax Releases. The motion carried unanimously.

Parks and Recreation Director Dean Ray gave a short report on the 2008 Mebane Christmas Parade. Mr. Ray asked Council for any questions or comments. The Council commented on length of parade and the audible advertising. The Council stated they had received several complaints from citizens concerning those two issues. It was stated that an estimated 20,000 people were in attendance at the parade. The Council commended Dean Ray on a job well done.

As a past additional item, City Manager Robert Wilson reported on the progress taking place on the West End Condemnation. Mr. Wilson stated staff is in the process of condemning two properties, one located on Holt Street and the other on Giles Street. He also stated he has spoken with Mr. Sterling Holt concerning his properties. Mr. Holt informed Mr. Wilson that he has applied for grant monies to make improvements on his properties. Mr. Wilson told Council he would verify that information and report back to Council.

The Council received a request for approval of a Clean Water Management Trust Fund Authorization Resolution. City Engineer Darrell Russell told Council the Resolution is to apply for a grant from the North Carolina Clean Water Management Trust Fund. Mr.

Russell reminded Council of the small Planning Grant the City received in early 2008 to study the drains basin around the White Furniture property. He stated that study has been completed and submitted to the North Carolina Clean Water Management Agency. Due to the deadline of February 1, 2009, approval of the Resolution is necessary to allow for the second step of the project to proceed. Councilmember Hooks made a motion, seconded by Councilmember Philipps, to approve adoption of the Resolution. The motion carried unanimously.

City Engineer Darrell Russell spoke to Council about the ongoing concerns with the Jordan Lake Rules. Mr. Russell stated that compliance with these Rules will be a major undertaking for all municipalities impacted by these rules. Mr. Russell stated that Retro-fitting of existing developments, preliminary estimation based on their interpretation, could cost Mebane an estimated 30-40 million dollars. Retro-fitting would require condemnation of citizen's homes and property in existing communities so storm water treatment devices could be built. Mr. Russell stated that the final word lies with the Legislature. These rules are only requirements for those on the Haw River basin.

The minutes of the December 1, 2008 regular meeting were approved as presented.

City Manager Robert Wilson stated per Council's request, staff has notified businesses, which have closed or moved, to remove their on premise signs. Two of the businesses have removed the signs and letters have been sent out to the remaining business owners.

There being no further business, the meeting was adjourned.

Glendel Stephenson, Mayor

ATTEST:

Stephanie W. Shaw, City Clerk