

**MINUTES OF
VILLAGE COUNCIL REGULAR MEETING
MAY 24, 2016**

**395 MAGNOLIA ROAD
ASSEMBLY HALL
PINEHURST, NORTH CAROLINA
4:30 P.M.**

The Pinehurst Village Council held a Regular Meeting at 4:30 p.m., Tuesday, May 24, 2016 in the Assembly Hall of the Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina. The following were in attendance:

Ms. Nancy Roy Fiorillo, Mayor
Ms. Claire L. Berggren, Councilmember
Mr. John Bouldry, Councilmember
Mr. Clark H. Campbell, Councilmember
Mr. John R. Cashion, Mayor Pro-Tem
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Lauren Craig, Village Clerk

And approximately 88 attendees, including 12 staff and 1 press.

1. Call to Order.

Mayor Nancy Roy Fiorillo called the meeting to order.

2. Invocation and Pledge of Allegiance.

Pastor Rod Stone from Community Presbyterian Church led the invocation and Joey Murden, first year Boy Scout with Troop 7, led everyone in the Pledge of Allegiance.

3. Reports.

Manager

- None.

Council

- None.

4. Presentation of Level 3 Milestone Award for Excellence.

North Carolina Secretary of Commerce John Skvarla presented the Village of Pinehurst with the Level 3 Milestone Award for Excellence which recognizes the Village's achievements in performance excellence, as measured by the Baldrige Performance Excellence Framework.

5. Presentation of resolutions honoring members of the Beautification Committee (Bonville, Fallon, Halleen).

Mayor Fiorillo presented the proclamations to Marylyn Bonville, Ginsey Fallon, and Diane Halleen for the service on the Beautification Committee.

6. 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. Consider a resolution reappointing members to the Historic Preservation Commission (McChesney, Gwinn).
- B. Consider a resolution honoring a member of the Board of Adjustment and Planning and Zoning Board (Sapp).

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- C. Consider a resolution honoring a member of the Community Appearance Commission (Bozarth).
- D. Budget Amendments Report
- E. Approval of Draft Village Council Meeting Minutes.
 - April 6 Special Meeting
 - April 12 Work Session
 - April 13 Special Meeting
 - April 26 Regular Meeting
 - April 26 Closed Session
- F. Public Safety Reports.
 - Police Department
 - Fire Department

End of Consent Agenda.

Councilmember Berggren moved to approve the Consent Agenda. The motion was seconded by Councilmember Cashion and passed unanimously with a vote of 5-0.

7. **Consider the request for retiring police officer, Lt. Michael Wilson, to purchase service revolver.**
Jeff Sanborn explained that staff has received a request from Lt. Michael Wilson to purchase his service revolver and be awarded his badge upon his retirement and the Village's Retirement and Recognition Gifts Policy sets the price for the revolver and badge for an officer with more than 20 years of service at \$1. Upon a motion by Councilmember Cashion, seconded by Councilmember Campbell, Council unanimously approved the request for retiring police officer, Lt. Michael Wilson, to purchase his service revolver and be awarded his badge upon his retirement by a vote of 5-0.
8. **Consider a contract for Legal Services for FY 2017.**
John Frye, Director of Financial Services, explained the need for Council to consider renewing the contract for legal services with Van Camp, Meacham, & Newman, PLLC for FY 2017. Mr. Frye noted a few minor adjustments to the contract. Upon a motion by Councilmember Campbell, seconded by Councilmember Cashion, Council unanimously authorized the Mayor or her designee to execute the contract with Van Camp, Meacham, and Newman, PLLC for FY 2017 legal services by a vote of 5-0.
9. **Consider authorization of lease with Moore County for Rattlesnake Trail property.**
Council and staff determined to table this item for a future meeting.
10. **Motion to recess the Regular Meeting and Enter into a Public Hearing.**
Councilmember Berggren moved to recess the Regular Meeting and Enter into a Public Hearing. The motion was seconded by Councilmember Bouldry and carried unanimously with a vote of 5-0.
11. **Public Hearing No. 1**
The purpose of this public hearing is to discuss the proposed Fiscal Year 2017 Budget for the Village of Pinehurst.

Village Manager Jeff Sanborn gave a brief presentation overviewing the contents in the proposed FY 2017 Budget. Mr. Sanborn explained this was developed to achieve the Council's vision and mission and complies with the GFOA Distinguished Budget Presentation Award. He noted the four areas of focus and the 18 Initiative Action Plans (IAPs). Mr. Sanborn noted the \$18.2 million budget includes a ½ cent property tax rate increase to \$0.295 and includes \$1 million appropriated fund balance and an addition of 3.75 full-time equivalents and he reviewed budgeted revenues and expenditures. The audience reviewed the comments provided on Open Village Hall.

Public Comments:

- John Taylor of Cherokee Road asked the Manager to comment on the increases of benefits and the increases for salaries. The Manager addressed the process for how staff made the determination for benefits this year and Jeff Batton noted it ended up being a 4.7% increase

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with several changes. John Frye said merit increases are ranging 0-3% which is consistent with what we gave last year. Jeff Sanborn noted staff completes a market study on 1/3 of the Village's salaries to assess if they are being paid fairly.

- Councilmember Bouldry explained the Council was able to review the non-funded priorities this year which helped see what the Department Heads priorities did not get funded.
- George Bonville of 13 Vernon Rd said he feels like we are in the military with the increase in the budget request every year and how the nation is in debt and the retirees are not getting COLAs anymore. He also noted concern with the large homes if property taxes increase. He also asked what the cut were this year in the budget.

12. Public Hearing No. 2

The purpose of the public hearing is to consider an Official Zoning Map Amendment. This map amendment would rezone two parcels of land consisting of approximately .95 and 1.8 acres. These properties are addressed as 165 and 215 Dr. Neal Road. These properties are further defined as being Moore County LRK #'s 97000604 and 00036428. The properties are currently zoned Office and Professional (OP). This proposed map amendment would change the zoning of the properties to R-20 Residential (Single-family Residential w/ a minimum lot size of 20,000 sq. ft.). The applicant and the owner for this rezoning is Kenneth Rhea.

Kevin Reed, Director of Planning and Inspections, explained the applicant has requested a rezoning of two tracts of land, one consisting of ±.95 acres and one consisting of ±1.8 acres. Both properties are currently zoned OP (Office and Professional). The rezoning request would change the zoning of these properties to R-20 (Single Family Residential) which has a minimum lot size of 20,000 square feet. This property is addressed as 165 and 215 Dr. Neal Rd. Mr. Reed noted the P&Z Board voted unanimously to recommend to the Village Council the rezoning be approved and Mr. Reed also noted this rezoning is consistent with the 2010 Comprehensive Long Range Plan.

Public Comments:

- Rick Reese of 210 Safford Drive has a concern with this development and asked Council to protect the 30 year existing neighborhood at Midland CC and to protect the trees from being cut down.
- Margaret Goodfellow of 220 Safford Drive said her street in Midland CC has 25 homes and her major concern is the sewer system. She is hoping the county will look at this sewer line to make sure it is large enough for this additional 20 plus people in the homes going in on these lots.
- Nancy Allen of 240 Safford Drive explained she lives the closest and she has a concern about the access to the two lots that could have two single family residences on it. She is concerned the construction will cause a major disruption and damage the trees on the back of the lot. She also noted concern regarding the storm sewer system.
- Dr. Ken Rhea owner of the property said the Planning Board voted on this unanimously. He noted the lot of concern will have one nice house and the 1.8 acres will have two houses. He spoke with to Moore Co. public utilities and they see no issues tying into the sewer system. He said he will still own the veterinarian practice and the pet cemetery will also stay there and he will still own 3.25 acres. He has two people with contracts on these pieces of land and the houses will be 4,500-5,000sf.
- David Johnson said the question is whether we are going to down zone from office professional to residential and he thinks everyone would agree it should be residential in that area.
- Bob Klug owns Midland Country Club and he knows Ken and has no objection to what he is trying to do. He said the sewer needs to be looked at to get a manhole to tie in. He said the capacity concern should be verified and the storm sewer at the end of the cul-de-sac has had issues in the past and if there is going to be water runoff at the higher end, there would be a concern.

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13. Public Hearing No. 3

The purpose of the public hearing is to consider an Official Zoning Map Amendment. This map amendment would rezone two parcels of land consisting of approximately .11 and 6.4 acres. These properties are addressed as 205 McCaskill Road East. These properties are further defined as being Moore County LRK #'s 00025962 and 00025798. The properties are currently zoned Neighborhood Commercial (NC), Village Mixed Use (VMU) and Public Conservation (PC). This proposed map amendment would change the zoning of the properties to Village Mixed Use-Conditional District (VMU-CD). The property contains a vacant office building and outbuilding. The proposed use of the property is 72 apartment units and a mixed use commercial building containing ±35,000 square feet. The applicant is John Allen with Kuester Companies and the owners of the properties are Moore Investment Group, LLC and Resorts of Pinehurst, Inc.

Kevin Reed, Director of Planning and Inspections, explained the applicant requests a conditional district rezoning of two parcels consisting of +/- 6.495 acres (.11 acres and 6.4 acres). The properties are currently zoned Village Mixed Use (VMU), Neighborhood Commercial (NC) and Public Conservation (PC). The rezoning request would change the zoning to Village Mixed Use-Conditional District (VMU-CD) in order to construct a 72 apartment dwellings and mixed use building of ±35,000 square feet to be occupied by residential, office and retail uses. The property is addressed as 205 McCaskill Road East. Mr. Reed noted the P&Z Board voted unanimously to recommend to the Village Council that the rezoning be approved with 9 conditions to be addressed by the applicant prior to the Village Council's public hearing on the request and Mr. Reed also noted this rezoning is consistent with the 2010 Comprehensive Long Range Plan.

Public Comments:

- John Allen with Keuster Development thanked the Village Council for their time to hear this. He explained his history of visiting the Village and he believes the local shops would benefit from this multi-family development. He said a number of market studies have been completed and he said multi-family offers a means for individuals to downsize without leaving Pinehurst and also to start a career life. He said the proposed Greens project is a planned investment of nearly \$12 million and this will be on the largest in Pinehurst in many years. He noted The Greens will include secured access, multiple patio areas with grills and fire pits, community gathering room, property bar, and an onsite property manager. He said this is a well located, well planned development and is a small apartment community. He urged Council to support and promote this project.
- Bob Koontz with KoontzJones Design lives at 20 Cardinal Run in Pinehurst. He said this will be a catalyst for the Village to start Village Place development. He reviewed the site data, site context and location information, existing conditions, previous studies in the area, proposed zoning, proposed site plan and proposed architectural character. He explained the project is proposed a Village Mixed Use- Conditional District for the 6.495 acres. He explained a neighborhood meeting was held on November 11, 2015. He shared the existing zoning map for the area and aerial views and photos of the existing conditions. He shared specific information from the Comprehensive Long Range Plan, New Core Master Plan, and the Village Place Project Implementation Report. He shared the master plan of the development. He said a permanent connection to Rattlesnake Road is being discussed currently with the adjacent owner. He noted it would include 72 units (748sf-1,325sf) including 1, 2, and 3 bedroom units, mixed-use space of 30,000-35,000sf and explained the impervious surface. He explained the variance request for the required setback due to the grading of the property. Mr. Koontz said their traffic engineer reviewed the trip generation and estimated 31 trips at peak for Rattlesnake and 26 trips at peak for McCaskill and he shared the traffic data and site distance.
- Mark Fishero with FMK Architects from Charlotte explained the research analysis that was completed for this project in Pinehurst for context driven design work. He shared a view of

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the proposed building and its architectural character that was chosen for this project and he shared material examples for the different parts of the building. He also shared details of the covered porch, the balcony and patio plans, and garages.

- Mr. Koontz shared results from the building height study using a balloon and views from different angles of the project. Mr. Koontz explained there were 9 conditions that made it from the Planning Board and he addressed each of the conditions. Mr. Koontz shared the positive changes for the community including the Village Green and he thinks this project is the change for the area and would be a good catalyst for the redevelopment of Village Place.
- John Strickland noted issues of density and the traffic impact. He also said there are other key issues: 1) this proposal provides a storm water drainage basin on Village property which creates a long term hidden cost to maintain and creates an eye sore leading to Village Hall and the Arboretum. 2) The proposal is a 3 acre plan not the 6.5 acre plan and they have no intention to complete the plan submitted. 3) Other apartment complexes are under construction in Southern Pines so why is this concept appropriate for Pinehurst. 4) He asked if this will enhance the Pinehurst image, will this sell homes and bring permanent residents or turn people away from Pinehurst. He suggested for Planning and Zoning to come back to Council with their response after receiving this commentary tonight regarding the conditions.
- Bart Boudreaux of 10 Everette Road has been coming to Pinehurst for 20 years and moved here full-time last year and he thinks this is the biggest threat to the integrity of the Village since Diamondhead had it in the 1970s. He thinks the historical piece of the Village is something we have to maintain.
- Pat Corso, Executive Director of Partners in Progress and a resident of Pinehurst at 1 Chalford Place, said he recognizes one size does not fit all for improving the quality of life and we have limitations for what can be allowed in Pinehurst for good reason. He noted that Partners in Progress encouraged the Village Place Master Plan by Ian Colgan in 2013 which explained the need for an anchor in this area. Mr. Corso said this project would create vibrancy in the core Village area and the high density will help the area. He explained key concepts of new urbanism and how this project will enhance the character, ambiance, and quality of life in the Village. He said the benefit will increase the tax base, revitalize a bad area, and signify renewal and change for the common good.
- Stuart Mills of 75 Shaw Rd SW said he raised his family here and owns three small businesses based in Pinehurst. He said this project sounds like just what we need in Village Place, is high quality, and will help disperse the tax burden. He explained he is a contributor to the Arboretum and believes it is currently underutilized. He said the property under consideration is neglected and surrounding properties have deferred maintenance.
- Judy Davis of 155 Everette Road and President of the Pinehurst Civic Group, handed out an email to the Village Council with feedback from the Civic Group. She summarized that the commentary does not support the zoning requests as proposed. She noted a comment that more time is needed for the Village to evaluate the wisdom of this project. On a personal note she would like to see a rendering coming down Magnolia during the daytime and at night. She appreciated learning about the traffic study but recommended a right turn only out of McCaskill. She also suggests the Council retain the suggestion to keep the minimum size unit at 900sf. She said Phase 2 is unknown and this is a problem in approving the land use. She explained she respects what Pat Corso says about the first project and she said this first project needs to be stunning.
- Sam Carubba of 225 Midland Road and owns rental properties at 5 McCaskill and 15 Page Road thinks the harm to the community would be for those who currently own rental properties. He attended the Planning Board meeting and he wonders if the person who owns the 1/3 of this property, who will be handcuffed to fulfill the site plan, has ever been in attendance. He asked if the people who move into these apartments will get involved in the community and he noted concern about the length of the lease which he learned would be 6 months minimum.

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- John Taylor of Cherokee Road said 23 years ago tomorrow he closed on the purchase of his house in Pinehurst and has lived here full time for 3.5 years. He is concerned about the scale of the building, Phase 2, the minimum apartment size, and he asked if it would be conceivable to do this as a two story project to alleviate density concerns. He noted there were only 6 projected trips that came out of this project and turned downtown so there is a disconnect between the impact of this project and the central business district of the Village. He also asked if there are rent concessions or property tax concessions.
- Patrick Pizella of 170 Palmetto Road complemented the presenters on the polished presentation. He said when he first came here, he learned about the history of Pinehurst and he looked at this study and thinks this is uncharacteristic for the Village. He said the comments were contradictory regarding who would live there and the traffic impact. He said something needs to be done with the area but this proposal does not leave the taste of Pinehurst. He said new urbanism is not what attracted him to Pinehurst and there is a difference between the Village Green and a 72 unit apartment complex.
- Dominique Reyes of 105 Fields Road is concerned about the six month rental properties, the minimum square footage which should be around 900-1000sf, and children's safety on her road due to the increase of traffic of this apartment complex. She is concerned about children who would be playing at this development because there is not a crosswalk to the Arboretum. She said the unknown of Phase 2 is concerning and does not feel this particular project is the right project. She would like to see ownership rather than rentals. She explained why she chose Pinehurst to live.
- John Allen clarified several points brought up by residents. He said they do not own Phase 2 so there is no interest in the property. He also shared they are not developing other multi-family properties in the area. He said the storm water is not being detained on Village property. He said the density reduction cannot be reduced from the 72 unit project to be managed professionally. He noted the size of the units is well within market and there are many one bedrooms in Pinehurst that are less that being proposed. He explained the standard lease is a one year lease but there may be a rare occasion for a six month lease.
- John Koontz said there is no intention of what would be developed on Phase 2 and any deviations from the master plan would have to come back before Council. He noted one of the conditions is that any building that comes before the Council for Phase 2 would have the same design review that was done on the apartment building to deviate from the plan. The traffic generation regarding six trips in one direction was only based on the one peak hour.
- Mayor Fiorillo thanked the planning board for their work on this submission.

14. Motion to Adjourn Public Hearing and Re-Enter Regular Meeting.

Councilmember Campbell moved to adjourn the Public Hearing and re-enter the Regular Meeting. The motion was seconded by Councilmember Berggren and carried unanimously with a vote of 5-0.

15. Consider an ordinance adopting the Fiscal Year 2017 Budget.

Upon a motion by Councilmember Cashion, seconded by Councilmember Berggren Council unanimously approved Ordinance 16-09 adopting the Fiscal Year 2017 budget for the Village of Pinehurst by a vote of 5-0. (A copy of this ordinance can be found in the Ordinance Book.)

16. Consider an ordinance amending the Official Pinehurst Zoning Map (165 and 215 Dr. Neal Road).

Council held a discussion about this property and Kevin Reed, Director of Planning and Zoning explained that this property falls within the Village's ETJ but it is not in Southern Pines or the Village of Pinehurst and is on the Pinehurst side of the annexation agreement with Southern Pines. Bruce Gould explained how some of the storm water issues could not be addressed as a single family residence. Upon a motion by Councilmember Campbell, seconded by Councilmember Cashion, Council unanimously approved Ordinance 16-08 amending the Official Pinehurst Zoning Map for the properties addressed at 165 and 215 Dr. Neal Road and that the proposed amendments to the Pinehurst Development Ordinance are consistent with the goals outlined in the 2010 Comprehensive Long Range

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Plan and are considered reasonable and in the best interest of the public as referenced in the memorandum dated May 11, 2016 from Kevin Reed, Director of Planning and Inspections by a vote of 5-0. (A copy of this ordinance can be found in the Ordinance Book.)

17. Consider an ordinance.

Councilmember determined to continue the discussion at the work session.

18. Other Business.

➤ None.

19. Comments from Attendees.

➤ None.

20. Motion to go into Closed Session pursuant to NCGS §143-318.11(a)(6) to consider the qualifications, competence, performance, character, fitness and conditions of appointment of an individual public employee. Specifically, the Council will discuss the Interim Village Manager's performance review.

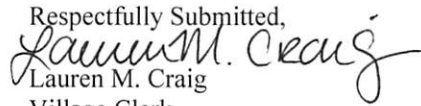
Councilmember Campbell moved to go into Closed Session pursuant to NCGS §143-318.11(a)(6) to consider the qualifications, competence, performance, character, fitness and conditions of appointment of an individual public employee. Specifically, the Council will discuss the Interim Village Manager's performance review. The motion was seconded by Councilmember Berggren and carried unanimously with a vote of 5-0.

21. Motion to adjourn the Closed Session and re-enter the Regular Meeting.

Councilmember Campbell moved to adjourn the Closed Session and re-enter the Regular Meeting. The motion was seconded by Councilmember Berggren and carried unanimously with a vote of 5-0.

22. Motion to Adjourn.

Councilmember Campbell moved to adjourn the Regular Meeting. The motion was seconded by Councilmember Berggren and carried unanimously. The Regular Meeting adjourned at 8:05 p.m.

Respectfully Submitted,

Lauren M. Craig
Village Clerk