



**VILLAGE COUNCIL
MINUTES FOR REGULAR MEETING OF AUGUST 9, 2022
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA
4:30 PM**

The Pinehurst Village Council held a Regular Meeting at 4:30 p.m., Tuesday August 9, 2022, in the Assembly Hall of Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina.

The following were in attendance in Assembly Hall:

Mr. John C. Strickland, Mayor
Mr. Patrick Pizzella, Mayor Pro Tem
Ms. Lydia Boesch, Councilmember
Mr. Jeff Morgan, Councilmember
Ms. Jane Hogeman, Councilmember
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Kelly Chance, Village Clerk

And approximately 27 attendees, including 6 staff and 1 press

1. Call to Order.

Mayor Strickland called the Village Council meeting to order.

2. Reports:

Village Manager

- Mr. Jeff Batton, Assistant Village Manager, reported the upstairs renovation portion of Village Hall, that houses the Administration Department, has been completed. He noted the second phase of the renovation will begin next week and will complete the area that will be dedicated to Human Resources staff.

Village Council

- Mayor Strickland reported the US Kids Golf, here over the last couple of weeks, had a successful event. He noted he attended the monthly meeting of Partners in Progress with Councilmember Pizzella, where it was reported the organization is changing its name in the coming months and there were 71 leads during the year, up from 41 the previous year. Mayor Strickland reported the Partners in Progress are currently working on four or five leads now for potential business opportunities in Moore County. He noted they will also be hiring an additional staff member effective next year to help manage the business development and inquiries they have been receiving.
- Councilmember Boesch reported the CVB has received estimated numbers on the economic impact of the Women's Open, which is estimated to be close to \$19 million. She noted this considers numerous factors such as hotel occupancy, short-term rental occupancy, and visitor spending.
- Mayor Pro Tem Pizzella reported that Pinehurst will be the headquarters of the CF Smith Property Company soon, as they have purchased the 100-year-old Magnolia Place building in downtown Pinehurst. He noted the Live After Five event is this Friday and the Village Chapel will be opening their new Heritage Hall to parents for a night out at that time. He reported he

attended the Historic Preservation Committee meeting on July 28th and wanted to acknowledge the work that they do as volunteers. Mayor Pro Tem Pizzella reported he attended the Planning and Zoning Meeting where discussion included the recent Small Area Plan for Village Place.

- Councilmember Hogeman provided no report.
- Councilmember Morgan provided no report.

3. Motion to Approve Consent Agenda.

All items listed below are considered routine or have been discussed at length in previous meetings and will be enacted by one motion. No separate discussion will be held unless requested by a member of the Village Council.

- A. Approval of Village Council Meeting Minutes
 - July 26, 2022, Council Regular Meeting
 - July 26, 2022, Council Work Session
 - July 26, 2022, Closed Session
- B. Bi-Annual Public Safety Reports
 - Bi-Annual 2022 Fire Report
 - Bi-Annual 2022 Police Report

End of Consent Agenda.

Upon a motion by Councilmember Hogeman, seconded by Councilmember Boesch, Council unanimously approved the Consent agenda by a vote of 5-0 with the removal of the Bi-Annual 2022 Police Report.

4. Discuss and Consider a Budget Amendment Reappropriating Funds from FY2022 to FY2023.

Brooke Hunter, Finance Director, presented Council with a Budget Amendment to reappropriate funds from FY2022 to FY2023 for a few categories of items. One of those being projects that were started but not completed as of June 30, 2022, projects not started at all due to various timing delays, and unspent donated funds that have various restrictions. She noted these funds will roll into the next year so they can be used in the same manner. She reported these appropriations lapse and add to fund balance at the end of the fiscal year, thus this amendment goes into fund balance and pulls the appropriations back out of fund balance and reappropriates them in the year so they can be used as they were originally intended.

Ms. Hunter noted this year is unique because of the additional element of the American Rescue Plan Special Revenue fund of \$1,011,000, that's remaining in the American Rescue fund, which staff is requesting to move over. She noted they were not able to do the full transfer when developing the fiscal year 23 budget, because the state of NC requires us to adopt a balanced budget.

Ms. Hunter reported the total amount of reappropriation this year is \$1,437,173, higher than normal due to several manufacturing delays and supply chain issues. She provided Council with a report with broken down items requested for rollover and presented an Ordinance for Council review and consideration.

Ms. Hunter stated that recommendations from the School of Government for those organizations receiving under \$10 million in ARP monies utilize it for an item such as salaries and benefits, which then frees up general fund dollars to be used without those federal purchasing restrictions.

Upon a motion by Councilmember Boesch, seconded by Councilmember Hogeman, Council unanimously approved Ordinance 22-10, amending the ordinance regarding revenues and expenditures of the general fund by reappropriating funds for operations of the Village of Pinehurst from FY2022 to FY2023, by a vote of 5-0.

5. FY2022 Year-End SOP Update.

Matthew McKirahan, Organizational Performance Director, presented Council with a brief update on the Q4 Strategic Operating Plan for FY22, noting we ended FY22 with one Initiative Action Plan in progress and on schedule, two in progress, but not on schedule, and one earmarked to begin in the future. Initiative Action Plans discussed were the Updates to the PDO, Small Area Plans, and Downtown Parking Facility Expansion. Mr. McKirahan also noted the Enhanced Library Services project was now

complete. Council thanked Mr. McKirahan for the presentation and noted everything appears to be moving along.

6. Discuss and Consider Pinehurst South Small Area Plan.

Darryn Burich, Planning & Inspections Director, reported this item for Council is consider the Pinehurst South Small Area Plan (SAP). He noted at its May 5, 2022, meeting, the Planning and Zoning Board, received public comments, discussed, and provided a recommendation to Council on the Plan.

Mr. Burich stated, in contrast with Village Place, Pinehurst South has a significant amount of vacant land available for development at approximately 80 acres with an estimated 40 acres currently being marketed or consideration for development. With the large amount of land available for development, having appropriate plans in place to establish a vision for future development and the appropriate regulatory controls to help prescribe the vision through architectural controls, build-to lines, street design etc.

Mr. Burich stated, as Council reviews the plans, and especially the renderings and illustrations, keep in mind that all the illustrations and renderings are illustrative and subject to change as is generally noted on the corresponding pages in the Plan. He noted the illustrations show potential development patterns and will guide subsequent zoning changes and potentially direct public investments. He stated, another note regarding the illustrations, is that they show the long term build out of the areas over the next decades based on current market absorption, which is subject to change based market fluctuation and demand.

Mr. Burich reported, located almost directly south of the Village Center along NC 5, Pinehurst South encompasses approximately 290 acres with almost 47% of the area in a natural or undeveloped state. A portion of this planning area is unincorporated and is in the Village's Extraterritorial Zoning Jurisdiction (ETJ). The planning area also includes and abuts the historically African American neighborhood of Jackson Hamlet.

Mr. Burich noted, the Village of Pinehurst Harness Track abuts the area on the northeast, the Lake Pinehurst neighborhood on the west, and CCNC on the east. He stated the area contains a mix of uses ranging from single family homes, to attached housing, multiple family, older auto oriented commercial uses, newer office uses, retirement homes and an office park. He stated the 41 lot Pinehurst South Cottages subdivision was recently approved and is currently under administrative review.

Mr. Burich reported the current zoning ranges from Neighborhood Commercial (NC), Office and Professional (OP), Multiple Family (RMF) and high-density single family (R-5). Much of the current undeveloped lands are in NC, OP, and RMF zoning. He stated, the 2019 Comprehensive Plan recommends redevelopment with office, medical, life-science, and research facilities supported with small-scale retail services and residential uses. He noted the Comprehensive Plan also proposed the idea of an "Innovation Hub" on the westside of NC 5 below Blake Boulevard. He stated an innovation hub serves as a district or campus where businesses and people are located to work in a collaborative environment to conduct research and grow related businesses

Mr. Burich reported differing from the Village Place Plan, the Pinehurst South Plan does not have one preferred build-out scenario in favoring of showing low and high intensity scenarios with the high-density scenario including more office square footage and attached single family homes(townhouses) versus single family detached. The Plans also include a mix of open space types including an approximate 6-acre central green park on the east side of NC 5. He noted most of the developable land on the west side of NC-5 is proposed to be in some form of residential use and to note most of those areas are currently zoned for multiple family use.

Mr. Burich reported the single family residential, and park are the most significant deviations from the 2019 Comprehensive Plan recommendations for the Innovation Hub. The Comprehensive Plan did recommend housing in the form of 186 stacked residential units not single family attached or detached. Mixed-use can still occur but residential units have been proposed at the southern portion of the Innovation Hub area. This was done in part to create a more compatible land use scenario adjacent to Jackson Hamlet and because the plan was already identifying approximately 250,000 - 300,000 square feet of commercial/retail in the intensity plans. He stated the central green helps to tie the mixed-use area together and attempts to connect to other green an open space in the planning area.

Mr. Burich stated the Plan also identified the potential realignment of Monticello Drive to the south to create additional space on the Harness Track should the Village consider relocating all or some of Public Services operations. While some or all those operations could likely locate within the current land use configuration, the additional space would allow additional landscape buffers to be created around the area if needed. He noted the realignment of Monticello Drive would require property acquisition to the south of the current alignment. This could also create additional buildable parcels that could be sold by the Village for private development as "proposed commercial".

Mr. Burich reported the Plan also identifies various new streets and street extensions to better connect the neighborhood. A significant Plan recommendation involves identifying the potential of a shared use path to create a "Rails with Trails" network within the Aberdeen Carolina and Western Railway (ACWR) right-of-way running along NC-5. This would be a significant improvement to pedestrian and bicycle network and help to create a regional ped/bike connection.

Mr. Burich stated the Pinehurst South Small Area Plan is before Village Council for consideration for approval. Based on previous discussions regarding the Plan, staff presented the two options below that were considered by the Planning and Zoning Board at its 5/5/22 meeting. The two options focus specifically on the proposed residential land use pattern south of Blake Boulevard which would be a deviation from the 2019 Comprehensive Plan recommendation. He noted no other significant changes were proposed to the Plan.

Mr. Burich stated staff is requesting Council take into consideration the recommendation made by the Planning and Zoning Board at its 5/5/22 meeting to support the Comprehensive Plan's nonresidential land use recommendation as reflected in Option 2 as presented, in addition to any other modifications Council would like to incorporate into the Plan. Council instructed staff to seek some further recommendations from the Planning & Zoning Board and report back to Council at a future meeting date.

7. Other Business.

No other business was discussed.

8. Comments from Attendees.

- Teresa Johns, 50 Glen Abbey Trail, addressed Council about housing and short-term rentals. She stated, "I kept saying to myself, there's more to this. It just doesn't add up. I've spoken with the police chief, I've went over crime statistics. I've looked at the Quality of Life Survey raw data. All 401 of those went by through hand last weekend. And by the way of those who think or say they live near three or more short term rentals. 85% say that their quality of life is excellent or good. So in all the discussion at the last Council meeting and nitpicking through all kinds of data on the quality of life survey. I don't recall hearing that statistics. I want to make sure that's in the record. So deep into the work session at the last Council meeting, Mayor is when you said your reason for wanting to do ban and restrict short term rentals. So those who want to live here full time can buy homes. If this is really a reason, I'm not sure why for months, we hadn't heard this. There's been a song and dance about short term rentals causing crime and short term rentals, decreasing quality of life. And now we hear that it so that people that want to live here can buy houses because they can't. So if that is in fact, your reason, I think you also need to, in fact, enact laws that make people sell their second homes, if they don't live here full time, if they don't short term rent them, you need to make them sell their homes, the way you're trying to make people that rent out their second home is short term rentals, because then that would free up homes for people that want to live here full time. And in fact, I think it's better for people to short term rent their home when they're not using it for a second on because that contributes more to the local economy here. So, I mean, housing shortage is nothing unique to Pinehurst. It's nationwide last week on NBC Nightly News. There was a piece on the housing shortage throughout the country. And they talked about specifically Sheboygan, Wisconsin and Wichita, Kansas. And I don't think those are high on most people's list of prime places to want to live. But they're having housing shortages, too. They went through a multitude of reasons for it. And on that news program, they didn't bring up short term rentals wants as being the reason for housing shortages."
- Debbie Lalor, Azalea Road, addressed Council about the downtown area and improving profits. She stated, "Jeff Batton, and I've been talking about this for about six years, the prior chairwoman of the Beautification Committee, I believe is still, or I guess she left was sitting over there previously. And this is long time coming. And if it took to USGA, to get y'all to focus on it, yay, all for it. While Lydia has been listening to me sing this song for about 10 years. So just a few things as we get to the discussion of

the plan tonight, please consider when you were looking at the plan, the size of the delivery trucks that the resort is currently using to bring to resupply their restaurants. There, they are 18 wheelers, and so they're coming into the downtown area, and will have to maneuver around the big SUVs and trucks that are traditionally parked on the street. So that's just one thing to keep in mind. The other thing is the question of the alleys, which are private but are used by the public. And I would notice that you on the alley next to the drum and Quill, the plan only marked off along the commercial section of that road had stopped when it got to the residential, and that's fine. But on the commercial portion for many years, the two restaurants that access that alley, have their condensation pipes draining on to the alley, and it is revolting. And if you go behind the Drum and Quill these days, it feels as close so it's not a factor anymore. But drum and quilt it is it's nasty, and people walk down that alley. So please consider that as part of your consideration when you're talking about the alleys...."

9. **Motion to Adjourn.**

Upon a motion by Mayor Pro Tem Pizzella, seconded by Councilmember Hogeman, Council unanimously approved to adjourn the regular meeting by a vote of 5-0 at 6:49 p.m.

Respectfully Submitted,



Kelly Chance,
Village Clerk

A videotape of this meeting is located on the Village website: www.vopnc.org

Vision: The Village of Pinehurst is a charming, vibrant community, which reflects our rich history and traditions.

Mission: Promote, enhance, and sustain the quality of life for residents, businesses, and visitors.

Values: Service, Initiative, Teamwork, and Improvement