



**PLANNING AND ZONING BOARD
JANUARY 5, 2023
ASSEMBLY HALL**

**PINEHURST, NORTH CAROLINA
4:00 PM**

- I. Call to Order
- II. Approval of Minutes
 - A. 12-01-2022 Regular Meeting Minutes
 - B. 12-12-2022 Special Meeting Minutes
- III. General Business
 - A. Discuss Village Place and Pinehurst South Form Based Code

This item is work session format to discuss development of the Form Based Code for Village Place and Pinehurst South. Also included is an updated version of the Pinehurst South Small Area Plan based on Council approval.

No official action will be taken by the Board on this matter.
 - B. Discuss Upcoming Amendments to the Pinehurst Development Ordinance

This agenda item will be discussed in work session format and no action will be taken by the Board at this meeting.

Development of these proposed amendments builds off of discussions raised during development of the recently adopted short term rental ordinance.
- IV. Next Meeting Date
 - C. 02-02-2023 Regular Meeting
- V. Motion to Adjourn

*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.*



**12-01-2022 REGULAR MEETING MINUTES
ADDITIONAL AGENDA DETAILS:**

FROM:

Shannon Konstantinou

CC:

Darryn Burich; Alex Cameron

DATE OF MEMO:

12/28/2022

MEMO DETAILS:

Attached is a draft copy of the Regular Meeting minutes for your review.

ATTACHMENTS:

Description

📎 12-01-2022 Regular Meeting Minutes



**PLANNING AND ZONING BOARD
REGULAR MEETING
THURSDAY, DECEMBER 01ST, 2022
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA
4:00 PM**

Board Members Present:

Jeramy Hooper, Chair
Jack Farrell, 1st Vice-Chair
Paul Roberts
David Alzamora
Matt Jones
Sonja Rothstein
Louise Mercuro

Board Members Absent:

Julia Latham, 2nd Vice-Chair

Staff Present:

Darryn Burich, Planning Director
Alfred Cassidy, Senior Planner
Maria Carpenter, Planner
Kelly Brown, Planning & Zoning
Specialist
Kelly Chance, Village Clerk
Lori Hercules, IT Technician

Approximately 6 member(s) of the public in attendance.

I. Call to Order

Mr. Hooper called the meeting to order at 4:00 PM, asked the Board to introduce themselves, introduced Staff, and explained the purpose of this meeting.

II. Approval of Minutes

A. 11-03-2022 Regular Meeting Minutes

Ms. Rothstein moved to approve the minutes of the November 03rd, 2022 Regular Meeting. Seconded by Mr. Alzamora. Approved by a vote of 7-0.

**III. Next Meeting Date
01-05-2023 Regular Meeting**

IV. Motion to Adjourn

Mr. Alzamora moved to adjourn the Regular Meeting. Seconded by Ms. Rothstein. Approved by a vote of 6-0 at 4:02 PM.

Respectfully Submitted,

Kelly Chance
Village Clerk
Village of Pinehurst

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

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DRAFT



**12-12-2022 SPECIAL MEETING MINUTES
ADDITIONAL AGENDA DETAILS:**

FROM:

Shannon Konstantinou

CC:

Darryn Burich; Alex Cameron

DATE OF MEMO:

12/28/2022

MEMO DETAILS:

Attached is a draft copy of the Special Meeting minutes for your review.

ATTACHMENTS:

Description

📎 12-12-2022 Special Meeting Minutes



**PLANNING AND ZONING BOARD
SPECIAL MEETING
MONDAY, DECEMBER 12TH, 2022
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA
4:00 PM**

Board Members Present:

Jeremy Hooper, Chair
Jack Farrell, 1st Vice-Chair
Julia Latham, 2nd Vice-Chair
Matt Jones
Louise Mercurio
Paul Roberts

Board Members Absent:

David Alzamora
Sonja Rothstein

Staff Present:

Darryn Burich, Planning Director
Alex Cameron, Planning Supervisor
Alfred Cassidy, Senior Planner
Maria Carpenter, Planner
Shannon Konstantinou, Clerk to the Board
Lori Hercules, IT Technician

Approximately 3 member(s) of the public in attendance.

I. Call to Order

Mr. Hooper called the meeting to order at 04:00 PM, asked the Board to introduce themselves, introduced Staff, and explained the purpose of this meeting.

II. Discuss Village Place Form Based Code

This item is work session format to discuss development of the Form Based Code for Village Place.

No official action will be taken by the Board on this matter.

Mr. Burich outlined the sections of the Village Place Form Based Code to be discussed, which consist of Section 6.0 Signage, Section 7.0 Definitions, Section 5.0 Architectural Design Storefront Signage, and Section 2.2 Regulating Plan (Draft 12-22). PDO Section 9.7 Signage was provided for reference.

The Board and Mr. Burich reviewed subsections of Section 5.0 Architectural Design Storefront Signage titled Commercial / Mixed-Use Building Types: Storefront and Signage (Construction Materials, Configurations and Techniques), and Commercial / Mixed-Use Building Types: Exterior Walls (Construction Materials, Configurations, Techniques). In addition, the differences between the Form Based Code and Pinehurst Development Ordinance sign requirements / regulations were discussed.

The Board and Mr. Burich reviewed subsections of Section 6.0 Signage titled Overview (Purpose, Components, and General Provisions [Content & Illumination, Sign Design & Materials]), and Sign Types and Standards (Permanent Identification Signs,

Vehicular Directional Signs, Pedestrian Directional Signs, Banner Signs, Street Name Signs).

The Board and Mr. Burich reviewed Section 2.2 Regulating Plan (Draft 12-22), which was distributed at the start of the meeting.

Mr. Burich asked the Board to review the subsection of Section 7.0 Definitions titled Glossary of Terms, noted additions to the Glossary of Terms, and asked the Board for feedback on any further additions they would recommend be made to the Glossary of Terms.

Mr. Burich stated the intention is to compile a final draft document for the Board to review soon and to begin work on the Pinehurst South Form Based Code.

III. Motion to Adjourn

Mr. Farrell moved to adjourn the Regular Meeting. Seconded by Ms. Mercuro. Approved by a vote of 6-0 at 05:47 PM.

Respectfully Submitted,

Shannon Konstantinou
Clerk to the Board &
Planning Administrative Specialist
Village of Pinehurst

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

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Values: Service, Initiative, Teamwork, and Improvement.



DISCUSS VILLAGE PLACE AND PINEHURST SOUTH FORM BASED CODE

ADDITIONAL AGENDA DETAILS:

This item is work session format to discuss development of the Form Based Code for Village Place and Pinehurst South. Also included is an updated version of the Pinehurst South Small Area Plan based on Council approval.

No official action will be taken by the Board on this matter.

FROM:

Darryn Burich

CC:

Alex Cameron; Jeff Sanborn

DATE OF MEMO:

12/28/2022

MEMO DETAILS:

Please, see attached materials relating to this item.

ATTACHMENTS:

Description

- ☐ Pinehurst South Small Area Plan
- ☐ Pinehurst South Draft Regulating Plan



VILLAGE OF PINEHURST SMALL AREA PLAN

PINEHURST SOUTH

COUNCIL ACTION: 9/27/22

PLANNING AND ZONING BOARD ACTION: 5/5/22

Design
Collective

DUGGAL
REAL ESTATE ADVISORS

Moving forward.
RKA
RAMEY KEMP ASSOCIATES





ACKNOWLEDGMENTS

ELECTED & APPOINTED OFFICIALS

JOHN C. STRICKLAND
Mayor

PATRICK PIZZELLA
Mayor Pro Tempore

LYDIA BOESCH
Treasurer

JEFF MORGAN
Council Member

JANE HOGEMAN
Council Member

JUDY DAVIS
Former Council Member

KEVIN DRUM
Former Council Member

VILLAGE STAFF

JEFF SANBORN
Village Manager

DARRYN BURICH
Planning & Inspections Director

ALEX CAMERON
Planning Supervisor

DESIGN TEAM

DESIGN COLLECTIVE

Baltimore, Maryland

Urban Design/ Planning
Matt D'Amico, PLA
Principal-in-Charge, Facilitator
Cecily Bedwell, AICP, LEED-AP BD+C, NCARB
Project Manager, Lead Planner, Facilitator
MacKenzie Twardus, PLA
Planner, Landscape Architect, Facilitator
Mayte Ortgea-Webbert
Planner, Facilitator
Brian Reetz, PLA, ASLA
Facilitator
Anna Owen Dennis, PLA, ASLA, LEED Green Assoc.
Facilitator
Jennifer Heinz-Zahner
Landscape Architect
Michael Pullano, Associate ASLA
Landscape Designer, Facilitator

RAMEY KEMP ASSOCIATES

Raleigh, NC

Transportation
Adam Fischer, PE
Transportation Planner, Facilitator
Jessica McClure, PE
Traffic Engineering Lead, Facilitator

DUGGAL REAL ESTATE ADVISORS

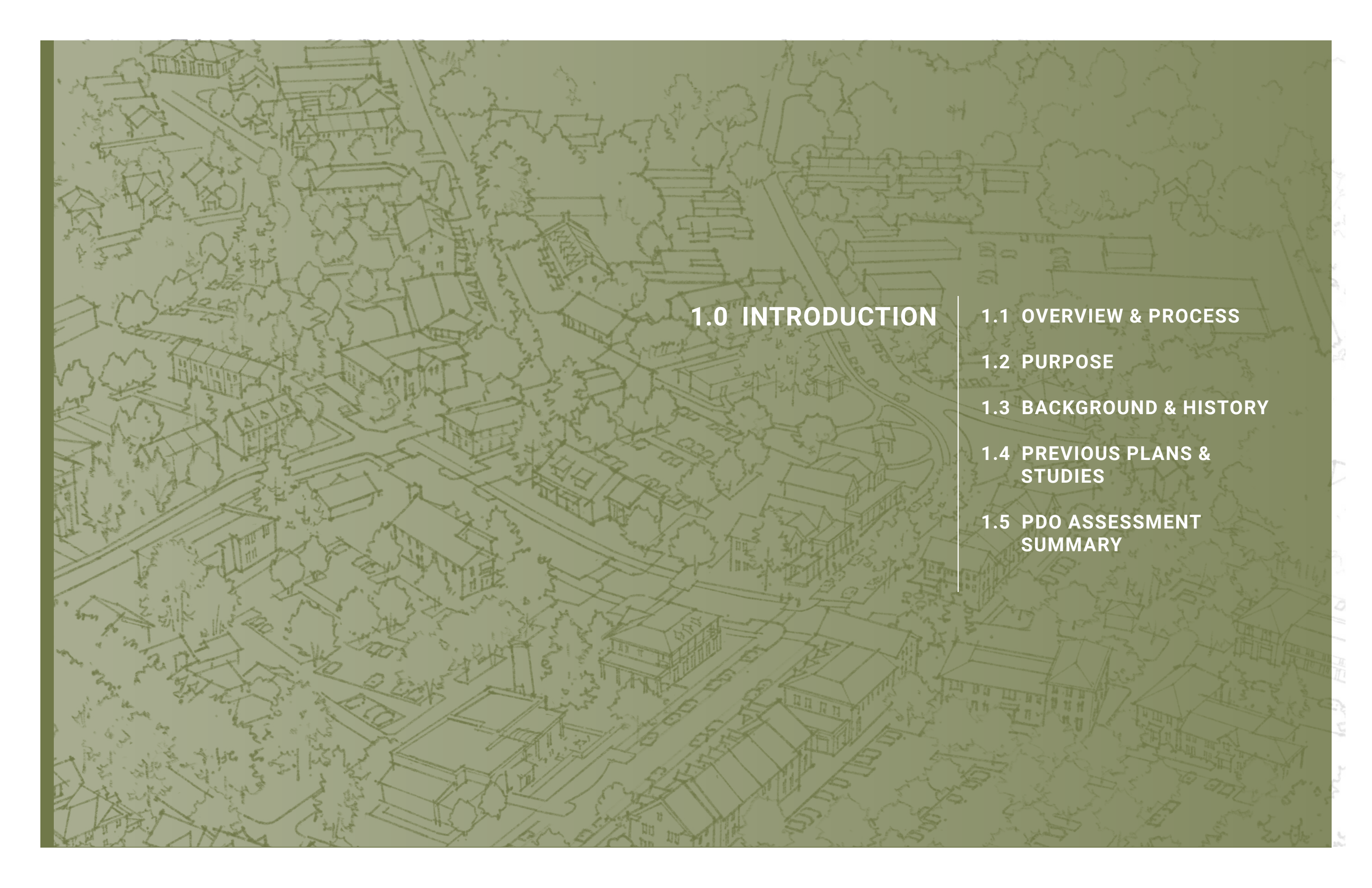
McLean, Virginia

Market & Economic
Melina Duggal, AICP
Market Analyst, Facilitator

TABLE OF CONTENTS

1.0 Introduction	1	4.0 Recommendations	45
1.1 Overview & Process	2	4.1 Overview	46
1.2 Purpose	4	4.2 Guiding Principles	47
1.3 Background & History	6	4.3 Concept Design	50
1.4 Previous Plans & Studies	8	4.4 Final Design	54
1.5 PDO Assessment Summary	10		
2.0 Existing Conditions	13	5.0 Implementation	77
2.1 Overview	14	5.1 Overview	78
2.2 Existing Conditions	16	5.2 Fiscal Analysis	79
2.3 Market Analysis Summary	26		
3.0 Public Outreach	38		
3.1 Overview	39		
3.2 Public Workshop 1	40		
3.3 Public Workshop 2	42		

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1.0 INTRODUCTION

1.1 OVERVIEW & PROCESS

1.2 PURPOSE

1.3 BACKGROUND & HISTORY

1.4 PREVIOUS PLANS &
STUDIES

1.5 PDO ASSESSMENT
SUMMARY

1.1 OVERVIEW & PROCESS

Overview

The Village of Pinehurst identified Pinehurst South, as an area well-suited to accommodate growth, advance economic development goals, increase revenues and the tax base, and to support the many quality-of-life needs of existing residents, businesses, and visitors.

In an effort to advance these opportunities and create a set of Small Area Plans that respond to the Village’s 2019 Comprehensive Plan and guide future development initiatives, the Village of Pinehurst hired Design Collective, Duggal Real Estate Advisors, and Ramey Kemp & Associates. These plans will guide decision making on new development and redevelopment, public and private investments, policy and zoning, and many other important topics that will have a long-term impact on the Village.

The focus of this document is on the Pinehurst South Small Area Plan. For recommendations pertaining to Village Place, please see the *Village Place Small Area Plan*.

The scope for the Pinehurst South Small Area Plan (SAP) project included planning, streetscape, and landscape design; market/economic analysis; and transportation planning. The consultant team, led by Design Collective, worked on behalf of the Village and prepared plan recommendations, zoning regulations, and development standards specific to Pinehurst South that, once adopted by the Village, will guide future private development as well as public capital improvement projects.

Process

The Small Area Plans effort occurred in the three following phases, with stakeholder involvement in all phases. Work began in November 2020 with adoption projected in late 2021. For additional information on stakeholder input and public feedback, refer to Section 3.0 of this document.

PHASE 1: DATA COLLECTION; EXISTING CONDITIONS INVENTORY AND ANALYSIS

The first step in the process was to fully assess and understand existing conditions; historic, cultural, and environmental assets; neighborhood goals and objectives; realistic market-driven development opportunities; resident and stakeholder concerns and input; constraints and opportunities; and other factors that would inform the Small Area Plan.

Throughout December 2020 and January 2021, the consultant team conducted over 20 key stakeholder interviews, discussing the two plan areas with Village staff, appointed and/or elected officials, agency representatives, committee chairs, residents, local businesses and merchants, golf and tourist industry representatives, major employers, property owners, developers, brokers, and others to further understand their viewpoints. Phase 1 concluded with Public Workshop 1 in February 2021 with approximately 100 attendees.

PHASE 2: PLANNING AND DESIGN

In Phase 2, from March to June 2021, based on the analysis conducted and feedback received during Phase 1, the consultant team designed and compiled Concept Plan Options, Street Sections, Open Space and Street Network Plan Diagrams, Renderings, Precedent Images, and similar for Pinehurst South. During this time frame, the consultant team discussed the two plan areas and concepts with Village staff, appointed and/or elected officials, and key stakeholders and, based on input received, refined the concepts. These concepts were shared in early June 2021 in Public Workshop 2 to solicit further feedback; approximately 59 attendees participated.

PHASE 3: MASTER PLAN REPORT

In Phase 3, the design team presented the final draft plan to the community at a public input event in February 2022. This event provided an opportunity for the public to review and comment on the final draft prior to adoption. The design team then prepared this final master plan report, an illustrated, guiding document that outlines the preferred plan options and supported recommendations for the Pinehurst South Small Area Plan.

Project Goals

The following project goals were identified in the project RFP, issued by the Village:

- » Create a small area plan to facilitate redevelopment as an "Innovation Hub" with office, medical, life science, and research facilities with small-scale retail services and residential uses;
- » Create an implementable plan to make the community’s vision for the area a reality in keeping with previous planning efforts and the newly adopted Comprehensive Plan;
- » Economic feasibility, urban design, and improving the public realm (e.g., roadways, sidewalks, parks, plazas, open spaces) are key aspects of this plan that must include specific and achievable actions;
- » Extend the vision of Tufts, Olmsted, and Manning from the Village Center to NC-5 and throughout the Pinehurst South study area;
- » The Plan should recognize (but not require) the foundational principles set forth in the National Historic District Nomination (Nomination) submitted to the National Park Service in 1994. The area should feature:
 - Abundant landscaping, walking paths and open spaces while
 - Minimizing traffic and maintaining the human scale of buildings.
- » Guiding Principles 1, 2, 5 and 7 of the 2019 Comprehensive Plan are especially important to the development of the Small Area Plans;
- » Explore traffic relief measures pertaining to NC-5;
- » Buffering and mitigating the impact of new

development will be an important part of this planning effort;

- » Care must be taken to consider the interaction of any proposed new use with existing uses in the area, and to consider the impact of any proposed new use on the surrounding neighborhoods; and
- » Provide sufficient and discrete parking for any proposed use will be an important consideration.

Planning Goals

The following planning goals were identified through the development of the *Pinehurst South Small Area Plan*, based on analysis and stakeholder feedback:

- » Provide a connected street network that will help disperse and alleviate traffic congestion on NC-5
- » Explore placemaking and creating a center east of NC-5, between Monticello and Blake Boulevard, building off the nexus of the Post Office, Pharmacy, ABC, Dowd Cabin, and the new Girls & Boys Club;
- » Incorporate a variety of new Open Spaces, to serve surrounding office and residential users and a Shared-Use Path (SUP) adjacent to the Railroad to connect Pinehurst South to the Village Center;
- » Explore an alternative approach from the Innovation Center suggested in the 2019 Comprehensive Plan which is likely better suited to Focus Area 3, anchored by an institution;
- » Explore a variety of residential types (including cottages, townhouses, live-work, and missing middle res.) and infill commercial; and
- » Explore the realignment of Monticello Drive to accommodate the relocation of the Village’s Public Service Facility from Village Place to the property south of the Harness Track.

Locator Map

The Village of Pinehurst boundary encompasses approximately 17.3 square miles of land area. The two focus areas, Village Place and Pinehurst South, are located to the north and south of the Village Center, the historic hub of the community. Connecting these two focus areas is a range of housing, lodging accommodations, retail, and recreational amenities, including golf courses, lakes, and walking and bike trails.

KEY

VILLAGE OF PINEHURST

SMALL AREA PLAN BOUNDARIES

An aerial photograph of the Village of Pinehurst, North Carolina, with a brown outline delineating the village's boundary. Two specific areas are highlighted with orange shading and labeled: 'Village Place' in the north-central part and 'Pinehurst South' in the south-central part. The latter is also circled in red. Major roads are labeled in white text: NC 211 in the northwest, US-501 running vertically on the right, MCKENZIE RD running horizontally across the center, YADKIN RD - NC 211 in the northeast, BEULAH HILL RD running diagonally from the center to the southeast, and MIDLAND RD running horizontally just below Village Place. A scale bar at the bottom right indicates distances from 0 to 1600 feet, and a north arrow is located at the bottom right corner.

1.0 Introduction | 3

1.2 PURPOSE

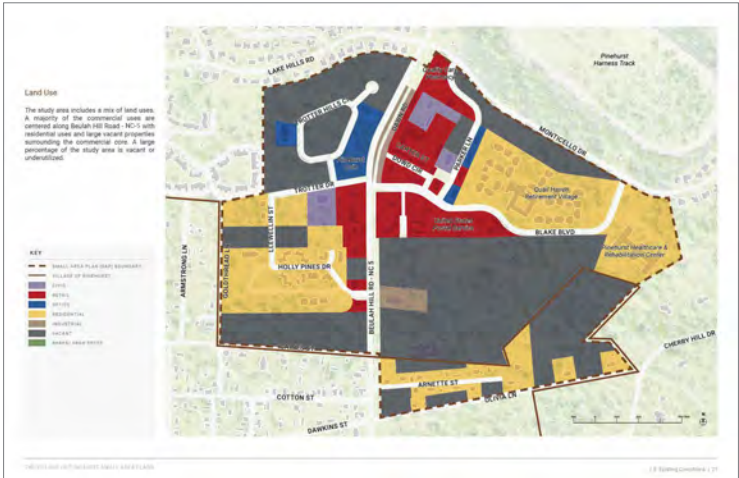
The purpose of this plan is to define the characteristics of future development that are supportable and appropriate for Pinehurst, to guide change towards a predictable and agreed upon outcome. This plan addresses land use; street types; open space; pedestrian and bicycle facilities and connectivity; and numerous other considerations. Recommendations will consider impacts and benefits, traffic, revenues and costs, phasing, zoning, development standards, Pinehurst Development Ordinance (PDO) updates, and other implementation strategies.

The document includes the following components:



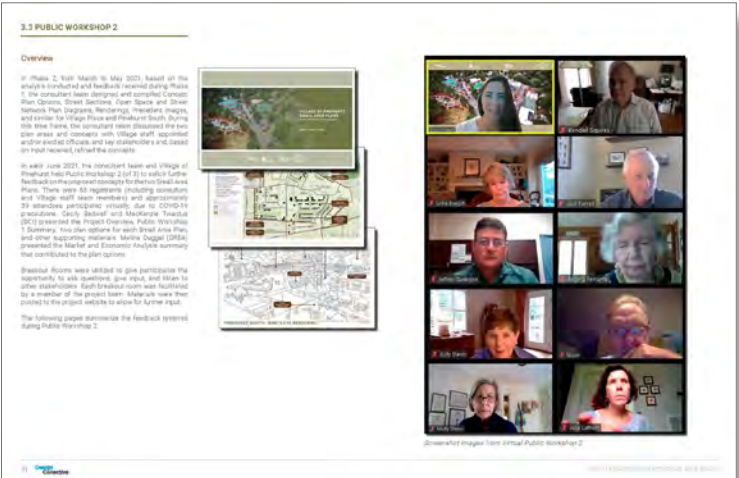
SECTION 1.0: INTRODUCTION

Provides a brief overview of the project location, the objectives and process, and a general description of the document's content.



SECTION 2.0: EXISTING CONDITIONS

Examines the physical and market conditions of Pinehurst South through photo documentation, analysis of data, stakeholder interviews, and community feedback.



SECTION 3.0: PUBLIC OUTREACH

Provides a brief overview of the stakeholder interviews and public workshops that were implemented as part of the public outreach process.



SECTION 4.0: RECOMMENDATIONS

Provides a brief overview of the approach, concept planning, and feedback that the consultant team used as guidance towards the final recommendations.

Highlights development opportunities; describes street systems; and provides illustrative and photographic examples of open spaces and streetscape design elements.



SECTION 5.0: IMPLEMENTATION

Summarizes fiscal analysis data as it relates to the implementation of the proposed concept design and approach for Pinehurst South.

Existing Conditions

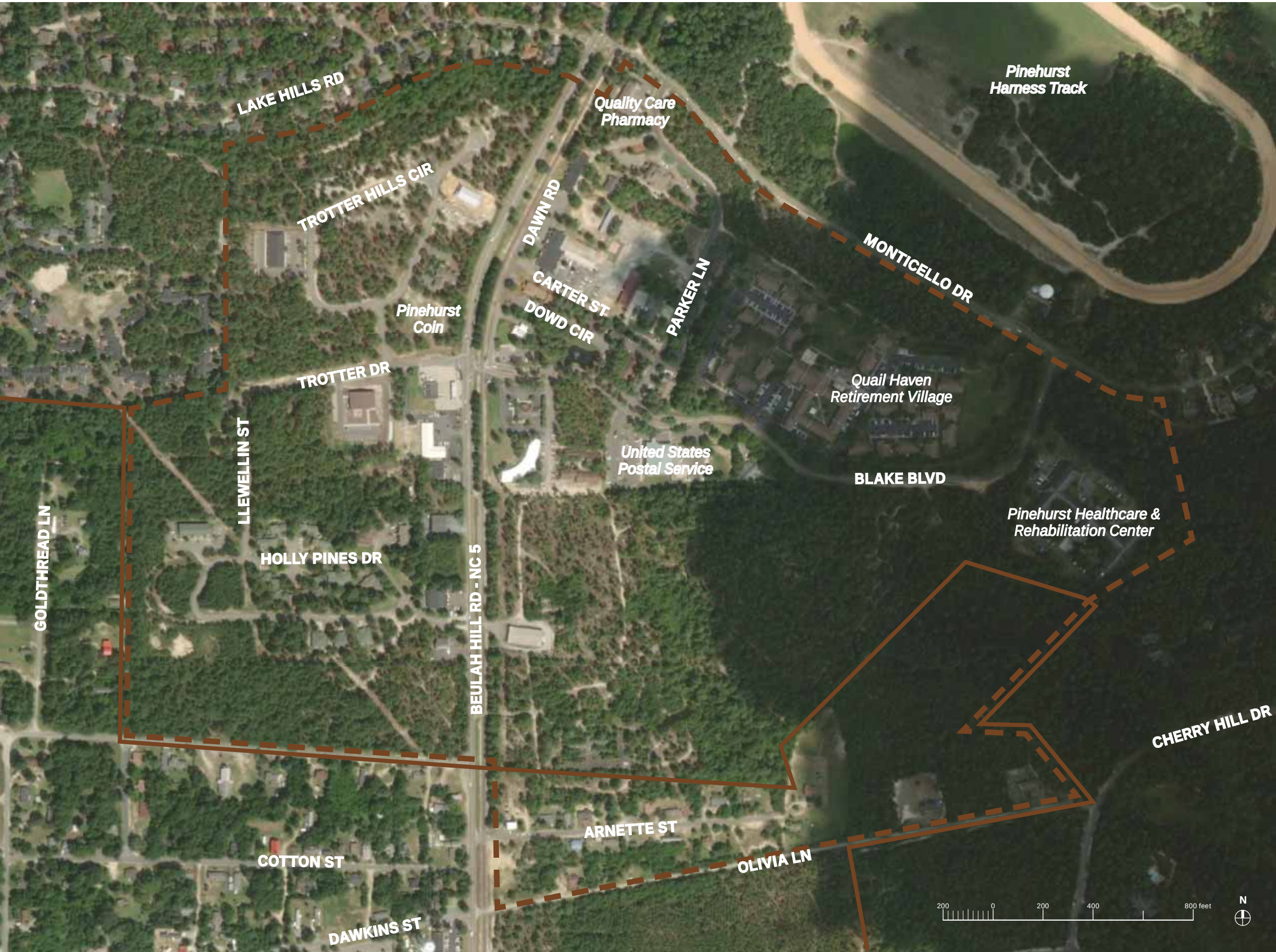
Site Aerial

The aerial image shows the Pinehurst South Small Area Plan (SAP) boundary as a brown dashed line.

KEY

SMALL AREA PLAN (SAP) BOUNDARY

VILLAGE OF PINEHURST



1.3 BACKGROUND AND HISTORY

Background and History

The Village of Pinehurst is a small, traditional town located in North Carolina, approximately 70 miles from Raleigh and 100 miles from Charlotte. Located equidistant to these two major cities, the Village is accessed by Yadkin Road - NC 211 and US 15 as the two major thoroughfares that bisect its boundary.

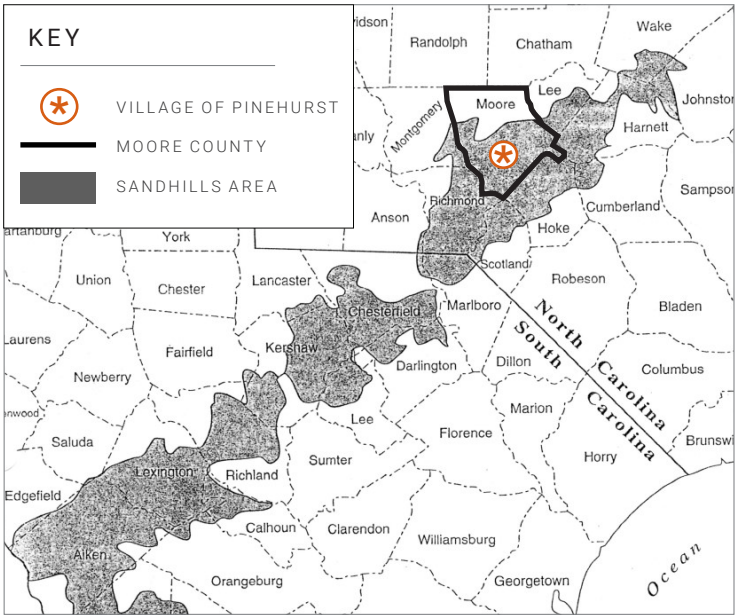
One of two National Historic Landmark Districts in North Carolina, the Village is deeply rooted in its setting and history. The area is nestled in “the Sandhills” of Moore County, characterized by rolling hills, covered by deep coarse sands and forested areas. Longleaf pines, in particular, were a major resource for the region and harvested to produce turpentine for the naval industry and lumber. By the late 1800s, the growth of the Raleigh and Augusta Railroad became a catalyst for industry and development.

By 1895, James Walter Tufts purchased the original lands of the Village, approximately 5,980 acres, to create a health resort and wellness community centered around pulmonary issues. He hired one of the country’s most prestigious landscape architecture firm at the time, Olmsted, Olmsted, and Eliot to plan and design the Village.

The Village of Pinehurst was first opened in January 1896 with the Holly Inn and several guest cottages as the initial phases of development. Since then, the Village has grown to become an iconic golf destination and anchor site of the U.S. Open, supported by the Pinehurst Resort, a variety of hotels, boutique shops and restaurants, and a wide range of trails, natural amenities, and historic sites for visitors to enjoy.



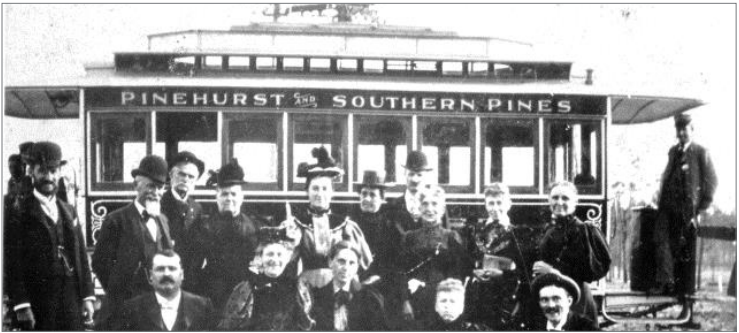
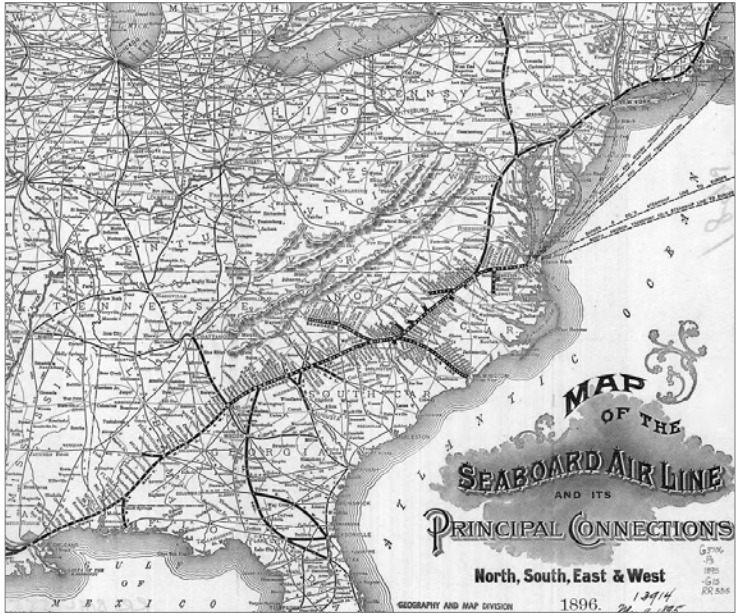
Regional map



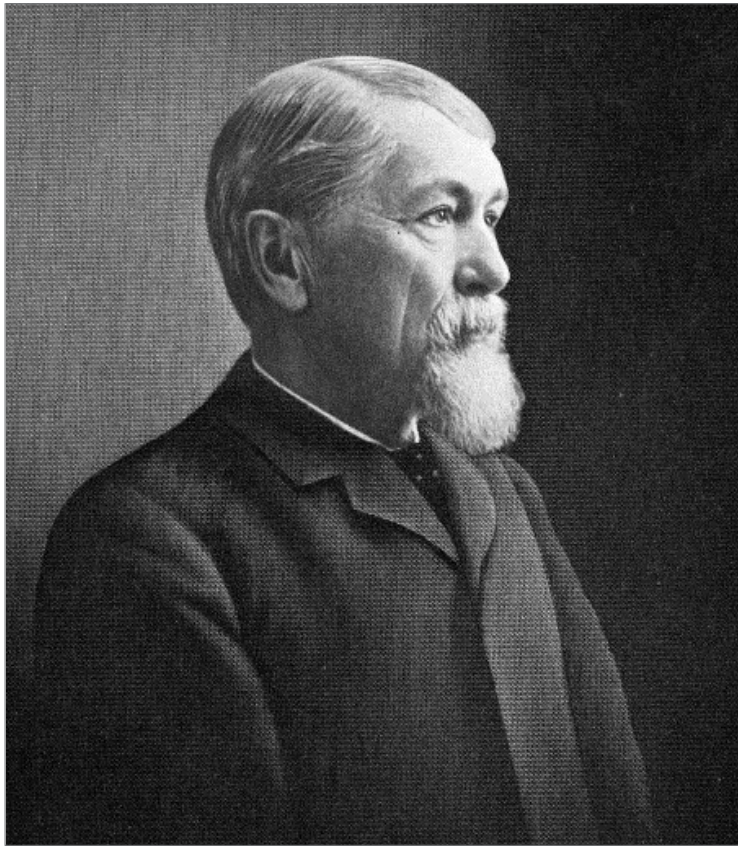
Map of the Sandhills Area



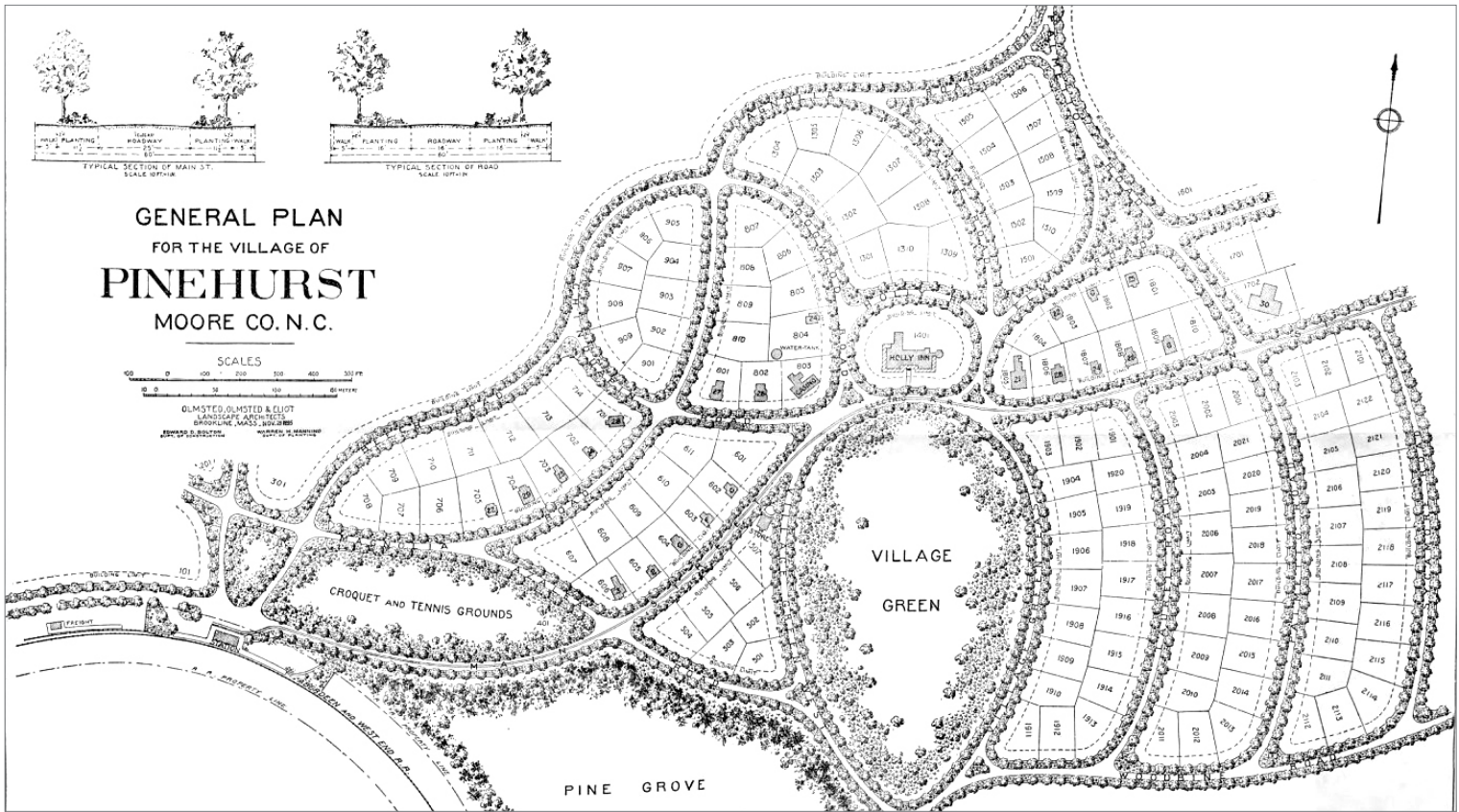
Longleaf pine is a pine species native to the area. Pine resin was extracted and collected into barrels for distilling into turpentine used to make oil paint for ships and buildings.



In the 1800s, pollution in cities and the expansion of rail lines to the south provided the catalyst for people to retreat to warmer and healthier environments, contributing to the growth and development of parts of North Carolina.



James Walter Tufts



General Plan for the Village of Pinehurst - 1895

1.4 PREVIOUS PLANS AND STUDIES

Since becoming a municipality in the 1980s, at least eight plans have been completed, either encompassing the full area of the Village, or focusing on a particular neighborhood. A summary of each relevant study can be found below.

2020 STRATEGIC OPERATING PLAN

As the most recent previous planning effort undertaken by the Village, this plan identified growth in population and increased development as the primary issues facing the Village. The plan established the following priorities and areas of focus:

- 1. Safeguard the community;
- 2. Promote high quality development and appearance;
- 3. Promote a thriving business community;
- 4. Promote transportation mobility and connectivity;
- 5. Protect the environment;
- 6. Promote active living and cultural opportunities;
- 7. Professionally manage a high performing organization;
- 8. Attract and retain an engaged workforce; and
- 9. Maintain a healthy financial condition.

2019 COMPREHENSIVE PLAN

The Village completed the *2019 Comprehensive Plan* as a guide to manage growth for the next 15-20 years. The planning effort included a significant level of public participation including numerous public forums and online engagement. The Plan outlined the following seven guiding principles:

- 1. Retain the small-town charm, scale, and character of the community to ensure a high quality of life. Celebrate and preserve the historic Village and traditions that make Pinehurst desirable and unique.
- 2. Balance the need to conserve land while allowing purposeful, quality development in strategic locations to meet the needs of residents, businesses, and visitors. Ensure high quality development that reflects the character of the community and maintain high quality gateways and corridors to



2019 Envision the Village Concept Renderings

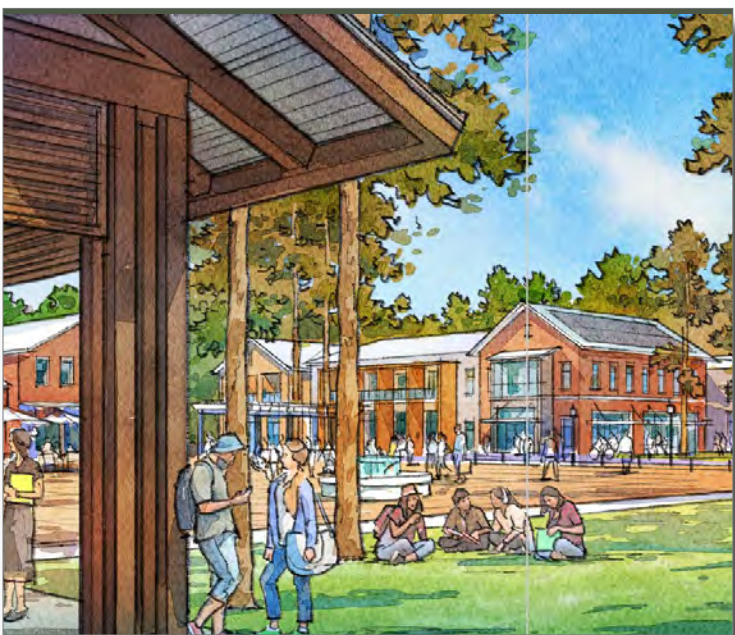
- ensure the built environment is in keeping with the character of Pinehurst.
- 3. Protect and enhance the quality and character of existing residential neighborhoods. Seek opportunities to offer a variety of housing types that appeal to a wide range of households and enable residents to live in Pinehurst throughout all stages of life. Ensure neighborhoods are connected to walkable destinations such as parks, open spaces, recreational facilities, and other activity centers.
- 4. Provide a safe, reliable and efficient transportation system that promotes and enhances mobility and connectivity between neighborhoods and destinations through a multi-modal network of complete and walkable streets, sidewalks and paths for vehicles, golf carts, pedestrians, and cyclists.
- 5. Support the golf, tourism and healthcare industries that make up the economic backbone of the community by encouraging entrepreneurship, supporting diverse and innovative businesses, and developing a thriving arts, culture, and entertainment market. Encourage a variety of shopping, dining, and cultural opportunities for residents and visitors alike.

- 6. Ensure supporting infrastructure and community facilities exist to meet the needs of existing and future Pinehurst residents, businesses, and visitors. Partner with other providers to plan for and expand infrastructure as necessary to ensure a high quality of life.
- 7. Preserve, conserve, and feature Pinehurst’s natural resources with expanded parks, open spaces, and events that enhance the health and well-being of the community and the environment.

2015 COMPREHENSIVE BIKE PLAN

The *2015 Comprehensive Pedestrian Plan* was completed to evaluate the needs of current and future residents and visitors in the Village. The efforts included input from a Steering Committee, several Community Workshops/Events and a Pedestrian/Bicycle Survey. The following Goals and Objectives were established:

- » Increase the options for bicycling as an alternate form of transportation within the Village
- » Provide attractive, yet safe, bicycling connections



- from Village residential areas to nearby destinations
- » Promote bicycling as a healthy exercise
- » Create a bicycle environment that is friendly to all users - including seniors, disabled persons and children
- » Improve connections between disparate parts of the Village
- » Promote bicycle safety

2015 COMPREHENSIVE PEDESTRIAN PLAN

The *2015 Comprehensive Pedestrian Plan* was completed at the same time as the *2015 Comprehensive Bike Plan* to evaluate the needs of current and future residents and visitors in the Village. The efforts included input from a Steering Committee, several Community Workshops/Events and a Pedestrian/Bicycle Survey. The following Goals and Objectives were established:

- » Increase “walkability” in the Village of Pinehurst
- » Create a pedestrian network that is an important part

- » of the urban structure
- » Promote walking as healthy exercise
- » Create a pedestrian environment that is friendly to all users – including seniors, disabled persons and children.
- » Improve connections between disparate parts of the Village.

2011 VILLAGE OF PINEHURST THOROUGHFARE PLAN

The *2011 Village of Pinehurst Thoroughfare Plan* was completed as an update to the original Thoroughfare Plan completed 20 years prior by the North Carolina Department of Transportation. The intent was to ensure a dynamic and strategic road network for the Village of Pinehurst for future travel and development needs. As stated in the report, the intent was to create a local consensus of the vision for Pinehurst’s future transportation system. The plan included a designation of roadways as Major Thoroughfares, Minor Thoroughfares, and Collector Streets, as well as a Thoroughfare Map identifying each road classification. The plan recommended the following principles for the Village's local road improvements:

- » Advocate for context sensitive design in all transportation planning and design efforts
- » Continue to prefer roundabouts over signalized intersection and other traffic control devices when considering intersection improvements.
- » Assure appropriate landscaping as a high priority on road projects in our jurisdiction
- » Preserve the tree canopy on local and regional projects to maintain our community character
- » Preserve and enhance landscaping at gateway intersections
- » Maintain and enhance landscape along road corridors
- » Maintain strong design controls in the transportation planning review process
- » Continue to investigate methods to minimize the

overall costs of future pavement maintenance

- » Continue to monitor traffic speeds
- » Continue efforts to minimize the number of curb cuts and other possible disruptions to traffic flow, capacity, and safety on major roads.
- » Continue to plan for additional sidewalks and trails to be integrated with local streets and NCDOT projects

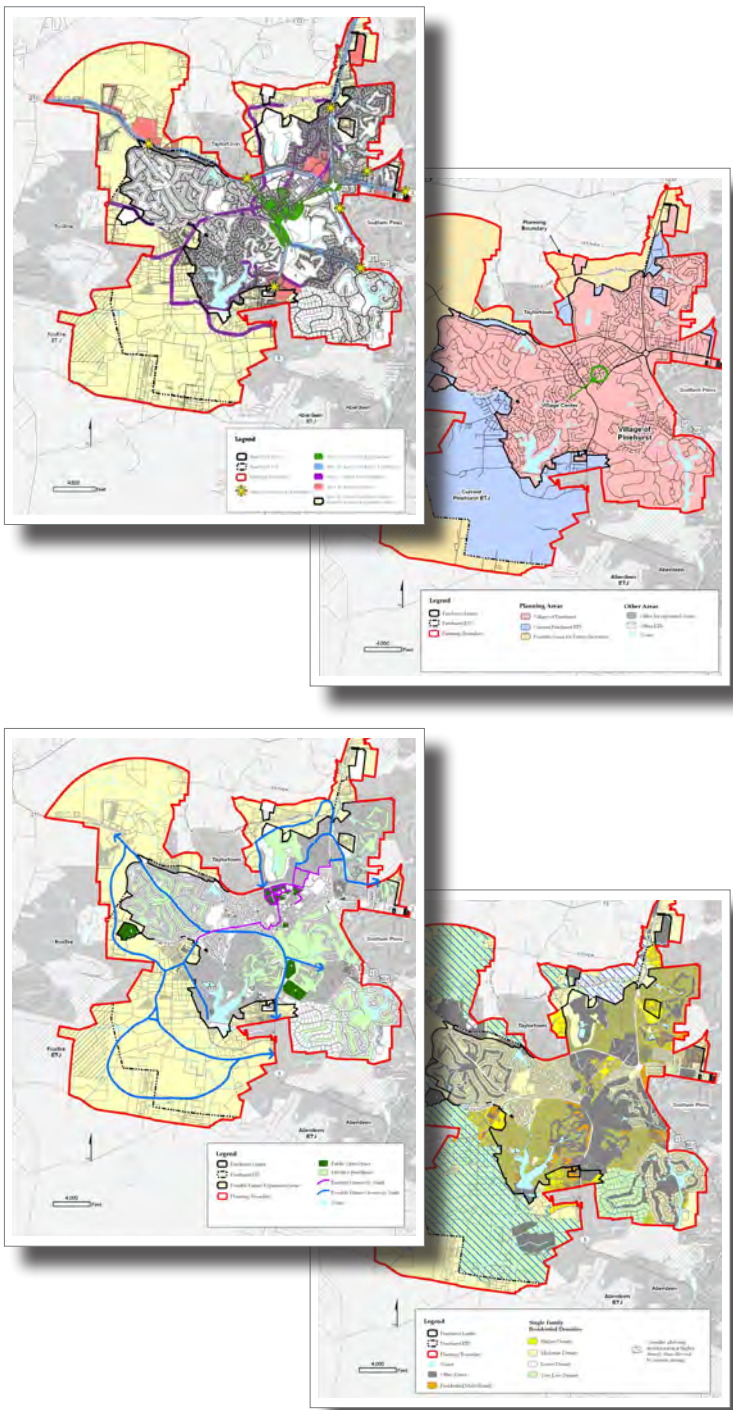
2010 COMPREHENSIVE LONG RANGE PLAN

The *2010 Comprehensive Long Range Plan* was a two part document including a Strategic Element and an Implementation Element. The Strategic Element guided the overall strategic direction of the Village to preserve and enhance the overall sense of place. The Implementation Element included a detailed compilation of tasks and programs to be completed. The plan outlined four thematic elements: Enhance, Preserve, Guide and Support. With the plan, the Village intended to:

- » Preserve and enhance the unique character and ambience of the entire community, especially the historic Village Center
- » Enhance the quality of life for present and future residents
- » Guide growth or change in ways that complement the unique character and ambience of the community
- » Address community needs in the most efficient and cost-effective manner
- » Maintain the legacy of Pinehurst for future residents and visitors to enjoy.

2008 NEW CORE MASTER PLAN

The *2008 New Core Master Plan* focused on an area of approximately 19 acres in the Village Center as an opportunity for redevelopment. The study included participation of a Steering Committee as well as extensive public participation, including a three-day charrette. The Key Concepts and Principles for the Plan included:



2010 Comprehensive Long Range Plan Diagrams

- » Continuation of the scale, design, architectural character and “walkability” of the Village Center
- » A mix of uses – retail, office, residential and open spaces
- » Addition of roads and sidewalks to provide access to the interior of the plan area and to continue the Village’s interconnecting street pattern
- » Clustering retail uses on the southern portion of the plan area, where they would be in close proximity to the Village Center and enhance its strength as a specialty retail location
- » Adding a variety of residential uses – cluster homes including single-family residential, townhouses, live-work units, and other market-supported residential forms
- » Adaptive reuse and/or relocation of historic structures
- » Pedestrian emphasis
- » Providing at least as much parking as needed for development in the New Core

1994 NATIONAL HISTORIC LANDMARK NOMINATION

The *1994 National Historic Landmark Nomination* highlights the history and making of Pinehurst by Frederick Law Olmsted, Warren H. Manning, and James Tufts. The document highlights the intentions of the Olmsted plan to ensure the “overlay of an evergreen landscape on a curvilinear pattern of Village streets” as the heart of the design for the recreational resort and details many aspects of the original plan and development.

A companion to the 1994 National Historic Landmark Nomination was the creation of the Village of Pinehurst Historic District Standards and Guidelines, created in 2006 and updated through September of 2013.

1.5 PDO ASSESSMENT SUMMARY

The development ordinance for the Village, known as the *Pinehurst Development Ordinance (PDO)*, includes regulations for all development (whether new, or modifications to existing, development) and became effective October 2014.

As part of the analysis of the Small Area Plan (SAP) Existing Conditions, the consultant team completed a comprehensive review of the PDO, looking for items of concern, compiled in this summary, that may inhibit achieving the envisioned future of Village Place and Pinehurst South.

The PDO regulations were adopted in accordance with the then current, *2010 Comprehensive Long Range Village Plan*, as well as all other then current Village plans and policies, in order to accomplish the following goals:

- » Preserve and enhance the unique character and ambience of the entire community, especially the historic Village Center;
- » Enhance the quality of life for present and future residents;
- » Guide growth or change in ways that complement the unique character and ambience of the community
- » Address community needs in the most efficient and cost-effective manner; and
- » Maintain the legacy of Pinehurst for future residents and visitors to enjoy.

While these goals remain valid, since the adoption of the PDO, several additional planning efforts have been undertaken, including the *2019 Comprehensive Plan*. Along with many other key strategies and recommendations, the new comprehensive plan called for a full update to the PDO, specifically to include corridor standards, conservation subdivision standards, and character-based zoning concepts. The Small Area Plan (SAP) effort, and the following summary, builds off of this *2019 Comprehensive Plan* key recommendation.

For the SAP, the consultant team focused on the following sections of the PDO.

SECTION 8.2 GENERAL USE ZONING DISTRICTS

The General Use Zoning Districts section of the PDO provides land use regulations for nineteen (19) districts allowing for a variety of uses appropriate to the character of each individual district. The following items were noted as concerns for this section, relative to the SAP effort:

- » Section 8.2.5 defines R-10, R-8 and R-5 as High-Density Residential Zones, however, high-density uses (such as Multi-family and Townhouse Dwellings) are not permitted by the Section 8.5 Table of Permitted Uses. Only Single-Family Dwellings are permitted and are not considered a high-density type.
- » In addition to the specific item listed above, generally, the Euclidian or used-based zoning districts are counter to the recommendation in the *2019 Comprehensive Plan* for character-based zoning. The Form-Based Codes (FBC), to be developed as part of this SAP effort, in contrast, align with the comprehensive plan's recommendation and will shift the focus from use-based zoning to building form and character. The FBC are intended to supplant the current PDO for Village Pace and Pinehurst South areas only.

SECTION 8.5 & 8.6 TABLE OF PERMITTED USES & SPECIAL USES

Section 8.5 of the PDO contains a list of uses which may be permitted in one or more of the various General Use Zoning Districts established by the Ordinance. While Section 8.6 defines the Special Requirements as called for in Section 8.5. The following items were noted as concerns for these sections, relative to the SAP effort:

- » There are several terms used in the Table of Permitted Uses & Special Uses which are inconsistent or in conflict with Section 10.2 Definitions. These terms may be limiting or unintentionally promote certain uses in areas that are not intended by the PDO. In particular, the following items were noted:
 - The terms "Industry, Heavy" and "Heavy" while

used in Section 10.2, are not included in the Section 8.5. It is unclear where uses in this category would be classified in Section 8.5.

- In regard to Senior Housing, Section 8.5 lists the categories "Residential Care Facilities (More than 6 Residents)" and "Child/Adult Daycare Center". These terms do not address the additional uses listed in Section 10.2 as defined under "Nursing Home: Adult Care Home , Assisted Living Residence, Continuing Care Retirement Community, and Hospice". Therefore, it is unclear whether these additional uses were intentionally omitted and, if so, why.
 - Section 8.5 does not include "Office", as defined in Section 10.2 as "general business office, government offices, insurance offices, law office and real estate and management offices". The specificity of the uses listed in the table may be problematic for certain types of office that may be desirable.
 - The term "Dwelling - Mixed Use" is used in Section 8.5, however, it is unclear whether the term "Live-Work Unit" (as defined in Section 10.2) is included as a Dwelling-Mixed Use. This may potentially limit the ability for development of Live-Work units.
- » SR-3 Dwelling, Multi-Family:
- The minimum size for a multi-family dwelling is one thousand five hundred (1,500) heated square feet. This size is well outside the typical unit size and may preclude new development from occurring and/or providing a range of unit sizes to meet market demand.

SECTIONS 9.1 & 9.2 TABLE OF DIMENSIONAL REQUIREMENTS

Section 9.1 of the PDO defines the minimum design and development standards for all buildings, sites, and infrastructure. While Section 9.2 defines the dimensional requirements for all uses and structures in the General

Use Zoning Districts.

The following items were noted as concerns for these sections, relative to the SAP effort:

- » Minimum Front Yard Setback: The minimum front yard setback for the majority of districts is greater than or equal to 20'. This may be problematic for smaller infill lots and/or to allow for a street frontage that relates to a pedestrian scale where building frontage is desirable and helps to create an engaging streetscape.
- » The Minimum Rear Yard Setback in most districts is a minimum of 20' or more. This may preclude the redevelopment of small infill lots or lots that do not require on-lot parking and/or are rear-loaded.
- » As written, the principal building as well as other structures including decks, landings, terraces, porches, and patios (with minimal exclusions) shall not be located within setbacks (see 9.1.E.2). This standard may unintentionally eliminate desirable building elements (such as deep front porches and bay windows).
- » Building Height: While "Dwelling - Multifamily" is a permitted use in the RM-F district, the building height is limited to 35', thereby limiting these buildings to 2 stories with a sloped roof (unless placed in an off-hill site condition or designed with a flat roof). As noted under Section 10.2 below, Building Height is measured to the highest point of the roofline, which precludes a 3-story building with a properly sloped roof and may unintentionally force a flat roof or a truncated sloped roof with a well.

SECTION 9.14 DESIGN STANDARDS FOR SINGLE FAMILY DWELLINGS & 9.3 VILLAGE DISTRICT DESIGN STANDARDS

Section 9.14 of the PDO defines design standards for Single-Family Dwelling development to ensure it is compatible with existing development and consistent with its site and surroundings. While Section 9.3 defines

design standards for the Village Districts to promote development that is functionally and structurally compatible with the existing Village Center and pedestrian area.

The following items were noted as concerns for these sections, relative to the SAP effort:

- » While the landscape design standards in Section 9.14 go into some detail and specify minimum quantities, the Exterior Building Materials portion is very limited (perhaps due to the restrictions placed on one- and two-family dwelling design standards by the state). The majority of this section is focused on process rather than design standards.
- » The Village District Design Standards are applicable only to the following districts: Village Mixed Use, Village Cottage Professional, and Village Residential. Therefore, the following residential districts, R-5, R-8, R-10, R-15, R-20, R-30, R-210, and R-MF, as well as Office Professional (OP) district do not have design standards, limiting the design oversight of these areas.
- » Certain standards are vague or impractical; e.g., shake is limited to 15% per block, requiring the architect or builder to calculate every facade on the block in lieu of their proposed building only and allowing the first buildings to consume a full block's allotment of shake; facade lighting standards address glare, but do not address light trespass, full cut-off fixtures to protect the night sky, light temperature, or energy-conserving lamps; public spaces shall be incorporated in the Village Mixed-Use District, but no other districts and there is mention of minimum size, frequency, appropriate types, amenities, and similar.

SECTION 10.2 DEFINITIONS

Section 10.2 of the PDO contains definitions of words used within the ordinance. The following items of concern were noted for this section:

- » Building Height is defined as "the vertical distance

measured from the average elevation of the proposed finished grade at the front of the building to the highest point of the roof". The preferred method requires building height to be measured to the eave or to the midpoint of the roof, allowing properly pitched roof slopes and tall floor-to-ceiling heights reflective of the Village's architectural character.

- » Live-Work Units are defined as "variations of either the detached house building type or the townhome building type". It is recommended to also include Dwelling - Mixed Use to coordinate with the Table of Permitted Uses & Special Uses in Section 8.6.
- » The use of the phrase "detached house" should match "Dwelling, Single Family".
- » "General Retail" is a term used in Section 8.5, however is not defined in Section 10.2.

To see current zoning districts and permitted uses that exist within the Small Area Plan boundaries, see pages 22-23 of this document.

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2.0 EXISTING CONDITIONS

2.1 OVERVIEW

2.2 EXISTING CONDITIONS

2.3 MARKET ANALYSIS
SUMMARY

Existing Conditions

Located south of the Village Center along NC-5, Pinehurst South encompasses approximately 290 acres with almost 47% of the area undeveloped. A portion of this area is in the unincorporated area of the Village of Pinehurst known as the Village’s Extraterritorial Zoning Jurisdiction (ETJ). Some of the development in this study area is older, more auto-centric, and may be considered out of character with the Village.

The *2019 Comprehensive Plan* recommends redevelopment with office, medical, life science, and research facilities supported with small-scale retail services and residential uses. Given the availability of undeveloped land, Pinehurst South offers the unique opportunity to expand the character of Pinehurst and create a new gateway for the Village to the south.

To ensure the small area plans support the Village’s vision, the design team conducted a thorough assessment and inventory of existing conditions to understand the historic, cultural, environmental, social, market, and economic assets of Pinehurst.

The plan builds on the strengths of the existing conditions; upholds the planning principles of the original Tufts, Olmsted, and Manning vision and plan; and extends the Village’s small-town scale, architectural character, and walkability outward rather than allowing auto-oriented commercial development to creep inward over time.

This section includes the photographs, diagrams, and conclusions of this documentation and analysis phase, which was then used, along with stakeholder input, as the groundwork for the concept planning phase (Phase 2).

The Existing Conditions and Analysis diagrams include:

- » Existing Illustrative Plan
- » Figure Ground Plan Diagram
- » Historic District Plan Diagram
- » Street Network Plan Diagram
- » Posted Speed and Traffic Control Plan Diagram
- » Land Use Plan Diagram
- » Zoning Plan Diagram
- » Topography Plan Diagram
- » Open Space + Trails + Sidewalk Plan Diagram
- » Market Analysis Summary

The following observations were made as part of the Existing Conditions study:

- » Forest cover is abundant in Pinehurst South; however, the area lacks meaningful and organized open spaces for the community's use.
- » There is a grouping of existing and planned commercial and civic uses in the area between Monticello Drive and Blake Boulevard, including the Post Office, Pinehurst Fire Station No. 2, American Legion, the soon-to-be-relocated Boys & Girls Club, and a new headquarters building for NAHB.
- » Multi-family and Single-Family Detached (SFD) residential are the primary uses west of NC-5. This area is poorly connected for pedestrian, bicycle, golf cart, and vehicle circulation as well as to other surrounding streets and trails.
- » Trotters Hill Office Park is an enclave of separate

professional office buildings. Several lots have been developed, including several in recent years, particularly those adjacent to and visible from NC-5. With the recent construction, few undeveloped parcels within the office park remain.

- » There is a range of residential architecture in Pinehurst South, some of which is in keeping with the historic character of Pinehurst and some that appears quite out of place or in disrepair.
- » Similarly, there is a range of commercial architecture in Pinehurst South, some of which is in keeping with the historic character of Pinehurst and some that appears quite out of place as ubiquitous, auto-centric development.
- » Overall, the area remains largely undeveloped and, thus, presents an opportunity for development that responds to the market demand but additionally upholds the Village's character.



Monticello Drive
Source: Design Collective



Blake Blvd & NC-5
Source: Design Collective



Multi-Family Residential - Abingdon Square
Source: Design Collective



United States Post Office - Blake Blvd
Credit: Google



Blake Blvd Railroad Crossing
Source: Design Collective



Commercial - Pinehurst Dental/Trotters Hill Office Park
Credit: Google



Commercial - Trotters Hill Office Park
Source: Design Collective



Commercial - Pinehurst Coins
Credit: Google Images



Flooring Gallery
Credit: Google

2.2 EXISTING CONDITIONS

Illustrative Site Plan

The Existing Illustrative Plan depicts the development and open space patterns that exist in the study area. A 1/4-mile walking radius (5-minute walk) is indicated on the plan for reference.

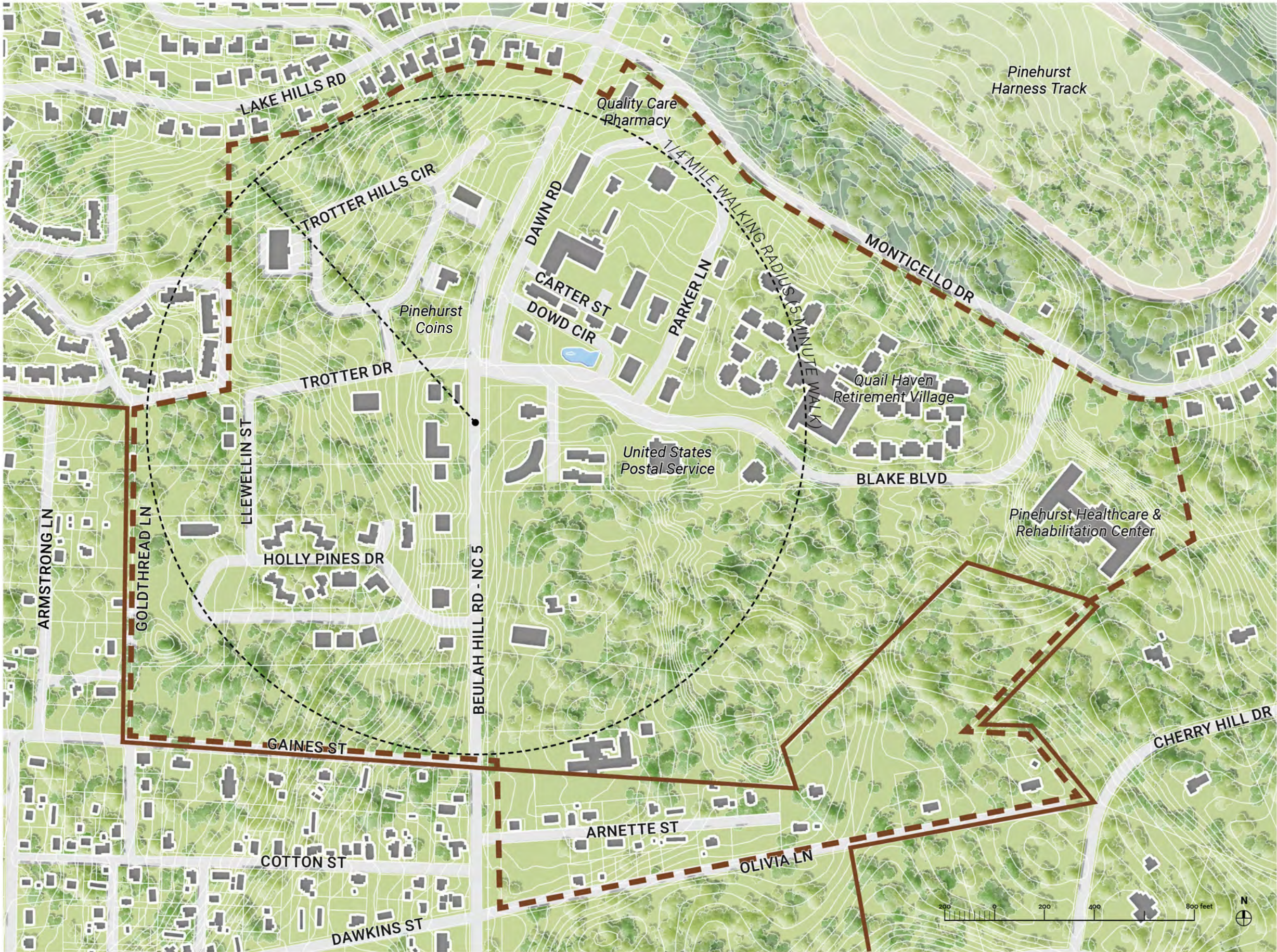
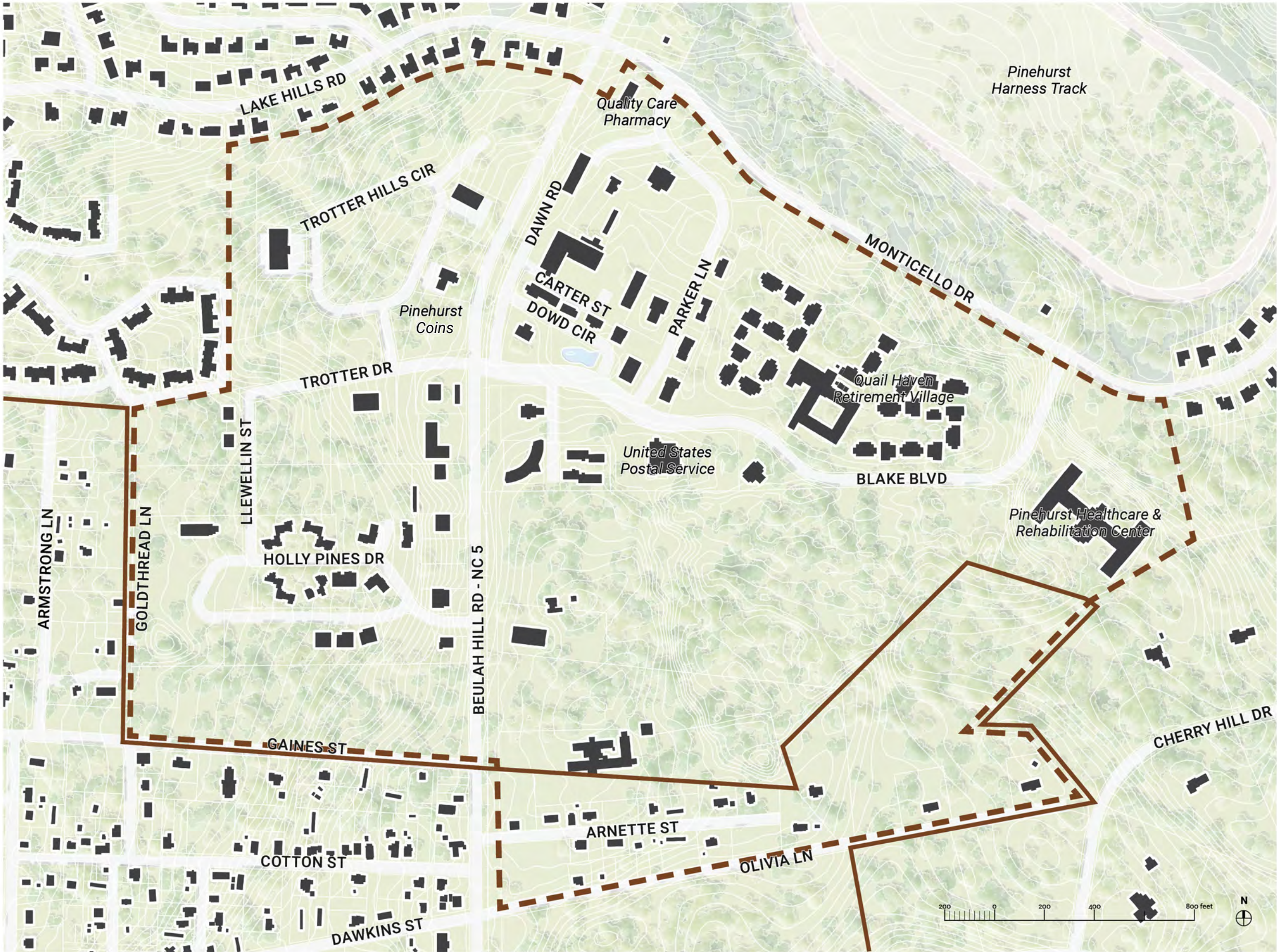


Figure Ground

The Existing Figure Ground plan shows the relationship of built and unbuilt space in Pinehurst South. The development patterns in the study area are characterized by commercial uses accessed off of Beulah Hill Road - NC-5 with a mix of residential building types interspersed to the west and east. Undeveloped parcels exist in Trotter Hills, a planned office development located in the northwest corner of the study area. The development consists of 17 parcels with approximately 1/3 of the lots either developed, permitted, or under review. Larger underutilized land with no projected development exists in the southeast corner of the study area.



Historic District

The Historic District is comprised of properties that fall within the National Historic Landmark district or that were surveyed and identified as important fixtures within the community. These properties are subject to additional review by the Historic Preservation Commission and the Historic District Standards to ensure the history and charm of the Village of Pinehurst is preserved.

No portion of the Historic District expands into the Pinehurst South study area, however, the Pinehurst Harness Track lies directly to the north and is within the District.

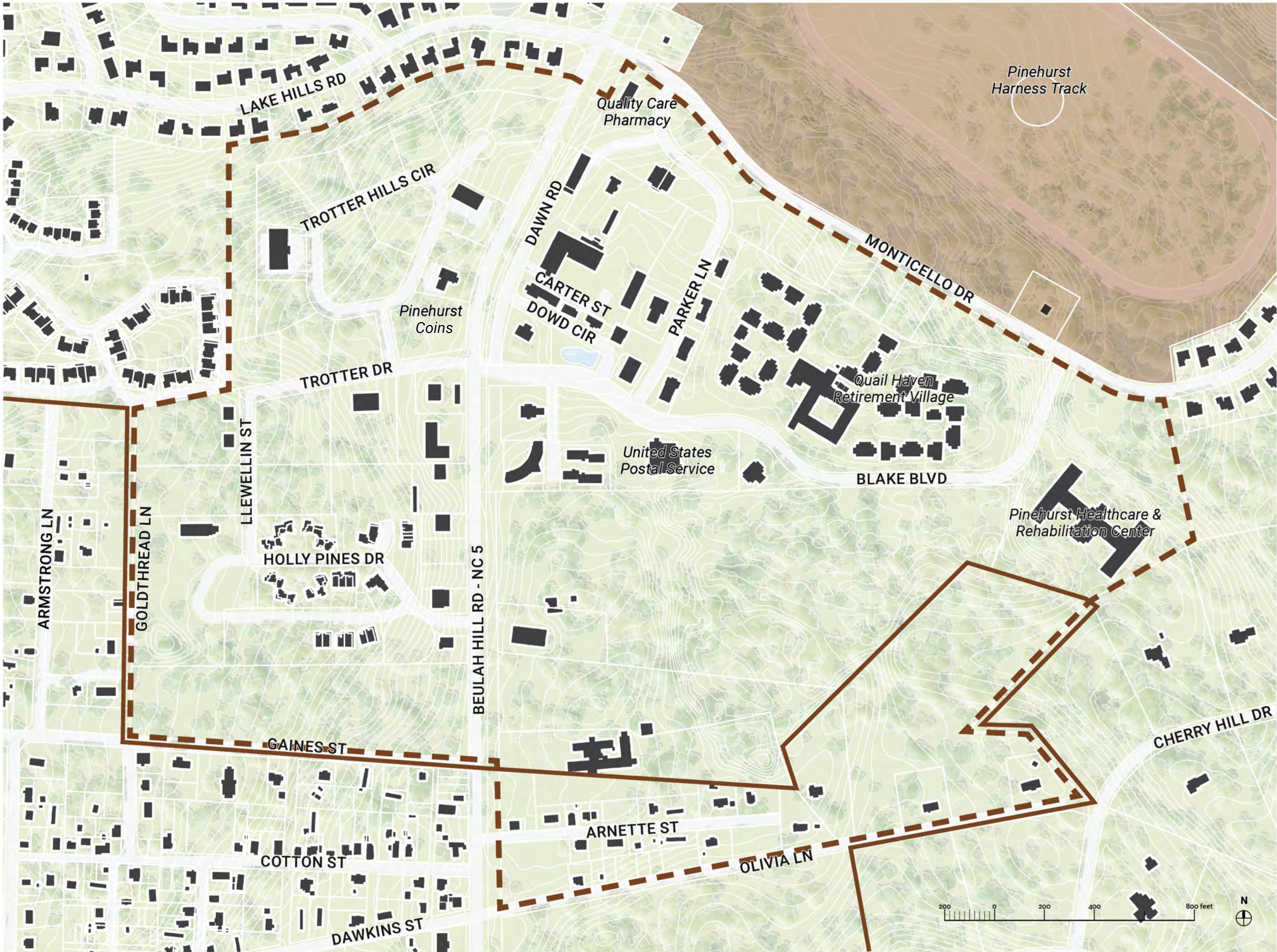
KEY

SMALL AREA PLAN (SAP) BOUNDARY

VILLAGE OF PINEHURST

BUILDING FOOTPRINTS

HISTORIC DISTRICT OVERLAY



Street Network

The Pinehurst South study area spans Beulah Hill Road - NC-5, a major connector street that provides direct access to the Village Center to the north and US-501 to the south. Neighborhood streets are organic and disconnected with many dead-end conditions throughout the study area.

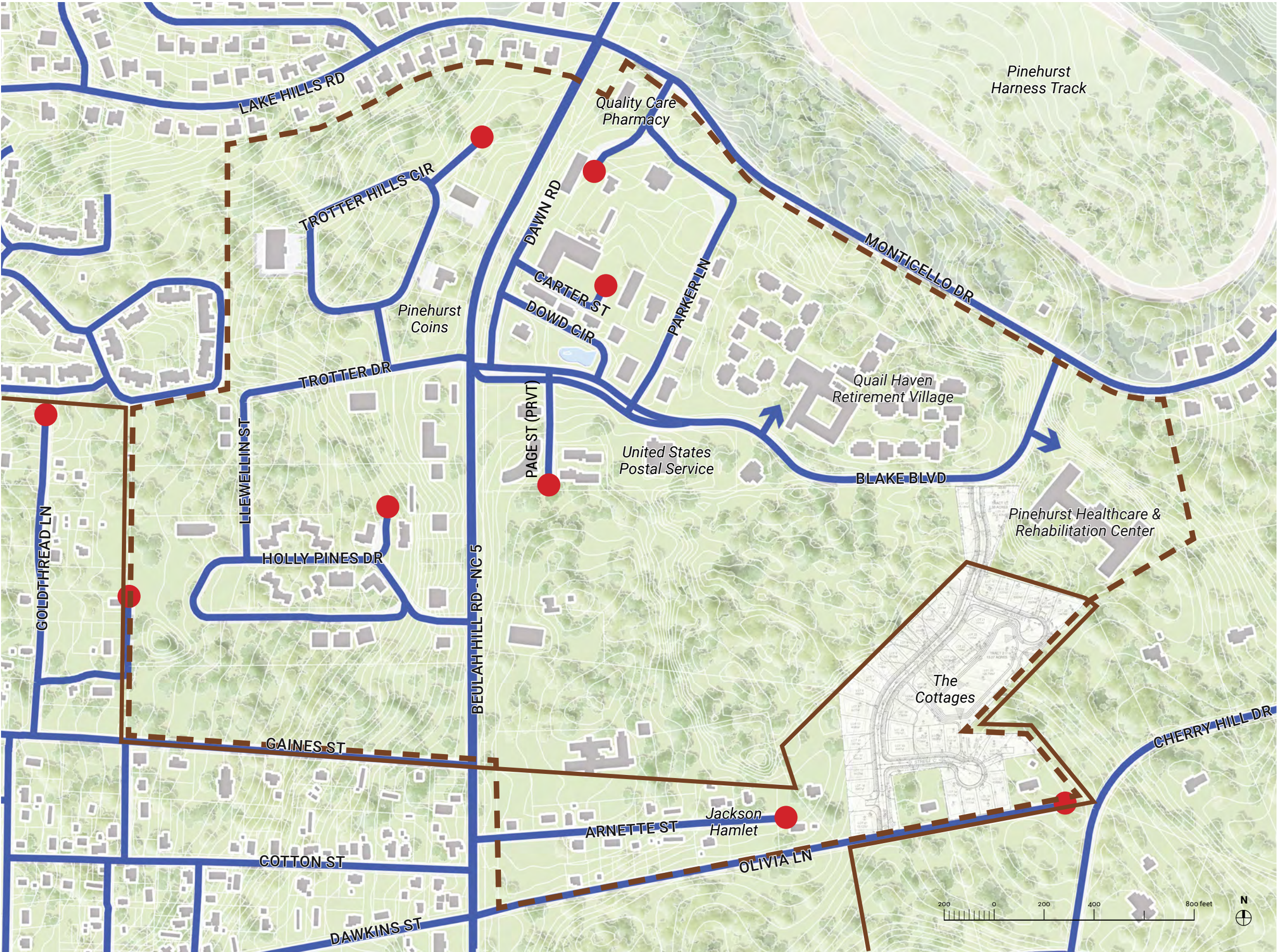
KEY

VILLAGE OF PINEHURST

SMALL AREA PLAN BOUNDARY

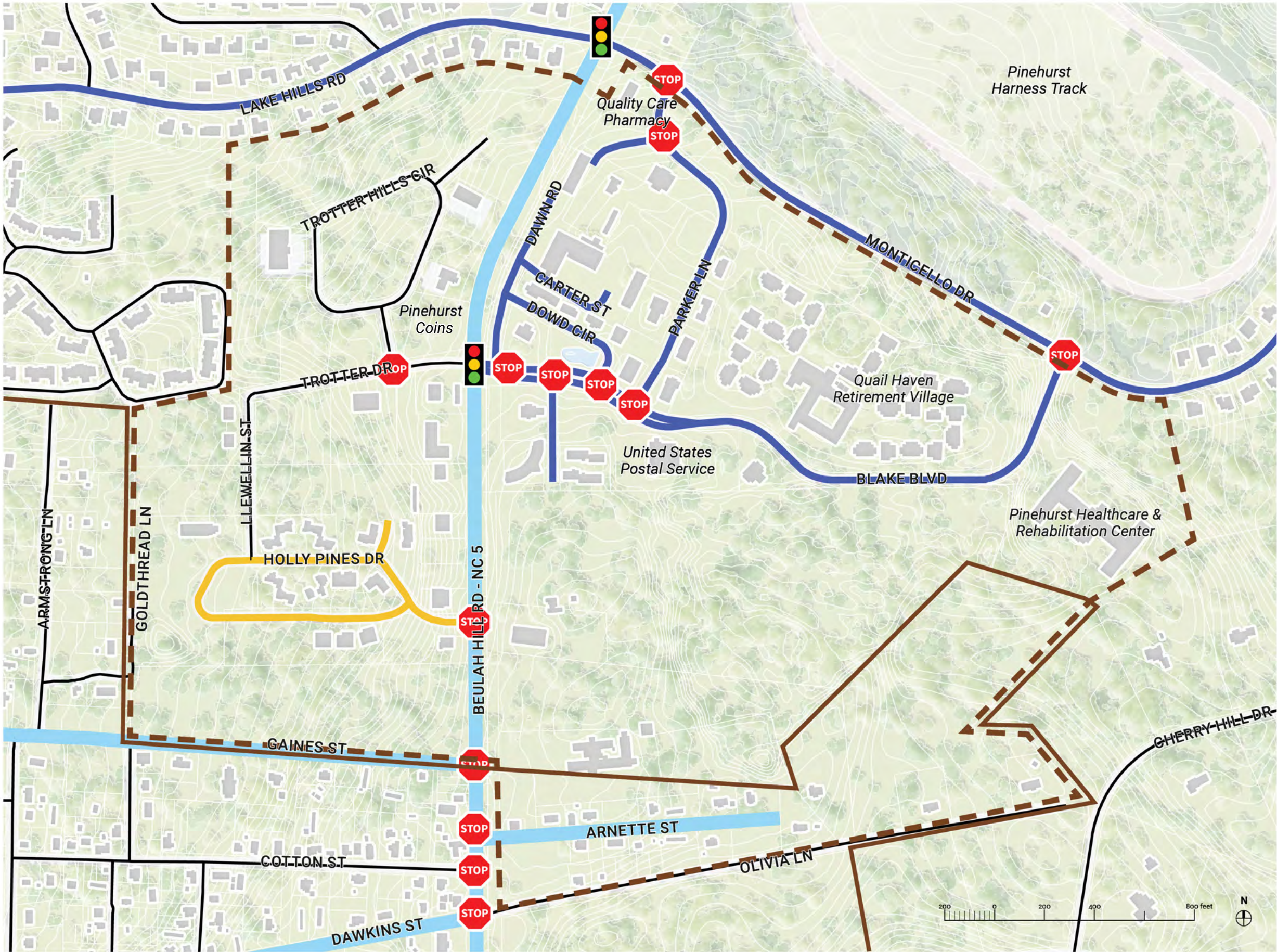
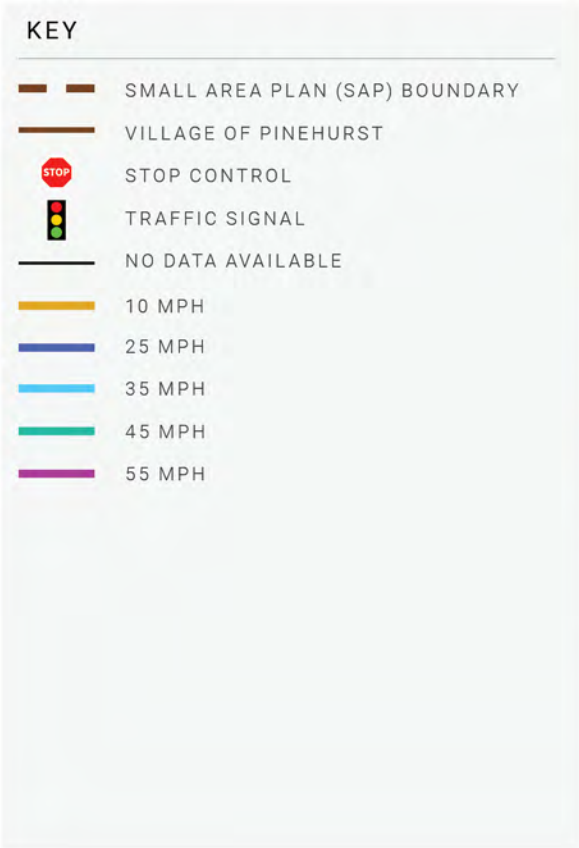
EXISTING ROADS

EXISTING DEAD END



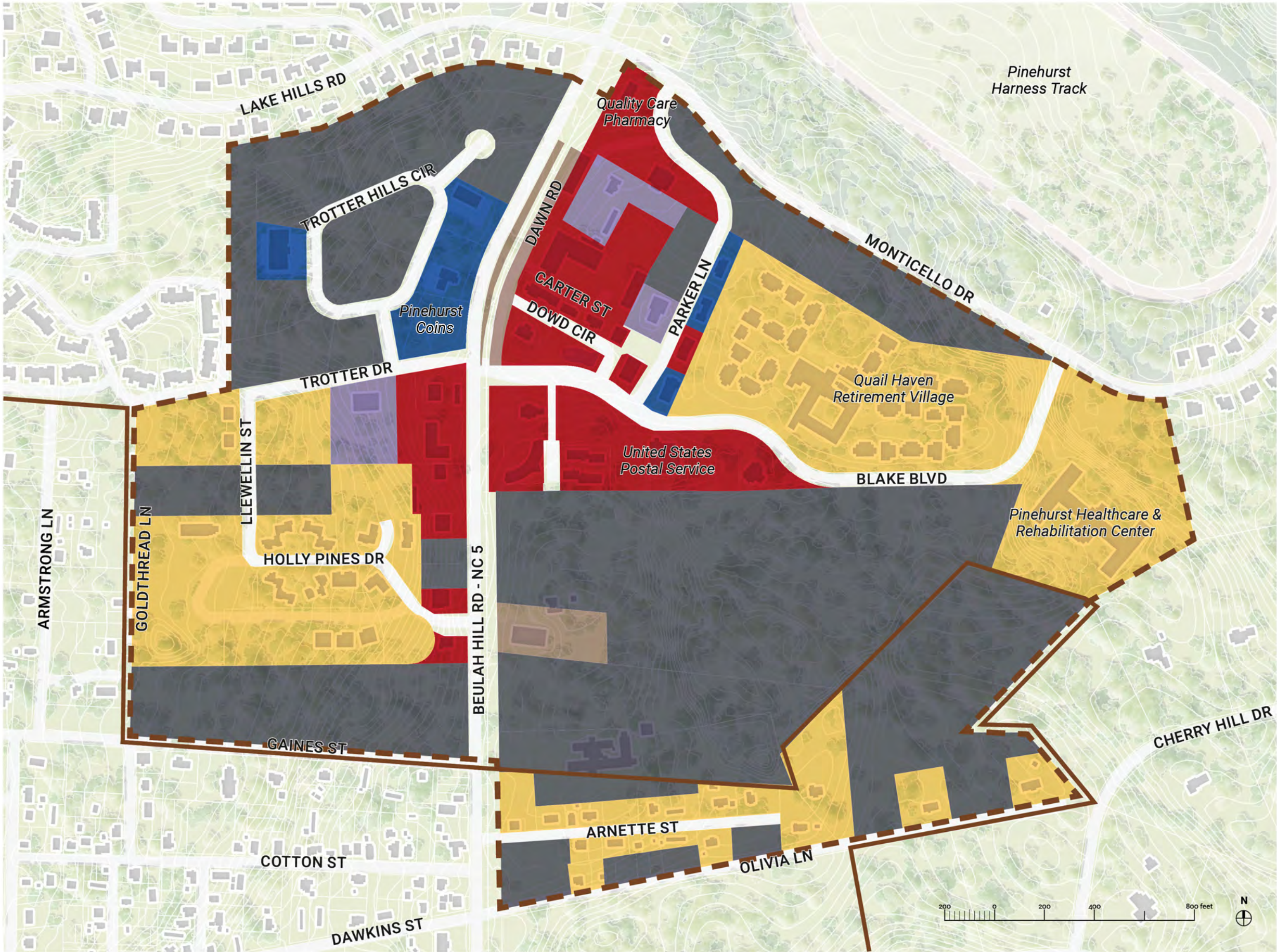
Posted Speed and Traffic Control

The streets within the study area boundary have a range of posted speeds. Beulah Hill Road - NC-5 is 35 mph. A majority of the neighborhood streets are 25 mph with the exception of Holly Pines Drive which is 10 mph. Stop signs are located at all Beulah Hill Road - NC 5, Blake Boulevard, and Monticello Drive intersections. For added control and safety, traffic signals have been placed along Beulah Hill Road - NC 5 at the intersections of Blake Blvd and Monticello Drive.



Land Use

The study area includes a mix of land uses. A majority of the commercial uses are centered along Beulah Hill Road - NC-5 with residential uses and large vacant properties surrounding the commercial core. A large percentage of the study area is vacant or underutilized.



Zoning

A majority of the eastern half of the study area is zoned Neighborhood Commercial (NC) with a mix of Office and Professional (OP) and Residential (R5) zones. The western half of the study area is Office and Professional (OP) to the north with Residential Multifamily (RMF) to the south.

KEY

SMALL AREA PLAN (SAP) BOUNDARY

VILLAGE OF PINEHURST

R5 - RESIDENTIAL

R10 - RESIDENTIAL

R30 - RESIDENTIAL

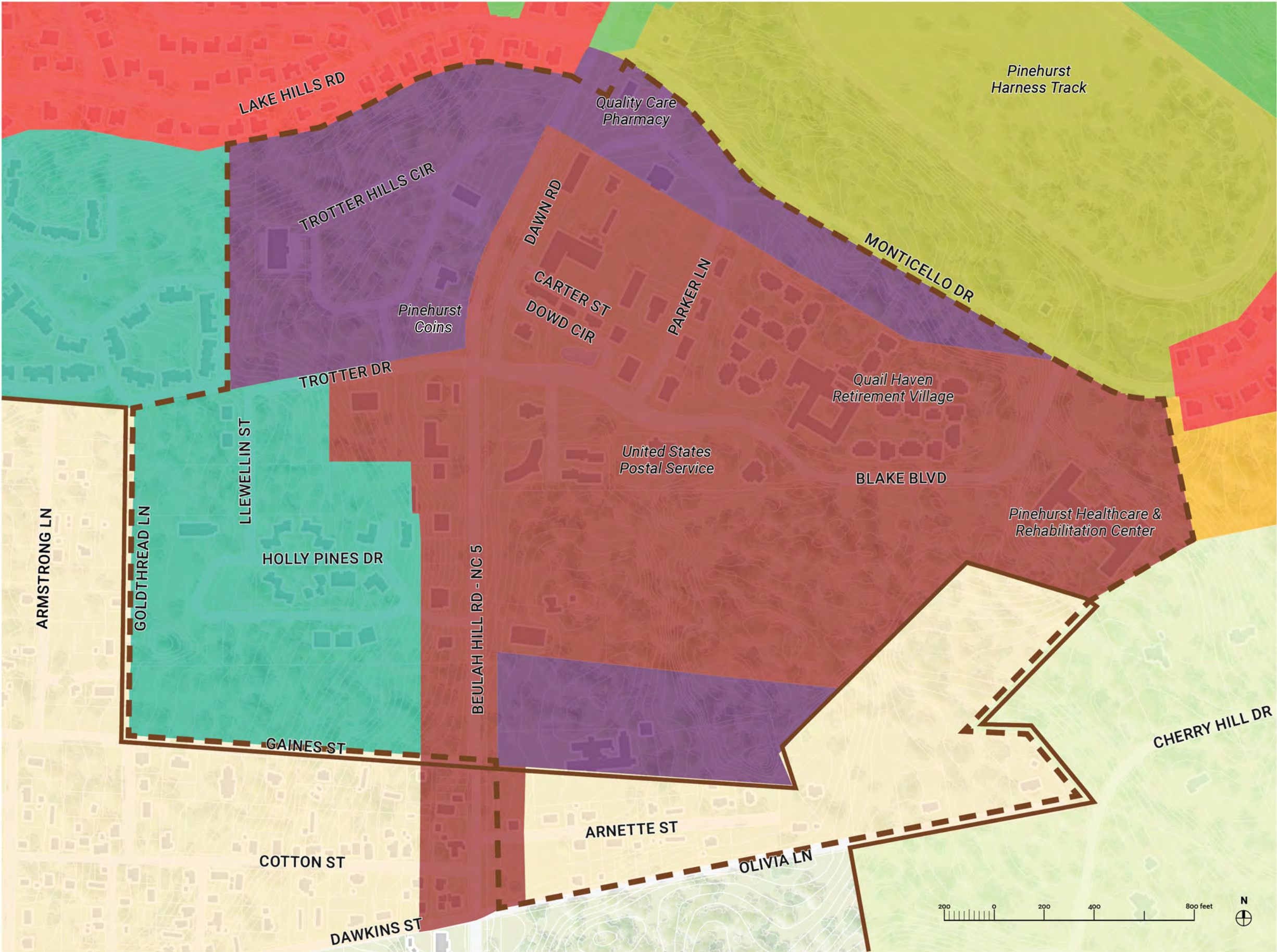
RMF - RESIDENTIAL MULTIFAMILY

NC - NEIGHBORHOOD COMMERCIAL

OP - OFFICE & PROFESSIONAL

PC - PUBLIC CONSERVATION

RD - RECREATIONAL DEVELOPMENT



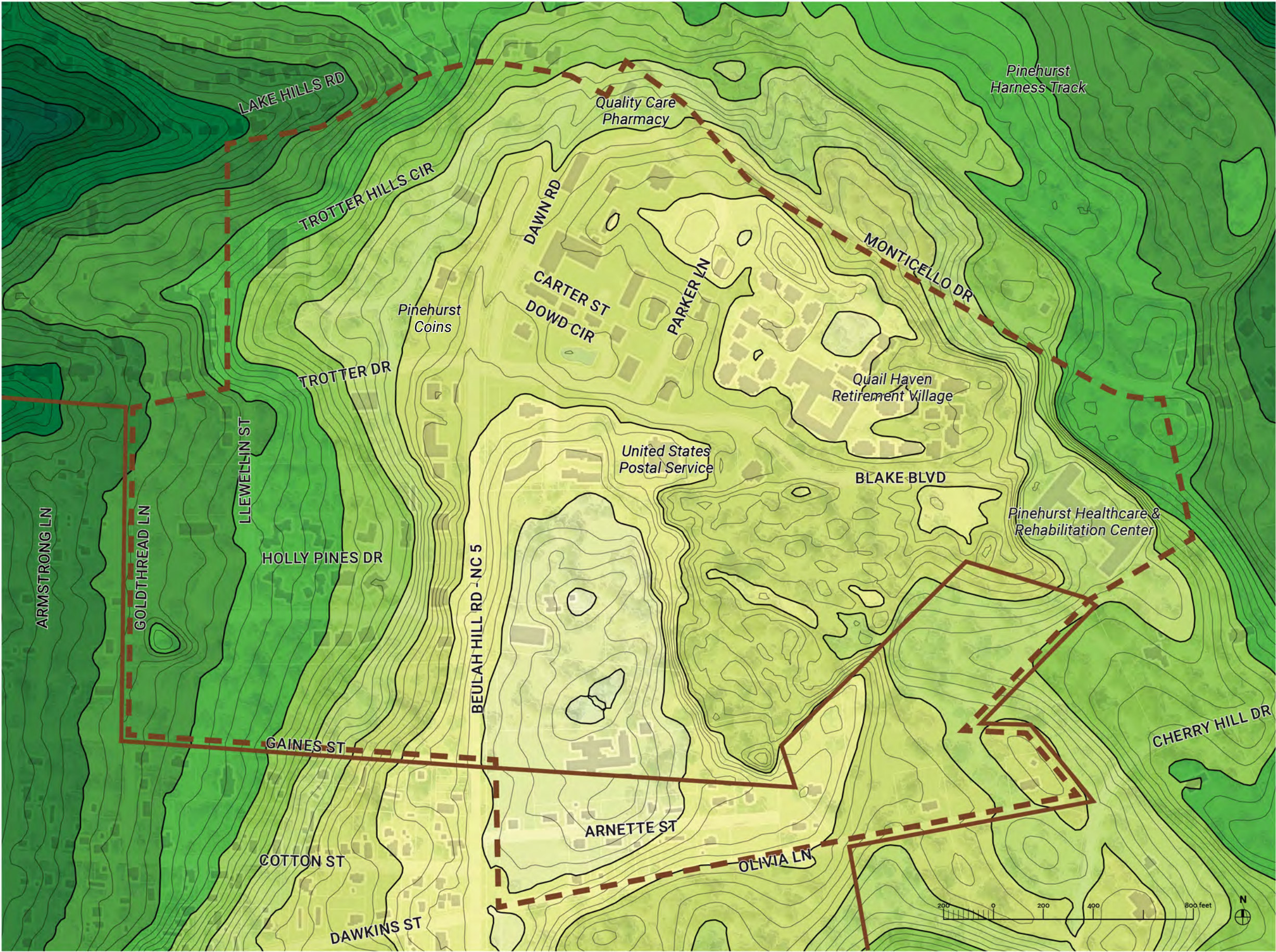
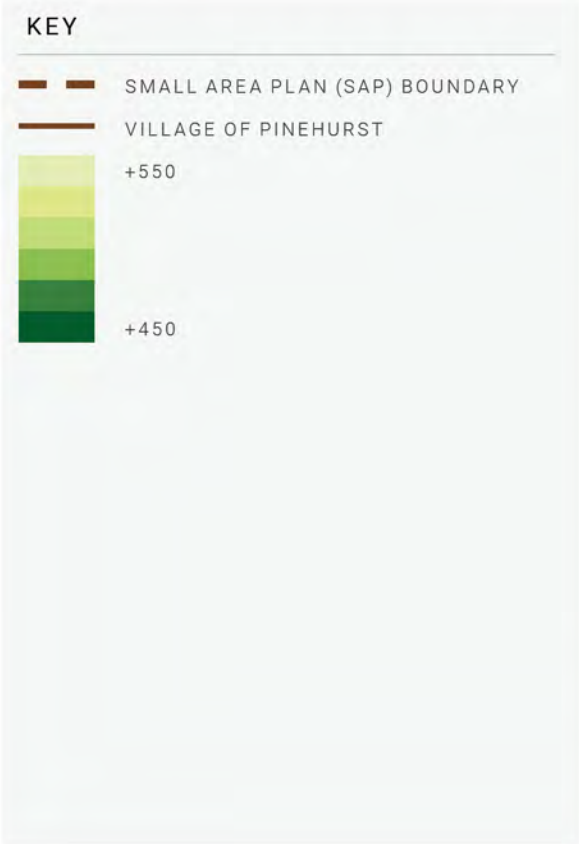
Existing Zoning and Permitted Uses

The following zoning districts exist within the Pinehurst South Small Area Plan boundary. For a full matrix of all zoning districts and permitted land uses, reference Section 8.5 of the *Pinehurst Development Ordinance* (PDO).

KEY		USES															Maximum Building Height	NOTES
		DWELLING - SINGLE FAMILY	DWELLING - TWO FAMILY	DWELLING - MULTIFAMILY	DWELLING - TOWNHOUSE/ CLUSTERED DWELLINGS	DWELLING - MIXED USE	BED AND BREAKFAST HOMES	HOTEL	MEDICAL CLINIC	PERSONAL SERVICES	PROFESSIONAL SERVICES	GENERAL RETAIL	RESTAURANT	CIVIC/CULTURAL FACILITIES	RESIDENTIAL CARE FACILITIES (> 6 RESIDENTS)	PARKING STRUCTURE		
	R5 - RESIDENTIAL	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	SU	✗	35'	Intended principal use of land is high-density residential uses, intended to discourage any use detrimental to the residential nature.
	RMF - RESIDENTIAL MULTIFAMILY	✓	✓	SR	SR	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	35'	Intended principal use of land is multi-family and/or single family dwellings, intended to discourage any use that would be detrimental to the residential nature.
	NC - NEIGHBORHOOD COMMERCIAL	✗	✗	✗	✗	SR	✗	✗	✓	✓	✓	SR	SR	✓	✓	✗	35'	Intended principal use of land is small scale commercial, retail, office and service to residential districts
	OP - OFFICE & PROFESSIONAL	✗	✗	✗	✗	SR	✗	✓	✓	✓	✓	✗	SU	✗	✓	SR	35'	Intended to provide for limited office and retail development, as a transition between business districts and residential land uses

Topography

The topography of the study area is characterized by a natural ridge line along Beulah Hill Road - NC-5. The study area sits at a plateau along the eastern side with grades sloping downward towards Pinehurst Lake.



Open Space + Trails + Sidewalks

The study area contains no dedicated public open space or trails within its boundary. There are only two segments of sidewalks that currently exist on Parker Lane and a portion of Trotter Drive. Just north of the study area is the Pinehurst Harness Track, one of the oldest continuously operating equine sports facilities in the state.

KEY

SMALL AREA PLAN (SAP) BOUNDARY

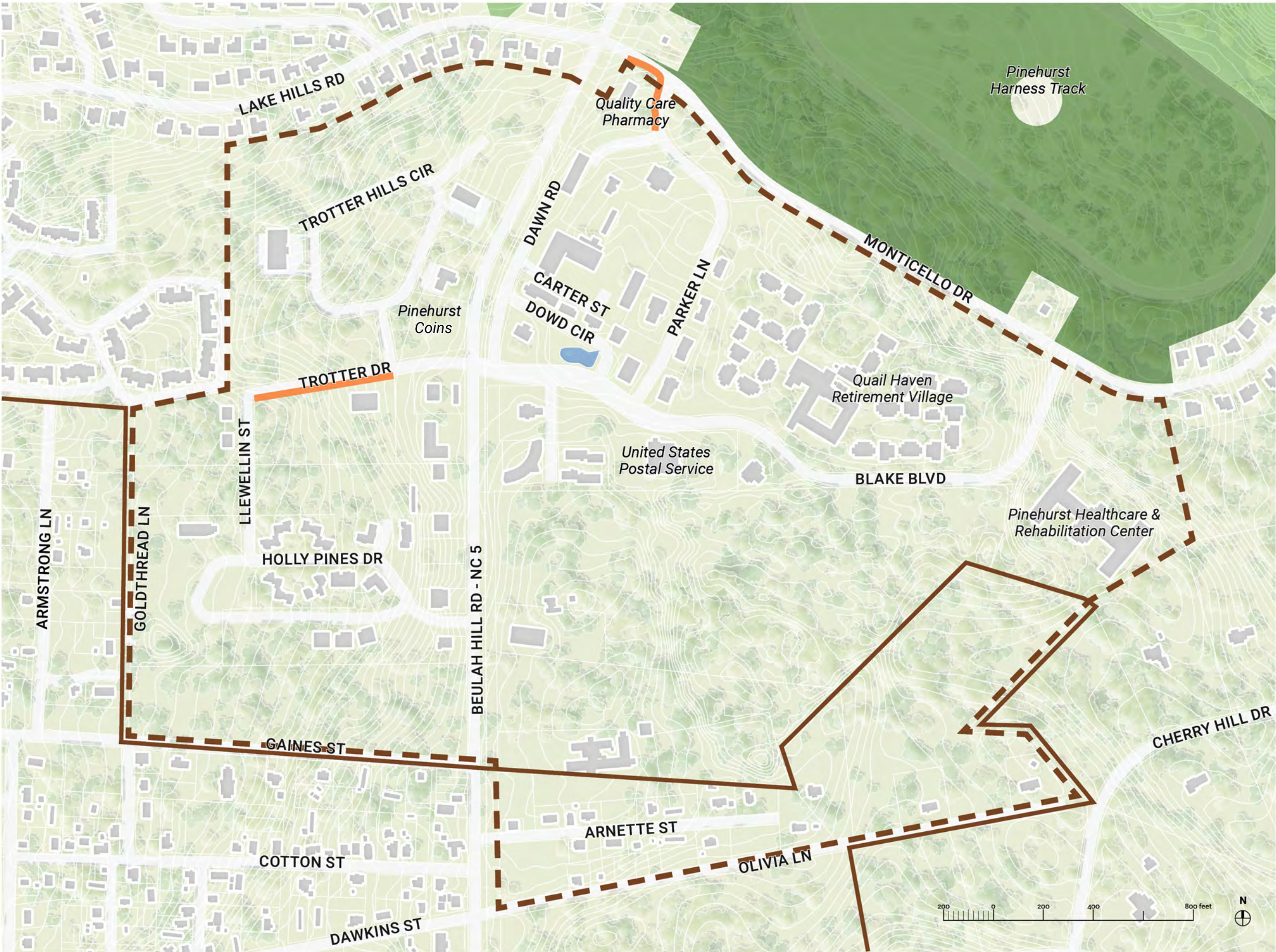
VILLAGE OF PINEHURST

GREENWAY TRAILS

WALKWAY TRAILS

SIDEWALKS

PARKS/ OPEN SPACE



2.3 MARKET ANALYSIS SUMMARY

Background and Objectives

A Market Analysis report was prepared by Duggal Real Estate Advisors, LLC (DREA); the following pages provide a summary; the full report can be found on the project website: <https://engage.vopnc.org/smallareaplans>. The data was collected in November and December 2020 and January 2021.

The market analysis is one step in the process to determine the feasibility of land uses within the Village of Pinehurst and the plan areas. It ascertains the quantitative and qualitative aspects of demand for land uses that might be appropriate for future development in the plan areas and quantifies the potential scale and timing of these uses.

Also known as the Highway 5 Commercial Area, Pinehurst South is an approximate 290 acre limited growth and redevelopment area on the Village’s south side containing approximately 145 parcels.

Summary of Market Opportunity

For the market analysis, DREA examined six different land uses: for-sale residential, for-rent residential, retail, office, hospitality, and golf. The following is a summary of the opportunity for each of the land uses in the Pinehurst South plan area.

The overall market opportunity takes into account the current and projected future market conditions, future demand potential, and the suitability for the land use within the Village.

Summary of Demand

For each of the land uses, DREA completed a demand model to understand the future potential of the land use within the Village or Moore County, depending on the land use. To determine how much of each land use would likely locate within the plan areas, it was necessary to consider where else within the Village the land use could be located. For example, if there is demand for one rental project every three to eight years within the Village, it cannot be located in both planning areas, but in reality, it could be located in either one or another location in the Village, making it difficult to assign demand.

For many land uses, there has been and will be more demand for the product type within the Village than the amount of supply that has been or will be available (i.e., more houses would likely sell if they were available).

Summary of Demand for Land Uses within Plan Areas

DREA then considered how much of the demand could be located within the plan areas if the area was zoned for it, landowners were interested in selling, and developers would build it. While the market analysis quantifies realistic development opportunities, actual land use allocation is guided by planning exercises, site constraints, the desired vision, and stakeholder input, in balance with market demand.

The potential for most of the land uses is present in both plan areas. Although there is some flexibility in these numbers as stated before, DREA put together guidelines based upon the market to help the planning team understand the magnitude of demand in each of the plan areas. Below is the demand summary for Pinehurst South.

For-Sale Residential

- » Likely a stand-alone residential community as opposed to mixed with other product.
- » Given land availability, could have 1-2 projects. Each would be 30-50 units.
- » However, the demand for this product is deep, and the planning area can support as much for-sale product as desired.
- » Could be either single-family detached or attached product.
- » Pricing would vary based upon product type and positioning, but would likely be in the range of \$250,000 to \$450,000.

For-Rent Residential

- » Could be either a stand-alone larger community (typically larger, 150-200 units) or integrated into a mixed-use area.
- » Integrated into a mixed-use area, the apartments would still likely be horizontal mixed-use (e.g. the apartments are next to the retail and office, not above). This would likely be a smaller project (80-120 units).
- » Rents would be similar to the newest apartments at the time of construction. At this point, the newest apartments in the market are The Greens at approximately \$1.35/SF. At an average size of approximately 1,000 square feet, that would equate to a rent of approximately \$1,350 per month.

Retail

- » Any retail would prefer to be located and accessed off of NC-5. If a project were created on the east side of NC-5, it would still be important to have NC-5 visibility.

- » Could be a stand-alone shopping center on the west side of NC-5. This would depend on having an anchor within the project such as a grocery store or drug store. The size of the center would depend on what type of anchor, ranging from 50,000-80,000 SF in size total. This would likely not materialize for some time as the area continues to develop and mature.
- » There is also demand for retail on the east side of NC-5. Due to access issues, it would be small-scale, and just to support local businesses and residents. There would likely be less than 10,000 SF total.
- » If there was a shopping center on the west side of NC-5, the retail on the east side would be more limited, and vice versa.
- » Any retail located within Pinehurst South would be locally serving.
- » The maximum amount of retail in the area is likely to be 80,000 SF with a grocery store, and less than 40,000 SF without a grocery store at build-out.
- » Rents would need to be \$24-\$30/SF to support new construction

Office

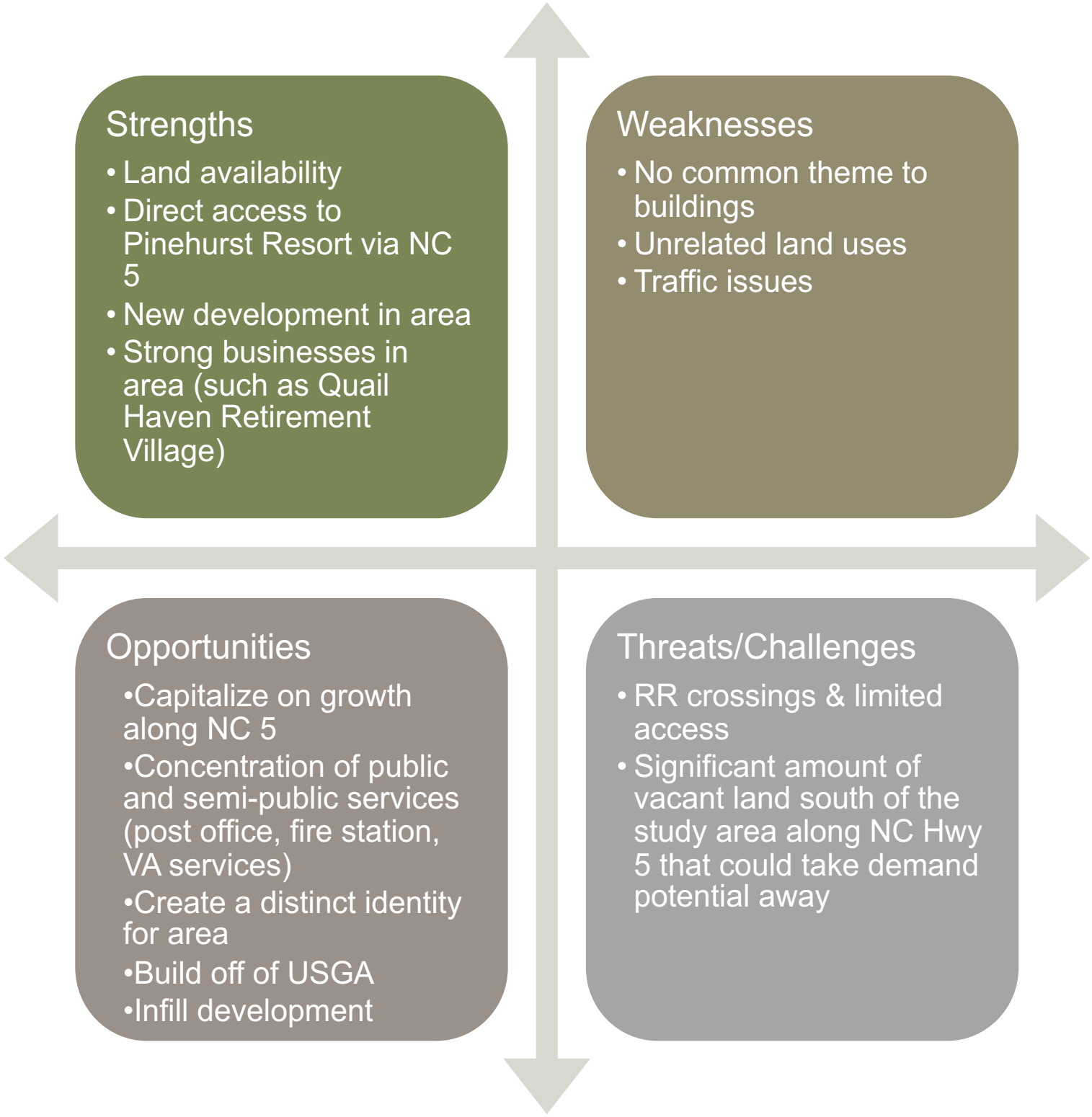
- » Office could either be like the product available at Turnberry (small format, 1-2 story) or integrated into a mixed-use center.
- » Although there is not a lot of office demand annually, given the limited amount of office land available in other areas, this would be an appropriate location to save land for future office use.
- » Even at 2,000 SF of office per year, in 50 years, the total amount would be 100,000 SF. Tenants and owner-occupied space would be a collection of medical, locally-serving professional services, and potentially related to the USGA.
- » Rents for office would be in the \$18-\$22/SF range.
- » Part of the area could be a modified Innovation Hub – meaning it could be planned to attract and facilitate companies and technologies related to golf, but be willing to accept other industries and users as well.

Hospitality

- » The planning area could support a hotel if it were part of a mixed-use area. If there were enough businesses, it could support the workers in the area. Otherwise, it would likely support tourists. Type of hotel depends on place creation.
- » A new hotel would likely have around 100 rooms.



Overall, Pinehurst South is best suited for residential and office uses. Hospitality could be an option as well. Large-scale retail would be challenging given the access issues, but locally-serving retail would be viable.



Quail Haven Retirement Village



Fire station



Abingdon Square Townhomes



Retail

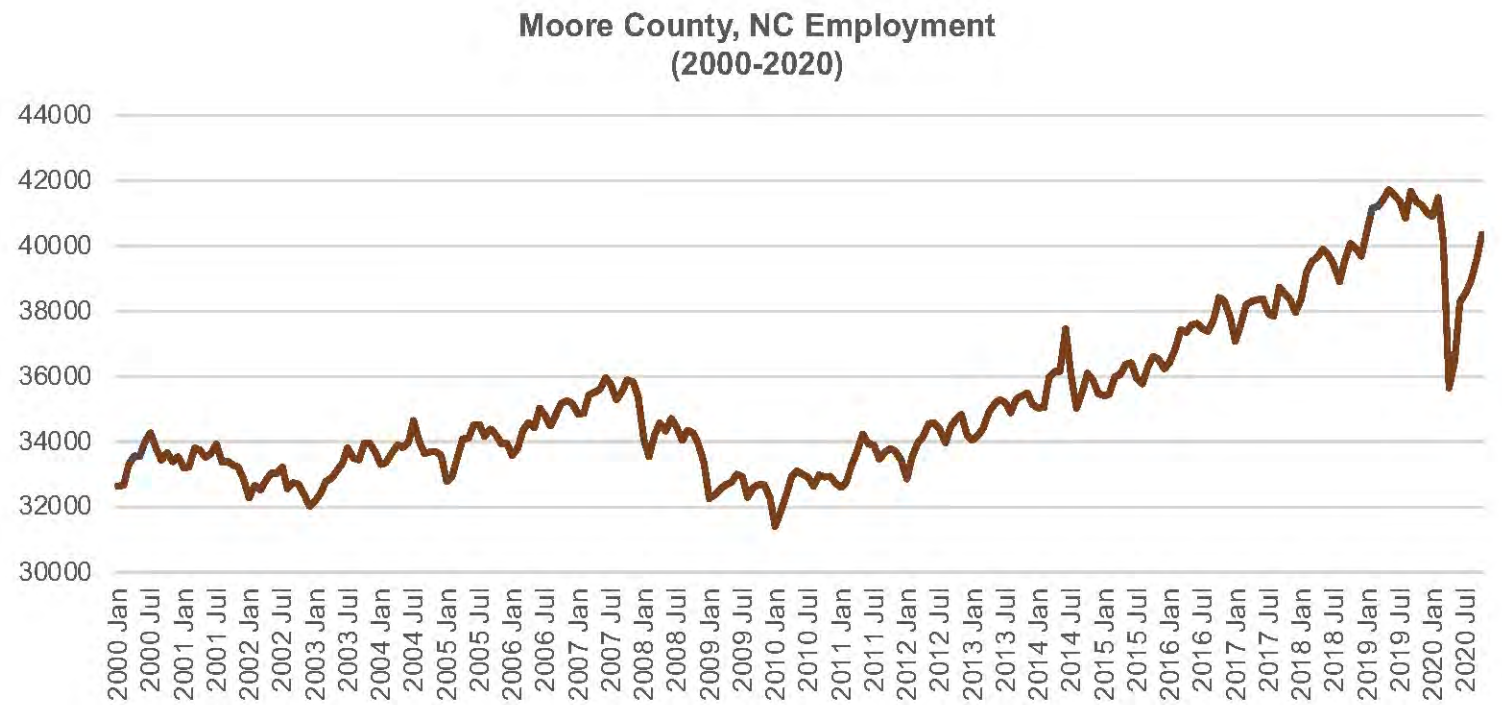


Veterans Guardian Claim Consulting



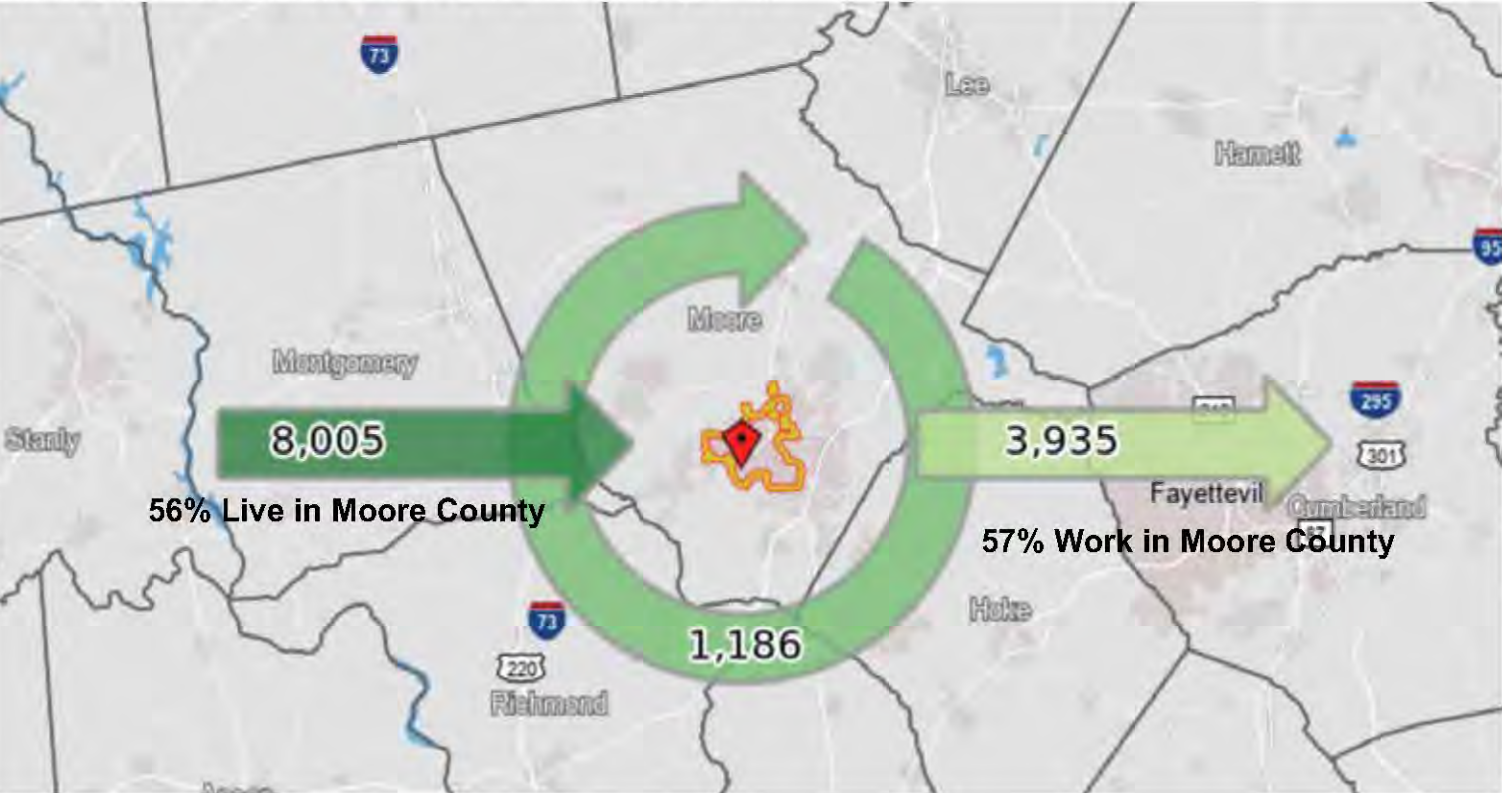
Open space along Blake Blvd.

Economic and Demographic Analysis



Source: BLS

Inflow and Outflow of Workers in Pinehurst (2017)



Source Census on the Map

Jobs by Industry in Pinehurst (2020)

Industry	Businesses	%	Employees	%
Health Care and Social Services	575	54%	5,880	52%
Accommodation and Food Services	42	4%	2,839	25%
Other Services - Repair, Personal Care, Laundry, Religious, etc.	69	6%	434	4%
Professional, Scientific, and Technical Services	58	5%	396	3%
Arts, Sports, Entertainment, and Recreation	23	2%	358	3%
Retail: Home, Food, Automobiles, Personal Care	35	3%	262	2%
Education	11	1%	257	2%
Real Estate and Rentals	47	4%	234	2%
Public Administration	12	1%	173	2%
Banking, Finance and Insurance	56	5%	145	1%
Construction	25	2%	89	1%
Information	12	1%	85	1%
Other	108	10%	248	2%
Total	1,073	100%	11,400	100%

Source: North Carolina Department of Commerce, Labor & Economic Analysis

People Who Work in Pinehurst (Where Workers in Pinehurst Live)

Of the people that work in Pinehurst, approximately 50% of them are aged 30-54, while 32% are over the age of 55, and 18% are under the age of 29.

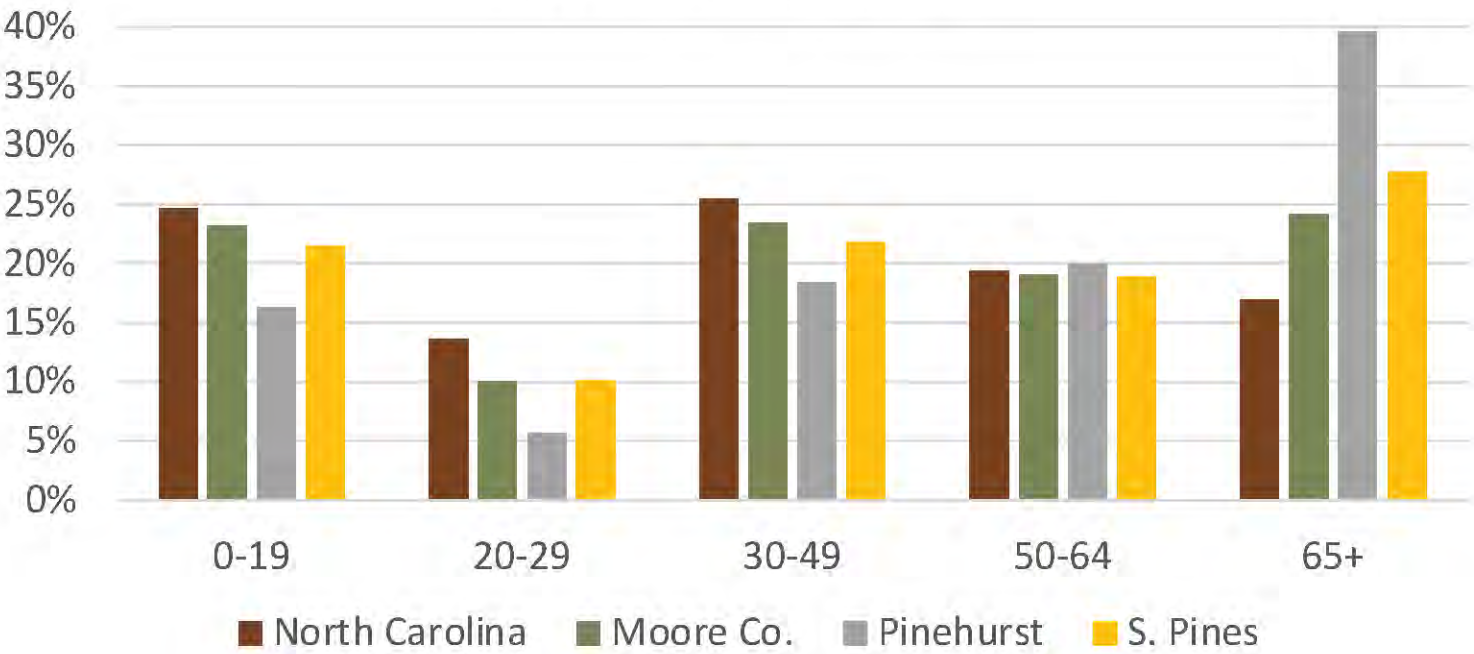
Almost half of the workers make more than \$3,333 per month. Over 50% of the workforce has some college, an Associates degree, Bachelor's degree or higher.

Household Data for NC, Moore County, Pinehurst, and Southern Pines (2020-2025)

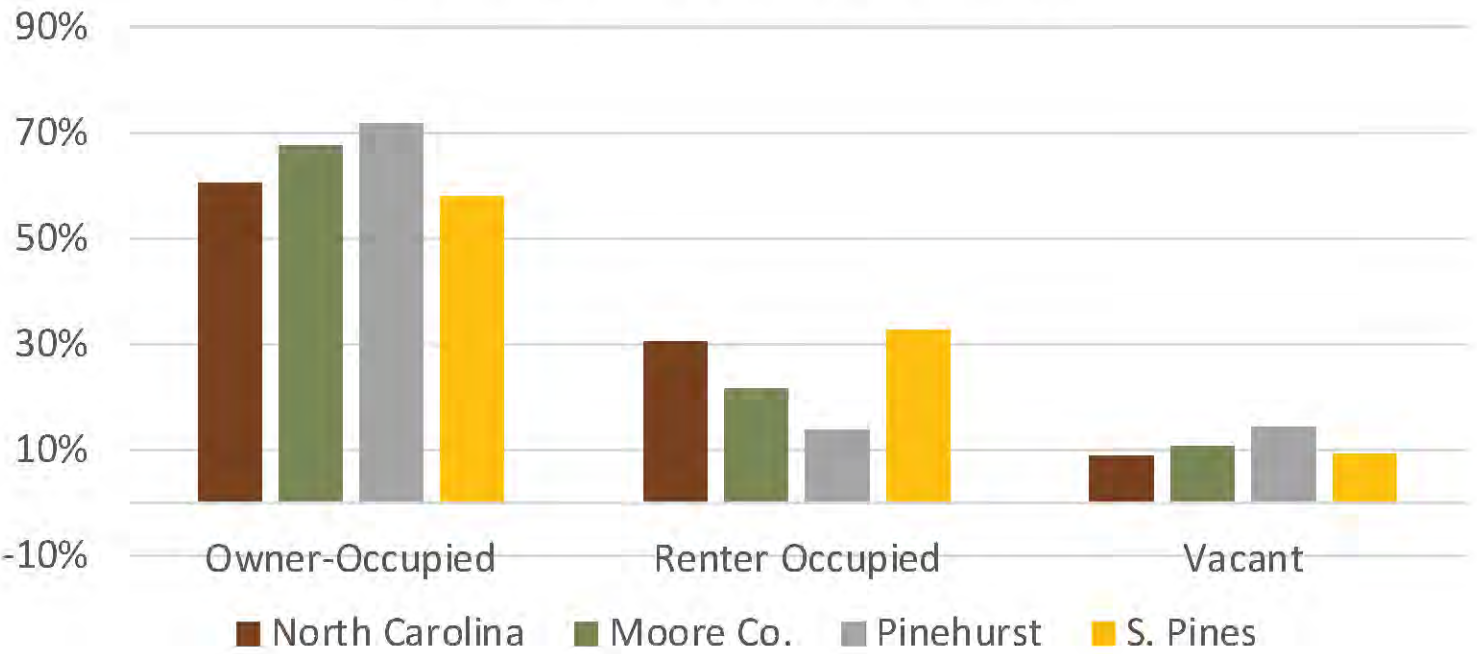
Geography	2020	2025	Growth	Annual Growth Rate
North Carolina	4,341,543	4,494,724	153,181	0.7%
Moore County	43,651	45,169	1,518	0.7%
Moore Co. as % of NC	1.0%	1.0%	1.0%	
Pinehurst Village	7,885	8,100	215	0.5%
Pinehurst as % of Moore	18.1%	17.9%	14.2%	
Southern Pines Town	7,142	7,207	65	0.2%
Southern Pines as % of Moore	16.4%	16.0%	4.3%	

Source: AccessNC, North Carolina Department of Commerce, Labor and Economic Analysis

Age Distribution, 2020

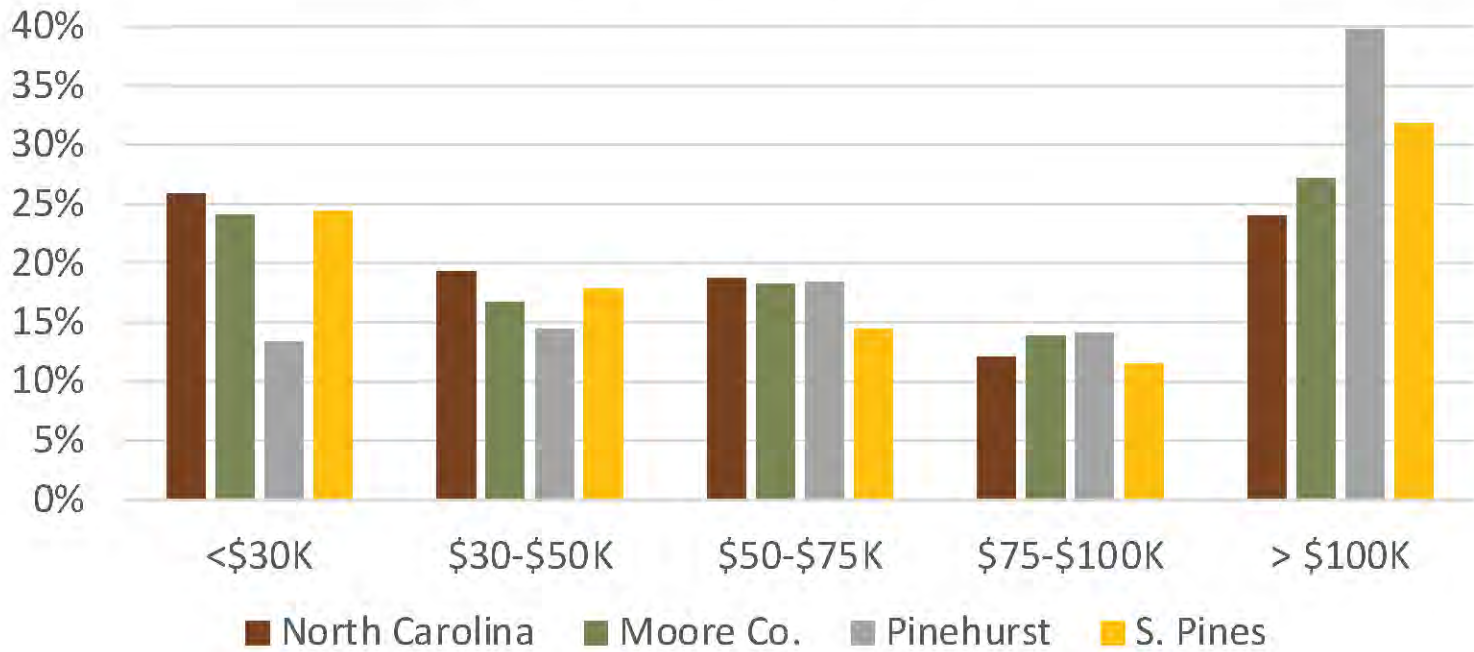


Housing Units Distribution, 2020



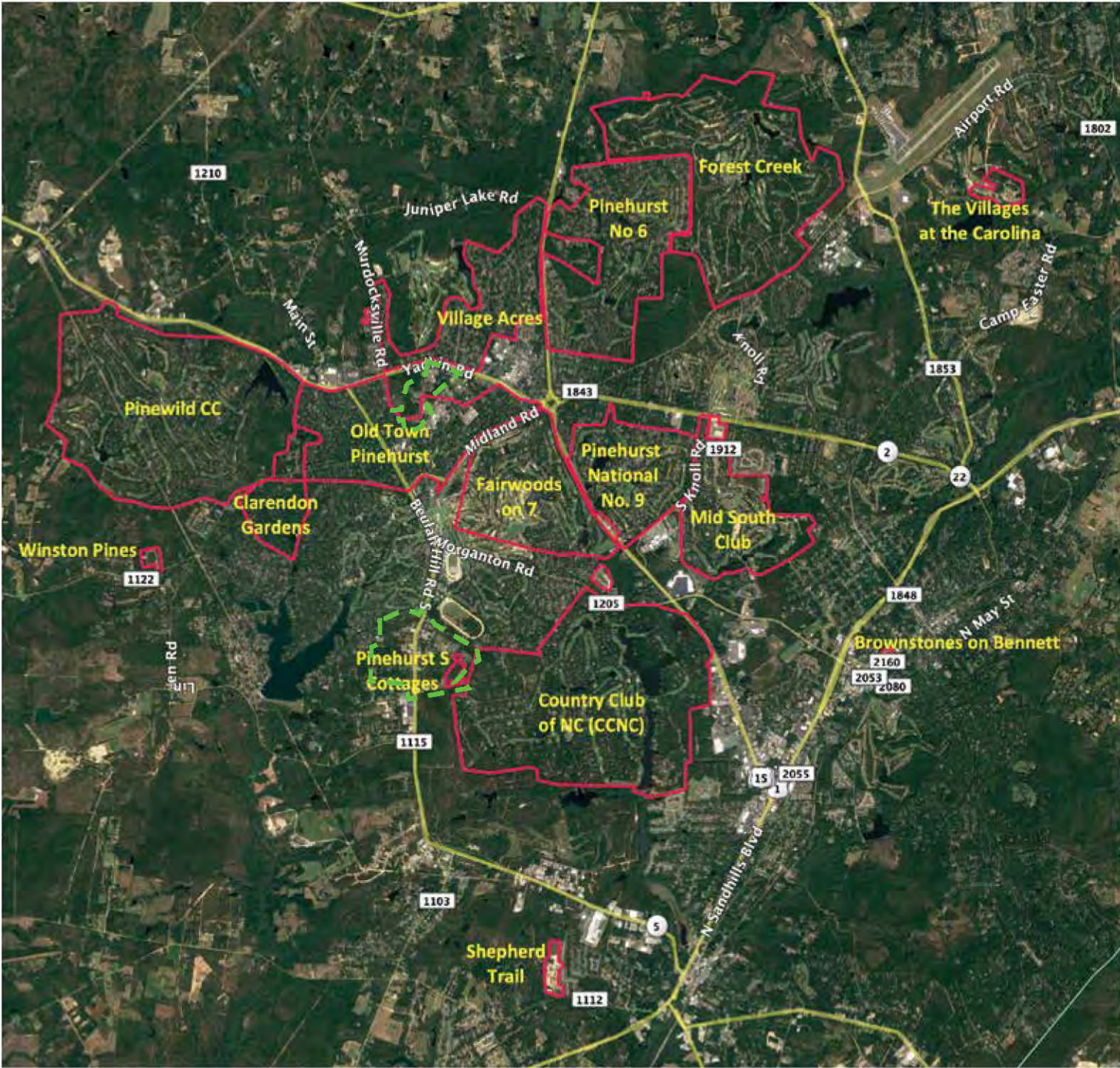
Source: AccessNC, North Carolina Department of Commerce, Labor and Economic Analysis

Income Distribution, 2020



Source: AccessNC, North Carolina Department of Commerce, Labor and Economic Analysis

For-Sale Residential



KEY

SMALL AREA PLAN (SAP) BOUNDARY

FOR-SALE COMMUNITY OUTLINE



Permits and sales continue to increase

Healthy market with strong demand fundamentals

For-sale in Pinehurst tends to be single-family detached

Demand is high



Home prices continue to rise in Pinehurst - still more attainable/affordable than similar housing in other parts of the country

New homes in non-golf oriented communities are \$300,000 to \$500,000 on average

New, infill housing in golf-oriented master-planned communities are \$450,000 to \$750,000



Single-family homes selling in Village Place tend to be priced from \$200,000 to \$400,000. **Two new homes sold for approximately \$300,000**

New product within the study area could be a combination of small lot single-family detached, townhome/attached, and possibly condominium product

The price point would likely be above existing homes within the study area



There are very few for-sale houses within the Pinehurst South study area

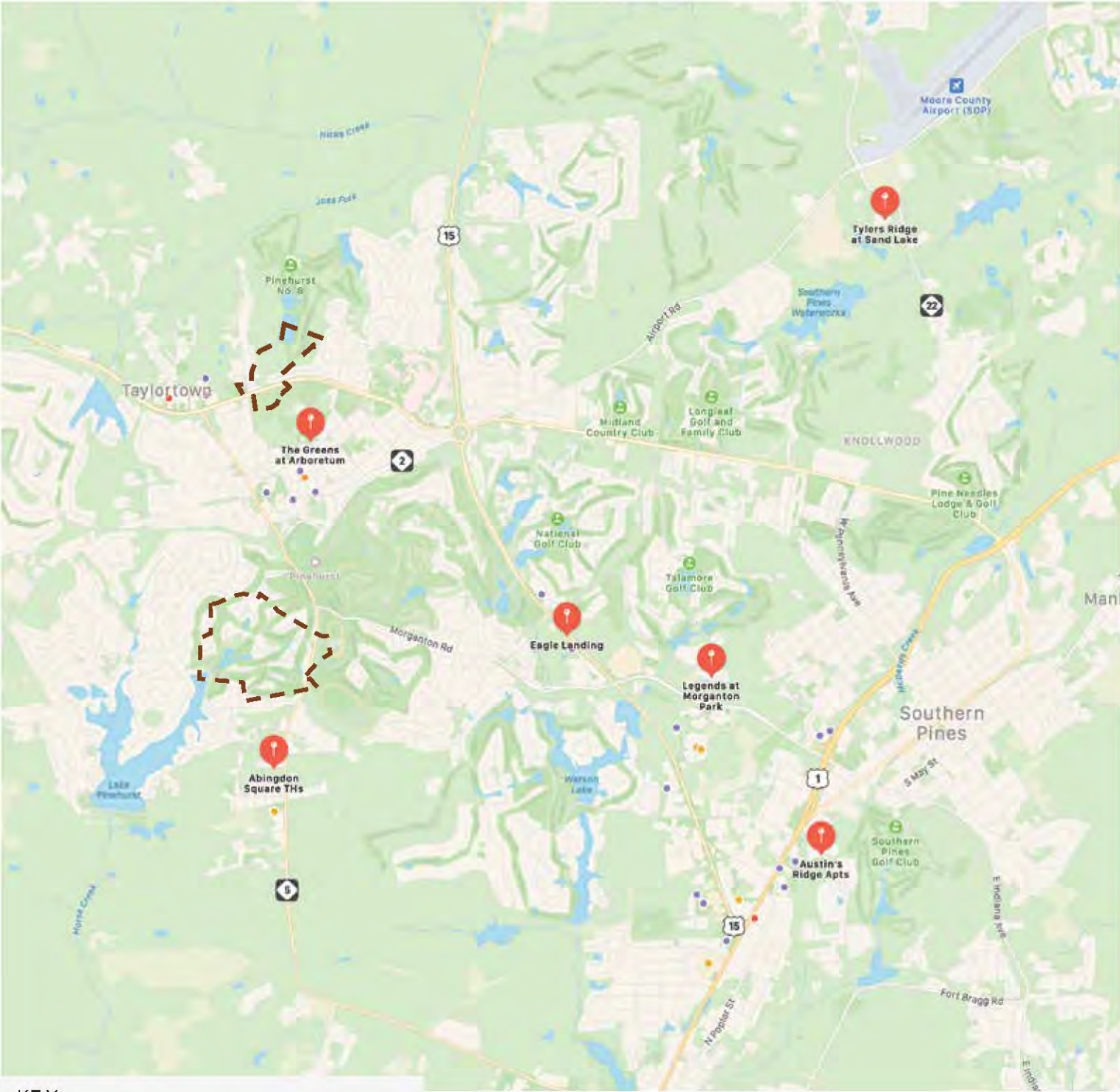
Nearby townhouse community built in the late 1980s sells for approximately \$180,000 and \$230,000

For-sale homes would be marketable in the study area. There could be a combination of small lot single-family detached and townhome/villa product

The pricing would be above the existing product, and likely within the middle band of new houses in the Pinehurst area

Pinehurst is projected to see strong owner household growth over the coming years; both Village Place and Pinehurst South could capture this growth and help create new, walkable, mixed-use neighborhoods

For-Rent Residential



KEY

SMALL AREA PLAN (SAP) BOUNDARY

APARTMENT COMPLEX



Vacancy continues to remain low (3%) despite the addition of 180 apartment units since 2020

Most Pinehurst rental product is single-family detached homes

Strong, in-balance apartment market

Demand is moderate



Rental rates, although not overly high compared to more suburban areas, have continued to rise in recent years

New rental product in Pinehurst is likely to rent at the higher end of the market, similar to The Greens at Arboretum

One bedrooms range from \$1.43 to \$1.63 per square foot, two bedrooms range from \$1.18 to \$1.26 per square foot, and three bedrooms range from \$1.25 to \$1.55 per square foot



The Greens, a relatively new apartment complex, is located within Village Place

Additional new for-rent residential would be marketable within the study area

It is walkable to the Village Core, is close to services and amenities, and close to open space



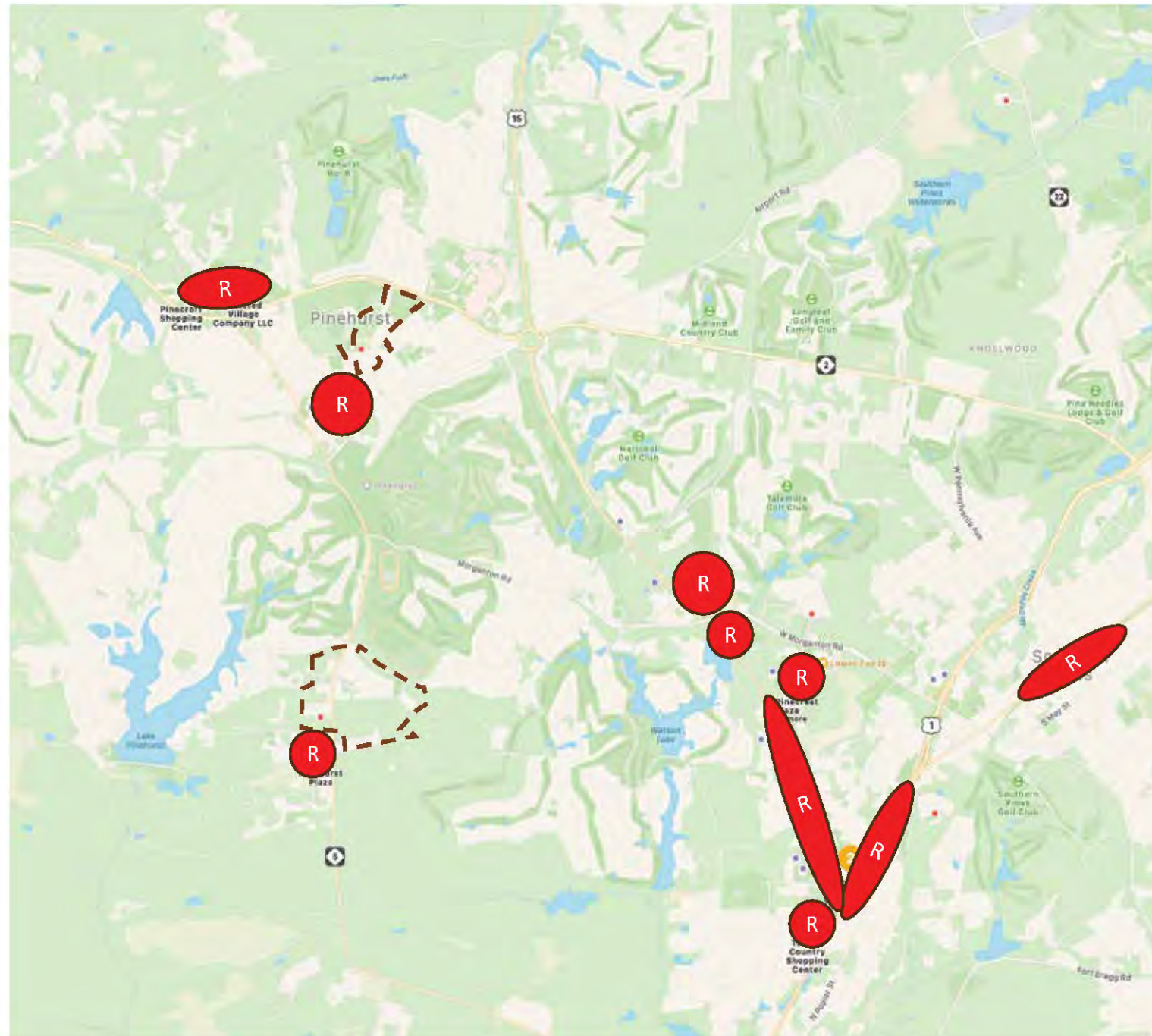
Pinehurst South currently has a rental townhome community, Abingdon Square Townhomes, and the Inn at Quail Haven Village, a senior continuing care retirement community (CCRC)

It would be a marketable location for a rental community

It would likely be positioned below new apartments in Village Place given it is not walkable and farther from services and amenities

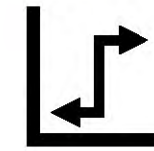
Pinehurst is projected to see modest rental household growth over the coming years; both Village Place and Pinehurst South could capture this growth and help create new, walkable, mixed-use neighborhoods

Retail



KEY

■ ■ SMALLAREAPLAN (SAP) BOUNDARY

 RETAIL SHOPPING

- Retail occupancy is currently down due to Covid-19, but still performing relatively well compared to other similar parts of the state
- Occupancy should increase after the pandemic is over
- Demand is moderate, and tied to household growth



The average rental rate has been relatively stable
Rental rates are approaching the amount needed for new construction (roughly \$24 to \$30/SF)



Village Place is adjacent to the Village Center

Small retail cluster along Rattlesnake Trail. This area could be built upon

Village Place would be an appropriate location for retail including restaurants, entertainment, tourist-oriented, and locally serving retail.

Larger format retail would prefer to be along NC 211, while smaller retail could be an extension of the Village Core, brewery, and retail along Rattlesnake Trail



Pinehurst South is adjacent to some underperforming, older retail

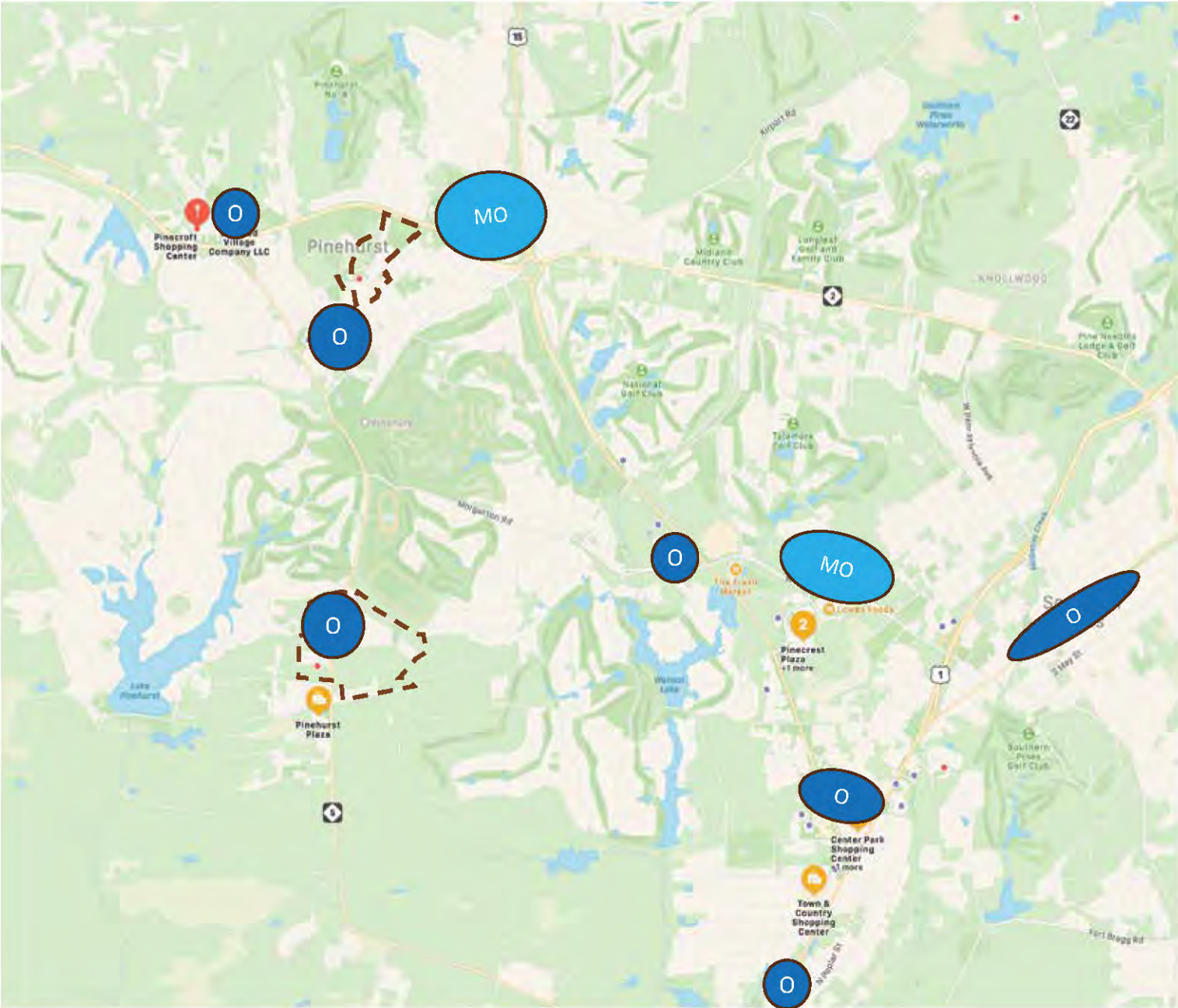
A few retail businesses in PS including the new ABC store, bank, and framing shop

Pinehurst South reasonable location for retail. Main challenge on eastern side of NC 5 is access – retail needs good access, and the rail road crossings make that difficult

Western side of NC 5 would be a good location for locally-serving retail and perhaps shopping center

Pinehurst is projected to see modest retail growth over the coming years; both Village Place and Pinehurst South could capture this growth and help create new, walkable, mixed-use neighborhoods.

Office



KEY

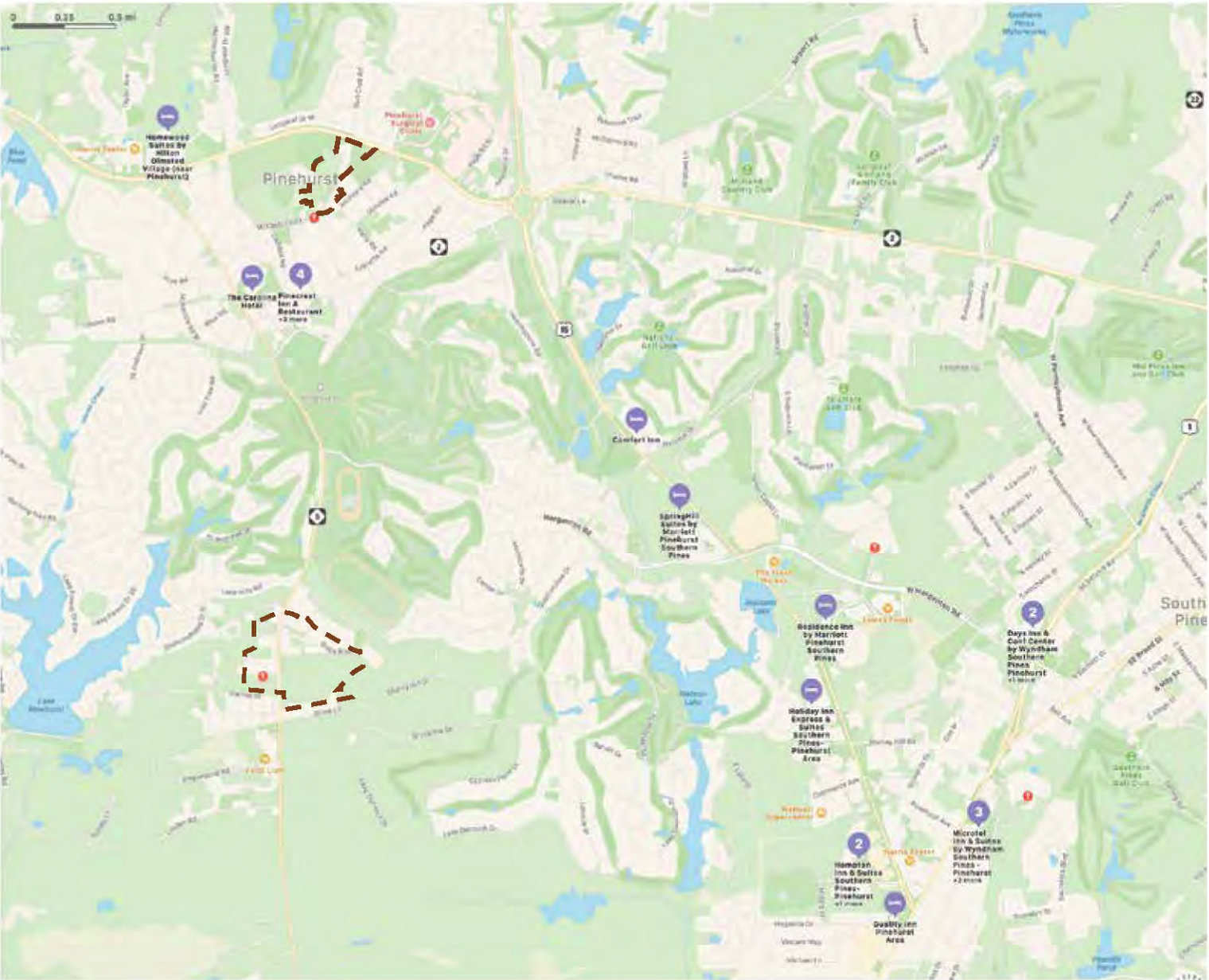
SMALL AREA PLAN (SAP) BOUNDARY

GENERAL OFFICE

MEDICAL OFFICE

	Occupancy continues to remain high and there has been turnover within buildings New space has been constructed and slowly leased within the area Pinehurst office is primarily medical and/or locally serving Demand is relatively low
	Rental rates for most tenants remains below the threshold to build new product New office product can be built when leases reach \$18-\$22/SF This is starting to happen through the Pinehurst area, so new office construction begins to be feasible
	There is very little office currently located within Village Place Location would be appropriate for small-scale office that is locally-serving and generated such as accountants and real estate professionals
	Pinehurst South has a fair amount of office Some of it is medical office, such as dentists, and some is locally-serving such as financial planners Location would be appropriate for both office mixed in with other uses as well as more stand-alone, larger office given land availability
Pinehurst is projected to see limited office growth over the coming years; both Village Place and Pinehurst South could capture this growth. In VP it would be part of a walkable, mixed-use neighborhoods. In PS it could also be more office-park like space.	

Hospitality



KEY

SMALL AREA PLAN (SAP) BOUNDARY

HOTELS



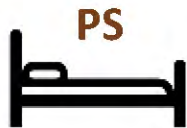
Occupancy is currently down due to Covid-19
After the pandemic, market is likely to fully rebound to previous occupancy levels (65%)
Demand is low to moderate



The Average Daily Rate has remained strong despite Covid-19 at \$131 for 2020
RevPAR is down to \$61 for 2020, but should return to pre-Covid levels (\$90 in 2019)



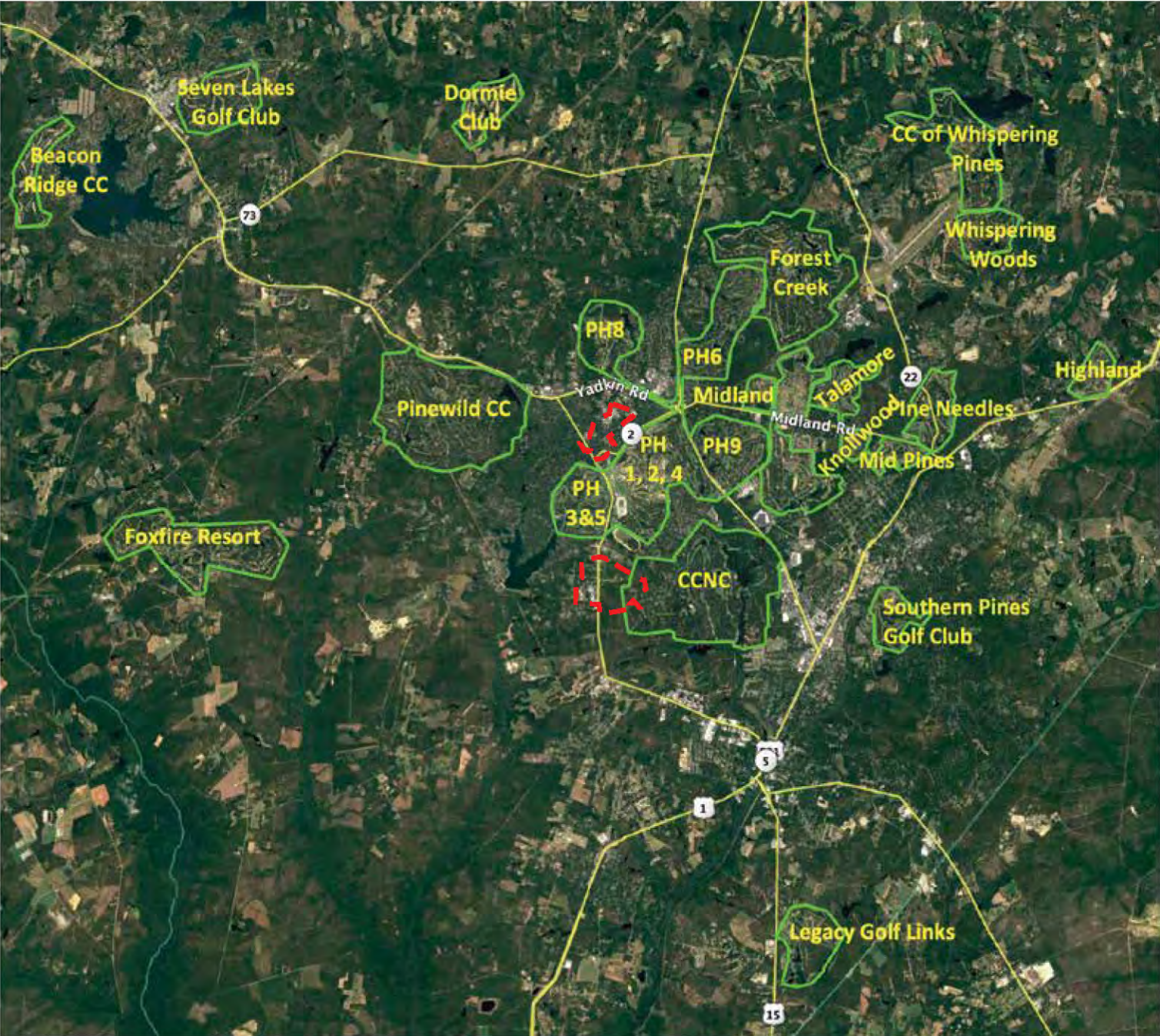
The Manor is located within Village Place. 42 rooms and recently renovated. Higher-end hotel in the area
Village Place good location for additional hotel rooms. Close to downtown, NC 211, and could appeal to golf, medical, and business travelers



There are no hotels currently in or near Pinehurst South
Majority of hotels in the area are concentrated either close to Pinehurst Center or along the major highways including US 15-501 and US 1
Currently, Village Place would be a more attractive location for a hotel than Pinehurst South

Pinehurst is projected to see modest hospitality growth over the coming years; both Village Place and Pinehurst South could capture this growth and help create new, walkable, mixed-use neighborhoods.

Golf



KEY

SMALL AREA PLAN (SAP) BOUNDARY

GOLF COURSE OUTLINE



Participation is currently up in the US for the first time in many years
Pinehurst has also seen an increase in the amount of golfers and rounds played this year



According to the National Golf Foundation, the average round in the US costs \$61 in 2020
Pinehurst has rates far above the national average for golf



Village Place cannot accommodate a new golf course
Given the nature of the other land uses, this is not as good of a location for other golf uses that might be appropriate in Pinehurst South



Pinehurst South cannot accommodate a new golf course
It could be an appropriate location for golf operations facilities

Pinehurst and the surrounding area are projected to see modest golf growth in the coming years; neither Village Place nor Pinehurst South could support a golf course. Pinehurst South could be a viable location of golf-support activities (maintenance, back of house, etc.).

Summary of Market Opportunity

Land Use	Overall Market Opportunity	Village Place	Pinehurst South
For-Sale Residential	✓✓✓✓✓	✓✓✓✓	✓✓✓✓
For-Rent Residential	✓✓✓	✓✓✓	✓✓✓
Retail	✓✓✓✓	✓✓✓	✓✓✓
Office	✓✓	✓✓	✓✓
Hospitality	✓✓✓	✓✓✓	✓✓✓
Golf	✓✓	O	✓

Key: ✓✓✓✓✓ = best, ✓ = worst, O = none

Land Use	Demand Potential	Locations within Pinehurst
For-Sale Residential	80-120 homes/year	Almost anywhere
For-Rent Residential	15-25 units/year	Major roads, VP, PS, Village Cntr
Retail	20-25,000 SF/ every 5 years	Major roads, VP, PS, Village Cntr
Office	Up to 5,000 SF/year	Medical area, VP, PS, Village Cntr
Hospitality	25 rooms/yr. in Moore Co.	Resort, Village Cntr, PS, VP
Golf	2-3 courses over the next 10 years in Moore Co.	Focus Area 1 is the only area with space

Summary of Demand for Land Uses within Planning Areas

Land Use	Pinehurst South
For-Sale Residential	Unlimited (up to build-out capacity) 1 project would sell approximately 15-25 homes per year
For-Rent Residential	1-2 projects of up to 200 units each, depending on the location Timing depends on where else apartments have been constructed
Retail	Up to 80,000 SF with grocery, 40,000 SF without grocery
Office	Up to 100,000 SF Limited amount per year. 5,000 SF total in Village. Pinehurst South could capture some of that. Could increase, depending on impact of USGA
Hospitality	1 hotel with approximately 100 rooms
Golf	Possibly some support functions (although the land probably has a higher and better use than maintenance for golf)

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An aerial sketch of a city grid, showing a dense arrangement of buildings, streets, and trees. The drawing is in a light, sketchy style, with buildings represented by simple outlines and trees by more organic, cloud-like shapes. The overall tone is light and airy, with a focus on the layout of the urban environment.

3.0 PUBLIC OUTREACH

3.1 OVERVIEW

3.2 PHASE 1 OUTREACH SUMMARY

3.3 PHASE 2 OUTREACH SUMMARY

3.1 OVERVIEW

Public participation helps ensure the plan addresses community concerns and ideas, fosters an inclusive and transparent planning process, identify key opportunities and priority areas, and build momentum to move a planning process towards adoption and implementation. Stakeholder input and feedback were critical to creating a community-supported vision for Pinehurst South

A critical task throughout the planning effort was to gather stakeholder input on existing conditions and feedback on proposed concepts. This engagement was conducted through a variety of outreach methods.

Stakeholder Interviews

Throughout December 2020 and January 2021, the consultant team conducted over 20 key stakeholder interviews, discussing the two plan areas with Village staff, appointed and/or elected officials, agency representatives, committee chairs, residents, local businesses and merchants, golf and tourist industry representatives, major employers, property owners, developers, brokers, and others to further understand their viewpoints.

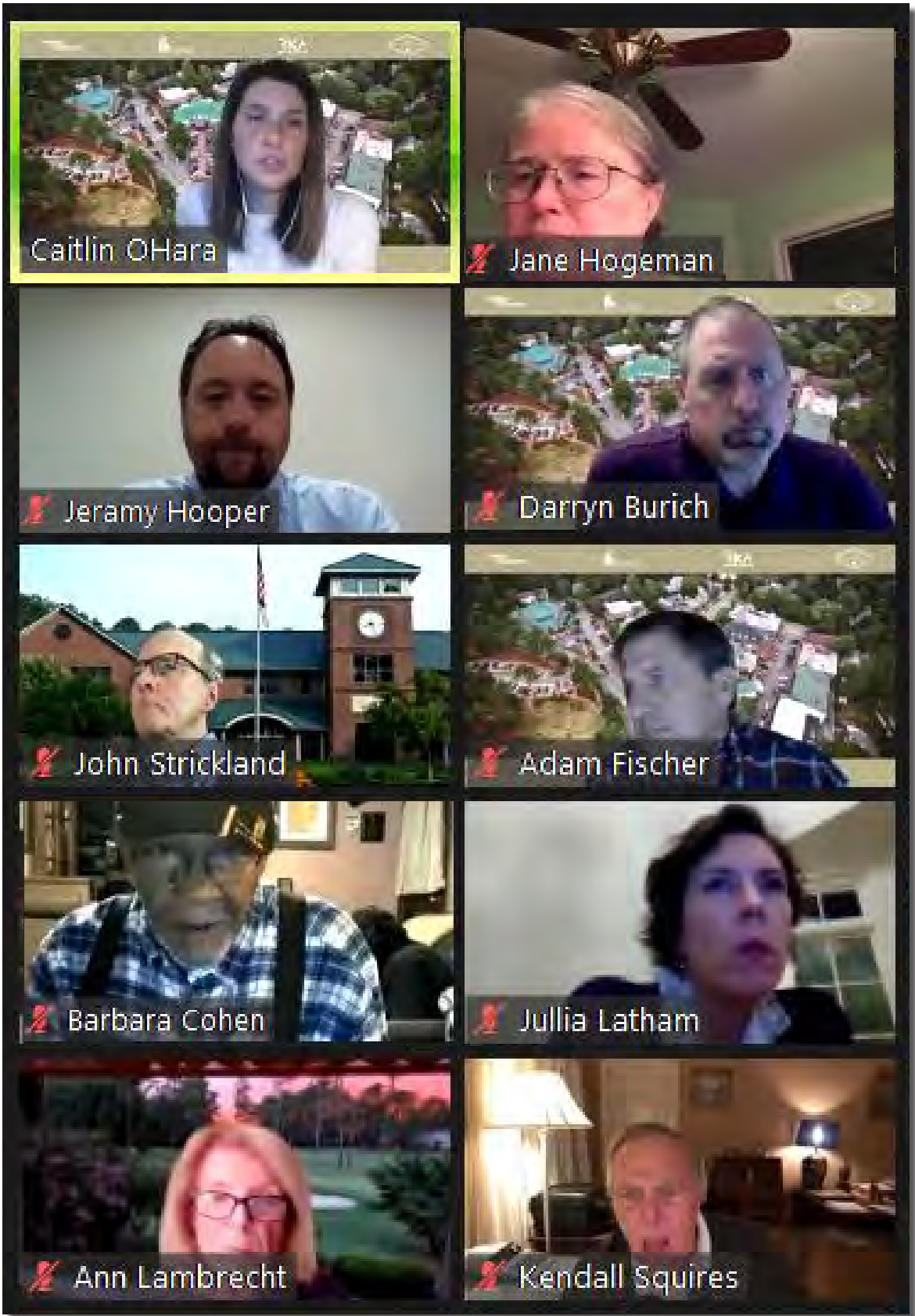
Public Workshops

The consultant team and the Village of Pinehurst held three public workshops to elicit feedback and present work to stakeholders. The workshops were held as follows:

- » In February 2021, Public Workshop 1 was held to outline a vision for the future of the two Small Area Plans with public input and guidance. There were 148 registrants (including consultant and Village staff team members), and approximately 100 attendees participated virtually, due to COVID-19 precautions.
- » In early June 2021, Public Workshop 2 was held to solicit further feedback on the proposed concepts for the two Small Area Plans. There were 88 registrants (including consultant and Village staff team members) and approximately 59 attendees participated virtually, due to COVID-19 precautions.
- » In February 2022, an open house was held to present the draft Pinehurst South Report. Approximately 108 attendees participated in person at the Fair Barn.



Presentation images from Public Workshop 1



Screenshot images from Virtual Public Workshop 1

3.2 PUBLIC WORKSHOP 1

Overview

In February 2021, the consultant team and Village of Pinehurst held Public Workshop 1 (of 3) to outline a vision for the future of the two Small Area Plans with public input and guidance.

The Public Workshop was held virtually due to COVID-19. There were 148 registrants (including consultant and Village staff team members), and approximately 100 attendees participated. Darryn Burich (VOP) introduced the team and gave an overview of the project goals and objectives. Cecily Bedwell and Caitlin O'Hara (DCI) presented the project team, project introduction, project schedule and Existing Conditions. Melina Duggal (DREA) presented the Market and Economic Analysis.

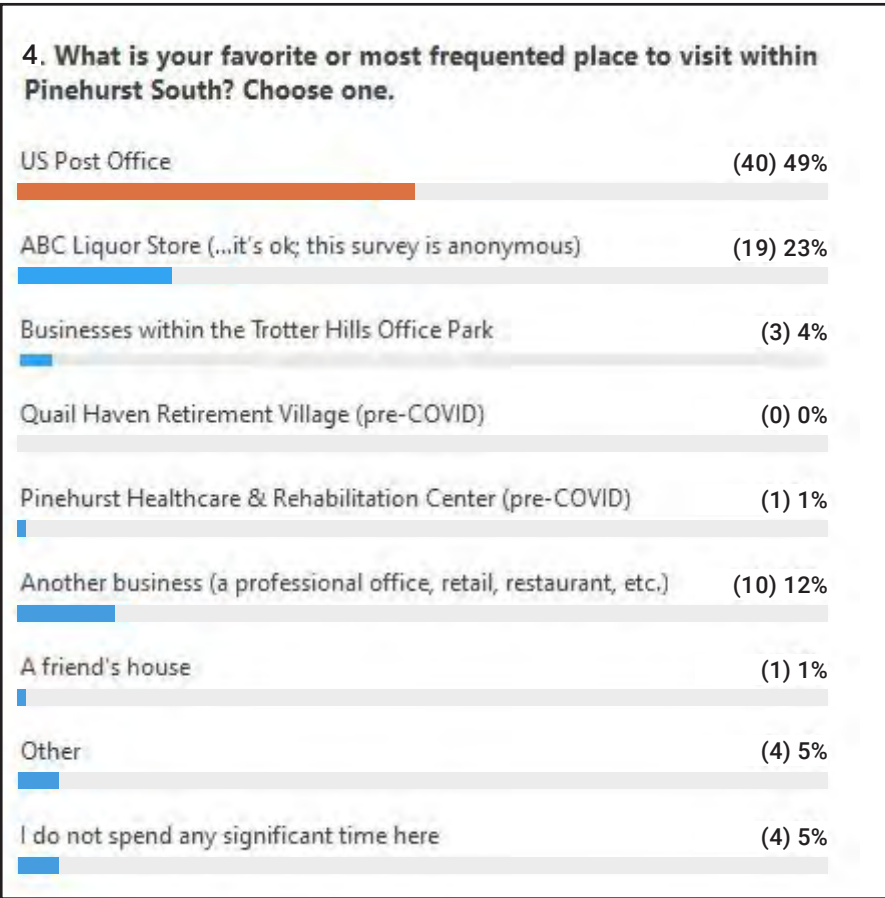
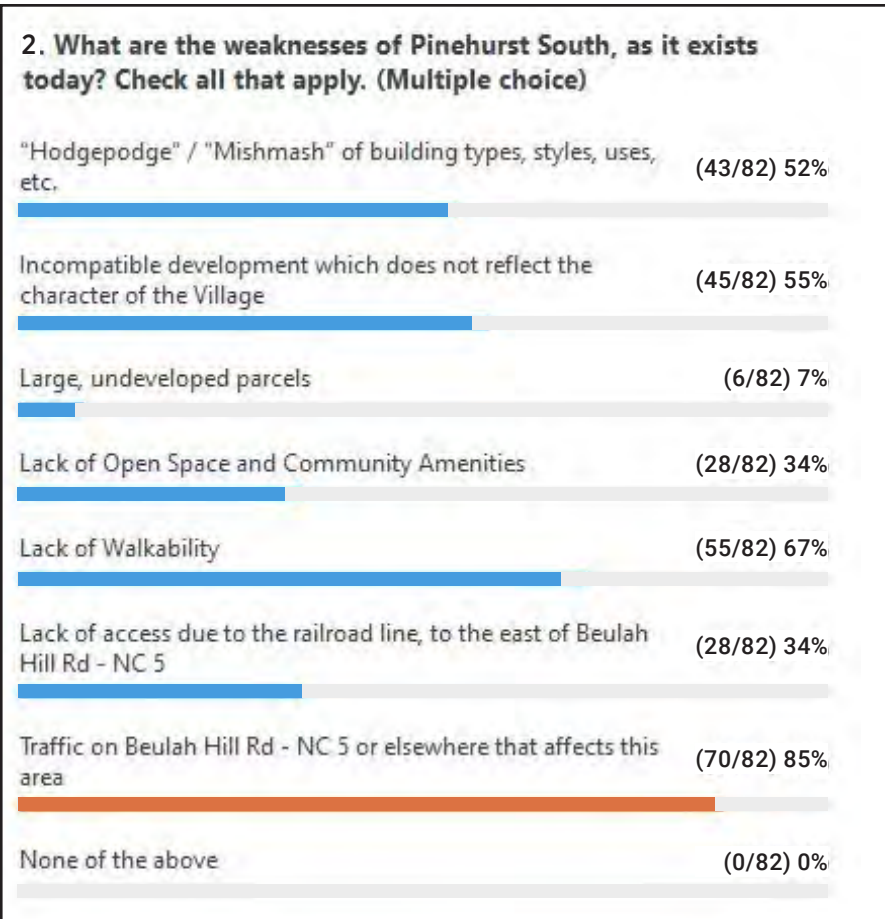
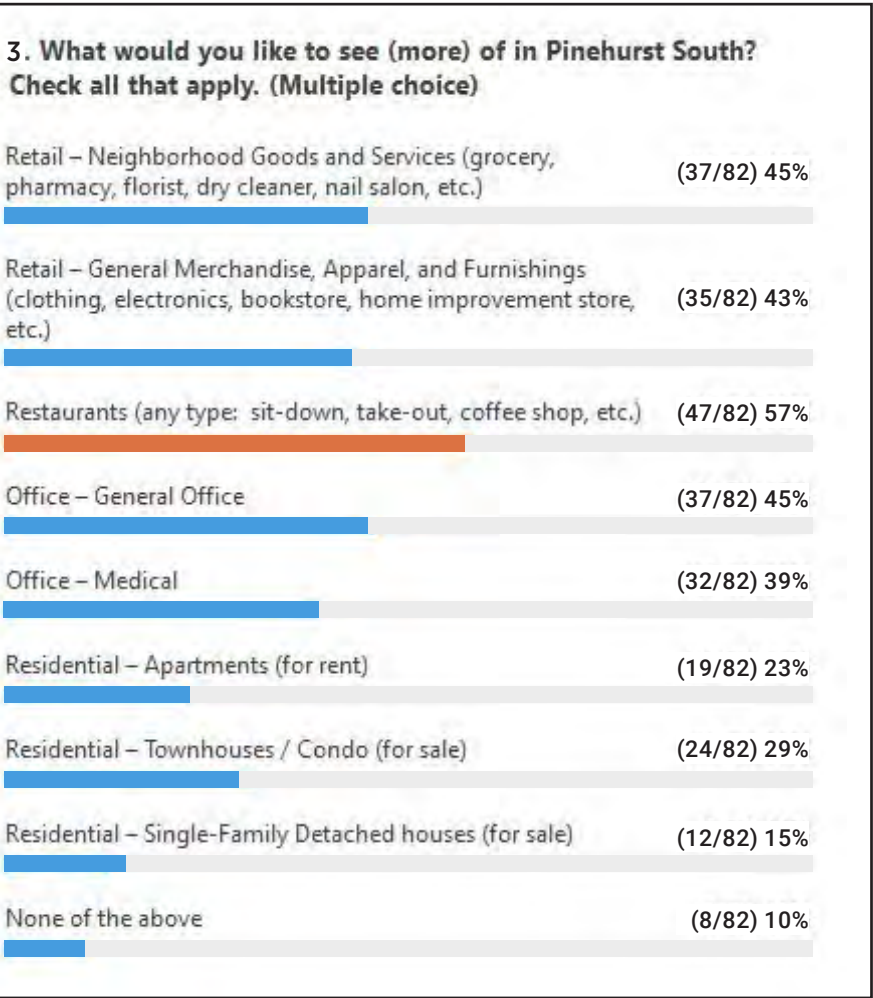
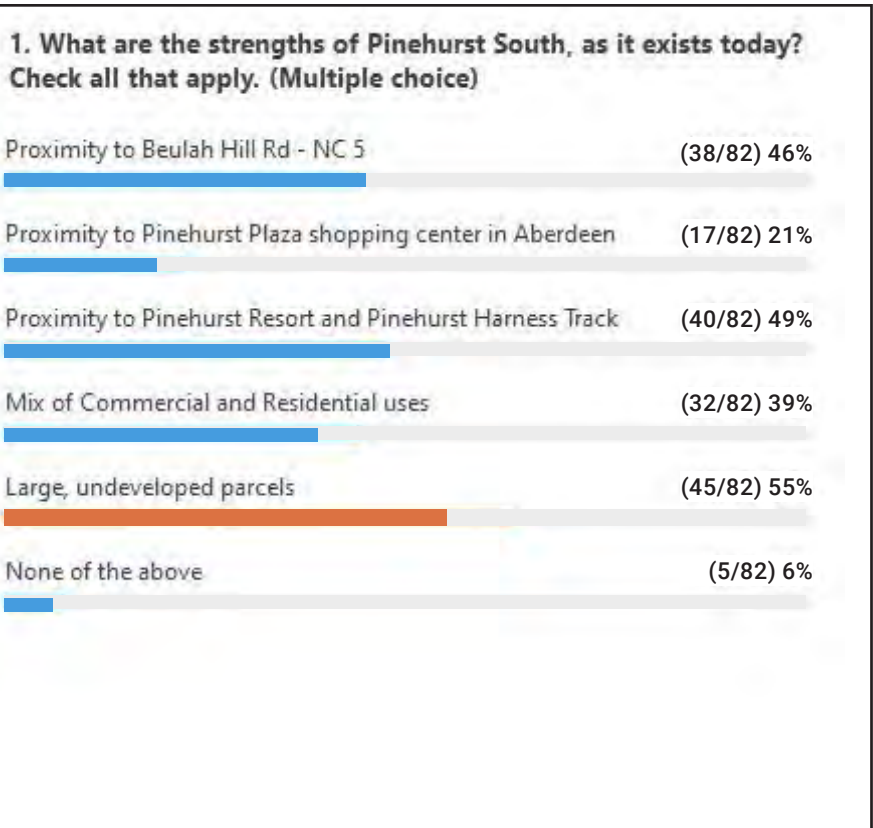
Breakout Rooms were utilized to give participants the opportunity to ask questions, give input, and listen to other stakeholders. Each breakout room was facilitated by a member of the project team. Additionally, the project website provided outreach materials as well as an online survey and a summary of the presentation.

The following pages summarize the feedback received as a result of Public Workshop 1.

Pinehurst South Polling Questions

The Public Workshop included two rounds of Polling Questions, one for Village Place and one for Pinehurst South. The polls were available live during the Public Workshop and also on the Project website for 10 days following the event. Participants were encouraged to use the polling questions to express their views on the strengths, weaknesses, and opportunities relating to each Small Area Plan.

This page shows the cumulative results of the Polling Questions for Pinehurst South.



3.3 PUBLIC WORKSHOP 2

Overview

In Phase 2, from March to May 2021, based on the analysis conducted and feedback received during Phase 1, the consultant team designed and compiled Concept Plan Options, Street Sections, Open Space and Street Network Plan Diagrams, Renderings, Precedent Images, and similar for Village Place and Pinehurst South. During this time frame, the consultant team discussed the two plan areas and concepts with Village staff, appointed and/or elected officials, and key stakeholders and, based on input received, refined the concepts.

In early June 2021, the consultant team and Village of Pinehurst held Public Workshop 2 (of 3) to solicit further feedback on the proposed concepts for the two Small Area Plans. There were 88 registrants (including consultant and Village staff team members) and approximately 59 attendees participated virtually, due to COVID-19 precautions. Cecily Bedwell and MacKenzie Twardus (DCI) presented the Project Overview, Public Workshop 1 Summary, two plan options for each Small Area Plan, and other supporting materials. Melina Duggal (DREA) presented the Market and Economic Analysis summary that contributed to the plan options.

Breakout Rooms were utilized to give participants the opportunity to ask questions, give input, and listen to other stakeholders. Each breakout room was facilitated by a member of the project team. Materials were then posted to the project website to allow for further input.

The following pages summarize the feedback received during Public Workshop 2.



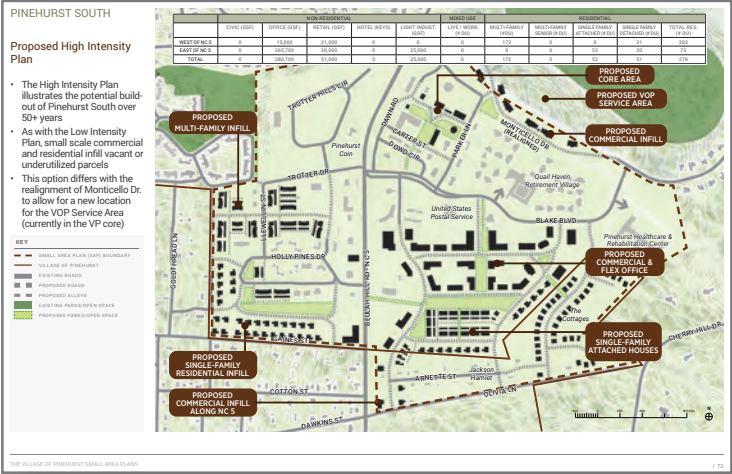
Screenshot images from Virtual Public Workshop 2

Public Workshop 2 Summary

Public Workshop 2 offered the community an opportunity to voice their observations and concerns about the future of Village Place and Pinehurst South. The list below is a compilation of the comments received during the workshop for Pinehurst South, as well as additional comments received post workshop, via the project website survey (see www.engage.vopnc.org/smallareaplans for more information).

Low and High Intensity Plans

- » Many stakeholders support the High Intensity Plan – although it is long term, it creates a good vision for this area.
 - VOP is running out of room so this area is critical to future development. More Multi-Family is needed here.
 - Prefer the idea of moving density here than taking Natural Areas and Green Spaces elsewhere
- » However, some stakeholders prefer the Low Intensity Plan and Single-Family units as more in keeping with the Village of Pinehurst (VOP) theme.
 - Desire to make Single-Family lots larger to accommodate backyards and focus on low density with no Multi-Family
 - Some stakeholders are afraid that the High Intensity Plan would bring more traffic and add to the existing traffic problems. There is support for internal streets, but stakeholders do not believe this helps to alleviate traffic on NC-5 in the near term.
- » Some stakeholders are in favor of Mixed Use. Mixed used and commercial buildings should still maintain appropriate heights, keeping VOP character.
- » Many are against big box stores in the area, preferring smaller, locally-owned businesses
- » Support for the Market/Incubator space for small businesses (proposed in the core, north of Blake Blvd.)
- » Some stakeholders prefer research/medical businesses here (per Comp. Plan), believing those uses don't generate much traffic
- » Concerns about the type of commercial development; needs to be thoughtful.
- » Opposition to industrial use near residential area
- » Some stakeholders think residential use on east side of NC-5 should be Multi-Family, not Single-Family Detached, as that area was meant to be commercial, Innovation Hub anchor.



PINEHURST SOUTH PLANS FOR BREAKOUT ROOM DISCUSSIONS

The pages above are examples plans shown during the Breakout Rooms for Pinehurst South. For a full reference of these comments, please see the PW 2 Summary document on the project website.

- » Moving the Pinehurst Public Service Facility from Village Place to Pinehurst South was a surprised to some stakeholders. Many agree that it needs to move, but think that there needs to be a better description of what it is and how will it look. There is also some concern that there may not be enough space for the Service Area.
- » Pinehurst South's design should reflect / fit with VOP theme; it should not imitate Village Center, but the design should relate.
- » Sidewalks / Paths:
 - Some think brick sidewalks should be required
 - Walkability is key to growth. Currently nowhere to go
 - Overall support for pedestrian connections and walkability
 - There is an opportunity to connect to Harness Track and Clubhouse by foot.
 - Support for the shared-use path along NC-5 - it would be good to connect it north, to Village Center
 - The residents of the Jackson Hamlet community travel on foot - adding sidewalks/walkability helps underserved community.
 - There should be a shared-use path going west to Lake Hills Road.
 - Focus has been switched from innovation hub to health and wellness; plan needs to reflect this change - more trails to walk or ride.
 - Plan needs to encourage walking to services and increase walkability to ease traffic on NC-5
- » Streets
 - Most stakeholders in support of Monticello realignment and relocation of Service Facility here. However, some noted that the Service Facility would fit without relocating Monticello if no commercial was located on the north side.
 - Emphasize connectivity to the Harness Track; this is an asset to the community and it can be enhanced by this adjacent development.
 - There are still many concerns about NC-5 traffic. Some stakeholders do not think this plan helps the traffic problem.
 - Some stakeholders expressed concern that existing parallel parking (in Southern Pines) isn't working well because residents do not like parallel parking
 - Stakeholders are concerned about truck traffic on Monticello, depending on what type of commercial development will be in the area. They would like to know what kind of vehicles would be coming in and out.
 - Community supports the idea of rerouting commercial traffic off NC-5.
 - Concern about street ownership.
 - Some stakeholders think the Railroad should be diverted to bypass all of Pinehurst, altogether. This area could be used to make a greenway to accommodate golf carts from Aberdeen to Pinehurst.
 - Open up area around USGA headquarters - multi modal movement from Aberdeen to Pinehurst - almost to Southern Pines area - connect three small towns

- Like that this plan would alleviate traffic on local streets
- Plan looks appropriately Olmstedian in street pattern

Buildings:

- » Preference for commercial/retail along the green space to encourage public use and engagement.
- » Stakeholders would like to see a cohesion of architecture and landscape to blend everything together. FBC will be important.
 - Buildings (especially Multifamily, Mixed Used, and Commercial) need to have lots of open space, and breathing room around them, to avoid looking out of place.
 - Some stakeholders did not like the proposed 8-, 10-, 12-unit multi-family buildings

Open Space:

- » Some stakeholders think that there is not enough open space in this plan.
- » This is an entry corridor; it is important to have landscape and Village character here to reflect the theme of VOP. People should know they are entering VOP. Some stakeholders think that more landscape is needed in this area.
- » Some stakeholders desire access to more sports fields, recreation areas for families in this area - possibly a sports campus with soccer, baseball, tennis, etc.

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4.0 RECOMMENDATIONS

4.1 OVERVIEW

4.2 GUIDING PRINCIPLES

4.3 CONCEPT DESIGN

4.4 FINAL DESIGN

4.1 OVERVIEW

Overview

The recommendations for Pinehurst South are broken down into three components: Guiding Principles, Concept Design, and Final Design. The material in this section takes into consideration the Phase 1 Existing Conditions analysis, the review of the previous plans and studies, and input received from stakeholders.

Approach

CHARACTER:

- » Gateway at NC-5 & Blake Blvd. is important
- » Architecture does not need to emulate the Village Center (VC), but should reflect the overall character of the Village
- » New streets should reflect the curvilinear character of the Olmsted plan where practical, in response to topography, etc.
- » 1-2 stories is preferred
- » Jackson Hamlet: respect this historically Black neighborhood and its residents’ history
- » Explore ways to tie in the history of the Chalfonte Hotel and Ambassador ‘s Club, two historic buildings in this area that no longer exist

LAND USE:

- » Explore placemaking/center east of NC-5, between Monticello Drive and Blake Blvd., given the nexus of the Post Office, Pharmacy, ABC, Dowd Cabin, and the new Girls & Boys Club
- » Explore variety of residential types (including cottages, townhouses, live-work, and missing middle residential) as well as infill commercial
- » Departure from 2019 Comp. Plan; the Innovation District is better suited to Focus Area 3: Medical District as it requires an anchor institution: medical, university, etc. Alternatively, this area could be anchored by the Golf Industry
- » Incorporate new Open Spaces

TRANSPORTATION:

- » Help alleviate traffic congestion on NC-5 by providing network/expanding connectivity
- » Explore “Rails with trails” Shared-Use Path (SUP) east of NC-5, between roadway and rail (no golf carts)
- » Coordinate with NCDOT sidewalk and roadway improvements along the west side of NC-5
- » Study golf cart connections (west to east) and NC-5 and railway crossings (2 existing)

Guiding Principles

The Guiding Principles below informed the Concept and Final Designs found within this document and should carry through in future development and improvements within Pinehurst South. These defining planning principles help creating lively, walkable, desirable, and cohesive neighborhoods. The Guiding Principles employed for this planning effort are separated into universal Planning Principles and specific Olmsted and Manning Principles as follows.

PLANNING PRINCIPLES:

- » Create a connected circulation network
- » Incorporate Complete Streets
- » Strengthen building frontage
- » Provide a variety of public open spaces
- » Design streets for flexible programming
- » Promote health and wellness through neighborhood design

OLMSTED & MANNING PRINCIPLES:

- » Design curvilinear street forms, following topography and continuously redirecting views
- » Incorporate triangular parks at curvilinear street intersections
- » Create an organic grid with short, walkable blocks (no cul-de-sacs)

- » Maintain consistent building setbacks (except for civic uses)
- » Encourage tree-lined streets
- » Organic landscape design in Open Spaces

Concept Design

Following the Public Outreach engagement and the Guiding Principles research, the consultant team began a concept design process to explore options for development in Pinehurst South. The purpose of this phase (Phase 2) was to explore options for the Pinehurst South Small Area Plan and elicit feedback from Village staff and representatives as well as stakeholders. The Concept Design was presented as part of Public Workshop 2. The feedback on these designs was critical to generating the Final Design, which can be found in *Section 4.4* of this document.

Final Design

The Final Design (i.e., the preferred design solution) is a combination of text, perspective renderings, framework plans, streetscapes, and a potential build-out plan and absorption plan that represent the culmination of the feedback received through the project's Public Outreach process as well as the insight achieved from the existing conditions analysis, best practice and precedent research, and the concept design studies. The Final Design includes recommendations for planning and transportation elements throughout Pinehurst South. The Final Plan and its accompanying recommendations encompass the entire plan area and consider its surroundings and broader context. The Final Design helps to create an interconnected and coordinated approach for recommendations and inform the design the Detail Plan.

For Pinehurst South, two Build-out Plan Scenarios are shown due to the desire for flexibility. Build-out Plan - Scenario 1 shows a plan with a higher intensity program, including Single-Family Attached (SFA) residential east of NC-5, while Build-out Plan - Scenario 2 shows a plan with a lower intensity program, incorporating more Single-Family Detached (SFD) residential.



Village Center streetscape depicting the curving streets and irregular groupings of evergreen and deciduous planting that are the hallmark of the original Olmsted & Manning vision for Pinehurst
Source: Design Collective

Form-Based Code (FBC)

The Form-Based Code (FBC) is a companion document to this Small Area Plan (SAP) report. While this document focuses on the existing conditions analysis, best practice and precedent research, Concept Design studies, the Final Design plan and recommendations, as well as stakeholder feedback, it should be seen as an account of the planning process and the intent and vision established collectively. The FBC, on the other hand, is a regulating document, taking the intent and vision established through this planning process and formulating precise development standards that help ensure the vision becomes reality. Property owners, whether from the public or private sector, and their design teams will be required to follow the criteria laid out in the FBC when designing and submitting their intended development or improvement. The Village will use the FBC to review submissions, to ensure they are in compliance.

4.2 GUIDING PRINCIPLES

Planning Principles

The universal Guiding Principles below identify overarching design strategies for achieving an engaging, successful, and sustainable built environment. Additionally, on the following pages, the Olmsted and Manning Principles are design strategies specific to the historic design of the Village of Pinehurst which should be preserved and emulated in Pinehurst South. These principles have been identified as essential strategies for improving Pinehurst South and should be used to guide zoning modifications, streetscape and transportation improvements, and new development throughout the area.

1. CREATE A CONNECTED CIRCULATION NETWORK
 - » Provides greater accessibility through more direct routes, compared to a branching system
 - » Increases overall network efficiency and reliability through added redundancy
 - » Improves multi-modal transportation and encourages walking and bicycling
 - » Improves safety and public health
 - » Improve and expand golf cart accessibility
2. INCORPORATE COMPLETE STREETS STRATEGIES
 - » Incorporate bicycle and pedestrian facilities (e.g., accessible, passable sidewalks; curb ramps; bike racks; dark sky compliant, LED lighting; etc.)
 - » Integrate innovative stormwater management
 - » Improve the existing streetscapes to promote safe, comfortable, and convenient access for all users
 - » Require new development to design and improve streets to meet the Complete Streets principles and enhance and expand the pedestrian, bicycle, golf cart, and vehicular networks
3. STRENGTHEN BUILDING FRONTAGE
 - » Define Frontage with Street Trees and Buildings
 - » Relegate parking to side or rear
 - » Encourage infill development that respects traditional frontage patterns, with buildings lining streets
 - » Locate building entrances along primary streets and

- provide easy access and wayfinding for all users
- » Require new development in the core area to have buildings with active ground-floor uses along primary streets to create engaging streetscapes
4. PROVIDE A VARIETY OF PUBLIC OPEN SPACES
 - » Incorporate a variety of passive and active open spaces to serve a broad base of users
 - » Promote an active lifestyle at all stages, by providing family-friendly outdoor activities and integrated accessible features and facilities
 - » Distribute open spaces to encourage daily use and access by walking and bicycling
 - » Require new development to provide a variety of appropriately-scaled open spaces and provide connections to the trail network. For proper village-scaled development, open space should equate to approximately 8% of the developable land area.
5. DESIGN STREETS FOR FLEXIBLE PROGRAMMING
 - » Streets in core locations should be flexible and adaptable
 - » Able to carry pedestrians, bicycles, and vehicles on the typical day
 - » But on event days, or in unique circumstances like the pandemic, be able to close to vehicular traffic to host festivals, in-street dining, provide additional open space, etc.
 - » Explore parking ratio reductions
6. PROMOTE HEALTH AND WELLNESS THROUGH NEIGHBORHOOD DESIGN
 - » Connect people with health, fitness, and wellness through daily engagement and activity
 - » Create places to Live-Work-Play-Eat-Shop in an enriched natural setting that promotes healthy lifestyles
 - » Promote walkable, mixed-use neighborhoods, lessening dependence on vehicles
 - » Celebrate Pinehurst’s founding as a health resort village



1. CREATE A CONNECTED NETWORK



2. INCORPORATE COMPLETE STREETS STRATEGIES



3. STRENGTHEN BUILDING FRONTAGE



4. PROVIDE A VARIETY OF PUBLIC OPEN SPACES



5. DESIGN STREETS FOR FLEXIBLE PROGRAMMING

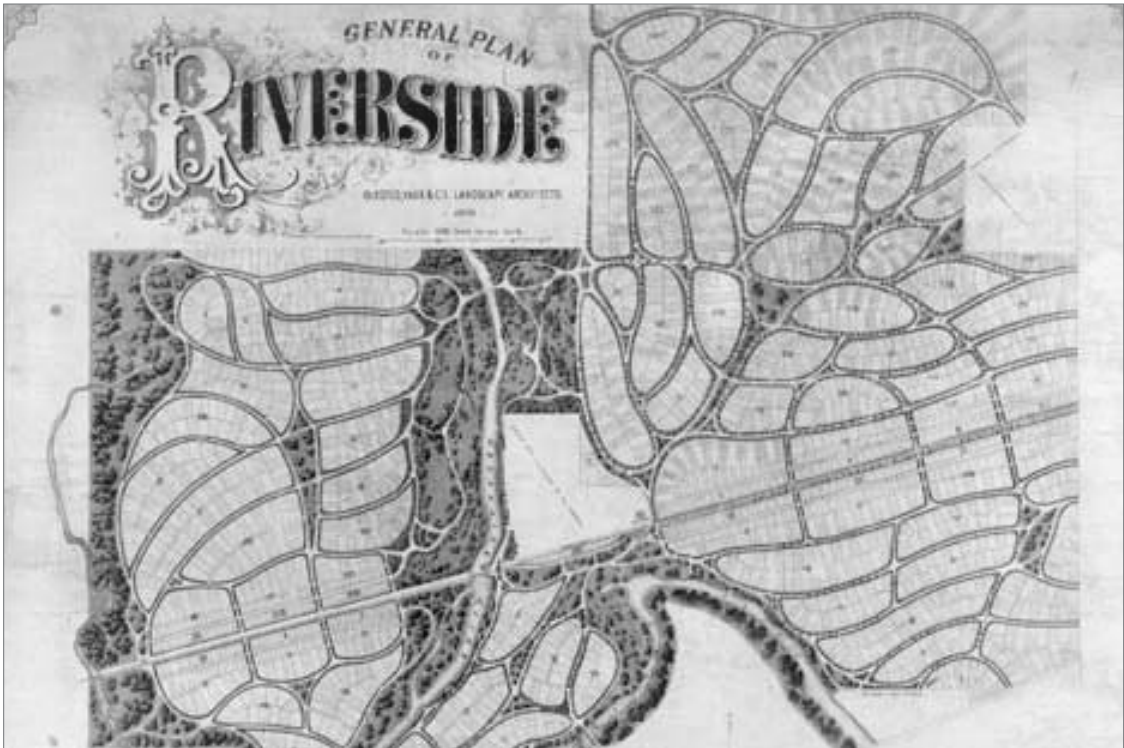


6. PROMOTE HEALTH AND WELLNESS ENVIRONMENTS

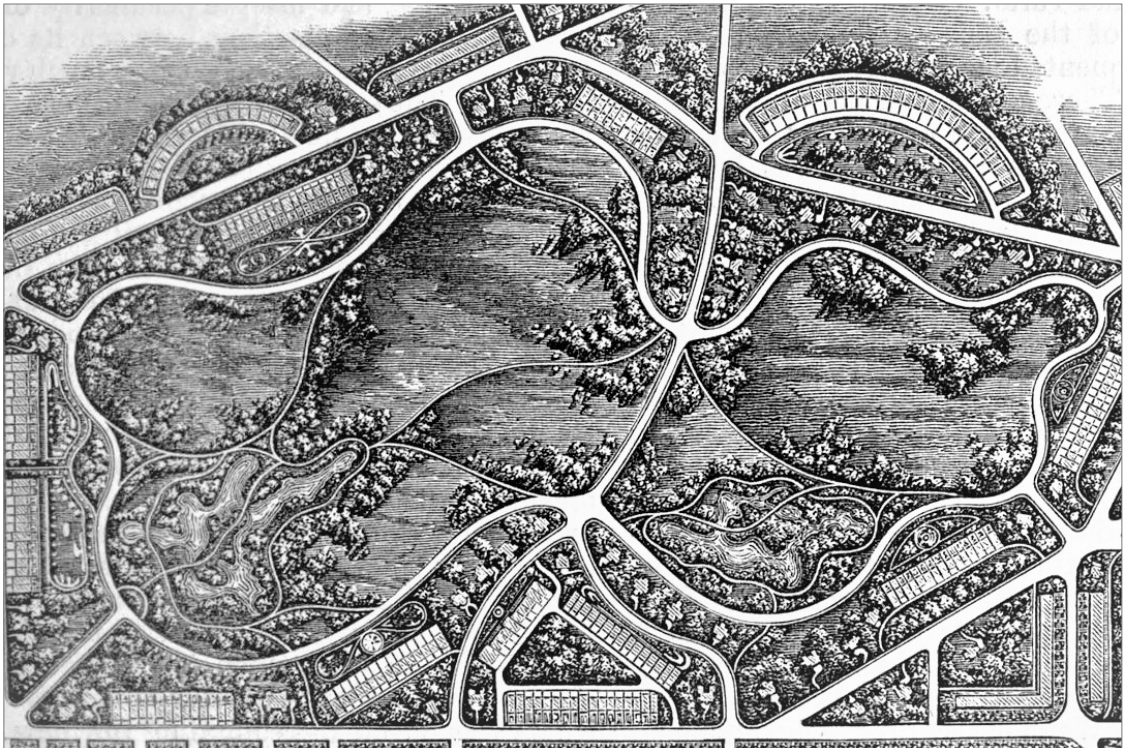
Olmsted Planning Principles

In 1895, James Walker Tufts hired the landscape architecture firm Olmsted, Olmsted, and Eliot to design the Village of Pinehurst as a health-centered resort. Known as the "Founder of American Landscape Architecture", Frederick Law Olmsted brought his design philosophy and planning principles to bear on Pinehurst - an approach that can be seen in many of his designs for towns, cities, and parks. These "Olmstedian" Principles include the following design strategies:

- » Design curvilinear street forms, following topography and continuously redirecting views
- » Incorporate triangular parks at curvilinear street intersections
- » Create an organic grid with short, walkable blocks (no cul-de-sacs)
- » Maintain consistent building setbacks (except for Civic uses)
- » Encourage tree-lined streets, typically with regularly-spaced shade trees
- » Organic landscape design in Open Spaces



Olmsted Plan: Riverside, IL
Credit: Enjoy Illinois



Olmsted Plan: Birkenhead Park - United Kingdom
Credit: The American Cyclopedia v. 13, 1879



Olmsted Plan: Vandergrift - Westmoreland Co, PA
Credit: Alamy Stock Photo



Olmsted Plan: Sherwood - Richmond, VA
Credit: National Park Service/Sherwood Land Co.

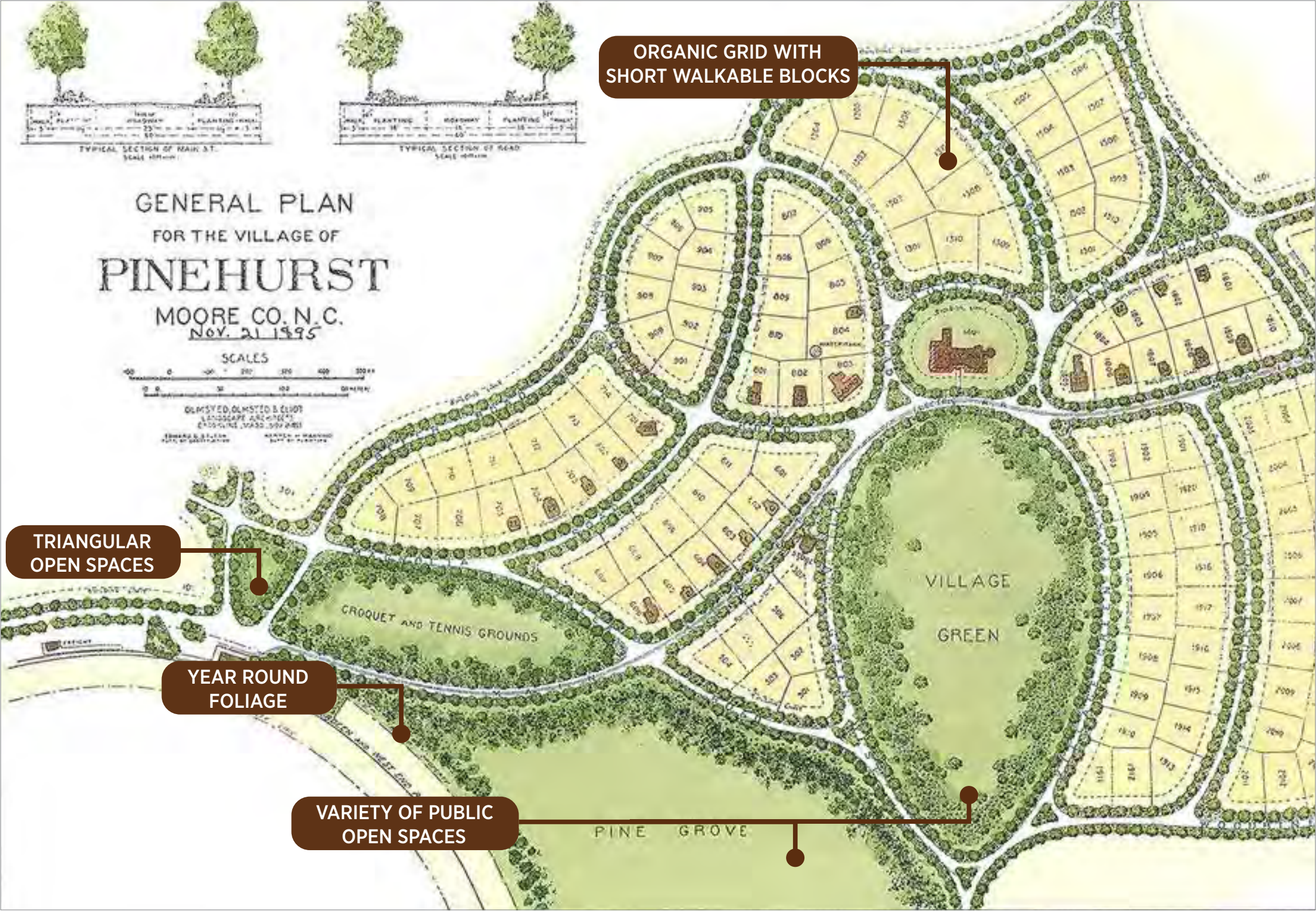
Olmsted and Manning Principles and the Village

The General Plan for the Village of Pinehurst, shown to the right, exhibits many of the iconic "Olmstedian" characteristics of design. However, Olmsted's assistant Warren H. Manning also uniquely influenced the vision and execution of the plan, carrying out most of the major landscape design work and implementation. To view more detail, see the *Pinehurst National Historic Landmark Nomination Registration Form*.

- » Design curvilinear street forms, providing a more relaxed approach to "getting there"
- » Create an effect of a park-like oasis
- » Encourage the use of native plants, primarily evergreens and plants with winter interest, to create a year-round green village. To note, while the plan to the right depicts a regular, linear spacing of deciduous street trees, the built landscape of Village Center represents an organic approach with irregular groupings of odd-numbered, mixed evergreen and deciduous plantings along the street edge)
- » Accommodate new patrons and winter residents by providing additional recreational venues (this later became a focus on the golf industry with designer Donald James Ross)



Village Center
Credit: Village of Pinehurst

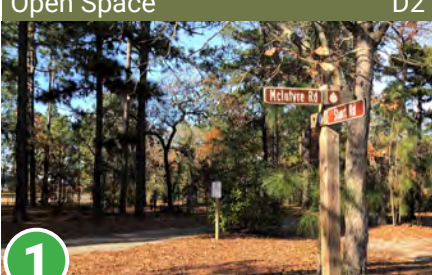


4.3 CONCEPT DESIGN

Overview

Following the Public Outreach and Guiding Principles research, the consultant team led a Concept Design process to explore options for development in Pinehurst South. The purpose of the Concept Design phase (Phase 2) was to explore options for the Pinehurst South Small Area Plan and elicit feedback from stakeholders and continued input from Village staff and representatives. The following pages outline images, diagrams, and plan options that were developed and presented as a part of Public Workshop 2. The feedback on these concept designs and images was critical to generating the Final Design, which can be found in *Section 4.4* of this document.

The images to the right show stakeholder preference feedback received in Public Workshop 2 Breakout Room Discussions. The images were shown as precedents for the architecture, streetscapes, parking, and parks/open spaces of Pinehurst South. Participants were encouraged to respond "like" (with green dots) or "dislike" (with red dots) to each photo; the numbers within the green and red dots indicate the number of stakeholder responses.

ResidentialA1  3Single Family Attached House	ResidentialA2  24Single Family Attached House	ResidentialA3  1Single Family Detached House	ResidentialA4  4Single Family Detached House	ResidentialA5  3Single Family Detached House	ARCHITECTURE
Commercial: RetailB1  5Market/Business Incubator	Commercial: OfficeB2  14Coffee Shop	CommercialB3  2The Fresh Market	Commercial: RetailB4  2The Fresh Market	Commercial: GrocerB5  2The Fresh Market	ARCHITECTURE
StreetscapeC1  1Intersection of Cherokee Rd & Dogwood Rd	StreetscapeC2  1Kentlands - MD	StreetscapeC3  1Carlton Landing - OK	Parking: ParallelC4  1Parallel Parking	Parking: ParallelC5  1Parallel Parking	STREETSCAPE/ PARKING
Open Space: PlaygroundD1  1Playground	Open SpaceD2  1Park	Open Space: GreenD3  1Green Space	Open Space: MarketD4  1Market	Open Space: PlazaD5  1Plaza	PARKS/ OPEN SPACE

PUBLIC INPUT RECEIVED BASED ON BREAKOUT ROOM DISCUSSIONS
The feedback above is a summary of all Breakout Rooms. Participants were encouraged to respond to "like" (green) or "dislike" (red) for each photo.

Parti/Block Diagram

The Parti/Block Diagram was presented as part of Public Workshop 2. The purpose of this plan was to elicit feedback and conversation about development patterns and circulation in Pinehurst South. This plan should be considered a preliminary concept study and not the final recommended plan. To see the Final Plan (preferred design solution), please see Section 4.4 of this document.

- » The Parti diagram illustrates the approach in plan form
- » The diagram shows the proposed addition of new streets, forming new blocks and creating a more connected street network

KEY

SMALL AREA PLAN (SAP) BOUNDARY

VILLAGE OF PINEHURST

EXISTING ROADS

PROPOSED ROADS

EXISTING DEAD END

EXISTING PARKS/ OPEN SPACE

PROPOSED PARKS/ OPEN SPACE

PROPOSED BLOCKS

PROPOSED PROMINENT BUILDING LOCATION



Preliminary Concept Design
Low Intensity Plan Option

The Low Intensity Plan Option was presented as part of Public Workshop 2. The purpose of this plan was to test opportunity sites; see what building and parking configurations might fit on parcels; and elicit feedback and conversation about development patterns and intensity of new infill. This plan should be considered a preliminary concept study and not the final recommended plan. To see the Final Plan (i.e., the preferred design solution), please see Section 4.4 of this document.

- » The Low Intensity Plan illustrates the potential build-out of Pinehurst South over 30+ years. This plan includes a higher percentage of Single-Family Detached units
- » Small scale commercial and residential infill vacant or underutilized parcels
- » Monticello Dr remains in its current alignment

KEY

SMALL AREA PLAN (SAP) BOUNDARY

VILLAGE OF PINEHURST

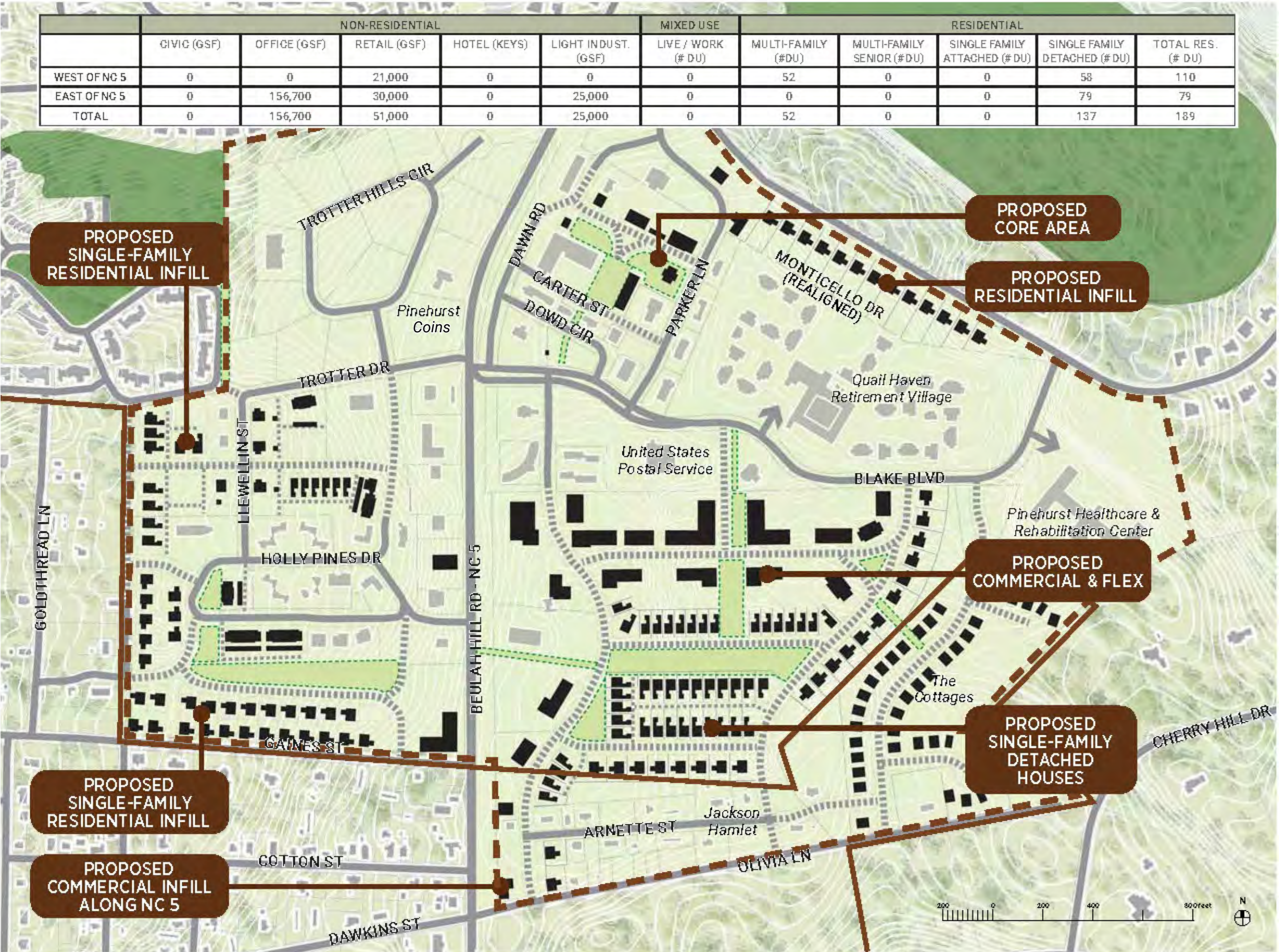
EXISTING ROADS

PROPOSED ROADS

PROPOSED ALLEYS

EXISTING PARKS/OPEN SPACE

PROPOSED PARKS/OPEN SPACE



This plan is illustrative only and subject to change. Source: Design Collective, Inc.

Preliminary Concept Design
High Intensity Plan Option

The High Intensity Plan Option was presented as part of Public Workshop 2. Similar to the Low Intensity Plan, the purpose of this plan was to test opportunity sites; see what building and parking configurations might fit on parcels; and elicit feedback and conversation about development patterns and intensity of new infill. This plan should be considered a preliminary concept study and not the final recommended plan. To see the Final Plan (i.e., the preferred design solution), please see Section 4.4 of this document.

- » The plan illustrates the potential build-out of Pinehurst South over 50+ years.
- » This plan includes a higher percentage of Single-Family Attached and Multi-Family residential units
- » As with the Low Intensity Plan, small scale commercial and residential infill vacant or underutilized parcels
- » Monticello Dr. is realigned to allow for a new location of the Village's Public Service Area to the north

KEY

SMALL AREA PLAN (SAP) BOUNDARY

VILLAGE OF PINEHURST

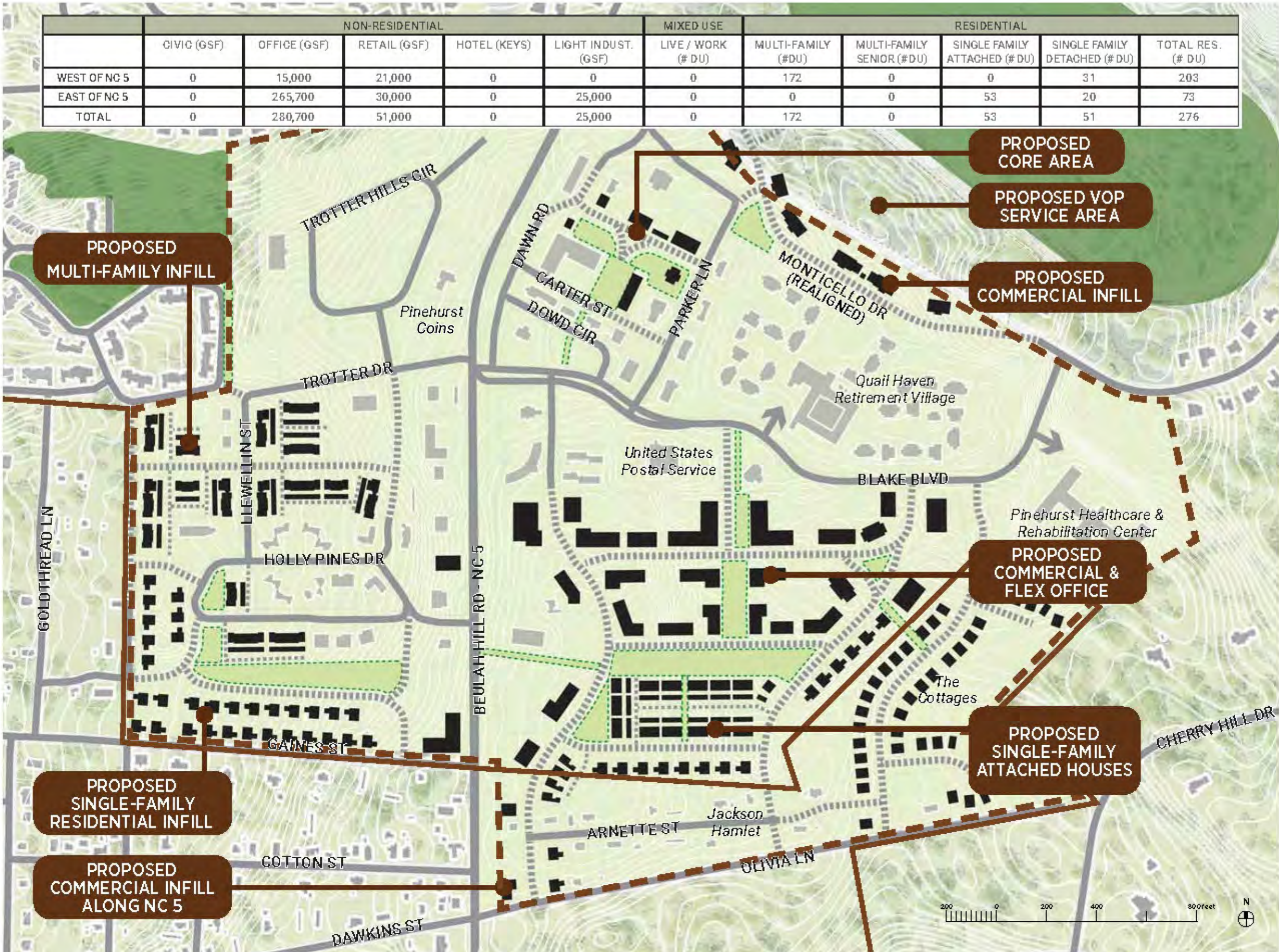
EXISTING ROADS

PROPOSED ROADS

PROPOSED ALLEYS

EXISTING PARKS/OPEN SPACE

PROPOSED PARKS/OPEN SPACE



This plan is illustrative only and subject to change. Source: Design Collective, Inc.

4.4 FINAL DESIGN

Overview

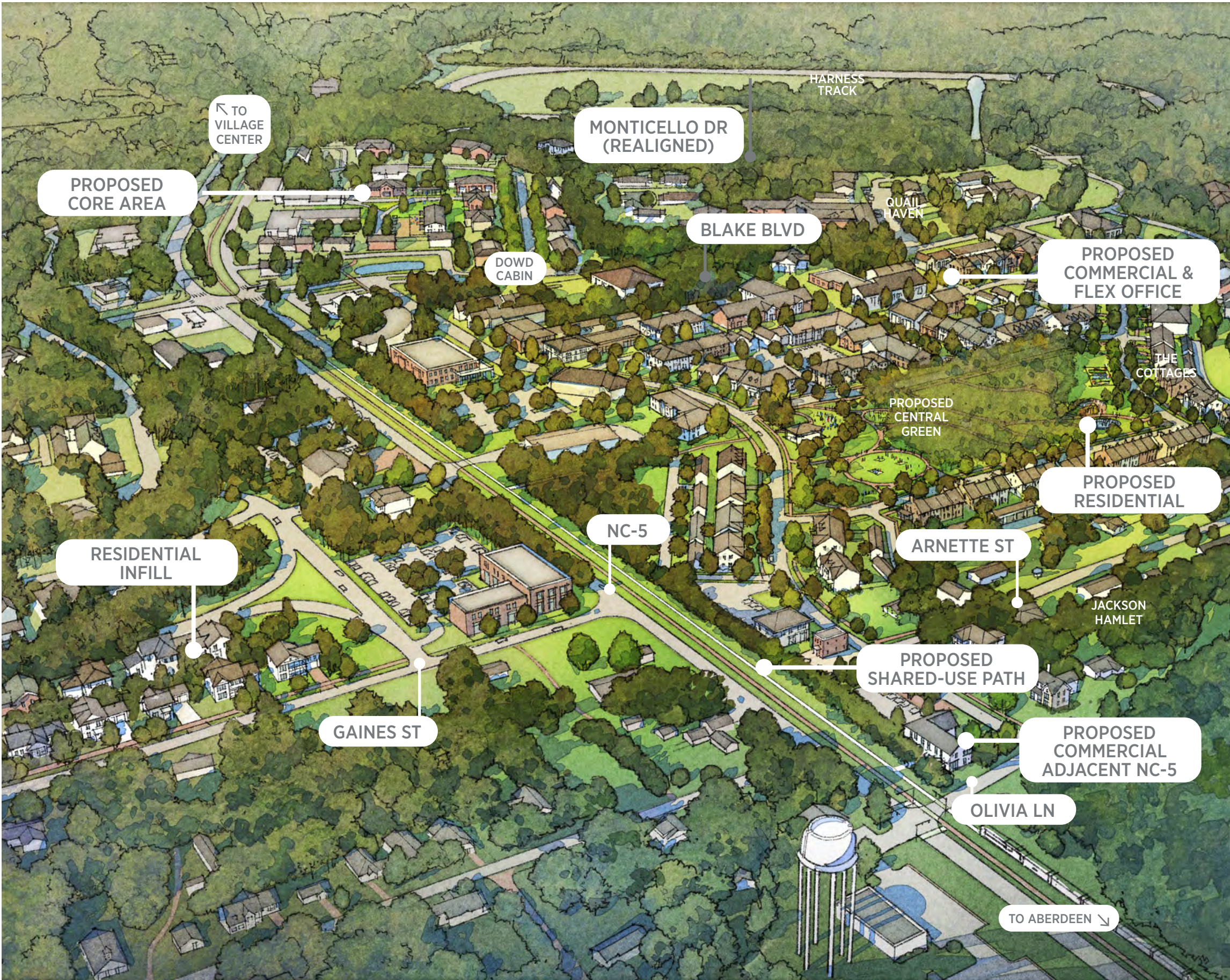
The Final Design comprises renderings, framework plans, and street sections that represent the culmination of the planning process and feedback heard through the project’s Public Outreach efforts. It also incorporates the Guiding Principles, discussed in Section 4.2 of this document. The Final Design includes recommendations for land use and transportation throughout Pinehurst South and illustrates the intent of the vision through graphics and text. It is important to note that the plans and renderings herein are illustrative only; development will occur as individual property owners come forward with development plans. The Form-Based Code (FBC), a companion document to this report, is the regulatory document that will ensure development plans (whether by the private or public sector) abide by the recommendations of this *Pinehurst South Small Area Plan*.

The Aerial Rendering to the right demonstrates how Pinehurst South may appear at full build-out. The rendering shows the following:

- » Infill commercial adjacent to NC-5 for visibility and access. New office and flex-building uses infill the area south of Blake Blvd.
- » A large Central Green between Blake Boulevard and Arnette Street will provide ample opportunity for residents and commercial users of this neighborhood to enjoy outdoor activities that are both active and passive. See page 62 of this document for more detail on this open space.
- » Residential infill to the south helps to transition from new development to the existing historically Black neighborhood of Jackson Hamlet
- » Residential development west of NC-5.

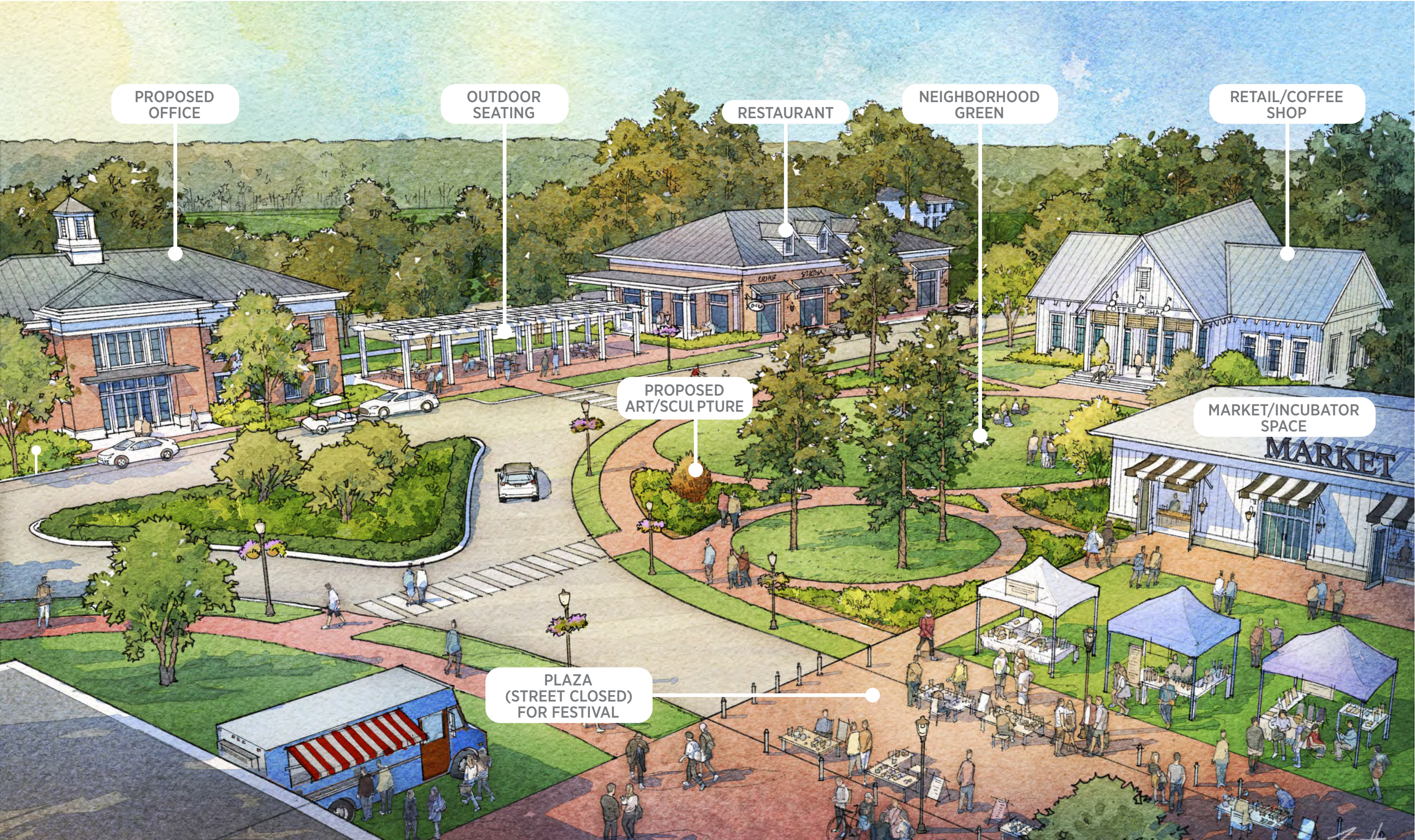
The Bird's Eye Rendering on the following page shows a conceptual view of the new core area between Monticello Drive and Blake Boulevard that will serve as a new destination for neighborhood retail and services, restaurants, an incubator space for new businesses and makerspace, and a plaza for markets and festivals.

The renderings are conceptual and represent one of many scenarios that could happen over the next 50+ years in Pinehurst South. Future development will depend on the interest of public and private property owners in developing or selling their property. The development will also be dependant on future changes to the market demand in the Village of Pinehurst.



PINEHURST SOUTH - AERIAL RENDERING

This rendering is illustrative only and subject to change. Source: Design Collective, Inc. & Zanetta Illustration



CORE AREA - BIRD'S EYE RENDERING

This rendering is illustrative only and subject to change. Source: Design Collective, Inc. & Zanetta Illustration

Core Area Detail Plan

The Detail Plan illustrates the potential build-out of the core area south of Monticello Dr. and north of Blake Blvd.

The development builds off the existing Post Office, Pharmacy, ABC, and Dowd Cabin as well as the planned Girls & Boys Club and National Association of Home Builders.

New open spaces include a Market Plaza, Central Green, playground, and path south to Dowd Cabin

A new Central Green anchors the new development, serving as a gathering place for community events.

KEY

EXISTING BUILDINGS

PROPOSED BUILDINGS

PROPOSED BUILDINGS



This plan is illustrative only and subject to change. Source: Design Collective, Inc.



Precedent - Office - Turnberry Wood
Credit: Design Collective



Precedent - Mixed Use - Mashpee Commons, MA
Credit: PCA Design



Precedent - Market Square - Baltimore, MD
Source: Design Collective



Precedent - Plaza - Summersville, SC
Credit: LaQuatra Bonci



Precedent - Playground - Portland, OR
Credit: Greenworks SPC



Precedent - North Village Market Pavilion, Prospect, Kentucky
Credit: Google Maps



Precedent - Small Retail Shop - Summersville, SC
Credit: CRBJ Bizwire



Precedent - Farmers Market - Atlanta, GA
Credit: Community Farmers Markets



Precedent - Food Truck Event - Salem, MA
Credit: North of Boston



Precedent - Streetscape - Pinehurst, NC
Source: Design Collective

Proposed Open Space + Pedestrian Network

The existing Pinehurst South plan area contains no dedicated public open space or trails within its boundary. The Pinehurst Harness Track lies just to the north.

All new development should add to the network, creating publicly-accessible greens, plazas, and trail connections to serve the surrounding office and residential uses.

A Market Plaza is shown in the core area between Monticello Drive and Blake Blvd. and a new, large Central Green is shown to the south, east of NC-5.

A new Shared-Use Path (SUP) and sidewalk are shown along NC-5 and within the ACWR right-of-way.

KEY

SMALL AREA PLAN (SAP) BOUNDARY

VILLAGE OF PINEHURST

EXISTING SIDEWALKS

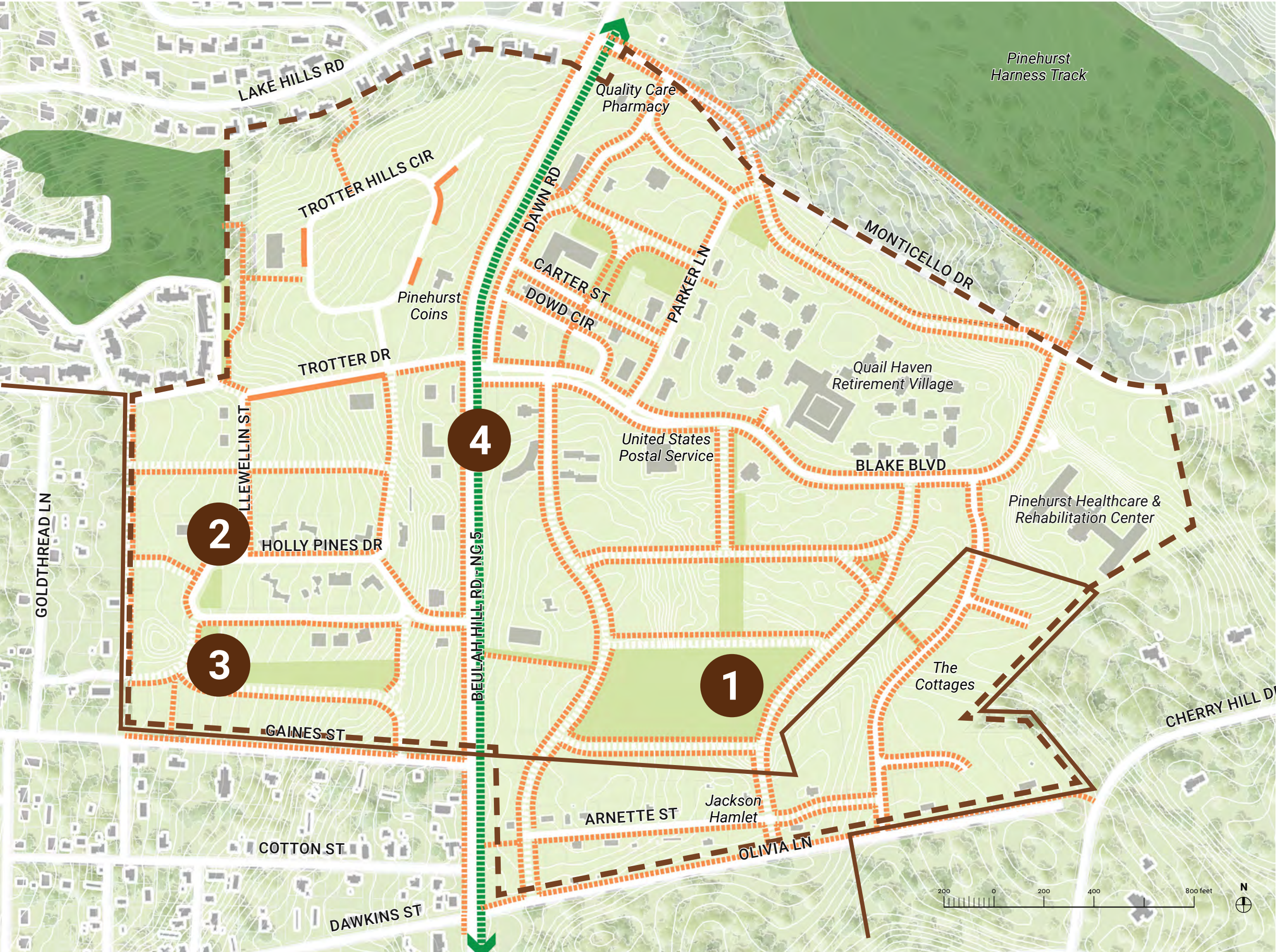
PROPOSED SIDEWALKS*

EXISTING PARKS/ OPEN SPACE

PROPOSED PARKS/ OPEN SPACE

PROPOSED SHARED-USE PATH

*Proposed sidewalks shall be brick in commercial areas



This plan is illustrative only and subject to change. Source: Design Collective, Inc.



Pinehurst South Proposed Central Green
 Source: Design Collective



Precedent - Attached Green - Maple Lawn, MD
 Credit: Design Collective



Precedent - Attached, Linear Green - Maple Lawn, MD
 Source: Design Collective



Precedent - Shared-Use Path
 Source: Village of Pinehurst

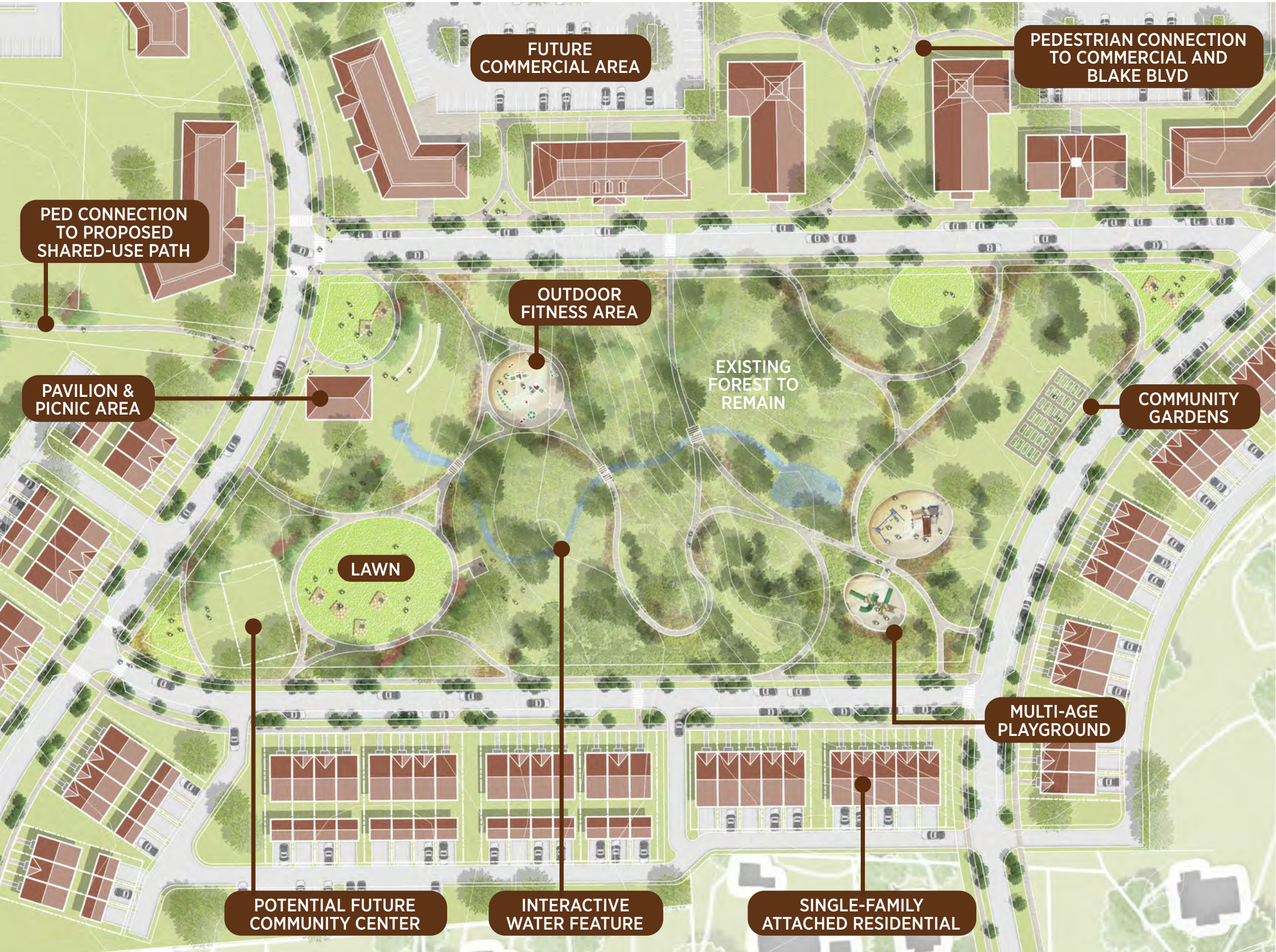
Open Space Detail Plan

The Detail Plan illustrates a potential build-out of the area south of Blake Boulevard and north of Jackson Hamlet.

New mixed-use development surrounds a large Central Green that helps to preserve some of the existing topography and trees. This new open space serves both office tenants as well as neighborhood residents.

The new Central Green is shown with a pavilion, an interactive, meandering water feature fed by stormwater, community gardens, paths through a wooded area, disc golf, an exercise park, and a multi-age playground area. If desired, a community building could be built in the future in the lower southwest corner, where the historic Chalfonte Hotel used to stand.

- KEY
- EXISTING BUILDINGS
 - PROPOSED BUILDINGS
 - PROPOSED BUILDINGS



This plan is illustrative only and subject to change. Source: Design Collective, Inc.



Precedent - Pavilion
Credit: Design Collective



Precedent - Community Garden
Source: Eiber Community Garden



Precedent - Intergenerational Fitness Park
Credit: Phil Bourne/Goric



Precedent - Playground
Source: Greenworks SPC



Precedent - Disc Golf
Credit: Reinhardt University



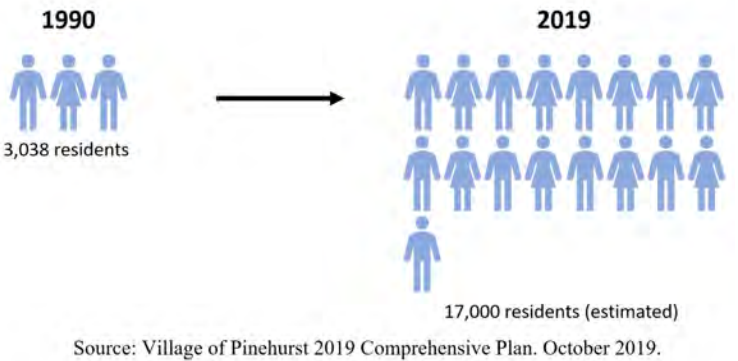
Precedent - Stormwater Management Water Feature
Credit: The Plant Hunter

TRAFFIC & TRANSPORTATION

Introduction

The Village of Pinehurst (Village) is a desirable community attracting new residents and businesses, and some Village residents are concerned about the impact of growth on the existing quality of life, particularly further vehicular traffic impacts.

In 2019, the Village of Pinehurst completed the “Envision the Village” community initiative to adopt the 2019 Comprehensive Plan. The 2019 Comprehensive Plan is an official guide for the future vision and policy framework for development in Pinehurst. The plan established five focus areas which represent the most important areas to influence, as development in these areas could have the most significant impact on shaping the future of Pinehurst. Two of the focus areas are being evaluated in deeper detail with this study: Village Place/Rattlesnake Trail Area and Pinehurst South/Highway 5 Commercial Area.



The Small Area Plan (SAP) effort recommends improvements to the Village Place/Rattlesnake Trail Area (hereafter referred to as Village Place) and Pinehurst South/Highway 5 Commercial Area (hereafter referred to as Pinehurst South) that will improve the transportation network while maintaining the future vision for the Village of Pinehurst. For Village Place, this study provides a plan to create a mixed-use, walkable area that connects Village Place/Rattlesnake Trail to the Village Center. For Pinehurst South, this study provides a plan to apply the planning principles of Tufts, Olmsted, and Manning to Pinehurst South while also providing connection to the Village Center via bicycle and pedestrian facilities to encourage reduced traffic on NC-5.

Pinehurst South

The following are the existing transportation conditions within the Pinehurst South/Highway 5 Commercial Area (hereafter referred to as Pinehurst South), projected traffic impacts of the proposed 50-year build-out development plan, planned transportation improvements along with recommended long-range transportation improvements. Recommendations apply the planning principles of Tufts, Olmsted, and Manning to Pinehurst South while also providing connection to the Village Center via bicycle and pedestrian facilities as well as support of long-range transportation plans which will provide an alternate route to NC-5.

Existing Transportation Infrastructure Conditions:

BEULAH HILL ROAD/HIGHWAY 5 (NC-5)

The dominant transportation feature in the Pinehurst South area is Beulah Hill Road/Highway 5 (NC-5). NC-5 is a major thoroughfare running north and south through the heart of the Village of Pinehurst, connecting NC 211 to the north with US 1 to the south through Aberdeen. The Aberdeen Carolina and Western Railway (ACWR) which runs parallel to NC-5, contributes to transportation access challenges, however; the ACWR is open to discussions about improvements within their right-of-way. Traffic congestion along NC-5 has long been a concern for the Village of Pinehurst community.

The NC-5 section running through the Pinehurst South study area is carrying over 20,000 vehicles per day (vpd) and operates as a class 2 arterial with a 35 MPH speed limit. Based on a planning level capacity analysis, NC-5 is operating at an average Level of Service (LOS) D during peak hours. Corridor Traffic Capacity is based on overall travel time/speed and is measured by levels of service ranging from LOS A (free-flowing, no delays) to LOS D (frequent stops and delays with overall travel speeds less than 10 MPH).

2020 PINEHURST NC 5 CORRIDOR TRAFFIC UPDATE

LEVEL OF SERVICE COMPARISON

Stop Sign Controlled Intersections - AM Peak Hour

	2005	2007	2009	2011	2013	2015	2018	2020
INTERSECTION	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB
NC 5 @ McDonald W/E	C-C	C-B	D-D	D-C	C-C	C-B	C-C	C-C
NC 5 @ McKenzie W/E	D-D	D-D	E-D	E-C	D-C	D-C	E-C	E-C
NC 5 @ Barrett/McCaskill	C-C	D-E	E-F	C-D	C-D	C-C	C-D	C-C
NC 5 @ Linden/McLean	-	-	-	-	-	-	-	C-D
NC 5 @ Shaw SW/SE	-	-	-	-	-	-	-	D-B

Stop Sign Controlled Intersections - Noon Peak Hour

	2005	2007	2009	2011	2013	2015	2018	2020
INTERSECTION	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB
NC 5 @ McDonald W/E	C-C	C-B	D-D	D-C	C-C	C-B	C-C	C-C

Stop Sign Controlled Intersections - PM Peak Hour

	2005	2007	2009	2011	2013	2015	2018	2020
INTERSECTION	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB	EB-WB
NC 5 @ McDonald W/E	C-C	C-B	D-D	D-C	C-C	C-B	C-C	C-C
NC 5 @ McKenzie W/E	D-D	D-D	E-D	E-C	D-C	D-C	F-E	F-E
NC 5 @ Barrett/McCaskill	C-C	D-E	E-F	C-D	C-D	C-C	C-D	C-C
NC 5 @ Linden/McLean	-	-	-	-	-	-	-	E-D
NC 5 @ Shaw SW/SE	-	-	-	-	-	-	-	C-C

Signalized Intersections - AM Peak Hour

	2005	2007	2009	2011	2013	2015	2018	2020
INTERSECTION	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S
NC 5 @ McKenzie W/Cherokee (NC 2)	C-C	C-B	D-D	D-C	C-C	C-B	C-C	C-C
NC 5 @ Morganton	D-D	D-D	E-D	E-C	D-C	D-C	E-C	C-C
NC 5 @ Lake Hills/Monticello	C-C	D-E	E-F	C-D	C-D	C-C	C-D	C-A
NC 5 @ Trotter/Blake	C	B	B	C	B	B	C-A	B-A

Signalized Intersections - Noon Peak Hour

	2005	2007	2009	2011	2013	2015	2018	2020
INTERSECTION	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S
NC 5 @ Morganton	D-D	D-D	E-D	E-C	D-C	D-C	E-C	C-C
NC 5 @ Trotter/Blake	C	B	B	C	B	B	D-A	B-A

Signalized Intersections - PM Peak Hour

	2005	2007	2009	2011	2013	2015	2018	2020
INTERSECTION	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S	E/W-N/S
NC 5 @ McKenzie W/Cherokee (NC 2)	C-C	C-B	D-D	D-C	C-C	C-B	C-C	C-C
NC 5 @ Morganton	D-D	D-D	E-D	E-C	D-C	D-C	E-C	C-C
NC 5 @ Lake Hills/Monticello	C-C	D-E	E-F	C-D	C-D	C-C	C-D	C-B
NC 5 @ Trotter/Blake	C	B	B	C	B	B	D-A	B-B

Source: Village of Pinehurst NC-5 Corridor, 2020 Traffic Update.

Starting in 2005, the Village of Pinehurst has conducted a biannual review of the major intersections along NC-5 from Trotter Drive/Blake Boulevard to McDonald Road. The table on the previous page provides a summary of the traffic volumes and capacity analysis from the Village of Pinehurst NC-5 Traffic Update Report, focusing on the intersections within the study area. Traffic Volumes have increased steadily along the NC-5 corridor and the (LOS) at these critical intersections has declined as indicated in the table below. The most congested signalized intersection is NC-5 at Morganton Road with a 2018 LOS E in both the morning (AM) and afternoon (PM) peak hours. The most congested non-signalized intersection is NC-5 at McKenzie Road with a LOS F in both the AM and PM peak hours.

In summary, based on a corridor planning level capacity analysis for a 2-lane class 2 arterial roadway carrying 20,000 vpd and the capacity analysis of the individual intersections, NC-5 is operating below capacity (LOS D) during AM and PM peak travel times where motorists experience travel speeds below 10 MPH and vehicle delays at critical intersections in excess of 45 seconds/ vehicle during AM and PM peak travel times.

ABERDEEN CAROLINA AND WESTERN RAILWAY (ACWR)
The ACWR runs parallel to, and east of, NC-5 through the study area and carried 102 trains in 2020. The inbound trains carry feed for chicken farms and typically carry 90 cars while the return trains carry lumber, wood chips, aggregate, and rebar. The ACWR would like to increase train lengths to 110 cars and subsequently would like to close the at-grade rail crossing on Arnette Street. This closure would allow the longer trains to stop between Olivia Lane and Blake Boulevard without blocking vehicular traffic. To accommodate this closure, Olivia Lane would be upgraded to an NCDOT facility and become a full, potentially signalized, intersection at NC-5 with a connection to Arnette Street via Olivia Lane.

The at-grade rail crossing on Blake Boulevard sometimes experiences motorist stopping on the railroad track despite fully functioning gates and signage. More signage and/or enhanced pavement markings are recommended to reinforce the proper stopping location for motorist at this rail crossing.

GOLF CARTS

Golf carts are not allowed on NC-5 nor would they be allowed on the shared-use path. Improved golf cart access to this area would need to be established along residential streets where golf carts are allowed and by enhancing golf cart crossings on NC-5.

BICYCLE AND PEDESTRIAN

Bicycle and Pedestrian accommodations are lacking in the Pinehurst South Area as NC-5 lacks accommodations for these modes of travel and the local streets have been built without sidewalks. Currently, there are two NCDOT projects for NC-5 that will include sidewalks on the west side of NC-5 through the study area.

There is an opportunity for a 8- or 10- foot wide shared-use path (SUP) to be built along the east side of NC-5, enhancing bicycle and pedestrian mobility along this corridor as well as connecting Pinehurst South with the Village Center and Pinehurst Resort. Representatives from the ACWR Company, who owns the property right-of-way (ROW) to the east of NC-5, indicated that they would be open to allowing a shared-use path (SUP) within the railroad right-of-way through a program called “Rails with Trails”. The ACWR will be involved with the planning and design of any SUP within their ROW. The ACWR has expressed concerns about keeping users of any SUP completely separated from the railroad through physical barriers (fencing); however, they are open to the concept of coexisting with a SUP. To see a section of the proposed SUP, see page 62 of this document. Other recommended pedestrian & bicycle improvements in the Pinehurst South study area include sidewalk connections between existing and planned neighborhoods to provide connectivity between communities in the study area. To see the proposed pedestrian network, see page 60 of this document.



Precedent - Shared-Use Path
Source: Village of Pinehurst

Traffic Impacts of Pinehurst South Build-Out Plan

Based on the 50-year Build-Out Development Plan for the Pinehurst South Area, traffic was generated for the proposed new land uses based on the Institute of Transportation Engineers (ITE) trip generation manual, which is universally accepted by Traffic Engineers and Planners to project future traffic based on various land-uses. Traffic was generated for the two development options, Low Intensity and High Intensity, for the Pinehurst South study area. Also, traffic generation was split between proposed future development sites on the east side and the west side of NC-5.

TRIP GENERATION

As development is phased in over the next 50 years, there will be a total of about 11,349 new trips per day created by the Low Intensity development scenario to about 12,905 new trips per day created by the High Intensity scenario. See tables below for a summary of the total trips generated for these options.

Because the proposed development is a mixture of uses (residential, retail, restaurant), not all of these trips will result in actual new vehicle trips. Some of these trips will be absorbed by internal capture as patrons of the new shops may also decide to dine at one of the new establishments, thus eliminating a new vehicle trip. (these are known as “internal capture” trips). Also, as NC-5 is a heavily traveled major thoroughfare carrying about 20,000 vehicles per day (vpd), some of the vehicles already traveling on NC-5 are likely to be attracted to the new development as they pass-by on their way to other destinations and will not increase the total number of new vehicle trips (these are known as pass-by trips).

Based on internal capture and the pass-by trips, the total new vehicle trips per day will be reduced by about 30% . This trip reduction due to internal capture and pass-by trips is an accepted practice by Transportation Engineers and Planners. Based on the ITE Trip generation rates and pass-by/internal capture reduction of 30%, it is estimated that there will be an additional 7,944 vpd to 9,033 vpd on the surrounding street network.

TRIP DISTRIBUTION

It is estimated that about 80% of the new vehicle trips will originate from NC-5 and about 20% of the new vehicle trips will originate from the local street network which will be connected to the new development(s) in the Pinehurst South Area via new connections as illustrated in the future development plan. This will result in an increase of between 6,355 vpd to 7,266 vpd on NC-5 and an increase of 1,588 vpd to 1,806 vpd to the local street system, which will be split between the east side of NC-5 (60%) (953 to 1,084 vpd) and the west side of NC-5 (40%) (635 to 722 vpd)

TRAFFIC IMPACTS

The section of NC-5 running through the Pinehurst South study area is currently carrying around 20,000 VPD and is estimated to be operating at a LOS D with overall travel speeds at or below 10 MPH during peak travel times (based on planning level capacity analysis) with several of the intersections operating at or below LOS E with delays in excess of 45 seconds per vehicle during peak travel times (based on capacity analysis conducted by the Village).

Without intevention, improved connectivity, or mobility choice, the projected increase of 6,355 VPD to 7,266 VPD on this section of NC-5 over the next 50 years due to planned development in the Pinehurst South study area will further increase traffic congestion along this section of NC-5. However, mitigation measures should coincide with development and increased traffic will be gradual as new development is phased-in over the next 50 years. There are some planned roadway improvements and long-range transportation plans which will also help to off-set the impacts of this traffic growth (see the following page for more information).

EASTBOUND DAILY AND PEAK HOUR TRIPS

Pinehurst South (EAST) Opt A - Low Intensity Scheme				
		Daily Trips (vpd)	AM Peak Hour Trips (vph)	PM Peak Hour Trips (vph)
North of Blake Blvd	Subarea A	2,974	179	248
	Subarea B	425	52	106
Subtotal		3,399	231	354
South of Blake Blvd	Subarea A	242	43	89
	Subarea B	1,465	216	186
	Subarea C	1,220	206	165
	Subarea D	325	44	96
	Subarea E	286	41	93
	Subarea F	78	5	7
	Subarea G	206	38	86
	Subarea H	280	5	26
	Subarea I	78	5	7
	Subarea J	148	5	13
Subtotal		4,328	608	768
TOTAL		7,727	839	1,122

Pinehurst South (EAST) Opt A - High Intensity Scheme				
		Daily Trips (vpd)	AM Peak Hour Trips (vph)	PM Peak Hour Trips (vph)
North of Blake Blvd	Subarea A	2,974	179	248
	Subarea B	626	103	129
Subtotal		3,600	282	377
South of Blake Blvd	Subarea A	402	69	106
	Subarea B	1,465	216	186
	Subarea C	1,220	206	165
	Subarea D	447	76	110
	Subarea E	399	68	106
	Subarea F	212	39	86
	Subarea G	206	38	86
	Subarea H	388	26	34
	Subarea I	78	5	7
	Subarea J	148	5	13
Subtotal		4,965	748	899
TOTAL		8,565	1,030	1,276

Note: To see the corresponding Low and High-Intensity Schemes, see pages 72-73 of this document.

Transportation Improvements

NCDOT has plans to make the following improvements to NC-5 starting in 2025:

STIP Project U-5756 – Widen NC-5 to five-lane section from US 1 to north of Turning Leaf Way and to a three-lane section from north of Turning Leaf Way to Trotter Drive/Blake Boulevard. This improvement project will include the installation of a sidewalk along the west side of NC-5 from US 1 to Trotter Drive/Blake Boulevard. U-5756 is currently under design with right-of-way acquisition scheduled for State fiscal year 2023 and construction to start in State fiscal year 2025.

STIP Project R-5892 – Make operational improvements (add turn-lanes and improve traffic signals) on NC-5 from Blake Boulevard/Trotter Drive to NC 211. A feasibility study is currently underway. A construction date has not been established for R-5892 and the project is currently unfunded in the State Transportation Improvement Plan (STIP)

Beyond these two State Projects, no additional roadway improvements are recommended to NC-5. NC-5 is the main travel corridor in the study area and is constrained by the ACWR which runs parallel to NC-5 on the east side, at some points less than 30 feet from the edge of existing pavement. Any further roadway expansion, beyond what NCDOT currently has planned, would likely result in negative impacts and relocations to the homes and businesses to the west of NC-5.

WESTERN CONNECTOR

The Village of Pinehurst Thoroughfare Plan and the Moore County Comprehensive Transportation Plan (CTP) include the “Western Connector” which could provide a new north-south highway around the Village Center. The western connector could provide an alternate route for through-trips(trucks) between US-1 and NC-211 and provide long term traffic relief which could liberate NC-5/Beulah Hill Road for local travel. The “Western Connector” is on the long-range transportation plan and is conceptual at this stage, however; the benefits and costs need to be carefully evaluated for future prioritization.

PEDESTRIAN/BICYCLE IMPROVEMENTS

There is an opportunity for a 10-foot wide shared-use path (SUP) to be built along the east side of NC-5 in the ACWR right of way. The SUP would greatly enhance bicycle and pedestrian mobility along this corridor as well providing a vital connection between Pinehurst South and The Village Center. The ACWR Company has indicated that they would be open to allowing a SUP. Other recommended pedestrian & bicycle improvements in the Pinehurst South study area include sidewalk connections between existing and planned neighborhoods which would provide safe pedestrian connectivity between communities in the study area.

OTHER IMPROVEMENTS

- » Recommended improvements to the SAP suggest providing better connections between existing and planned neighborhoods within the study area. Better local street connections can reduce traffic impacts to NC-5 by providing internal circulation and access to both existing and proposed developments.
- » Enhanced cross-walks along NC-5 to delineate safe crossing locations and alert motorist to pedestrian, bicycle and golf cart crossings.
- » Close the Arnette Street RR crossing and access to NC-5. To accommodate this closure, Olivia Lane would be upgraded to an NCDOT facility and become a full, potentially signalized, intersection at NC-5 with a connection to Arnette Street via Olivia Lane.
- » More signage and/or enhanced pavement markings are recommended to reinforce the proper stopping location for motorist at this rail crossing.

WESTBOUND DAILY AND PEAK HOUR TRIPS

Pinehurst South (WEST) Opt A - Low Intensity Scheme				
		Daily Trips (vpd)	AM Peak Hour Trips (vph)	PM Peak Hour Trips (vph)
	Subarea A	159	5	14
	Subarea B	316	15	29
	Subarea C	102	5	9
	Subarea D	234	16	21
	Subarea E	887	155	68
	Subarea F	269	5	25
	Subarea G	1,655	159	133
TOTAL		3,622	360	299

Pinehurst South (WEST) Opt A - High Intensity Scheme				
		Daily Trips (vpd)	AM Peak Hour Trips (vph)	PM Peak Hour Trips (vph)
	Subarea A	439	29	37
	Subarea B	586	39	48
	Subarea C	102	5	9
	Subarea D	234	16	21
	Subarea E	887	155	68
	Subarea F	269	5	25
	Subarea G	1,823	190	215
TOTAL		4,340	439	423

Note: To see the corresponding Low and High-Intensity Schemes, see pages 72-73 of this document.

Proposed Circulation Plan

The proposed Circulation Plan for Pinehurst South emphasizes an improved, connected network of streets. This system will provide additional routes for vehicles (as well as for pedestrians, bicycles, and golf carts), thereby reducing traffic stress on any single street. The circulation recommendations include:

- » Three new street connections from Olivia Lane to Blake Boulevard
- » Realignment of Monticello Drive to accommodate the the potential relocation of the Public Service Facility south of the Harness Track
- » Coordination with NCDOT planned improvements along NC-5
- » The improvement of Olivia Lane as a full, signalized NC-5 intersection, connected to Arnette St. (to be closed to NC-5)
- » Improved pedestrian, bicycle, and golf cart crossings of NC-5 with crosswalks added at signalized intersections

KEY

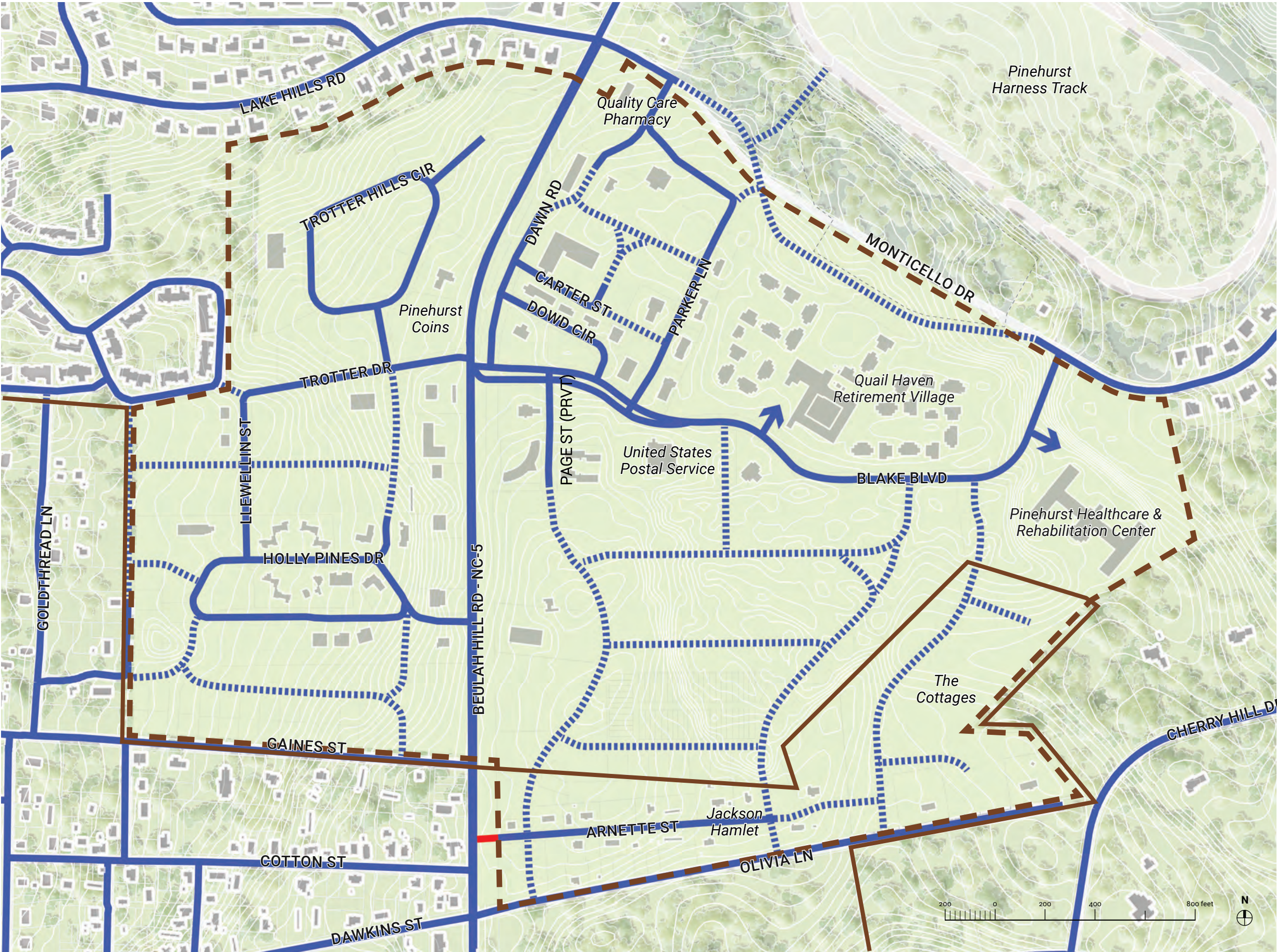
SMALL AREA PLAN (SAP) BOUNDARY

VILLAGE OF PINEHURST

EXISTING STREETS

PROPOSED STREETS

PROPOSED ROAD CLOSURE



This plan is illustrative only and subject to change. Source: Design Collective, Inc.

Proposed Street Section NC-5/Blake Boulevard

The proposed Street Section at the intersection of NC-5 and Blake Boulevard envisions improvements for pedestrians, bicycles, golf carts, and vehicles.

This proposed section coordinates with NCDOT planned improvements to add a sidewalk to the west side of NC-5. While a proposes Shared-Use Path (SUP) runs between the eastern edge of the roadway and ACWR rail line (suggested to be part of the Rails-to-Trail program). Where the path is close to the rail line, a physical barrier will be required. Motorized vehicles, including golf carts, should not be permitted on the path.

Crosswalks are added at signalized intersections to improve pedestrian, bicycle, and golf cart crossings of NC-5.

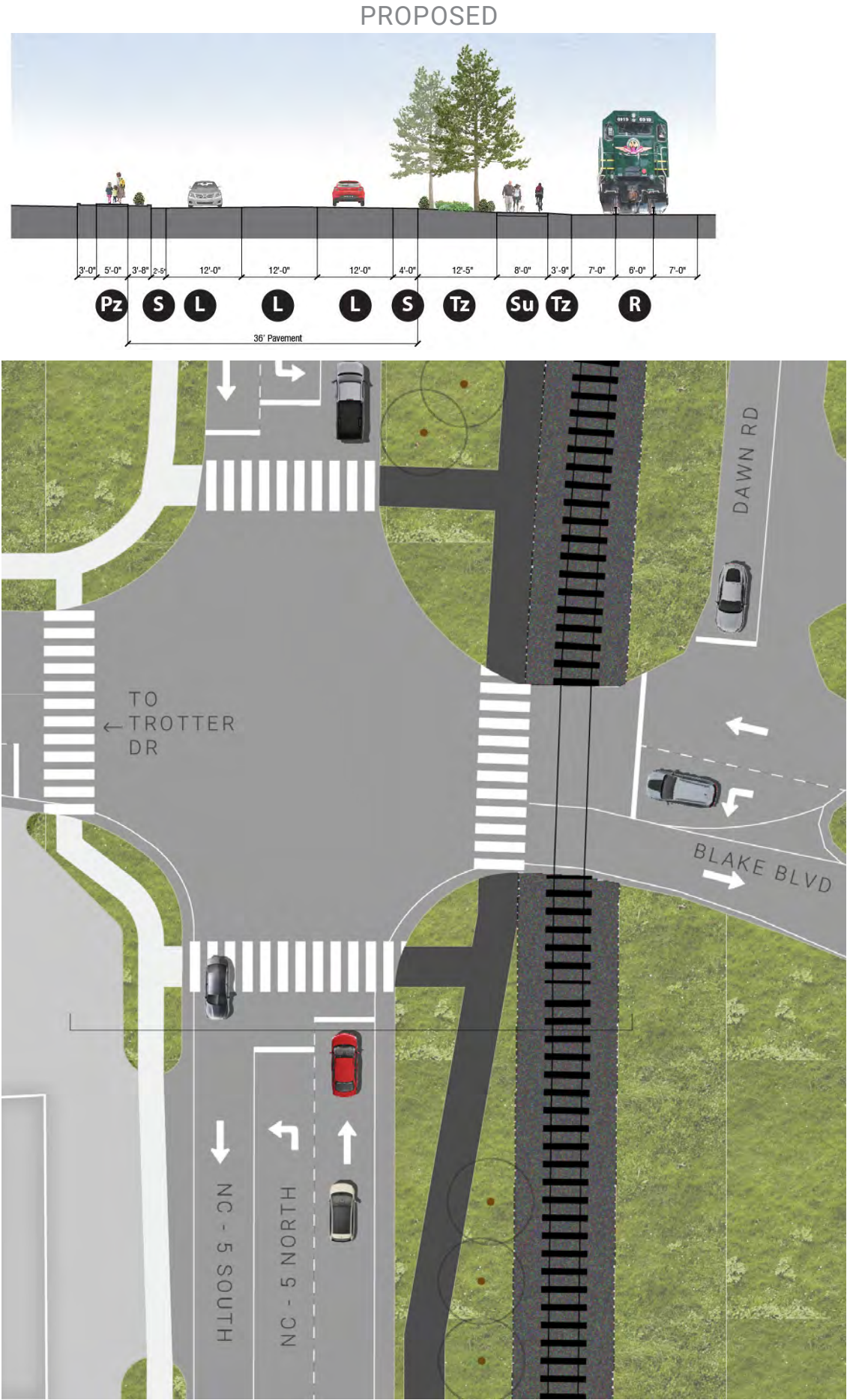
Buffers shall be provided along NC-5 where constraints allow, to provide a seamless "evergreen" landscape that is typical to Village of Pinehurst streetscapes.

STREET SECTION KEY

- S** SHOULDER
- PZ** PEDESTRIAN ZONE (SIDEWALK)
- TZ** TREE ZONE (PLANTING STRIP)
- SU** SHARED-USE PATH (BICYCLES & PEDESTRIANS)
- L** TRAVEL LANES (VEHICULAR)
- R** RAILROAD



Precedent - Shared-Use Path
Source: Village of Pinehurst



Proposed Street Section - Typical Commercial

The Typical Commercial Street Section is a two-way, two-lane street with parallel parking; street trees and groundcover in stormwater management planters or tree pits; a 5' min. clear pedestrian zone; and a storefront zone for tables, chairs, potted plants, and displays.

To reflect the character of Village Center, within the Pinehurst South area, brick sidewalks are required where buildings have commercial frontage.* The Village's standard benches and street lights shall also be incorporated.*

Parallel parking shall be incorporated on both sides of the street, where feasible, to provide additional parking spaces for patrons and visitors.*

* For additional criteria and more information on frontage and setback requirements, see the *Pinehurst South Form-Based Code*.

STREET SECTION KEY

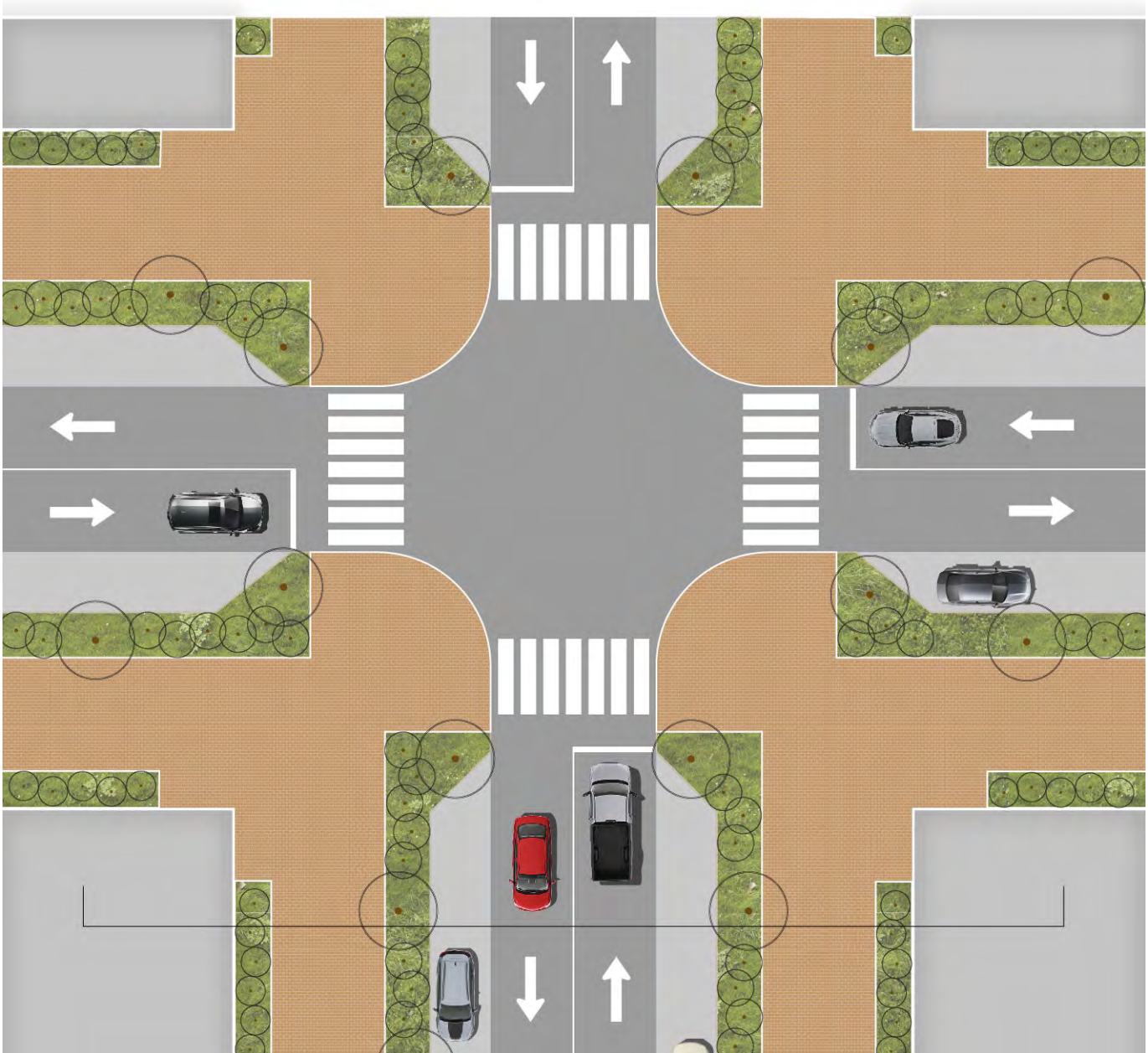
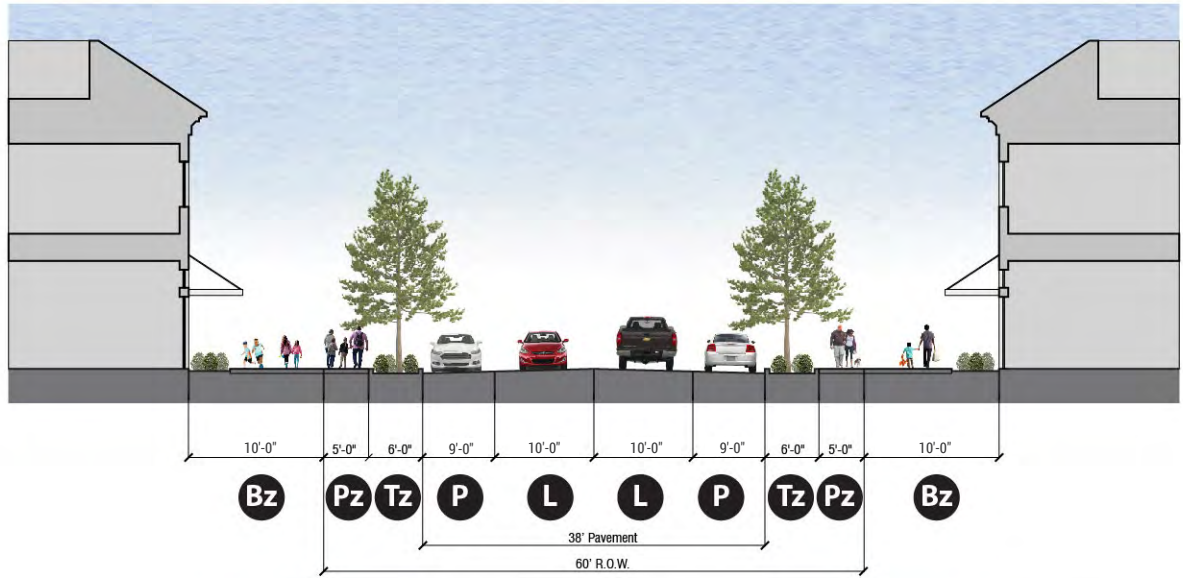
- BZ** BUILDING ZONE
- PZ** PEDESTRIAN ZONE (SIDEWALK)
- TZ** TREE ZONE (PLANTING STRIP)
- P** PARKING (PARALLEL)
- L** TRAVEL LANES (VEHICULAR)



Mixed Use - Market Square, Pinehurst
Credit: VOP Rentals



Precedent - Mixed Use - Mashpee Commons, MA
Credit: PCA Design, Mashpee Commons, MA



Proposed Street Section - Typical Residential

The Typical Residential Street Section is a two-way, two-lane street with parallel parking; street trees and groundcover in stormwater management planters or tree lawns; and a 5' min. clear pedestrian zone.

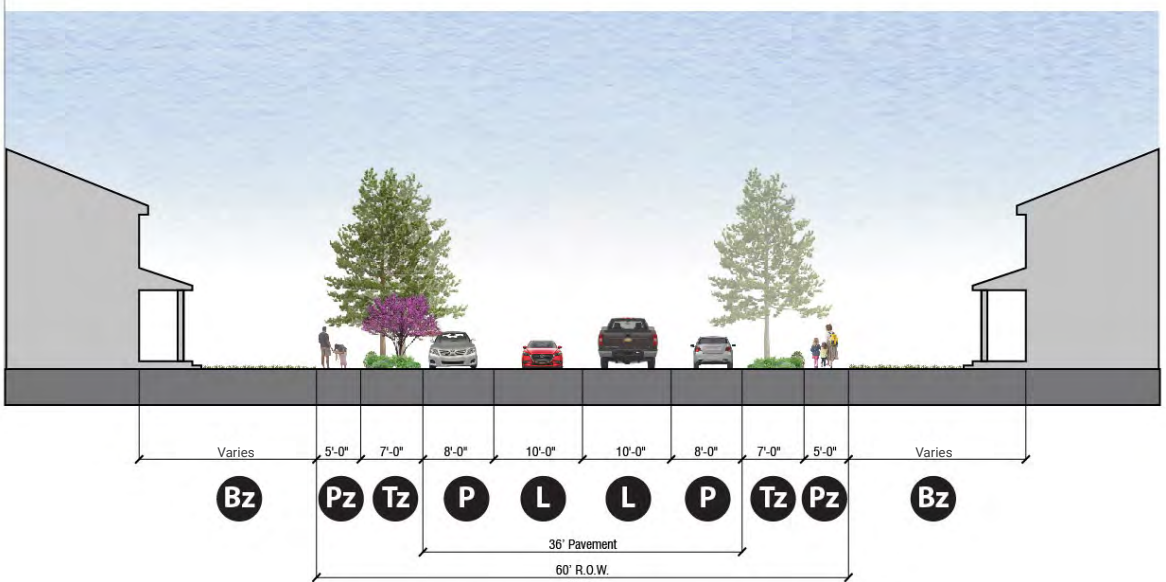
In non-commercial areas, sidewalk material shall be specified as sand/clay, or concrete, as appropriate to context*.

Parallel parking shall be incorporated on both sides of the street, where feasible, to provide additional parking spaces for homeowners and visitors.*

* For additional criteria and more information on frontage and setback requirements, see the *Pinehurst South Form-Based Code*.

STREET SECTION KEY

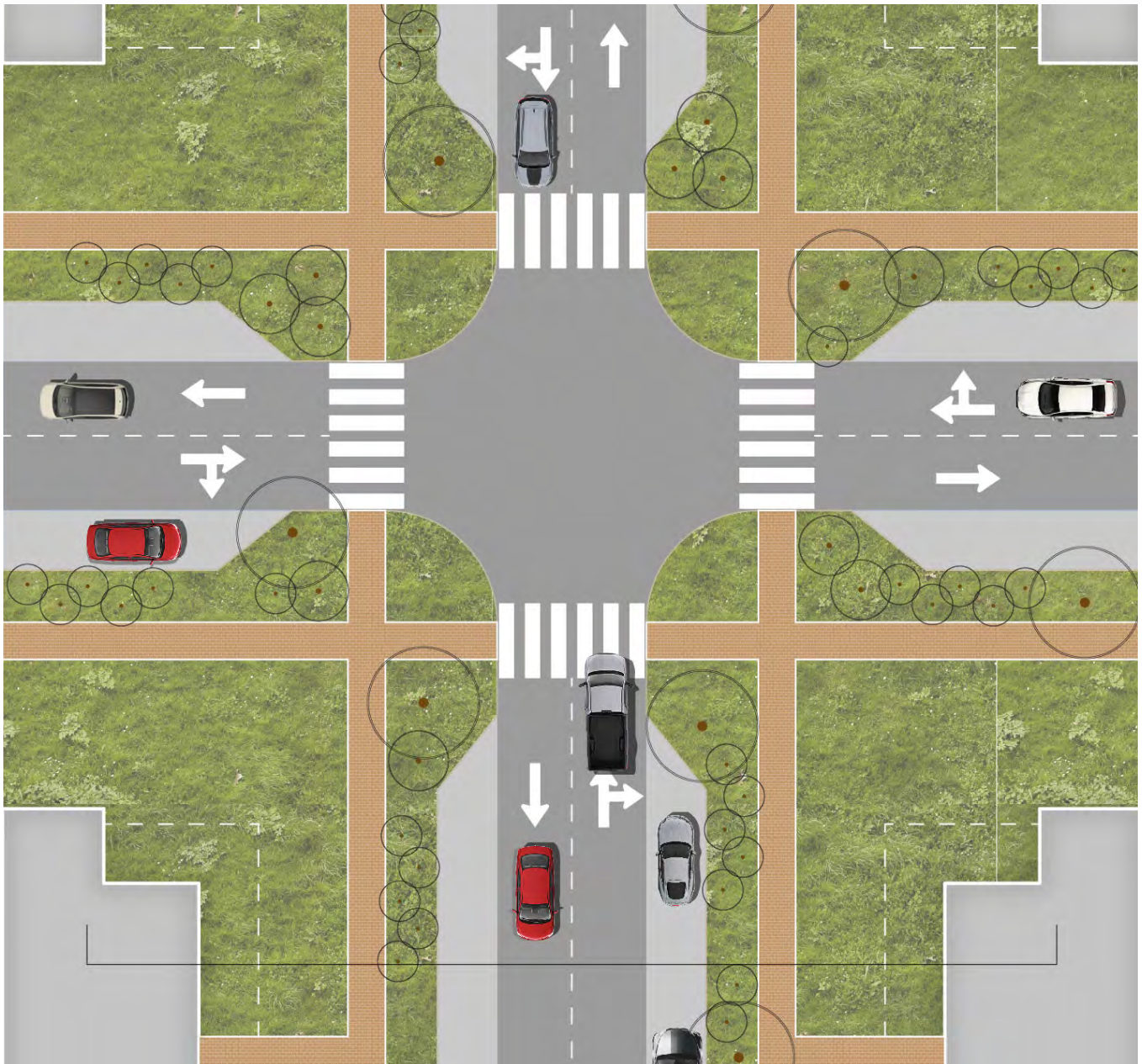
- BZ** BUILDING ZONE
- PZ** PEDESTRIAN ZONE (SIDEWALK)
- TZ** TREE ZONE (PLANTING STRIP)
- P** PARKING (PARALLEL)
- L** TRAVEL LANES (VEHICULAR)



Precedent Residential Streetscape
Source: shortforkfarms.com



Precedent: Residential Streetscape - Kentlands, MD
Source: www.longandfoster.com



Build-Out Plan - Scenario 1 (low)

The Build-out Plan - Scenario 1 represents the cumulative efforts of the consultant team to create one potential, low intensity scenario of how the build-out of Pinehurst South may occur over the next 50+ years. This scenario is illustrative only and should not be considered the only option for this area. This build-out plan is based on the market demand and absorption rates per use, as projected by Duggal Real Estate Advisors (DREA). The *Pinehurst South Form-Based Code (FBC)* will regulate the character of development, in dimension, material, and detail - see that document for additional information.

- This scenario shows the following:
- » A core area is established between Monticello Dr. and Blake Blvd., east of NC-5
 - » To the south of Blake Blvd., a large Central Green creates a focal point for new, mixed-use development, serving as a space for activities and gathering and a transition to nearby residential
 - » Single-Family Detached (SFD) fronts three sides of this Green.
 - » On the west side of NC-5, SFD, Multi-family (MF), and small open spaces infill the residential areas, while commercial infill fronts NC-5.

KEY

VILLAGE OF PINEHURST

SMALL AREA PLAN BOUNDARY

EXISTING ROADS

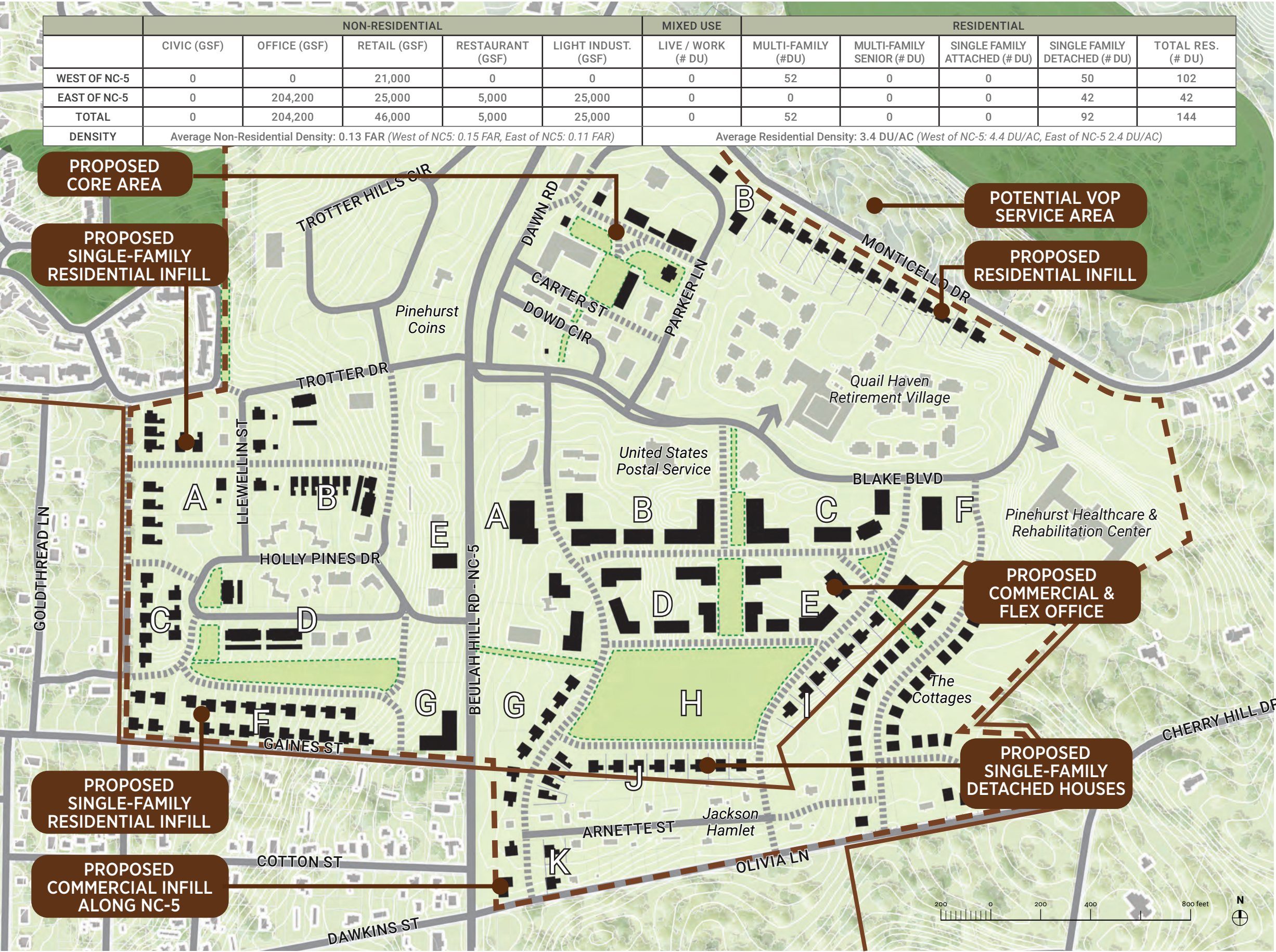
PROPOSED ROADS

EXISTING PARKS/OPEN SPACE

PROPOSED PARKS/OPEN SPACE

A

SUBAREA LABEL



This plan is illustrative only and subject to change. Source: Design Collective, Inc.

Build-Out Plan - Scenario 2 (high)

The Build-out Plan - Scenario 2 represents the cumulative efforts of the consultant team to create an alternative, marginally higher intensity potential scenario of how the build-out of Pinehurst South may occur over the next 50+ years. As with the low intensity scenario, this scenario is illustrative only and should not be considered the only option for this area. This build-out plan is based on the market demand and absorption rates per use, as projected by Duggal Real Estate Advisors (DREA). The *Pinehurst South Form-Based Code* (FBC) will regulate the character of development, in dimension, material, and detail - see that document for additional information.

- This scenario shows the following:
- » A core area is established between Monticello Dr. and Blake Blvd., east of NC-5
 - » To the south of Blake Blvd., a large Central Green creates a focal point for new, mixed-use development, serving as a space for activities and gathering and a transition to nearby residential
 - » Single-Family Attached (SFA) fronts three sides of this Green.
 - » On the west side of NC-5, SFD, SFA, Multi-family (MF), and small open spaces infill the residential areas, while commercial infill fronts NC-5.

KEY

VILLAGE OF PINEHURST

SMALL AREA PLAN BOUNDARY

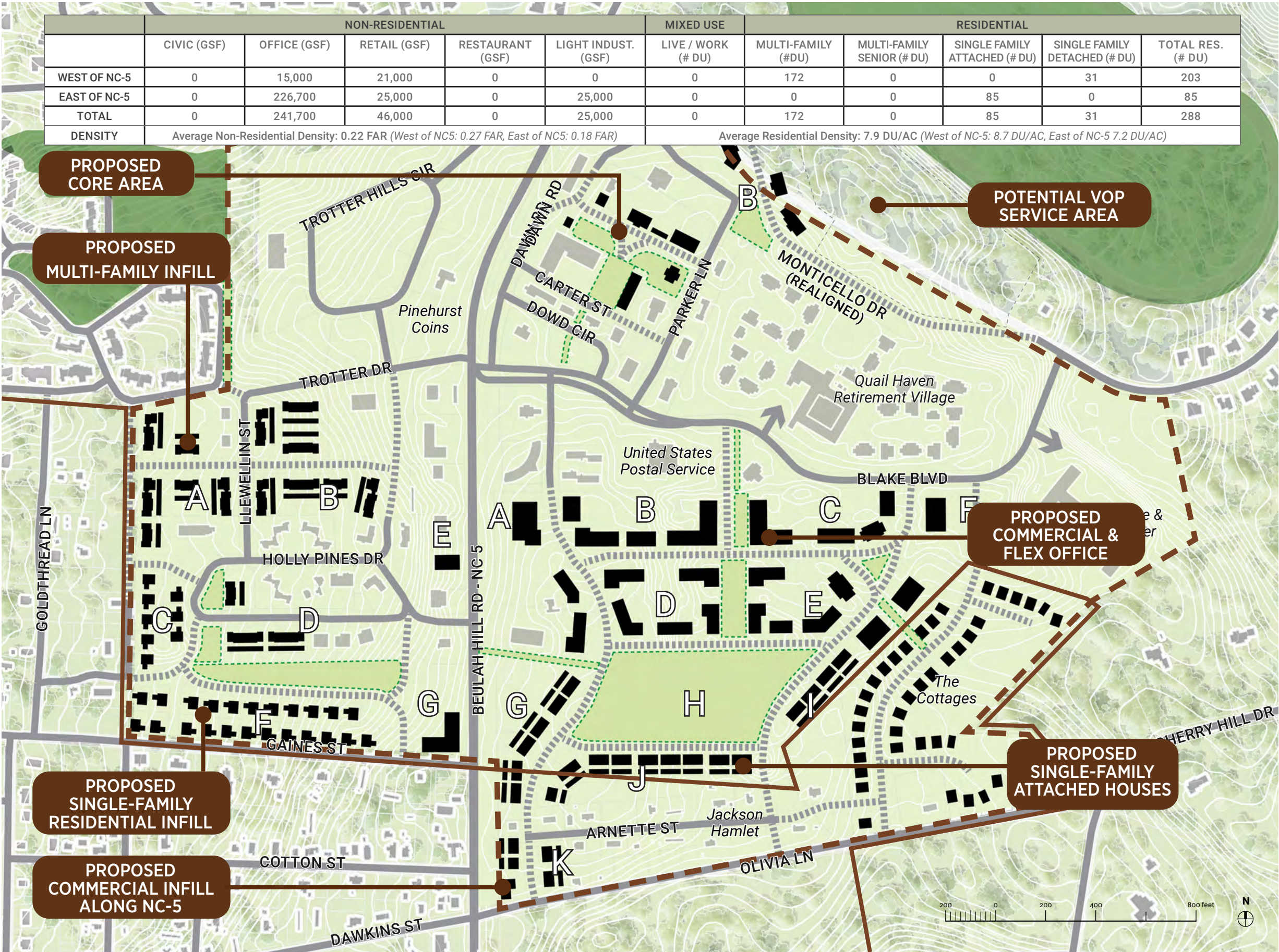
EXISTING ROADS

PROPOSED ROADS

EXISTING PARKS/OPEN SPACE

PROPOSED PARKS/OPEN SPACE

SUBAREA LABEL



Preferred Build-Out Plan

The Preferred Build-Out Plan scenario represents efforts to incorporate the proposed high intensity development scenarios west of NC-5 with that of the low intensity development scenario east of NC-5 of how the build-out of Pinehurst South may occur over the next 50+ years. Incorporating the residential low intensity build-out scenario on the east side of NC-5 should help to lessen overall trip generation and help to provide for a more mixed use neighborhood consistent with the Comprehensive Plan.

- This scenario shows the following:
- » A core area is established between Monticello Dr. and Blake Blvd., east of NC-5
 - » To the south of Blake Blvd., a large Central Green creates a focal point for new, mixed-use development, serving as a space for activities and gathering and a transition to nearby residential
 - » Single-Family Detached (SFD) fronts three sides of this Green.
 - » On the west side of NC-5, SFD, Multi-family (MF), and small open spaces infill the residential areas, while commercial infill fronts NC-5.

KEY

VILLAGE OF PINEHURST

SMALL AREA PLAN BOUNDARY

EXISTING ROADS

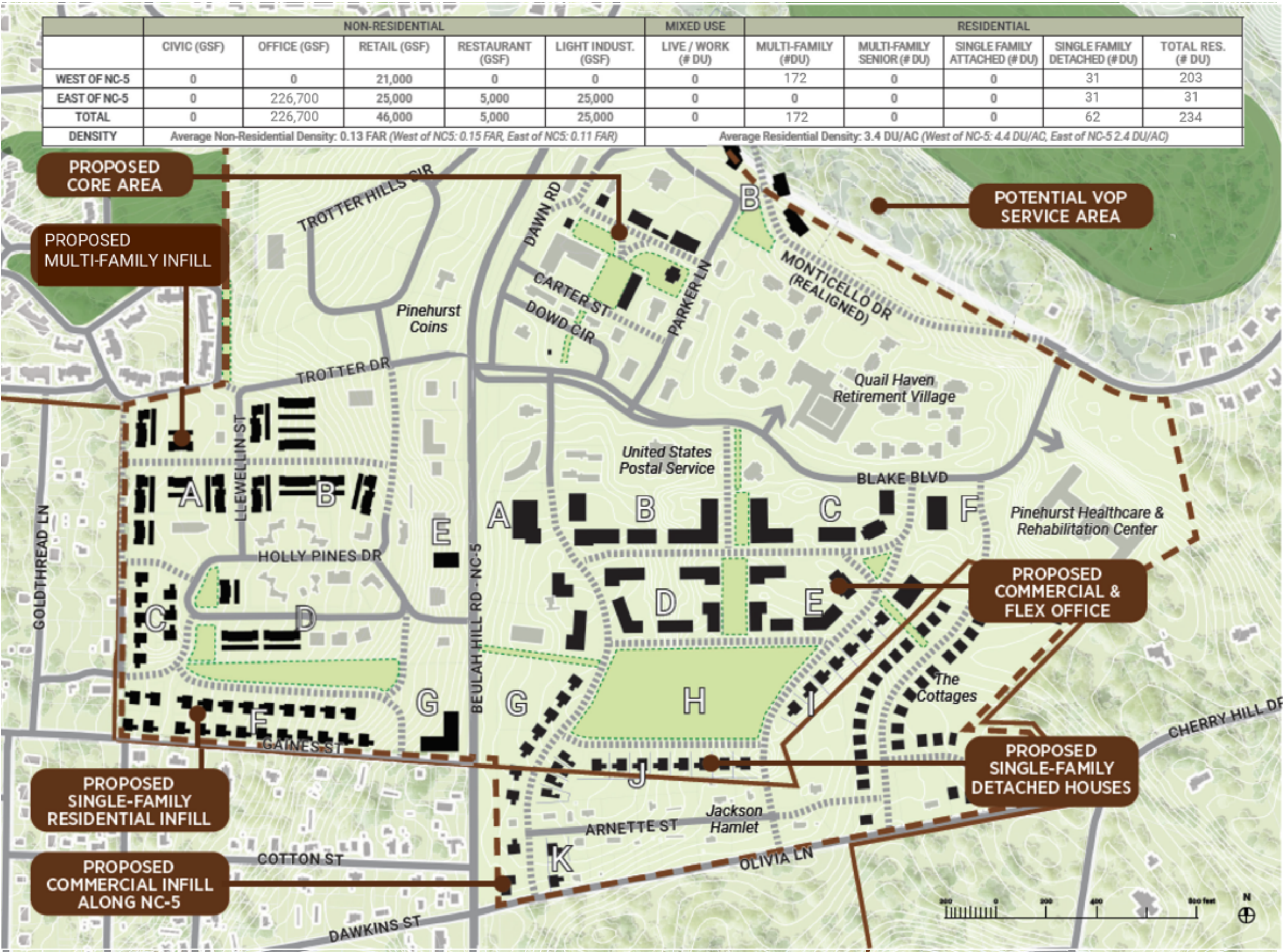
PROPOSED ROADS

EXISTING PARKS/OPEN SPACE

PROPOSED PARKS/OPEN SPACE

A

SUBAREA LABEL



This plan is illustrative only and subject to change. Source: Design Collective, Inc.

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Proposed Concept Plan - Phasing

Using the Market Analysis demand summary (shown in the charts to the right), the consultant team projected the potential timeframes of the proposed Pinehurst South Build-Out plan. The resulting Absorption Plan (on the following page) illustrates these timeframes. As with the Build-Out Plans, this absorption scenario is illustrative only and should not be considered the only option for this area, particularly considering that it can only occur as private and public property owners express interest in redeveloping or selling their parcels.

Civic

Civic uses were not analyzed as part of the Market Analysis and will be determined and developed as needed by the Village.

Residential

The Market Analysis displayed a high demand for residential; therefore, the potential for residential building in Pinehurst South is likely to be as soon as the next 0-10 years. The amount of residential shown in the Build-Out Plans is much less than the demand, as a result of feedback to consultants by Village staff and representatives.

Office

The amount of Office in the Build-Out Plans exceeds the current demand for this use in Pinehurst South. Therefore, while up to 5,000 SF/year is projected, it will take 50+ years to develop the program shown on these plans. Office north of Blake Boulevard should be prioritized over areas to the south in order to activate the proposed core area north of Blake.

Retail/Hospitality

The amount of retail proposed in the Build-Out Plans represents the full build-out potential for Pinehurst South. The build-out of this plan would likely take 10+ years as the demand potential is currently 20-25,000 SF every five years. The demand for retail will likely be higher where access to NC-5 is more direct, therefore retail near the new mixed-use core should be prioritized. This plan does not include hospitality as this use was seen as more appropriate near the Village Center

Golf courses were not included as part of the proposed plan for Pinehurst South, however, golf-related retail and light industry were seen as viable and are included within those use categories.

SUMMARY OF MARKET OPPORTUNITY

Land Use	Overall Market Opportunity	Village Place	Pinehurst South
For-Sale Residential	✓✓✓✓✓	✓✓✓✓	✓✓✓✓
For-Rent Residential	✓✓✓	✓✓✓	✓✓✓
Retail	✓✓✓✓	✓✓✓	✓✓✓
Office	✓✓	✓✓	✓✓
Hospitality	✓✓✓	✓✓✓	✓✓✓
Golf	✓✓	O	✓

Key: ✓✓✓✓✓ = best, ✓ = worst, O = none

SUMMARY OF DEMAND

Land Use	Demand Potential	Locations within Pinehurst
For-Sale Residential	80-120 homes/year	Almost anywhere
For-Rent Residential	15-25 units/year	Major roads, VP, PS, Village Cntr
Retail	20-25,000 SF/ every 5 years	Major roads, VP, PS, Village Cntr
Office	Up to 5,000 SF/year	Medical area, VP, PS, Village Cntr
Hospitality	25 rooms/yr. in Moore Co.	Resort, Village Cntr, PS, VP
Golf	2-3 courses over the next 10 years in Moore Co.	Focus Area 1 is the only area with space

For additional information regarding the Market Analysis summary, see Section 2.3 of this document.

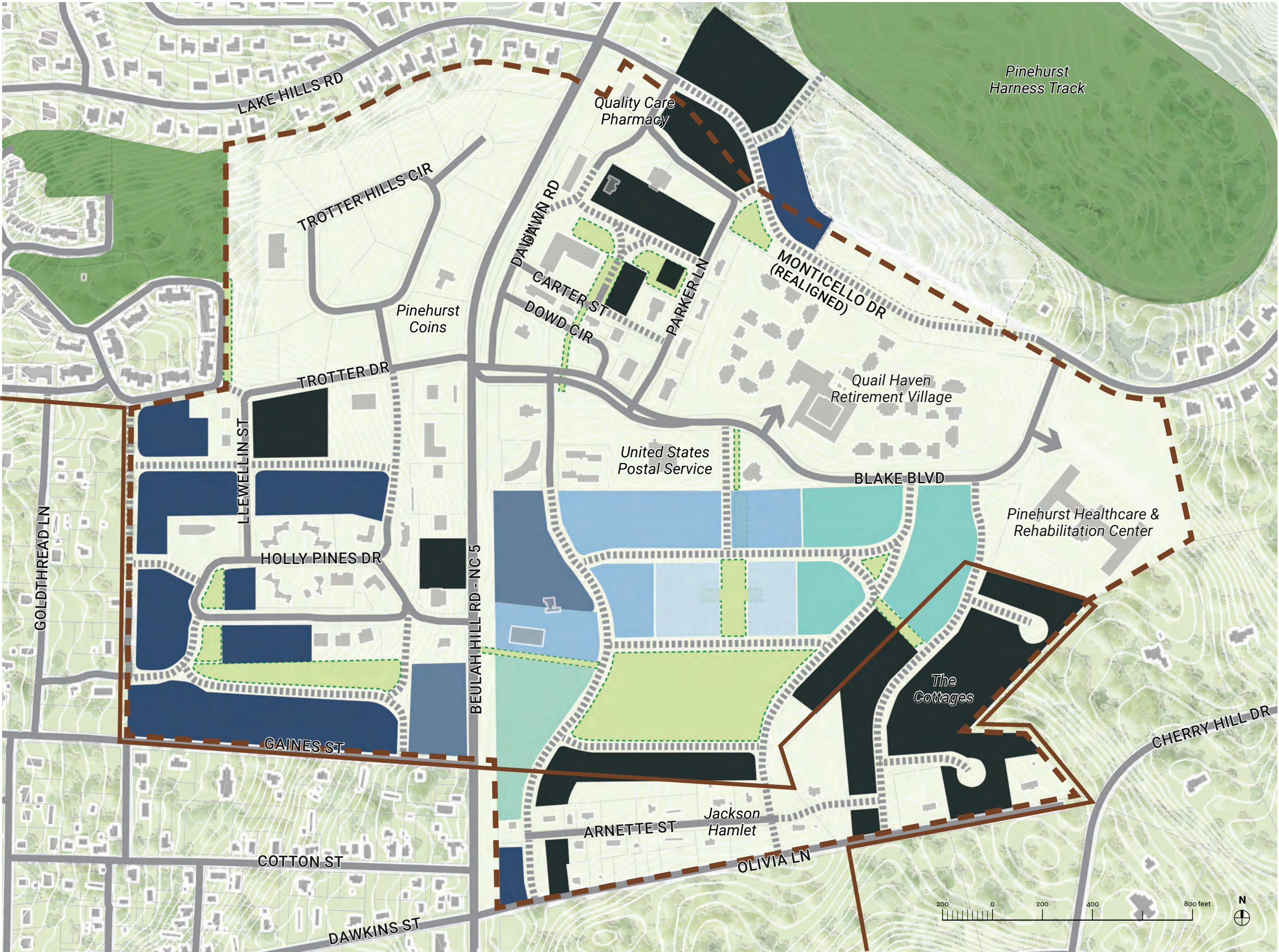
SUMMARY OF DEMAND FOR LAND USE WITHIN PLANNING AREAS

Land Use	Pinehurst South
For-Sale Residential	Unlimited (up to build-out capacity) 1 project would sell approximately 15-25 homes per year
For-Rent Residential	1-2 projects of up to 200 units each, depending on the location Timing depends on where else apartments have been constructed
Retail	Up to 80,000 SF with grocery, 40,000 SF without grocery
Office	Up to 100,000 SF Limited amount per year. 5,000 SF total in Village. Pinehurst South could capture some of that. Could increase, depending on impact of USGA
Hospitality	1 hotel with approximately 100 rooms
Golf	Possibly some support functions (although the land probably has a higher and better use than maintenance for golf)

Phasing Absorption Plan

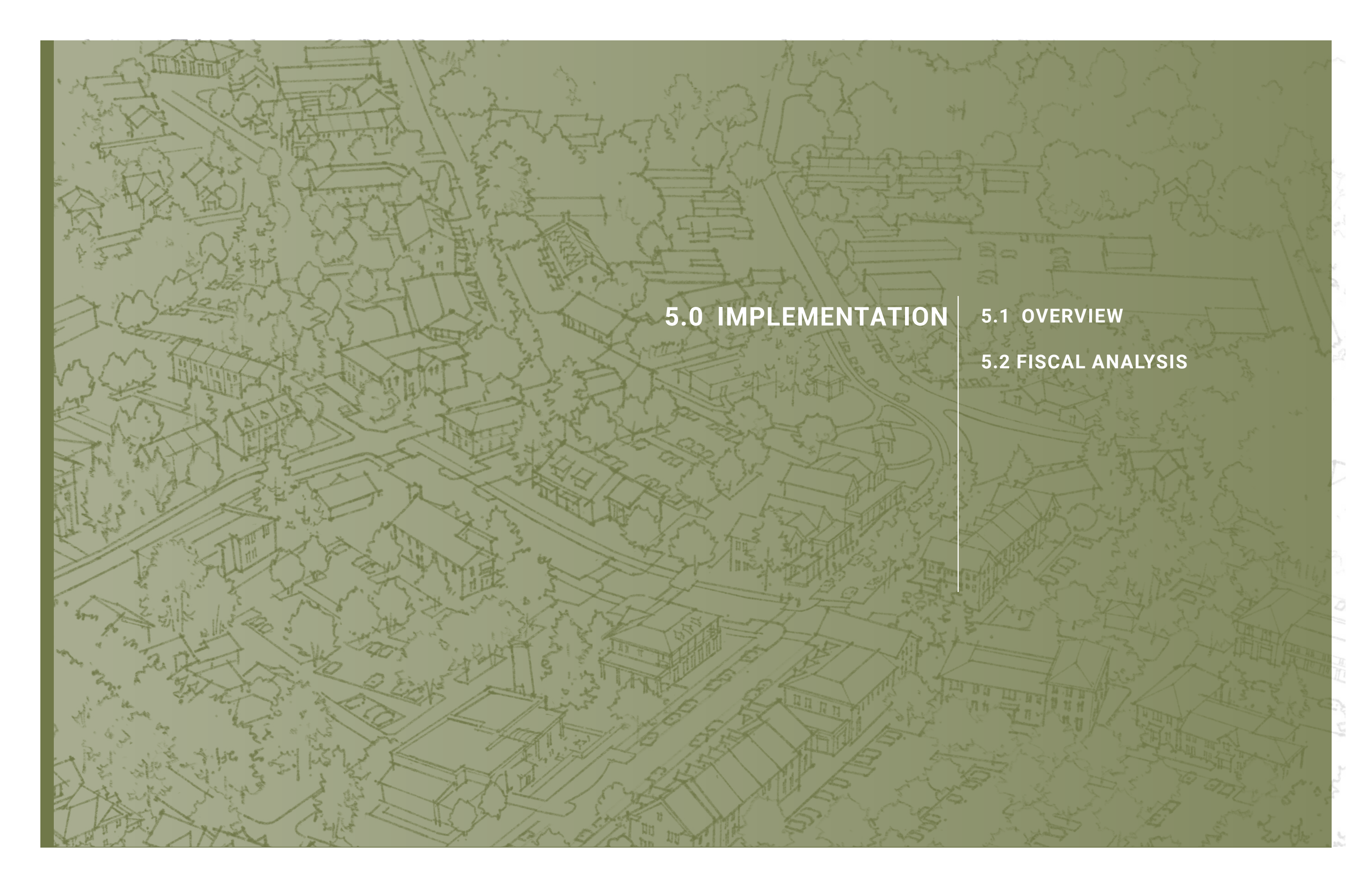
In coordination with the Market Analysis, the consultant team developed a potential Absorption Plan to demonstrate the absorption potential based on demand projections (see the previous page for more information).

The Absorption Plan is based on Build-out Plan - Scenario 2, which can be found on page 73 of this document. However, due to slow absorption rate of Office and Retail and the relatively fast absorption rate of Residential, the absorption durations of Scenario 1 and Scenario 2 would be anticipated to be similar.



This plan is illustrative only and subject to change. Source: Design Collective, Inc.

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5.0 IMPLEMENTATION

5.1 OVERVIEW

5.2 FISCAL ANALYSIS

Introduction

When new development occurs within the Village of Pinehurst, it brings both new revenues to the Village (primarily in the form of new taxes) and new costs to the Village (in terms of services such as fire protection and police as well as new infrastructure such as roads or sewers). Therefore, an important component to understand the implications of the Small Area Plans (SAPs) is to understand the revenue and costs to the Village of added services and infrastructure based upon future potential plans. This analysis is called a Fiscal Impact Analysis.

To determine the revenue and the costs of added service and infrastructure on the Preferred Build-Out Plans for Village Place and Pinehurst South, the team utilized the **FY 2017 Land Use Fiscal Analysis** completed by the Village of Pinehurst in October 2017. This document provided a net fiscal impact of various types of development in the Village of Pinehurst. These are expressed either as a net surplus or net deficit per acre by land use type. Please see the callout box for important assumptions made in the original document. In addition, refer to the original **FY 2017 Land Use Fiscal Analysis** for the full explanation of methodology and assumptions used to determine the net fiscal impact of different land uses by acre.

One of the major findings for the Village was that the analysis indicated that residential land uses generate more net revenue for the Village than non-residential uses. This is due in large part to the fact that the majority of revenues in the Village are from property taxes and that retail sales tax distributions occur on a per capita basis (as opposed to retail square footage or number of businesses). WThey also noted that certain assumptions about gated communities had a significant impact on the Single Family – Medium Density land use since the communities have security and maintain their own roads. In addition, assumptions regarding vacancy (16% for single-family and 68% for multifamily) had a large impact on the results. Finally, some Multi-family developments do not use the Village’s solid waste services and instead contract with a private hauler which impacts costs. It was noted that for future development, Village leaders should consider variables such as private security, private roads, and solid waste collection to determine the true cost of any future residential development.

Results of Fiscal Impact Analysis

Based upon the results of the analysis, utilizing the assumptions as described herein, the Small Area Plans could have the following annual impact on the Village of Pinehurst at build-out (e.g. when the plan is completely built):

- » Village Place Preferred Program: -\$40,003 estimated total annual impact
- » Pinehurst South Program Low: -\$32,192 estimated total annual impact
- » Pinehurst South Program High: -\$18,313 estimated total annual impact

The commercial and the residential land uses in the plans balance each other out to help bring the net fiscal impact fairly close to zero. As noted above, residential land uses have a positive net fiscal impact on the VOP (e.g. more residential in the plans creates more revenue) and commercial land uses have a negative impact on the net fiscal impact (e.g. more commercial in the plans creates less revenue).

Fiscal Impact Assumptions and Methodology

In order to complete the analysis, we utilized the following assumptions:

- » We utilized the assumptions regarding surplus or deficit by acre without any changes from the 2017 report. As noted above, this could make some residential land uses appear more beneficial than they are since the SAPs do not contemplate gated communities and for the other various reasons noted above.
- » We fit the land use categories from the current SAPs into those land use categories from the 2017 report.

Figure 2 on page 80 outlines how the current land use categories in the SAPs compare to the FY 2017 document.

The next step was to determine the likely acreage associated with the SAPs as the FY document reported the surplus and deficit by acreage. The proposed density is similar to the existing density in the Village Center. The calculations to determine density by land use were completed on a gross net basis, based on typical average lots, plus the minimum required open space at 8%, half the right-of-way, and half the alley, if applicable. The following Figure 3 includes the estimated density of the products by land use that were then used to determine acreage in the SAPs.

Figures 5 and 6 on page 81 are the calculations for each of the potential programs.

Page 1, FY 2017 Land Use Fiscal Analysis

“The 2017 Village of Pinehurst Land Use Fiscal Analysis was prepared by Village staff to determine the approximate net revenues or net expenditures of various land uses within the Village of Pinehurst corporate limits. Properties included in the Village’s extra-territorial jurisdiction (ETJ) were not included in this analysis. This land use fiscal analysis was prepared using FY 2017 data and represents an estimate of current revenues and expenditures by land use for that period of time.

This analysis provides revenue and expenditure allocation principals that can be applied to any proposed future development to estimate the financial impact. It is not a perfect predictor of the financial impacts of future development because the impacts of future land uses will vary on a case by case basis. The actual revenues and expenditures generated by one acre of land can vary within the same land use type due to many variables. Therefore, the information contained in this analysis should be used to provide an approximation of the estimated net revenue or cost of development, recognizing the actual revenue and costs associated with any one particular development will likely not be the exact amounts shown in this report.”

Figure 1: Land Uses from FY 2017 Land Use Fiscal Analysis Report and Net Impact Per Acre

Land use	Description	Net Annual Surplus (Deficit) Per Acre
Single Family – Low Density	R210: 5 acre lot/ 2,000 SF min	\$520
Single Family – Medium Density	R-30: 30,000 SF lot/ 2,000 SF min R-20: 20,000 SF lot/ 2,000 SF min R-15: 15,000 SF lot/ 1,800 SF min	\$1,054
Single Family – High Density	R-10: 10,000 SF lot/ 1,800 SF min R-8: 8,000 SF lot/ 1,500 SF min	\$806
Multi-family Development	Density varies by zoning jurisdiction	\$1,597
Office	General office, medical/dental office, government office, post office	(\$3,109)
Retail	Retail, car dealership, drugstore	(\$8,518)
Lodging	Hotel	(\$2,110)
Recreational	Park, marina, golf course, harness track, tennis facility, fitness center	\$52
Institutional	School, church, library	(\$6,622)
Medical	Hospital, nursing home, clinics	(\$6,995)
Industrial	Utilities, manufacturing, warehousing	(\$110)
Services	Bank, real estate office, restaurant, gas station	(\$3,230)

Figure 2: Land Uses from SAPs Compared to FY 2017 Report

Land Use in SAP	Corresponding Land Use in FY 2017 Report
Civic	Institutional
Office	Office
Retail/Restaurant	40% Retail, 60% Services
Hotel	Lodging
Light Industrial	Industrial
Live / Work	Multi-Family Dev.
Multi-Family	Multi-Family Dev.
Multi-Family Senior	Multi-Family Dev.
Single-Family Attached	Multi-Family Dev.
Single-Family Detached	Single-Family - High Density

Figure 3: Estimated Density by Land Use to Determine Acreage in SAPs

Land Use	FAR*/Dwelling Unit (DU)/Key Per Acre
Civic	1.00
Office	0.50
Retail/Restaurant	0.33
Hotel	50
Light Industrial	0.25
Live / Work	12
Multi-Family	18
Multi-Family Senior	25
Single-Family Attached	10
Single-Family Detached	5.5

* Floor Area Ratio (FAR) is the measurement of a building’s total amount of usable floor area in relation to the total area of the lot on which the building stands.

Figure 5: Pinehurst South Low Program Calculations

Land Use in SAP	Non-Residential					Mixed-Use	Residential				Total Program
	Civic (GSF)	Office (GSF)	Retail/ Restaurant (GSF)	Hotel (Keys)	Light Indust. (GSF)	Live / Work (# DU)	Multi-Family (#DU)	Multi-Family Senior (#DU)	Single-Family Attached (#DU)	Single-Family Detached (#DU)	
Pinehurst South Program Low											
W of NC 5	0	0	21,000	0	0	0	52	0	0	50	
E of NC 5	0	204,200	30,000	50	25,000	0	0	0	0	42	
Total	0	204,200	51,000	50	25,000	0	52	0	0	92	
Pinehurst South Program Low in Acres											
W of NC 5	0.0	0.0	1.4	0.0	0.0	0.0	2.9	0.0	0.0	9.1	13.4
E of NC 5	0.0	9.4	2.1	1.0	2.3	0.0	0.0	0.0	0.0	7.6	22.4
Total	0.0	9.4	3.5	1.0	2.3	0.0	2.9	0.0	0.0	16.7	35.8
Pinehurst South Low Annual Revenue (Deficit) By Land Use											
W of NC 5	\$0	\$0	-\$7,732	\$0	\$0	\$0	\$4,614	\$0	\$0	\$7,327	\$4,209
E of NC 5	\$0	-\$29,149	-\$11,045	-\$2,110	-\$253	\$0	\$0	\$0	\$0	\$6,155	-\$36,402
Total	\$0	-\$29,149	-\$18,777	-\$2,110	-\$253	\$0	\$4,614	\$0	\$0	\$13,482	-\$32,192

Figure 6: Pinehurst South High Program Calculations`

Land Use in SAP	Non-Residential					Mixed-Use	Residential				Total Program
	Civic (GSF)	Office (GSF)	Retail (GSF)	Hotel (Keys)	Light Indust. (GSF)	Live / Work (# DU)	Multi-Family (#DU)	Multi-Family Senior (#DU)	Single-Family Attached (#DU)	Single-Family Detached (#DU)	
Pinehurst South Program High											
W of NC 5	0	15,000	21,000	0	0	0	172	0	0	31	
E of NC 5	0	226,700	25,000	0	25,000	0	0	0	85	0	
Total	0	241,700	46,000	0	25,000	0	172	0	85	31	
Pinehurst South Program High in Acres											
W of NC 5	0.0	0.7	1.4	0.0	0.0	0.0	9.6	0.0	0.0	5.6	17.3
E of NC 5	0.0	10.4	1.7	0.0	2.3	0.0	0.0	0.0	8.5	0.0	22.9
Total	0.0	11.1	3.2	0.0	2.3	0.0	9.6	0.0	8.5	5.6	40.3
Pinehurst South High Annual Revenue (Deficit) By Land Use											
W of NC 5	\$0	-\$2,141	-\$7,732	\$0	\$0	\$0	\$15,260	\$0	\$0	\$4,543	\$9,930
E of NC 5	\$0	-\$32,360	-\$9,204	\$0	-\$253	\$0	\$0	\$0	\$13,575	\$0	-\$28,243
Total	\$0	-\$34,502	-\$16,936	\$0	-\$253	\$0	\$15,260	\$0	\$13,575	\$4,543	-\$18,313

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2.2 Regulating Plan

The Regulating Plan is a plan diagram that acts as a key for the application of the Site Design and Street Design criteria, linking the criteria with physical locations.

The Regulating Plan defines the boundary within which the FBC criteria apply, as shown by the SAP Boundary as a brown dashed line. The Regulating Plan also indicates allowed Uses and Building Heights within subareas. For Building Heights for example, "BH: 1-2" indicates that buildings shall be either 1 or 2 stories in height (see Section 8.0 Definitions for information on how building height is measured within Village Place).

Additionally, the Regulating Plan indicates where Active Frontage is required, that is, where retail or restaurant space, lobbies, or building amenities must be located on the ground floor facing the street.

Proposed street alignments and open space locations and configurations may vary from those shown to the right, with Village approval.

Key

CoreAreaBlocks

Block A

Block B

Block C

Block D

Block E

Block F

Block G

Block H

Block I

Block J

Block K

General Frontage

Active Frontage

Public Conservation

Open Space

Civic Building Monuments

Pinehurst South Boundary

1 MIXED-USE

2 OFFICE

3 RETAIL

4 LIVE - WORK

5 SFA - TOWNHOUSE

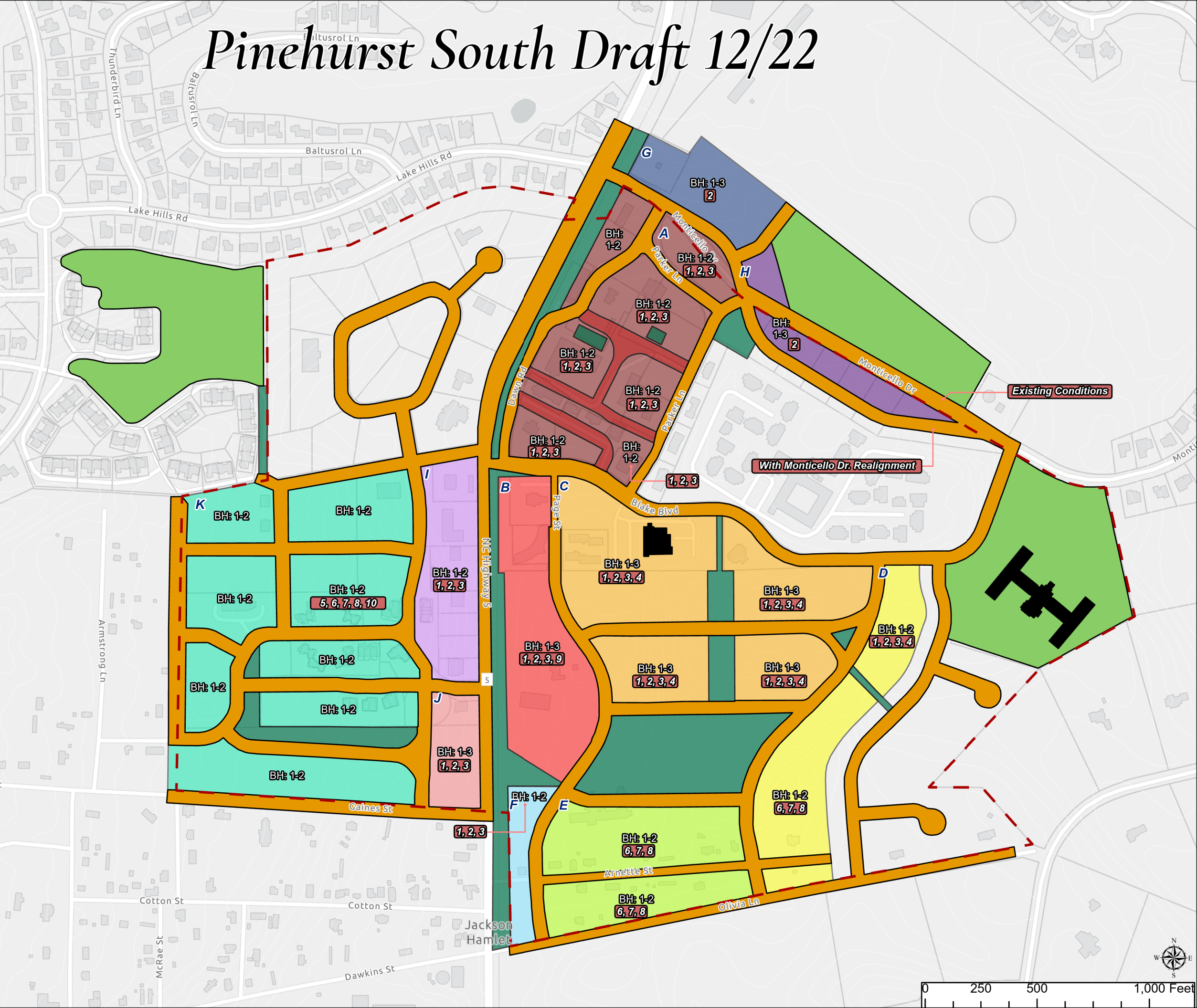
6 SFD - COTTAGE

7 SFD - VILLA

8 SFD - MANOR

9 HOTEL

10 MULTIFAMILY





**DISCUSS UPCOMING AMENDMENTS TO THE PINEHURST
DEVELOPMENT ORDINANCE
ADDITIONAL AGENDA DETAILS:**

This agenda item will be discussed in work session format and no action will be taken by the Board at this meeting.

Development of these proposed amendments builds off of discussions raised during development of the recently adopted short term rental ordinance.

FROM:

Darryn Burich and Alex Cameron

CC:

Jeff Sanborn

DATE OF MEMO:

12/30/2022

MEMO DETAILS:

Attached please find Draft revisions to the Pinehurst Development Ordinance relative to creating a new PDO definition identified as "Planned Community Neighborhood" as well as other proposed definitions related to creating the Planned Community Neighborhood. Designation as a Planned Community Neighborhood would allow for creation of a newly proposed land use definition to be seated on the Table of Permitted Uses 8.5.1a called a "Neighborhood Housing Accommodation". A Neighborhood Housing Accommodation (NHA) is a form of Short Term Rental but is managed through a Master Association which is another proposed land use definition.

Also included is Table 8.5.1a Table of Permitted and Special Uses and Special Requirements to include the Neighborhood Housing Accommodation and the applicable zoning districts where they could be located.

A new special requirement SR-10 Neighborhood Housing Accommodation (NHA) is proposed that would require issuance of a Development Permit prior to establishment and meeting other proposed development standards.

Creation of the Planned Community Neighborhood was based in part from NCGS 47F Planned Community Act which is included for reference.

ATTACHMENTS:

Description

- ☐ Draft PDO Amendments
- ☐ Planned Community Act 47-F

Proposed Definitions to be Added to PDO Section 10.2 Definitions

Planned Community Neighborhood (PCN) is a contiguous area containing at least twenty (20) acres or twenty (20) dwelling units as included within a platted subdivision or condominium development for which any person or corporation, by virtue of ownership of a lot or dwelling unit within the PCN, is by Declaration governed by a Master Association with powers to enforce and adopt and amend bylaws, rules, and regulations and which property owners within the PCN are obligated to pay real property taxes, insurance premiums, or other expenses to maintain, improve, or benefit other lots or common area or other real estate described in the Declaration.

Declaration means any instruments, however denominated, that create a Planned Community Neighborhood.

Neighborhood Housing Accommodation (NHA): is a whole house dwelling occupancy where a Dwelling Unit located within a Planned Community Neighborhood is managed through a Master Association and is leased, offered or made available by short term lease or other financial consideration for a time period or lease term of less than 30 consecutive days.

Executive Board means the body, regardless of name, designated in the Declaration to act on behalf of a Master Association of a Planned Community Neighborhood.

Master Association is a nonprofit organization established pursuant to NCGS 47F-3-101 or 47C-3-10, by Declaration, or its common law equivalent, with powers to enforce, adopt and amend bylaws, rules, and regulations pursuant to NCGS 47F-3-102 or 47C-3-102, or by Declaration and is responsible to maintain or provide for maintenance of all common property and management of all Neighborhood Housing Accommodations within a Planned Community Neighborhood. Enforcement of such powers are for the benefit of lot or dwelling unit owners within the Planned Community Neighborhood.

Association: means an association organized under NCGS 47F-3-101 or 47C-3-101, or by Declaration.

8.5.1a Table of Permitted and Special Uses and Special Requirements

LODGING	P C	R D	R- 21 0	R - 3 0	R - 2 0	R - 1 5	R - 1 0	R - 8	R - 5	R - M F	N C	H	H D	O P	VC P	V R	VM U	VC	S R
Bed and Breakfast Homes			X,SR									X,SR			X,SR	X,SR	X,SR		7
Boarding or Rooming House																			
Dormitory																			
Hotel												X	X				X,SR	X,SR	8
Recreational Vehicle Park																			
<u>Short Term Rental</u>			SR	SR	SR	SR	SR	SR	SR	SR	S R	X,SR	SR	SR	SR	SR	X,SR	SR	9*
Neighborhood Housing Accommodation			X,SR	X,SR	X,SR	X,SR	X,SR	X,SR	X,SR	X,SR	X,SR	X,SR	X,SR	X,SR	X,SR	X,SR	X,SR	X,SR	10

Section 8.6 Special Requirements to the Table of Permitted and Special Uses and Special Requirements

SR-10 Neighborhood Housing Accommodation (NHA)

- 1) After the effective date of this Ordinance, all Neighborhood Housing Accommodations (NHA) shall be required to obtain a Development Permit from the Village. All NHA's, whether lawful nonconforming uses or newly established after the effective date of this Ordinance, shall comply with following standards:
 - a. Compliance with SR9 Standards 1) a-k.
 - b. Submission of documentation and contact information that the Neighborhood Housing Accommodation is located within a Planned Community Neighborhood as defined in Section 10.2 of this Ordinance.
 - c. Submission of documentation of Master Association rules and regulations pertaining to operation of NHA's.
 - d. Submission of documentation that the Neighborhood Housing Accommodation has been authorized by the Master Association.
 - e. Installation of a Landscape Screen per Section 9.5.1.3 of the PDO along the property line adjacent to residential use not part of the Planned Community Neighborhood.

Existing PDO Special Requirement for reference:

SR-9 Short Term Rental

(1) After the effective date of this Ordinance, all applicants seeking to establish any new short-term rentals shall be required to obtain a Development Permit from the Village. All nonconforming short term rental dwelling units operated prior to the effective date of this Ordinance are not required to obtain any Development Permit or any other type of permit or permission as a condition to rent and are not required to register their short-term rental with the Village but may request issuance of a Nonconforming Use Certificate as set forth in subsection [2.3.2](#) of this Ordinance. All short-term rentals, whether lawful nonconforming uses or new short-term rentals established after the effective date of this Ordinance, shall comply with the following standards:

(a) A minimum of one (1) operable smoke detector shall be provided per bedroom (North Carolina State Building Code and 42-A-31(6) Vacation Rental Act);

(b) A minimum one (1) operable carbon monoxide detector shall be provided per level or floor of the dwelling unit. (42-A-31(6) Vacation Rental Act)

(c) Bedrooms and other habitable rooms shall meet the minimum light and ventilation requirements of Section 153.18 of the Pinehurst Municipal Code.

(d) Bedrooms shall meet the minimum size requirements of Section 153.19 of the Pinehurst Municipal Code.

(e) Ceiling Height. At least one-half of the floor area of every bedroom shall have a ceiling height of not less than seven feet and six inches (Section 153.19 (B) Pinehurst Municipal Code).

(f) Egress. Every dwelling unit shall be provided with adequate means of egress as required by the applicable provisions of the North Carolina State Building Code.

(g) To lessen congestion in the streets and to prevent the overcrowding of land as authorized by G.S 160D-701. A minimum of one (1) parking space per bedroom shall be provided on code-approved surfaces and locations.

(h) Cooking facilities are not permitted in any bedroom. For the purposes of this regulation, cooking facilities include any refrigerator in excess of seven (7) cubic feet; any stovetop range that operates on 220-volt electric service, any appliance that operates on natural gas; or any cooktop, whether integrated into a countertop or a separate appliance which contains more than two cooking surfaces or burners. This regulation shall not apply to single dwelling unit room rentals with a sleeping area, living area, and kitchen/eating area consolidated into one room.

(i) To ensure that the owners of short-term rentals provide fit and habitable housing as required by G.S. 42A-17(b), and to prevent the overcrowding of land, the avoidance of undue concentrations of population, to lessen congestion in the streets, and to prevent overcrowding of the lodging premises, and as authorized by G.S. 160D-701, the maximum occupancy per unit shall be based on two (2) adult guests per bedroom.

(j) Accessory Dwelling Units may be permitted for short term rental where Accessory Dwelling Units and Short Term Rentals are both permitted by right in [Table 8.5.1a](#) Table of Permitted and Special Uses and Special Requirements.

(k) Rental rules, including the maximum number of guests per stay, trash disposal procedures and sanitation schedules, noise ordinance hours, parking, and other listed SR-9 requirements shall be conspicuously posted at the main entrance along with the owner or property manager and emergency contact information.

Chapter 47F.

North Carolina Planned Community Act.

Article 1.

General Provisions.

§ 47F-1-101. Short title.

This Chapter shall be known and may be cited as the North Carolina Planned Community Act. (1998-199, s. 1.)

§ 47F-1-102. Applicability.

(a) This Chapter applies to all planned communities created within this State on or after January 1, 1999, except as otherwise provided in this section.

(b) This Chapter does not apply to a planned community created within this State on or after January 1, 1999:

- (1) Which contains no more than 20 lots (including all lots which may be added or created by the exercise of development rights) unless the declaration provides or is amended to provide that this Chapter does apply to that planned community; or
- (2) In which all lots are restricted exclusively to nonresidential purposes, unless the declaration provides or is amended to provide that this Chapter does apply to that planned community.

(c) Notwithstanding the provisions of subsection (a) of this section, G.S. 47F-1-104 (Variation), G.S. 47F-2-103 (Construction and validity of declaration and bylaws), G.S. 47F-2-117 (Amendment of declaration), G.S. 47F-3-102(1) through (6) and (11) through (17) (Powers of owners' association), G.S. 47F-3-103(f) (Executive board members and officers), G.S. 47F-3-107(a), (b), and (c) (Upkeep of planned community; responsibility and assessments for damages), G.S. 47F-3-107.1 (Procedures for fines and suspension of planned community privileges or services), G.S. 47F-3-108 (Meetings), G.S. 47F-3-115 (Assessments for common expenses), G.S. 47F-3-116 (Lien for assessments), G.S. 47F-3-118 (Association records), and G.S. 47F-3-121 (American and State flags and political sign displays), and G.S. 47F-3-104 (Transfer of Special Declarant Rights) apply to all planned communities created in this State before January 1, 1999, unless the articles of incorporation or the declaration expressly provides to the contrary, and G.S. 47F-3-120 (Declaration limits on attorneys' fees) applies to all planned communities created in this State before January 1, 1999. These sections apply only with respect to events and circumstances occurring on or after January 1, 1999, and do not invalidate existing provisions of the declaration, bylaws, or plats and plans of those planned communities. G.S. 47F-1-103 (Definitions) also applies to all planned communities created in this State before January 1, 1999, to the extent necessary in construing any of the preceding sections.

(d) Notwithstanding the provisions of subsections (a) and (c) of this section, any planned community created prior to January 1, 1999, may elect to make the provisions of this Chapter applicable to it by amending its declaration to provide that this Chapter shall apply to that planned community. The amendment may be made by affirmative vote or

written agreement signed by lot owners of lots to which at least sixty-seven percent (67%) of the votes in the association are allocated or any smaller majority the declaration specifies. To the extent the procedures and requirements for amendment in the declaration conflict with the provisions of this subsection, this subsection shall control with respect to any amendment to provide that this Chapter applies to that planned community.

(e) This Chapter does not apply to planned communities or lots located outside this State. (1998-199, s. 1; 2002-112, s. 2; 2004-109, s. 3; 2005-214, s. 1; 2005-422, s. 9; 2006-226, s. 15(a); 2013-34, s. 6; 2014-57, s. 1.)

§ 47F-1-103. Definitions.

In the declaration and bylaws, unless specifically provided otherwise or the context otherwise requires, and in this Chapter:

- (1) "Affiliate of declarant" means any person who succeeds to any special declarant rights and who controls, is controlled by, or is under common control with a declarant. A person "controls" a declarant if the person is any of the following:
 - a. A general partner, officer, director, or employer of the declarant.
 - b. Directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, holds with power to vote, or holds proxies representing more than twenty percent (20%) of the voting interest in the declarant.
 - c. Controls in any manner the election of a majority of the directors of the declarant.
 - d. Has contributed more than twenty percent (20%) of the capital of the declarant.A person "is controlled by" a declarant if the declarant (i) is a general partner, officer, director, or employer of the person; (ii) directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, holds with power to vote, or holds proxies representing more than twenty percent (20%) of the voting interest in the person; (iii) controls in any manner the election of a majority of the directors of the person; or (iv) has contributed more than twenty percent (20%) of the capital of the person. Control does not exist if the powers described in this subdivision are held solely as security for an obligation and are not exercised.
- (2) "Allocated interests" means the common expense liability and votes in the association allocated to each lot.
- (3) "Association" or "owners' association" means the association organized as allowed under North Carolina law, including G.S. 47F-3-101.
- (4) "Common elements" means any real estate within a planned community owned or leased by the association, other than a lot.
- (5) "Common expenses" means expenditures made by or financial liabilities of the association, together with any allocations to reserves.
- (6) "Common expense liability" means the liability for common expenses allocated to each lot as permitted by this Chapter, the declaration or otherwise by law.
- (7) "Condominium" means real estate, as defined and created under Chapter 47C [of the General Statutes].

- (8) "Cooperative" means real estate owned by a corporation, trust, trustee, partnership, or unincorporated association, where the governing instruments of that organization provide that each of the organization's members, partners, stockholders, or beneficiaries is entitled to exclusive occupancy of a designated portion of that real estate.
- (9) "Declarant" means any person or group of persons acting in concert who (i) as part of a common promotional plan, offers to dispose of the person's or group's interest in a lot not previously disposed of, or (ii) reserves or succeeds to any special declarant right.
- (10) "Declaration" means any instruments, however denominated, that create a planned community and any amendments to those instruments.
- (11) "Development rights" means any right or combination of rights reserved by a declarant in the declaration (i) to add real estate to a planned community; (ii) to create lots, common elements, or limited common elements within a planned community; (iii) to subdivide or combine lots or convert lots into common elements; or (iv) to withdraw real estate from a planned community.
- (12) Reserved.
- (13) "Executive board" means the body, regardless of name, designated in the declaration to act on behalf of the association.
- (14), (15) Reserved.
- (16) "Leasehold planned community" means a planned community in which all or a portion of the real estate is subject to a lease, the expiration or termination of which will terminate the planned community or reduce its size.
- (17) "Lessee" means the party entitled to present possession of a leased lot whether lessee, sublessee, or assignee.
- (18) "Limited common element" means a portion of the common elements allocated by the declaration or by operation of law for the exclusive use of one or more but fewer than all of the lots.
- (19) "Lot" means a physical portion of the planned community designated for separate ownership or occupancy by a lot owner.
- (20) "Lot owner" means a declarant or other person who owns a lot, or a lessee of a lot in a leasehold planned community whose lease expires simultaneously with any lease the expiration or termination of which will remove the lot from the planned community, but does not include a person having an interest in a lot solely as security for an obligation.
- (21) "Master association" means an organization described in G.S. 47F-2-120, whether or not it is also an association described in G.S. 47F-3-101.
- (22) "Person" means a natural person, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or other legal or commercial entity.
- (23) "Planned community" means real estate with respect to which any person, by virtue of that person's ownership of a lot, is expressly obligated by a declaration to pay real property taxes, insurance premiums, or other expenses to maintain, improve, or benefit other lots or other real estate described in the declaration. For purposes of this act, neither a cooperative nor a condominium is a planned community, but real estate comprising a condominium or cooperative may be

- part of a planned community. "Ownership of a lot" does not include holding a leasehold interest of less than [than] 20 years in a lot, including renewal options.
- (24) "Purchaser" means any person, other than a declarant or a person in the business of selling real estate for the purchaser's own account, who by means of a voluntary transfer acquires a legal or equitable interest in a lot, other than (i) a leasehold interest (including renewal options) of less than 20 years, or (ii) as security for an obligation.
 - (25) "Real estate" means any leasehold or other estate or interest in, over, or under land, including structures, fixtures, and other improvements and interests which by custom, usage, or law pass with a conveyance of land though not described in the contract of sale or instrument of conveyance. "Real estate" includes parcels with or without upper or lower boundaries, and spaces that may be filled with air or water.
 - (26) "Reasonable attorneys' fees" means attorneys' fees reasonably incurred without regard to any limitations on attorneys' fees which otherwise may be allowed by law.
 - (27) Reserved.
 - (28) "Special declarant rights" means rights reserved for the benefit of a declarant including, without limitation, any right (i) to complete improvements indicated on plats and plans filed with the declaration; (ii) to exercise any development right; (iii) to maintain sales offices, management offices, signs advertising the planned community, and models; (iv) to use easements through the common elements for the purpose of making improvements within the planned community or within real estate which may be added to the planned community; (v) to make the planned community part of a larger planned community or group of planned communities; (vi) to make the planned community subject to a master association; or (vii) to appoint or remove any officer or executive board member of the association or any master association during any period of declarant control.
 - (29) Reserved. (1998-199, s. 1; 2014-57, s. 2.)

§ 47F-1-104. Variation.

(a) Except as specifically provided in specific sections of this Chapter, the provisions of this Chapter may not be varied by the declaration or bylaws. To the extent not inconsistent with the provisions of this Chapter, the declaration, bylaws, and articles of incorporation form the basis for the legal authority for the planned community to act as provided in the declaration, bylaws, and articles of incorporation, and the declaration, bylaws, and articles of incorporation are enforceable by their terms.

(b) The provisions of this Chapter may not be varied by agreement; however, after breach of a provision of this Chapter, rights created hereunder may be knowingly waived in writing.

(c) Notwithstanding any of the provisions of this Chapter, a declarant may not act under a power of attorney or proxy or use any other device to evade the limitations or prohibitions of this Chapter, the declaration, or the bylaws. (1998-199, s. 1; 2013-34, s. 3.)

§ 47F-1-105. Taxation.

Extraterritorial common property taxed pursuant to G.S. 105-277.8 shall be assessed, pro rata, among the lot owners based on the number of lots in the association. (2012-157, s. 3.)

§ 47F-1-106. Applicability of local ordinances, regulations, and building codes.

A zoning, subdivision, or building code or other real estate use law, ordinance, or regulation may not prohibit a planned community or impose any requirement upon a planned community which it would not impose upon a substantially similar development under a different form of ownership or administration. Otherwise, no provision of this Chapter invalidates or modifies any provision of any zoning, subdivision, or building code or any other real estate use law, ordinance, or regulation. No local ordinance or regulation may require the recordation of a declaration prior to the date required by this Chapter. (1998-199, s. 1.)

§ 47F-1-107. Eminent domain.

(a) If a lot is acquired by eminent domain, or if part of a lot is acquired by eminent domain leaving the lot owner with a remnant which may not practically or lawfully be used for any purpose permitted by the declaration, the award shall compensate the lot owner for his lot and its interest in the common element. Upon acquisition, unless the decree otherwise provides, the lot's allocated interests are automatically reallocated to the remaining lots in proportion to the respective allocated interests of those lots before the taking, exclusive of the lot taken.

(b) Except as provided in subsection (a) of this section, if part of a lot is acquired by eminent domain, the award shall compensate the lot owner for the reduction in value of the lot. Upon acquisition, unless the decree otherwise provides, (i) that lot's allocated interests are reduced in proportion to the reduction in the size of the lot, or on any other basis specified in the declaration, and (ii) the portion of the allocated interests divested from the partially acquired lot are automatically reallocated to that lot and the remaining lots in proportion to the respective allocated interests of those lots before the taking, with the partially acquired lot participating in the reallocation on the basis of its reduced allocated interests.

(c) If there is any reallocation under subsection (a) or (b) of this section, the association shall promptly prepare, execute, and record an amendment to the declaration reflecting the reallocations. Any remnant of a lot remaining after part of a lot is taken under this subsection is thereafter a common element.

(d) If part of the common elements is acquired by eminent domain, the portion of the award attributable to the common elements taken shall be paid to the association. Unless the declaration provides otherwise, any portion of the award attributable to the acquisition of a limited common element shall be apportioned among the owners of the lots to which that limited common element was allocated at the time of acquisition based on their allocated interest in the common elements before the taking.

(e) The court decree shall be recorded in every county in which any portion of the planned community is located. (1998-199, s. 1.)

§ 47F-1-108. Supplemental general principles of law applicable.

The principles of law and equity as well as other North Carolina statutes (including the provisions of the North Carolina Nonprofit Corporation Act) supplement the provisions of this

Chapter, except to the extent inconsistent with this Chapter. When these principles or statutes are inconsistent or conflict with this Chapter, the provisions of this Chapter will control. (1998-199, s. 1.)

§ 47F-1-109. Reserved for future codification purposes.

Article 2.

Creation, Alteration, and Termination of Planned Communities.

§ 47F-2-101. Creation of the planned community.

A declaration creating a planned community shall be executed in the same manner as a deed and shall be recorded in every county in which any portion of the planned community is located. (1998-199, s. 1; 2012-18, s. 1.7.)

§ 47F-2-102. Reserved for future codification purposes.

§ 47F-2-103. Construction and validity of declaration and bylaws.

(a) To the extent not inconsistent with the provisions of this Chapter, the declaration, bylaws, and articles of incorporation form the basis for the legal authority for the planned community to act as provided in the declaration, bylaws, and articles of incorporation, and the declaration, bylaws, and articles of incorporation are enforceable by their terms. All provisions of the declaration and bylaws are severable.

(b) The rule against perpetuities may not be applied to defeat any provision of the declaration, bylaws, rules, or regulations adopted pursuant to G.S. 47F-3-102(1).

(c) In the event of a conflict between the provisions of the declaration and the bylaws, the declaration prevails except to the extent the declaration is inconsistent with this Chapter.

(d) Title to a lot and common elements is not rendered unmarketable or otherwise affected by reason of an insubstantial failure of the declaration to comply with this Chapter. Whether a substantial failure to comply with this Chapter impairs marketability shall be determined by the law of this State relating to marketability. (1998-199, s. 1; 2013-34, s. 4.)

§§ 47F-2-104 through 47F-2-116. Reserved for future codification purposes.

§ 47F-2-117. Amendment of declaration.

(a) Except in cases of amendments that may be executed by a declarant under the terms of the declaration or by certain lot owners under G.S. 47F-2-118(b), the declaration may be amended only by affirmative vote or written agreement signed by lot owners of lots to which at least sixty-seven percent (67%) of the votes in the association are allocated, or any larger majority the declaration specifies or by the declarant if necessary for the exercise of any development right. The declaration may specify a smaller number only if all of the lots are restricted exclusively to nonresidential use.

(b) No action to challenge the validity of an amendment adopted pursuant to this section may be brought more than one year after the amendment is recorded.

(c) Every amendment to the declaration shall be recorded in every county in which any portion of the planned community is located and is effective only upon recordation.

(d) Any amendment passed pursuant to the provisions of this section or the procedures provided for in the declaration are presumed valid and enforceable.

(e) Amendments to the declaration required by this Chapter to be recorded by the association shall be prepared, executed, recorded, and certified in accordance with G.S. 47-41.01 or G.S. 47-41.02. (1998-199, s. 1; 2012-18, s. 1.8; 2013-34, s. 5; 2019-177, s. 4.3.)

§ 47F-2-118. Termination of planned community.

(a) Except in the case of taking of all the lots by eminent domain (G.S. 47F-1-107), a planned community may be terminated only by agreement of lot owners of lots to which at least eighty percent (80%) of the votes in the association are allocated, or any larger percentage the declaration specifies. The declaration may specify a smaller percentage only if all of the lots in the planned community are restricted exclusively to nonresidential uses.

(b) An agreement to terminate shall be evidenced by the execution of a termination agreement, or ratifications thereof, in the same manner as a deed, by the requisite number of lot owners. The termination agreement shall specify a date after which the agreement will be void unless it is recorded before that date. A termination agreement and all ratifications thereof shall be recorded in every county in which a portion of the planned community is situated and is effective only upon recordation.

(c) A termination agreement may provide for sale of the common elements, but may not require that the lots be sold following termination, unless the declaration as originally recorded provided otherwise or unless all the lot owners consent to the sale. If, pursuant to the agreement, any real estate in the planned community is to be sold following termination, the termination agreement shall set forth the minimum terms of the sale.

(d) The association, on behalf of the lot owners, may contract for the sale of real estate in the planned community, but the contract is not binding until approved pursuant to subsections (a) and (b) of this section. Until the sale has been concluded and the proceeds thereof distributed, the association continues in existence with all powers it had before termination. Proceeds of the sale shall be distributed to lot owners and lienholders as their interests may appear, as provided in the termination agreement.

(e) If the real estate constituting the planned community is not to be sold following termination, title to the common elements vests in the lot owners upon termination as tenants in common in proportion to their respective interests as provided in the termination agreement.

(f) Following termination of the planned community, the proceeds of any sale of real estate, together with the assets of the association, are held by the association as trustee for lot owners and holders of liens on the lots as their interests may appear. All other creditors of the association are to be treated as if they had perfected liens on the common elements immediately before termination.

(g) If the termination agreement does not provide for the distribution of sales proceeds pursuant to subsection (d) of this section or the vesting of title pursuant to subsection (e) of this section, sales proceeds shall be distributed and title shall vest in accordance with each lot owner's allocated share of common expense liability.

(h) Except as provided in subsection (i) of this section, foreclosure or enforcement of a lien or encumbrance against the common elements does not of itself terminate the planned community, and foreclosure or enforcement of a lien or encumbrance against a portion of the common elements other than withdrawable real estate does not withdraw that portion from the planned community. Foreclosure or enforcement of a lien or encumbrance against withdrawable real estate does not of itself withdraw that real estate from the planned community, but the person taking title thereto has the right to require from the association, upon request, an amendment excluding the real estate from the planned community.

(i) If a lien or encumbrance against a portion of the real estate comprising the planned community has priority over the declaration and the lien or encumbrance has not been partially released, the parties foreclosing the lien or encumbrance may, upon foreclosure, record an instrument excluding the real estate subject to that lien or encumbrance from the planned community. (1998-199, s. 1.)

§ 47F-2-119. Reserved for future codification purposes.

§ 47F-2-120. Master associations.

If the declaration for a planned community provides that any of the powers described in G.S. 47F-3-102 are to be exercised by or may be delegated to a profit or nonprofit corporation which exercises those or other powers on behalf of one or more other planned communities or for the benefit of the lot owners of one or more other planned communities, all provisions of this act applicable to lot owners' associations apply to any such corporation. (1998-199, s. 1.)

§ 47F-2-121. Merger or consolidation of planned communities.

(a) Any two or more planned communities, by agreement of the lot owners as provided in subsection (b) of this section, may be merged or consolidated into a single planned community. In the event of a merger or consolidation, unless the agreement otherwise provides, the resultant planned community is, for all purposes, the legal successor of all of the preexisting planned communities, and the operations and activities of all associations of the preexisting planned communities shall be merged or consolidated into a single association which shall hold all powers, rights, obligations, assets, and liabilities of all preexisting associations.

(b) An agreement of two or more planned communities to merge or consolidate pursuant to subsection (a) of this section shall be evidenced by an agreement prepared, executed, recorded, and certified by the president of the association of each of the preexisting planned communities following approval by owners of lots to which are allocated the percentage of votes in each planned community required to terminate that

planned community. Any such agreement shall be recorded in every county in which a portion of the planned community is located and is not effective until recorded.

(c) Every merger or consolidation agreement shall provide for the reallocation of the allocated interests in the new association among the lots of the resultant planned community either (i) by stating the reallocations or the formulas upon which they are based or (ii) by stating the percentage of overall common expense liabilities and votes in the new association which are allocated to all of the lots comprising each of the preexisting planned communities, and providing that the portion of the percentages allocated to each lot formerly comprising a part of the preexisting planned community shall be equal to the percentages of common expense liabilities and votes in the association allocated to that lot by the declaration of the preexisting planned community. (1998-199, s. 1.)

Article 3.

Management of Planned Community.

§ 47F-3-101. Organization of owners' association.

A lot owners' association shall be incorporated no later than the date the first lot in the planned community is conveyed. The membership of the association at all times shall consist exclusively of all the lot owners or, following termination of the planned community, of all persons entitled to distributions of proceeds under G.S. 47F-2-118. Every association created after the effective date of this Chapter shall be organized as a nonprofit corporation. (1998-199, s. 1.)

§ 47F-3-102. Powers of owners' association.

Unless the articles of incorporation or the declaration expressly provides to the contrary, the association may do all of the following:

- (1) Adopt and amend bylaws and rules and regulations.
- (2) Adopt and amend budgets for revenues, expenditures, and reserves and collect assessments for common expenses from lot owners.
- (3) Hire and discharge managing agents and other employees, agents, and independent contractors.
- (4) Institute, defend, or intervene in litigation or administrative proceedings on matters affecting the planned community.
- (5) Make contracts and incur liabilities.
- (6) Regulate the use, maintenance, repair, replacement, and modification of common elements.
- (7) Cause additional improvements to be made as a part of the common elements.
- (8) Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property, provided that common elements may be conveyed or subjected to a security interest only pursuant to G.S. 47F-3-112.
- (9) Grant easements, leases, licenses, and concessions through or over the common elements.
- (10) Impose and receive any payments, fees, or charges for the use, rental, or operation of the common elements other than the limited common elements and for services provided to lot owners.

- (11) Impose reasonable charges for late payment of assessments, not to exceed the greater of twenty dollars (\$20.00) per month or ten percent (10%) of any assessment installment unpaid and, after notice and an opportunity to be heard, suspend privileges or services provided by the association (except rights of access to lots) during any period that assessments or other amounts due and owing to the association remain unpaid for a period of 30 days or longer.
- (12) After notice and an opportunity to be heard, impose reasonable fines or suspend privileges or services provided by the association (except rights of access to lots) for reasonable periods for violations of the declaration, bylaws, and rules and regulations of the association.
- (13) Impose reasonable charges in connection with the preparation and recordation of documents, including, without limitation, amendments to the declaration.
- (13a) Impose reasonable charges in connection with the preparation of statements of unpaid assessments, which must be furnished within 10 business days after receipt of the request, in an amount not to exceed two hundred dollars (\$200.00) per statement or request, and an additional expedite fee in an amount not to exceed one hundred dollars (\$100.00) if the request is made within 48 hours of closing, all of which charges may be collected by the association, its managers, or its agents.
- (14) Provide for the indemnification of and maintain liability insurance for its officers, executive board, directors, employees, and agents.
- (15) Assign its right to future income, including the right to receive common expense assessments.
- (16) Exercise all other powers that may be exercised in this State by legal entities of the same type as the association.
- (17) Exercise any other powers necessary and proper for the governance and operation of the association. (1998-199, s. 1; 2004-109, s. 4; 2005-422, s. 1; 2020-90, s. 4(c).)

§ 47F-3-103. Executive board members and officers.

(a) Except as provided in the declaration, in the bylaws, in subsection (b) of this section, or in other provisions of this Chapter, the executive board may act in all instances on behalf of the association. In the performance of their duties, officers and members of the executive board shall discharge their duties in good faith. Officers shall act according to the standards for officers of a nonprofit corporation set forth in G.S. 55A-8-42, and members shall act according to the standards for directors of a nonprofit corporation set forth in G.S. 55A-8-30.

(b) The executive board may not act unilaterally on behalf of the association to amend the declaration (G.S. 47F-2-117), to terminate the planned community (G.S. 47F-2-118), or to elect members of the executive board or determine the qualifications, powers and duties, or terms of office of executive board members (G.S. 47F-3-103(e)), but the executive board may unilaterally fill vacancies in its membership for the unexpired portion of any term. Notwithstanding any provision of the declaration or bylaws to the contrary, the lot owners, by a majority vote of all persons present and entitled to vote at any meeting of the lot owners at which a quorum is present, may remove any member of the executive board with or without cause, other than a member appointed by the declarant.

(c) Within 30 days after adoption of any proposed budget for the planned community, the executive board shall provide to all the lot owners a summary of the budget and a notice of the meeting to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. The executive board shall set a date for a meeting of the lot owners to consider ratification of the budget, such meeting to be held not less than 10 nor more than 60 days after mailing of the summary and notice. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at that meeting a majority of all the lot owners in the association or any larger vote specified in the declaration rejects the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the lot owners shall be continued until such time as the lot owners ratify a subsequent budget proposed by the executive board.

(d) The declaration may provide for a period of declarant control of the association, during which period a declarant, or persons designated by the declarant, may appoint and remove the officers and members of the executive board.

(e) Not later than the termination of any period of declarant control, the lot owners shall elect an executive board of at least three members, at least a majority of whom shall be lot owners. The executive board shall elect the officers. The executive board members and officers shall take office upon election.

(f) The association shall publish the names and addresses of all officers and board members of the association within 30 days of their election. (1998-199, s. 1; 2005-422, ss. 2, 3.)

§ 47F-3-104. Transfer of special declarant rights.

(a) No special declarant right (G.S. 47F-1-103(28)) defined under this Chapter may be transferred except by an instrument evidencing the transfer recorded in every county in which any portion of the planned community is located. Except for the transfer of declarant rights pursuant to subsection (c) of this section, the instrument is not effective unless executed by the transferee.

(b) Upon transfer of any special declarant right, the liability of a transferor declarant is as follows:

- (1) A transferor is not relieved of any obligation or liability arising before the transfer and remains liable for warranty obligations imposed upon the transferor by this Chapter. Lack of privity does not deprive any lot owner of standing to maintain an action to enforce any obligation of the transferor.
- (2) If a successor to any special declarant right is an affiliate of a declarant (G.S. 47F-1-103(1)), the transferor is jointly and severally liable with the successor for any obligations or liabilities of the successor relating to the planned community.
- (3) If a transferor retains any special declarant rights but transfers other special declarant rights to a successor who is not an affiliate of the declarant, the transferor is liable for any obligations or liabilities imposed on a declarant by this Chapter or by the declaration relating to the retained special declarant rights and arising after the transfer.
- (4) A transferor has no liability for any act or omission or any breach of a contractual or warranty obligation arising from the exercise of a special declarant right by a successor declarant who is not an affiliate of the transferor.

(c) Unless otherwise provided in a mortgage instrument, deed of trust, or other agreement creating a security interest, in case of foreclosure of a security interest, sale by

a trustee under an agreement creating a security interest, tax sale, judicial sale, or sale under Bankruptcy Code or receivership proceedings of any lots owned by a declarant, or real estate in a planned community subject to development rights, or real estate subject to development rights for a planned community, a person acquiring title to all the property being foreclosed or sold, but only upon the person's request in an instrument recorded in every county in which any portion of the planned community is located, succeeds to all special declarant rights (G.S. 47F-1-103(28)) related to that property held by that declarant and requested by the person acquiring title. The judgment or instrument conveying title shall provide for transfer of only the special declarant rights requested. The mortgage, deed of trust, tax lien, or other conveyance to be foreclosed under this subsection shall not be required to contain specific reference to an assignment of special declarant rights but shall be deemed to include the special declarant rights as part of the right, title, and interest encumbered by the mortgage, deed of trust, tax lien, or other conveyance.

(d) Upon foreclosure of a security interest, sale by a trustee under an agreement creating a security interest, tax sale, judicial sale, or sale under Bankruptcy Code or receivership proceedings of all interests in a planned community owned by a declarant, the declarant ceases to have any special declarant rights and the period of declarant control (G.S. 47F-3-103(d)) terminates unless either of the following applies:

- (1) The judgment or instrument conveying title provides for transfer of all special declarant rights held by that declarant to a successor declarant.
- (2) The declarant transferred special declarant rights related to the appointment of executive board members to another person pursuant to this section prior to the foreclosure or sale.

(e) The liabilities and obligations of a person who succeeds to special declarant rights are as follows:

- (1) A successor to any special declarant right who is an affiliate of a declarant is subject to all obligations and liabilities imposed on the transferor by this Chapter or by the declaration.
- (2) Unless otherwise specified in the declaration as to the holder of a mortgage instrument, deed of trust, or other agreement creating a security interest, in case of foreclosure of a security interest, sale by a trustee under an agreement creating a security interest, tax sale, judicial sale, or sale under Bankruptcy Code or receivership proceedings, a successor to any special declarant right who is not an affiliate of a declarant, other than a successor described in subdivision (3) or (4) of this subsection, is subject to the obligations and liabilities expressly imposed by this Chapter or the declaration:
 - a. On a declarant which relate to the successor's exercise or nonexercise of special declarant rights; or
 - b. On his or her transferor, other than:
 1. Misrepresentations by the transferor or any previous declarant;
 2. Warranty obligations on improvements made by the transferor or any previous declarant or made before the planned community was created;

3. Obligations and liabilities arising out of contractual agreements between the transferor or any previous declarant and third parties other than the declaration;
 4. Breach of any fiduciary obligation by the transferor or any previous declarant or his or her appointees to the executive board; or
 5. Any liability or obligation imposed on the transferor or any previous declarant as a result of the transferor's acts or omissions after the transfer.
- (3) A successor to only a right reserved in the declaration to maintain sales offices, management offices, signs advertising the planned community, and models, if the successor is not an affiliate of the declarant, may not exercise any other special declarant right and is not subject to any liability or obligation as a declarant.
- (4) A successor to all special declarant rights held by a transferor who is not an affiliate of the declarant who succeeded to those rights pursuant to a deed or other instrument of conveyance in lieu of foreclosure or a judgment or instrument conveying title under subsection (c) of this section may declare in a recorded instrument the intention to hold those rights solely for transfer to another person. Thereafter, until transferring all special declarant rights to any person acquiring title to any lot or real estate subject to development rights owned by the successor, or until recording an instrument permitting exercise of all those rights, that successor may not exercise any of those rights other than any right held by his or her transferor to control the executive board in accordance with G.S. 47F-3-103(d) for the duration of any period of declarant control, and any attempted exercise of those rights is void. So long as a successor declarant does not have the right to exercise special declarant rights under this subsection, the successor declarant is not subject to any liability or obligation as a declarant other than liability for his or her acts and omissions under G.S. 47F-3-103(d).

(f) Nothing in this section subjects any successor to a special declarant right to any claims against or other obligations of a transferor declarant other than claims and obligations expressly arising under this Chapter or the declaration.

(g) For purposes of this section, "assignment of declarant rights" shall include any assignment by the declarant of special declarant rights to a person, including, without limitation, an assignment pursuant to this section. (1998-199, s. 1; 2014-57, s. 3.)

§ 47F-3-105. Termination of contracts and leases of declarant.

If entered into before the executive board elected by the lot owners pursuant to G.S. 47F-3-103(e) takes office, any contract or lease affecting or related to the planned community that is not bona fide or was unconscionable to the lot owners at the time entered into under the circumstances then prevailing, may be terminated without penalty by the association at any time after the executive board elected by the lot owners pursuant to G.S. 47F-3-103(e) takes office upon not less than 90 days' notice to the other party. (1998-199, s. 1.)

§ 47F-3-106. Bylaws.

- (a) The bylaws of the association shall provide for:
 - (1) The number of members of the executive board and the titles of the officers of the association;
 - (2) Election by the executive board of officers of the association;
 - (3) The qualifications, powers and duties, terms of office, and manner of electing and removing executive board members and officers and filling vacancies;
 - (4) Which, if any, of its powers the executive board or officers may delegate to other persons or to a managing agent;
 - (5) Which of its officers may prepare, execute, certify, and record amendments to the declaration on behalf of the association; and
 - (6) The method of amending the bylaws.
- (b) The bylaws may provide for any other matters the association deems necessary and appropriate. (1998-199, s. 1.)

§ 47F-3-107. Upkeep of planned community; responsibility and assessments for damages.

(a) Except as otherwise provided in the declaration, G.S. 47F-3-113(h) or subsection (b) of this section, the association is responsible for causing the common elements to be maintained, repaired, and replaced when necessary and to assess the lot owners as necessary to recover the costs of such maintenance, repair, or replacement except that the costs of maintenance, repair, or replacement of a limited common element shall be assessed as provided in G.S. 47F-3-115(c)(1). Except as otherwise provided in the declaration, each lot owner is responsible for the maintenance and repair of his lot and any improvements thereon. Each lot owner shall afford to the association and when necessary to another lot owner access through the lot owner's lot or the limited common element allocated to the lot owner's lot reasonably necessary for any such maintenance, repair, or replacement activity.

(b) If a lot owner is legally responsible for damage inflicted on any common element or limited common element, the association may direct such lot owner to repair such damage, or the association may itself cause the repairs to be made and recover damages from the responsible lot owner.

(c) If damage is inflicted on any lot by an agent of the association in the scope of the agent's activities as such agent, the association is liable to repair such damage or to reimburse the lot owner for the cost of repairing such damages. The association shall also be liable for any losses to the lot owner.

(d) When the claim under subsection (b) or (c) of this section is less than or equal to the jurisdictional amount established for small claims by G.S. 7A-210, any aggrieved party may request that a hearing be held before an adjudicatory panel appointed by the executive board to determine if a lot owner is responsible for damages to any common element or the association is responsible for damages to any lot. If the executive board fails to appoint an adjudicatory panel to hear such matters, hearings under this section shall be held before the executive board. Such panel shall accord to the party charged with causing damages notice of the charge, opportunity to be heard and to present evidence, and notice of the decision. This panel may assess liability for each damage incident against each lot

owner charged or against the association not in excess of the jurisdictional amount established for small claims by G.S. 7A-210. When the claim under subsection (b) or (c) of this section exceeds the jurisdictional amount established for small claims by G.S. 7A-210, liability of any lot owner charged or the association shall be determined as otherwise provided by law. Liabilities of lot owners determined by adjudicatory hearing or as otherwise provided by law shall be assessments secured by lien under G.S. 47F-3-116. Liabilities of the association determined by adjudicatory hearing or as otherwise provided by law may be offset by the lot owner against sums owing to the association and if so offset, shall reduce the amount of any lien of the association against the lot at issue.

(e) The association shall not be liable for maintenance, repair, and all other expenses in connection with any real estate which has not been incorporated into the planned community. (1998-199, s. 1; 2013-34, s. 2.)

§ 47F-3-107.1. Procedures for fines and suspension of planned community privileges or services.

Unless a specific procedure for the imposition of fines or suspension of planned community privileges or services is provided for in the declaration, a hearing shall be held before the executive board or an adjudicatory panel appointed by the executive board to determine if any lot owner should be fined or if planned community privileges or services should be suspended pursuant to the powers granted to the association in G.S. 47F-3-102(11) and (12). Any adjudicatory panel appointed by the executive board shall be composed of members of the association who are not officers of the association or members of the executive board. The lot owner charged shall be given notice of the charge, opportunity to be heard and to present evidence, and notice of the decision. If it is decided that a fine should be imposed, a fine not to exceed one hundred dollars (\$100.00) may be imposed for the violation and without further hearing, for each day more than five days after the decision that the violation occurs. Such fines shall be assessments secured by liens under G.S. 47F-3-116. If it is decided that a suspension of planned community privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured. The lot owner may appeal the decision of an adjudicatory panel to the full executive board by delivering written notice of appeal to the executive board within 15 days after the date of the decision. The executive board may affirm, vacate, or modify the prior decision of the adjudicatory body. (1997-456, s. 27; 1998-199, s. 1; 2005-422, s. 4.)

§ 47F-3-108. Meetings.

(a) A meeting of the association shall be held at least once each year. Special meetings of the association may be called by the president, a majority of the executive board, or by lot owners having ten percent (10%), or any lower percentage specified in the bylaws, of the votes in the association. Not less than 10 nor more than 60 days in advance of any meeting, the secretary or other officer specified in the bylaws shall cause notice to be hand-delivered or sent prepaid by United States mail to the mailing address of each lot or to any other mailing address designated in writing by the lot owner, or sent by electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the lot owner. The notice of any meeting shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the declaration or bylaws, any budget changes, and any proposal to remove a director or officer.

(b) Meetings of the executive board shall be held as provided in the bylaws. At regular intervals, the executive board meeting shall provide lot owners an opportunity to attend a portion of an executive board meeting and to speak to the executive board about their issues or concerns. The executive board may place reasonable restrictions on the number of persons who speak on each side of an issue and may place reasonable time restrictions on persons who speak.

(c) Except as otherwise provided in the bylaws, meetings of the association and the executive board shall be conducted in accordance with the most recent edition of Robert's Rules of Order Newly Revised. (1998-199, s. 1; 2004-109, s. 6; 2005-422, s. 5.)

§ 47F-3-109. Quorums.

(a) Unless the bylaws provide otherwise, a quorum is present throughout any meeting of the association if persons entitled to cast ten percent (10%) of the votes which may be cast for election of the executive board are present in person or by proxy at the beginning of the meeting.

(b) Unless the bylaws specify a larger percentage, a quorum is deemed present throughout any meeting of the executive board if persons entitled to cast fifty percent (50%) of the votes on that board are present at the beginning of the meeting.

(c) In the event business cannot be conducted at any meeting because a quorum is not present, that meeting may be adjourned to a later date by the affirmative vote of a majority of those present in person or by proxy. Notwithstanding any provision to the contrary in the declaration or the bylaws, the quorum requirement at the next meeting shall be one-half of the quorum requirement applicable to the meeting adjourned for lack of a quorum. This provision shall continue to reduce the quorum by fifty percent (50%) from that required at the previous meeting, as previously reduced, until such time as a quorum is present and business can be conducted. (1998-199, s. 1.)

§ 47F-3-110. Voting; proxies.

(a) If only one of the multiple owners of a lot is present at a meeting of the association, the owner who is present is entitled to cast all the votes allocated to that lot. If more than one of the multiple owners are present, the votes allocated to that lot may be cast only in accordance with the agreement of a majority in interest of the multiple owners, unless the declaration or bylaws expressly provide otherwise. Majority agreement is conclusively presumed if any one of the multiple owners casts the votes allocated to that lot without protest being made promptly to the person presiding over the meeting by any of the other owners of the lot.

(b) Votes allocated to a lot may be cast pursuant to a proxy duly executed by a lot owner. If a lot is owned by more than one person, each owner of the lot may vote or register protest to the casting of votes by the other owners of the lot through a duly executed proxy. A lot owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the association. A proxy is void if it is not dated. A proxy terminates 11 months after its date, unless it specifies a shorter term.

(c) If the declaration requires that votes on specified matters affecting the planned community be cast by lessees rather than lot owners of leased lots, (i) the provisions of subsections (a) and (b) of this section apply to lessees as if they were lot owners; (ii) lot owners who have leased their lots to other persons may not cast votes on those specified matters; and (iii) lessees are entitled to notice of meetings, access to records, and other rights respecting those matters as if they were lot owners. Lot owners shall also be given notice, in the manner provided in G.S. 47F-3-108, of all meetings at which lessees may be entitled to vote.

- (d) No votes allocated to a lot owned by the association may be cast.
- (e) The declaration may provide that on specified issues only a defined subgroup of lot owners may vote provided:
 - (1) The issue being voted is of special interest solely to the members of the subgroup; and
 - (2) All except de minimis cost that will be incurred based on the vote taken will be assessed solely against those lot owners entitled to vote.
- (f) For purposes of subdivision (e)(1) above, an issue to be voted on is not a special interest solely to a subgroup if it substantially affects the overall appearance of the planned community or substantially affects living conditions of lot owners not included in the voting subgroup. (1998-199, s. 1.)

§ 47F-3-111. Tort and contract liability.

- (a) Neither the association nor any lot owner except the declarant is liable for that declarant's torts in connection with any part of the planned community which that declarant has the responsibility to maintain.
- (b) An action alleging a wrong done by the association shall be brought against the association and not against a lot owner.
- (c) Any statute of limitation affecting the association's right of action under this section is tolled until the period of declarant control terminates. A lot owner is not precluded from bringing an action contemplated by this section because the person is a lot owner or a member of the association. (1998-199, s. 1.)

§ 47F-3-112. Conveyance or encumbrance of common elements.

- (a) Portions of the common elements may be conveyed or subjected to a security interest by the association if persons entitled to cast at least eighty percent (80%) of the votes in the association, or any larger percentage the declaration specifies, agree in writing to that action; provided that all the owners of lots to which any limited common element is allocated shall agree in order to convey that limited common element or subject it to a security interest. The declaration may specify a smaller percentage only if all the lots are restricted exclusively to nonresidential uses. Distribution of proceeds of the sale of a limited common element shall be as provided by agreement between the lot owners to which it is allocated and the association. Proceeds of the sale or financing of a common element (other than a limited common element) shall be an asset of the association.
- (b) The association, on behalf of the lot owners, may contract to convey common elements or subject them to a security interest, but the contract is not enforceable against the association until approved pursuant to subsection (a) of this section. Thereafter, the association has all powers necessary and appropriate to effect the conveyance or encumbrance, free and clear of any interest of any lot owner or the association in or to the common element conveyed or encumbered, including the power to execute deeds or other instruments.
- (c) Any purported conveyance, encumbrance, or other voluntary transfer of common elements, unless made pursuant to this section is void.
- (d) No conveyance or encumbrance of common elements pursuant to this section may deprive any lot of its rights of access and support. (1998-199, s. 1.)

§ 47F-3-113. Insurance.

(a) Commencing not later than the time of the first conveyance of a lot to a person other than a declarant, the association shall maintain, to the extent reasonably available:

- (1) Property insurance on the common elements insuring against all risks of direct physical loss commonly insured against including fire and extended coverage perils. The total amount of insurance after application of any deductibles shall be not less than eighty percent (80%) of the replacement cost of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, and other items normally excluded from property policies; and
- (2) Liability insurance in reasonable amounts, covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the common elements.

(b) If the insurance described in subsection (a) of this section is not reasonably available, the association promptly shall cause notice of that fact to be hand-delivered or sent prepaid by United States mail to all lot owners. The declaration may require the association to carry any other insurance, and the association in any event may carry any other insurance it deems appropriate to protect the association or the lot owners.

(c) Insurance policies carried pursuant to subsection (a) of this section shall provide that:

- (1) Each lot owner is an insured person under the policy to the extent of the lot owner's insurable interest;
- (2) The insurer waives its right to subrogation under the policy against any lot owner or member of the lot owner's household;
- (3) No act or omission by any lot owner, unless acting within the scope of the owner's authority on behalf of the association, will preclude recovery under the policy; and
- (4) If, at the time of a loss under the policy, there is other insurance in the name of a lot owner covering the same risk covered by the policy, the association's policy provides primary insurance.

(d) Any loss covered by the property policy under subdivision (a)(1) of this section shall be adjusted with the association, but the insurance proceeds for that loss are payable to any insurance trustee designated for that purpose, or otherwise to the association, and not to any mortgagee or beneficiary under a deed of trust. The insurance trustee or the association shall hold any insurance proceeds in trust for lot owners and lienholders as their interests may appear. Subject to the provisions of subsection (h) of this section, the proceeds shall be disbursed first for the repair or restoration of the damaged property, and lot owners and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the planned community is terminated.

(e) An insurance policy issued to the association does not prevent a lot owner from obtaining insurance for the lot owner's own benefit.

(f) An insurer that has issued an insurance policy under this section shall issue certificates or memoranda of insurance to the association and, upon written request, to any lot owner, mortgagee, or beneficiary under a deed of trust. The insurer issuing the policy may not cancel or refuse to renew it until 30 days after notice of the proposed cancellation or nonrenewal has been mailed to the association, each lot owner, and each mortgagee or beneficiary under a deed of trust to whom certificates or memoranda of insurance have been issued at their respective last known addresses.

(g) Any portion of the planned community for which insurance is required under subdivision (a)(1) of this section which is damaged or destroyed shall be repaired or replaced promptly by the association unless (i) the planned community is terminated, (ii) repair or replacement would be illegal under any State or local health or safety statute or ordinance, or (iii) the lot owners decide not to rebuild by an eighty percent (80%) vote, including one hundred percent (100%) approval of owners assigned to the limited common elements not to be rebuilt. The cost of repair or replacement in excess of insurance proceeds and reserves is a common expense. If any portion of the planned community is not repaired or replaced, (i) the insurance proceeds attributable to the damaged common elements shall be used to restore the damaged area to a condition compatible with the remainder of the planned community, (ii) the insurance proceeds attributable to limited common elements which are not rebuilt shall be distributed to the owners of the lots to which those limited common elements were allocated, or to lienholders, as their interests may appear, and (iii) the remainder of the proceeds shall be distributed to all the lot owners or lienholders, as their interests may appear, in proportion to the common expense liabilities of all the lots. Notwithstanding the provisions of this subsection, G.S. 47F-2-118 (termination of the planned community) governs the distribution of insurance proceeds if the planned community is terminated.

(h) The provisions of this section may be varied or waived in the case of a planned community all of whose lots are restricted to nonresidential use. (1998-199, s. 1.)

§ 47F-3-114. Surplus funds.

Unless otherwise provided in the declaration, any surplus funds of the association remaining after payment of or provision for common expenses, the funding of a reasonable operating expense surplus, and any prepayment of reserves shall be paid to the lot owners in proportion to their common expense liabilities or credited to them to reduce their future common expense assessments. (1998-199, s. 1.)

§ 47F-3-115. Assessments for common expenses.

(a) Except as otherwise provided in the declaration, until the association makes a common expense assessment, the declarant shall pay all common expenses. After any assessment has been made by the association, assessments thereafter shall be made at least annually.

(b) Except for assessments under subsections (c), (d), and (e) of this section, all common expenses shall be assessed against all the lots in accordance with the allocations set forth in the declaration. Any past-due common expense assessment or installment thereof bears interest at the rate established by the association not exceeding eighteen percent (18%) per year. For planned communities created prior to January 1, 1999, interest may be charged on any past-due common expense assessment or installment only if the declaration provides for interest charges, and where the declaration does not otherwise specify the interest rate, the rate may not exceed eighteen percent (18%) per year.

(c) To the extent required by the declaration:

- (1) Any common expense associated with the maintenance, repair, or replacement of a limited common element shall be assessed against the lots to which that limited common element is assigned, equally, or in any other proportion that the declaration provides;
- (2) Any common expense or portion thereof benefiting fewer than all of the lots shall be assessed exclusively against the lots benefitted; and

- (3) The costs of insurance shall be assessed in proportion to risk and the costs of utilities shall be assessed in proportion to usage.
- (d) Assessments to pay a judgment against the association may be made only against the lots in the planned community at the time the judgment was entered, in proportion to their common expense liabilities.
- (e) If any common expense is caused by the negligence or misconduct of any lot owner or occupant, the association may assess that expense exclusively against that lot owner or occupant's lot.
- (f) If common expense liabilities are reallocated, common expense assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated common expense liabilities. (1998-199, s. 1.)

§ 47F-3-116. Lien for sums due the association; enforcement.

(a) Any assessment attributable to a lot which remains unpaid for a period of 30 days or longer shall constitute a lien on that lot when a claim of lien is filed of record in the office of the clerk of superior court of the county in which the lot is located in the manner provided in this section. Once filed, a claim of lien secures all sums due the association through the date filed and any sums due to the association thereafter. Unless the declaration provides otherwise, fees, charges, late charges, and other charges imposed pursuant to G.S. 47F-3-102, 47F-3-107, 47F-3-107.1, and 47F-3-115 are subject to the claim of lien under this section as well as any other sums due and payable to the association under the declaration, the provisions of this Chapter, or as the result of an arbitration, mediation, or judicial decision.

(b) The association must make reasonable and diligent efforts to ensure that its records contain the lot owner's current mailing address. No fewer than 15 days prior to filing the lien, the association shall mail a statement of the assessment amount due by first-class mail to the physical address of the lot and the lot owner's address of record with the association and, if different, to the address for the lot owner shown on the county tax records for the lot. If the lot owner is a corporation or limited liability company, the statement shall also be sent by first-class mail to the mailing address of the registered agent for the corporation or limited liability company. Notwithstanding anything to the contrary in this Chapter, the association is not required to mail a statement to an address known to be a vacant lot on which no dwelling has been constructed or to a lot for which there is no United States postal address.

(c) A claim of lien shall set forth the name and address of the association, the name of the record owner of the lot at the time the claim of lien is filed, a description of the lot, and the amount of the lien claimed. A claim of lien may also appoint a trustee to conduct a foreclosure, as provided in subsection (f) of this section. The first page of the claim of lien shall contain the following statement in print that is in boldface, capital letters, and no smaller than the largest print used elsewhere in the document:

"THIS DOCUMENT CONSTITUTES A LIEN AGAINST YOUR PROPERTY, AND IF THE LIEN IS NOT PAID, THE HOMEOWNERS ASSOCIATION MAY PROCEED WITH FORECLOSURE AGAINST YOUR PROPERTY IN LIKE MANNER AS A MORTGAGE UNDER NORTH CAROLINA LAW."

The person signing the claim of lien on behalf of the association shall attach to and file with the claim of lien a certificate of service attesting to the attempt of service on the record owner, which service shall be attempted in accordance with G.S. 1A-1, Rule 4(j), for service of a copy of a summons and a complaint. If the actual service is not achieved, the person signing the claim of lien on behalf of the association shall be deemed to have met the requirements of this subsection if service has been attempted pursuant to both of the following: (i) G.S. 1A-1, Rule 4(j)(1)c, d, or e and (ii) by mailing a copy of the lien by regular, first-class mail, postage prepaid to the physical address of the lot and the lot owner's address of record with the association, and, if different, to the address for the lot owner shown on the county tax records and the county real property records for the lot. In the event that the owner of record is not a natural person, and actual service is not achieved, the person signing the claim of lien on behalf of the association shall be deemed to have met the requirements of this subsection if service has been attempted once pursuant to the applicable provisions of G.S. 1A-1, Rule 4(j)(3) through G.S. 1A-1, Rule 4(j)(9). Notwithstanding anything to the contrary in this Chapter, the association is not required to mail a claim of lien to an address which is known to be a vacant lot on which no dwelling has been constructed or to a lot for which there is no United States postal address. A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within three years after the filing of the claim of lien in the office of the clerk of superior court.

(d) A claim of lien filed under this section is prior to all liens and encumbrances on a lot except (i) liens and encumbrances, specifically including, but not limited to, a mortgage or deed of trust on the lot, recorded before the filing of the claim of lien in the office of the clerk of superior court and (ii) liens for real estate taxes and other governmental assessments and charges against the lot. This subsection does not affect the priority of mechanics' or materialmen's liens.

(e) The association shall be entitled to recover the reasonable attorneys' fees and costs it incurs in connection with the collection of any sums due. A lot owner may not be required to pay attorneys' fees and court costs until the lot owner is notified in writing of the association's intent to seek payment of attorneys' fees, costs, and expenses. The notice must be sent by first-class mail to the physical address of the lot and the lot owner's address of record with the association and, if different, to the address for the lot owner shown on the county tax records for the lot. The association must make reasonable and diligent efforts to ensure that its records contain the lot owner's current mailing address. Notwithstanding anything to the contrary in this Chapter, there shall be no requirement that notice under this subsection be mailed to an address which is known to be a vacant lot on which no dwelling has been constructed or a lot for which there is no United States postal address. The notice shall set out the outstanding balance due as of the date of the notice and state that the lot owner has 15 days from the mailing of the notice by first-class mail to pay the outstanding balance without the attorneys' fees and court costs. If the lot owner pays the outstanding balance within this period, then the lot owner shall have no obligation to pay attorneys' fees, costs, or expenses. The notice shall also inform the lot owner of the opportunity to contact a representative of the association to discuss a payment schedule for the outstanding balance, as provided in subsection (i) of this section, and shall provide the name and telephone number of the representative.

(f) Except as provided in subsection (h) of this section, the association, acting through the executive board, may foreclose a claim of lien in like manner as a mortgage or deed of trust on real estate under power of sale, as provided in Article 2A of Chapter 45 of the General Statutes, if the assessment remains unpaid for 90 days or more. The association shall not foreclose the claim of lien unless the executive board votes to commence the proceeding against the specific lot.

The following provisions and procedures shall be applicable to and complied with in every nonjudicial power of sale foreclosure of a claim of lien, and these provisions and procedures shall control to the extent they are inconsistent or in conflict with the provisions of Article 2A of Chapter 45 of the General Statutes:

- (1) The association shall be deemed to have a power of sale for purposes of enforcement of its claim of lien.
- (2) The terms "mortgagee" and "holder" as used in Article 2A of Chapter 45 of the General Statutes shall mean the association, except as provided otherwise in this Chapter.
- (3) The term "security instrument" as used in Article 2A of Chapter 45 of the General Statutes shall mean the claim of lien.
- (4) The term "trustee" as used in Article 2A of Chapter 45 of the General Statutes shall mean the person or entity appointed by the association under subdivision (6) of this subsection.
- (5) After the association has filed a claim of lien and prior to the commencement of a nonjudicial foreclosure, the association shall give to the lot owner notice of the association's intention to commence a nonjudicial foreclosure to enforce its claim of lien. The notice shall contain the information required in G.S. 45-21.16(c)(5a).
- (6) The association shall appoint a trustee to conduct the nonjudicial foreclosure proceeding and sale. The appointment of the trustee shall be included in the claim of lien or in a separate instrument filed with the clerk of court in the county in which the planned community is located as an exhibit to the notice of hearing. The association, at its option, may from time to time remove a trustee previously appointed and appoint a successor trustee by filing a Substitution of Trustee with the clerk of court in the foreclosure proceeding. Counsel for the association may be appointed by the association to serve as the trustee and may serve in that capacity as long as the lot owner does not contest the obligation to pay or the amount of any sums due the association, or the validity, enforcement, or foreclosure of the claim of lien, as provided in subdivision (12) of this subsection. Any trustee appointed pursuant to this subsection shall have the same fiduciary duties and obligations as a trustee in the foreclosure of a deed of trust.
- (7) If a valid debt, default, and notice to those entitled to receive notice under G.S. 45-21.16(b) are found to exist, then the clerk of court shall authorize the sale of the property described in the claim of lien by the trustee.
- (8) If, prior to the expiration of the upset bid period provided in G.S. 45-21.27, the lot owner satisfies the debt secured by the claim of lien and pays all expenses and costs incurred in filing and enforcing the association assessment lien, including, but not limited to, advertising costs, attorneys' fees, and the trustee's

commission, then the trustee shall dismiss the foreclosure action and the association shall cancel the claim of lien of record in accordance with the provisions of G.S. 45-36.3. The lot owner shall have all rights granted under Article 4 of Chapter 45 of the General Statutes to ensure the association's satisfaction of the claim of lien.

- (9) Any person, other than the trustee, may bid at the foreclosure sale. Unless prohibited in the declaration or bylaws, the association may bid on the lot at a foreclosure sale directly or through an agent. If the association or its agent is the high bidder at the sale, the trustee shall allow the association to pay the costs and expenses of the sale and apply a credit against the sums due by the lot owner to the association in lieu of paying the bid price in full.
- (10) Upon the expiration of the upset bid period provided in G.S. 45-21.27, the trustee shall have full power and authority to execute a deed for the lot to the high bidder.
- (11) The trustee shall be entitled to a commission for services rendered which shall include fees, costs, and expenses reasonably incurred by the trustee in connection with the foreclosure, whether or not a sale is held. Except as provided in subdivision (12) of this subsection, the trustee's commission shall be paid without regard to any limitations on compensation otherwise provided by law, including, without limitation, the provisions of G.S. 45-21.15.
- (12) If the lot owner does not contest the obligation to pay the amount of any sums due the association or the validity, enforcement, or foreclosure of the claim of lien at any time after the expiration of the 15-day period following notice as required in subsection (b) of this section, then attorneys' fees and the trustee's commission collectively charged to the lot owner shall not exceed one thousand two hundred dollars (\$1,200), not including costs or expenses incurred. The obligation to pay and the amount of any sums due the association and the validity, enforcement, or foreclosure of the claim of lien remain uncontested as long as the lot owner does not dispute, contest, or raise any objection, defense, offset, or counterclaim as to the amount or validity of any portion of the sums claimed due by the association or the validity, enforcement, or foreclosure of the claim of lien. Any judgment, decree, or order in any action brought under this section shall include costs and reasonable attorneys' fees for the prevailing party.
- (13) Lot owners shall be deemed to have the rights and remedies available to mortgagors under G.S. 45-21.34.

(g) The provisions of subsection (f) of this section do not prohibit or prevent an association from pursuing judicial foreclosure of a claim of lien, from taking other actions to recover the sums due the association, or from accepting a deed in lieu of foreclosure. Any judgment, decree, or order in any judicial foreclosure or civil action relating to the collection of assessments shall include an award of costs and reasonable attorneys' fees for the prevailing party, which shall not be subject to the limitation provided in subdivision (f)(12) of this section.

(h) A claim of lien securing a debt consisting solely of fines imposed by the association, interest on unpaid fines, or attorneys' fees incurred by the association solely associated with fines imposed by the association may only be enforced by judicial

foreclosure, as provided in Article 29A of Chapter 1 of the General Statutes. In addition, an association shall not levy, charge, or attempt to collect a service, collection, consulting, or administration fee from any lot owner unless the fee is expressly allowed in the declaration, and any claim of lien securing a debt consisting solely of these fees may only be enforced by judicial foreclosure, as provided in Article 29A of Chapter 1 of the General Statutes.

(i) The association, acting through its executive board and in the board's sole discretion, may agree to allow payment of an outstanding balance in installments. Neither the association nor the lot owner is obligated to offer or accept any proposed installment schedule. Reasonable administrative fees and costs for accepting and processing installments may be added to the outstanding balance and included in an installment payment schedule. Reasonable attorneys' fees may be added to the outstanding balance and included in an installment schedule after the lot owner has been given notice, as required in subsection (e) of this section. Attorneys' fees incurred in connection with any request that the association agrees to accept payment of all or any part of sums due in installments shall not be included or considered in the calculation of fees chargeable under subdivision (f)(12) of this section.

(j) Where the holder of a first mortgage or first deed of trust of record or other purchaser of a lot obtains title to the lot as a result of foreclosure of a first mortgage or first deed of trust, the purchaser and its heirs, successors, and assigns shall not be liable for the assessments against the lot which became due prior to the acquisition of title to the lot by the purchaser. The unpaid assessments shall be deemed to be common expenses collectible from all the lot owners, including the purchaser, its heirs, successors, and assigns. For purposes of this subsection, the term "acquisition of title" means and refers to the recording of a deed conveying title or the time at which the rights of the parties are fixed following the foreclosure of a mortgage or deed of trust, whichever occurs first. (1998-199, s. 1; 2005-422, s. 6; 2009-515, s. 1; 2011-362, s. 1; 2013-202, s. 3.)

§ 47F-3-116.1. Validation of certain nonjudicial foreclosure proceedings and sales.

All nonjudicial foreclosure proceedings commenced by an association before October 1, 2013, and all sales and transfers of real property as part of those proceedings pursuant to the provisions of this Chapter or provisions contained in the declaration of the planned community, are declared to be valid, unless an action to set aside the foreclosure is commenced on or before October 1, 2013, or within one year after the date of the sale, whichever occurs last. (2013-202, s. 4.)

§ 47F-3-117. Reserved for future codification purposes.

§ 47F-3-118. Association records.

(a) The association shall keep financial records sufficiently detailed to enable the association to comply with this Chapter. All financial and other records, including records of meetings of the association and executive board, shall be made reasonably available for examination by any lot owner and the lot owner's authorized agents as required in the

bylaws and Chapter 55A of the General Statutes. If the bylaws do not specify particular records to be maintained, the association shall keep accurate records of all cash receipts and expenditures and all assets and liabilities. In addition to any specific information that is required by the bylaws to be assembled and reported to the lot owners at specified times, the association shall make an annual income and expense statement and balance sheet available to all lot owners at no charge and within 75 days after the close of the fiscal year to which the information relates. Notwithstanding the bylaws, a more extensive compilation, review, or audit of the association's books and records for the current or immediately preceding fiscal year may be required by a vote of the majority of the executive board or by the affirmative vote of a majority of the lot owners present and voting in person or by proxy at any annual meeting or any special meeting duly called for that purpose.

(b) The association, upon written request, shall furnish to a lot owner or the lot owner's authorized agents a statement setting forth the amount of unpaid assessments and other charges against a lot. The statement shall be furnished within 10 business days after receipt of the request and is binding on the association, the executive board, and every lot owner. The association, its managers, or its agents may charge a reasonable fee for providing statements of unpaid assessments, not to exceed two hundred dollars (\$200.00) per statement or request, and an additional expedite fee in an amount not exceeding one hundred dollars (\$100.00) if the request for a statement is made within 48 hours of closing.

(c) In addition to the limitations of Article 8 of Chapter 55A of the General Statutes, no financial payments, including payments made in the form of goods and services, may be made to any officer or member of the association's executive board or to a business, business associate, or relative of an officer or member of the executive board, except as expressly provided for in the bylaws or in payments for services or expenses paid on behalf of the association which are approved in advance by the executive board. (1998-199, s. 1; 2005-422, s. 7; 2020-90, s. 4(d).)

§ 47F-3-119. Association as trustee.

With respect to a third person dealing with the association in the association's capacity as a trustee under G.S. 47F-2-118 following termination or G.S. 47F-3-113 for insurance proceeds, the existence of trust powers and their proper exercise by the association may be assumed without inquiry. A third person is not bound to inquire whether the association has power to act as trustee or is properly exercising trust powers, and a third person, without actual knowledge that the association is exceeding or improperly exercising its powers, is fully protected in dealing with the association as if it possessed and properly exercised the powers it purports to exercise. A third person is not bound to assure the proper application of trust assets paid or delivered to the association in its capacity as trustee. (1998-199, s. 1.)

§ 47F-3-120. Declaration limits on attorneys' fees.

Except as provided in G.S. 47F-3-116, in an action to enforce provisions of the articles of incorporation, the declaration, bylaws, or duly adopted rules or regulations, the court may award reasonable attorneys' fees to the prevailing party if recovery of attorneys' fees is allowed in the declaration. (1998-199, s. 1.)

§ 47F-3-121. American and State flags and political sign displays.

Notwithstanding any provision in any declaration of covenants, no restriction on the use of land shall be construed to:

- (1) Regulate or prohibit the display of the flag of the United States or North Carolina, of a size no greater than four feet by six feet, which is displayed in accordance with or in a manner consistent with the patriotic customs set forth in 4 U.S.C. §§ 5-10, as amended, governing the display and use of the flag of the United States unless:
 - a. For restrictions registered prior to October 1, 2005, the restriction specifically uses the following terms:
 1. Flag of the United States of America;
 2. American flag;
 3. United States flag; or
 4. North Carolina flag.
 - b. For restrictions registered on or after October 1, 2005, the restriction shall be written on the first page of the instrument or conveyance in print that is in boldface type, capital letters, and no smaller than the largest print used elsewhere in the instrument or conveyance. The restriction shall be construed to regulate or prohibit the display of the United States or North Carolina flag only if the restriction specifically states: **"THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF THE FLAG OF THE UNITED STATES OF AMERICA OR STATE OF NORTH CAROLINA"**.

This subdivision shall apply to owners of property who display the flag of the United States or North Carolina on property owned exclusively by them and does not apply to common areas, easements, rights-of-way, or other areas owned by others.

- (2) Regulate or prohibit the indoor or outdoor display of a political sign by an association member on property owned exclusively by the member, unless:
 - a. For restrictions registered prior to October 1, 2005, the restriction specifically uses the term "political signs".
 - b. For restrictions registered on or after October 1, 2005, the restriction shall be written on the first page of the instrument or conveyance in print that is in boldface type, capital letters, and no smaller than the largest print used elsewhere in the instrument or conveyance. The restriction shall be construed to regulate or prohibit the display of political signs only if the restriction specifically states: **"THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF POLITICAL SIGNS"**.

Even when display of a political sign is permitted under this subdivision, an association (i) may prohibit the display of political signs earlier than 45 days before the day of the election and later than seven days after an election day, and (ii) may regulate the size and number of political signs that may be placed on a member's property if the association's regulation is no more restrictive than any applicable city, town, or county ordinance that regulates the size and

number of political signs on residential property. If the local government in which the property is located does not regulate the size and number of political signs on residential property, the association shall permit at least one political sign with the maximum dimensions of 24 inches by 24 inches on a member's property. For the purposes of this subdivision, "political sign" means a sign that attempts to influence the outcome of an election, including supporting or opposing an issue on the election ballot. This subdivision shall apply to owners of property who display political signs on property owned exclusively by them and does not apply to common areas, easements, rights-of-way, or other areas owned by others. (2005-422, s. 8; 2006-226, s. 15(b).)

§ 47F-3-122. Irrigation of landscaping.

Notwithstanding any provision in any declaration of covenants, no requirement to irrigate landscaping shall be construed to:

- (1) Require the irrigation of landscaping, during any period in which the U.S. Drought Monitor, as defined in G.S. 143-350, or the Secretary of Environmental Quality has designated an area in which the association is located as an area of severe, extreme, or exceptional drought and the Governor, a State agency, or unit of local government has imposed water conservation measures applicable to the area unless:
 - a. For declarations of covenants registered prior to October 1, 2008, the covenant specifically requires the irrigation of landscaping notwithstanding water conservation measures imposed by the Governor, a State agency, or unit of local government. The association may not fine or otherwise penalize an owner of land for violation of an irrigation requirement during a period of a drought as designated under this subdivision, unless the covenant specifically authorizes fines or other penalties.
 - b. For covenants registered on or after October 1, 2008, the covenant must specifically state that any requirement to irrigate landscaping is suspended to the extent the requirement would otherwise be prohibited during any period in which the Governor, a State agency, or unit of local government has imposed water conservation measures. The association may not fine or otherwise penalize an owner of land for violation of an irrigation requirement during a drought designated under this subdivision, unless the covenant authorizes the fines or other penalties. This authorization must be written on the first page of the covenant in print that is in boldface type, capital letters, and no smaller than the largest print used elsewhere in the declarations of covenants.
- (2) For purposes of this section, the term "landscaping" includes lawns, trees, shrubbery, and other ornamental or decorative plants. (2008-143, s. 19(b); 2015-241, s. 14.30(v).)