

MINUTES OF A PUBLIC HEARING HELD BY THE MAYOR AND COUNCIL
OF THE TOWN OF CHAPEL HILL, MUNICIPAL BUILDING,
MONDAY, NOVEMBER 17, 1986 7:00 P.M.

Mayor J. C. Wallace called the meeting to order. Council Members present were:

- Julie Andresen
- David Godschalk
- Nancy Preston
- R. D. Smith
- Bill Thorpe

Council Members Pasquini and Smith arrived late. Council Member Howes was absent, excused.

Also present were Town Manager David R. Taylor, Assistant Town Managers Sonna Loewenthal and Ron Secrist and Town Attorney Ralph Karpinos.

Executive Session

COUNCIL MEMBER THORPE MOVED, SECONDED BY COUNCIL MEMBER PRESTON TO ADJOURN TO EXECUTIVE SESSION TO DISCUSS LITIGATION AND INTEREST IN ACQUISITION OF REAL PROPERTY. THE MOTION PASSED UNANIMOUSLY, (6-0).

The meeting adjourned to executive session at 7:15 p.m.

A MOTION WAS DULY MADE AND SECONDED TO RETURN TO REGULAR SESSION. THE MOTION PASSED UNANIMOUSLY, (8-0).

Mayor Wallace called the meeting back into regular session at 7:39 p.m.

Public Hearing on Affordable Home Demonstration Projects

Roger Waldon, Planning Director, gave a presentation on the affordable homeownership demonstration project proposals. He said the three proposals represented different approaches toward the goal of providing low cost homeownership for selected low income families in Chapel Hill. He commented that the proposals differed with regard to site and building design and financing strategies.

Mr. Waldon stated that the average price of a single family home in Chapel Hill was \$108,000. The proposals would produce single family or duplex units selling between \$60,000 and \$70,000 with the latter being the maximum amount. He said the proposals were priced higher than the staff had hoped but that they fell within the range specified by the Council for affordable housing (\$35,000 - \$70,000). Mr. Waldon said the proposed selling price included the cost of land and site improvements which would be provided by the Town who would use Community Development Block

Grant funds for site improvements. He said as such, the effective sales price to qualified buyers would be around \$55,000. This meant the Town would be able to sell these homes to individuals with incomes in the low \$20,000 per year range. He said in order to reach a lower target group the Town could use its Housing Loan Trust Fund to reduce interests rates. The Town could take a zero interest second mortgage for the land value and/or the site improvement value. Mr. Waldon said each developer would give a presentation on his proposal.

Council Member Preston asked what had been the price range in the Requests for Proposals. Mr. Waldon replied the price range was \$35,000 - \$70,000.

Council Member Smith asked what would be the monthly payment for a home purchased for \$55,000. Mr. Waldon responded that the monthly payment would be around \$450 - \$500.

Mr. Peter A. Thorn, representing Capricorn Construction Company, gave a presentation on his proposal for 26 affordable housing units, 14 detached homes at the Merritt Mill Road site and 12 attached townhomes in a clustered subdivision at the Legion Road site. They would build three model homes at the Merritt Mill Road site from which they would take orders for additional homes. He stated that the Legion Road site would be developed with staggered lot costs in order to have a more affordable home. He said his company was a local custom home builder and did not intend to compromise their standard of quality for any work done under the proposal. He said one of their goals was to provide the most home for the money and they would seek to obtain every possible cost savings to pass onto the buyers. Mr. Thorn said one such cost saving was that they did not plan to pay realtors the normal six percent selling commission as they have two brokers on staff. He further commented that the company would limit its profit to 8% and that any profits in excess would be donated to the Town's Housing Loan Trust Fund.

Mr. Thorn said one unusual aspect of their proposal was that they did not feel it was in the public interest to subsidize any buyer beyond the Town's definition of affordability in that buyers would not be subsidized greater than an amount that would cause 28% of the buyers income to be used toward the house payment. He said his firm was experienced with the affordable housing financing programs having participated in every single bond issue of the NC Housing Finance Agency with the exception of one. He said they had demonstrated their commitment to affordable housing by participating in Whispering Hills Phases I & II in Carrboro and others. He then introduced Grey Sheppard to discuss the site design.

Mr. Grey Sheppard of Capricorn Construction Company stated that their site design for the Merritt Mill Road site included 8 homes along the west side of Merritt Mill Road as well as the extension of Grant Street with 6 homes along the extension. They propose

to construct a bus stop on the northern portion of the site and the green space adjacent would be left as dedicated to the Town of Chapel Hill. The concepts for a subdivision for the Merritt Mill Road site was in an effort to be compatible with the existing neighborhood and would provide better spatial separation between the units and more livability space. He commented that the site was split by two different development zones, with the west side of Merritt Mill Road being R-3 and the part of the east side being R-2. This meant the minimum lot size for the R-2 portion of the site had to be 10,000 square feet instead of 5500 square feet. The recreation provisions for the site would be a payment-in-lieu hopefully to be used at the Lincoln Center.

Mr. Sheppard said the Legion Road site which is zoned R-2, was proposed to be a townhouse cluster development that would be compatible with the existing neighborhood. The proposal calls for the extension of Elderberry Drive to Walters and the further extension of Walters Street. This proposal includes the use of joint driveways wherever possible to eliminate excessive conflicts with existing traffic patterns and the dedication of approximately 1 acre in the northern section for recreation space. This area abuts to land already dedicated to the Town for recreation purposes.

Council Member Smith commented that he thought there was more Town-owned property on the east side of Merritt Mill Road than the west side and asked why the proposals did not address this part of the site. Manager Taylor commented that the east side of Merritt Mill Road was split by two different development zones, contained a utility easement and development of this parcel would necessitate building another road through the site.

Council Member Andresen asked what was the average lot size proposed for the Merritt Mill Road site. Mr. Sheppard commented that because of the two different zoning classifications on the site it was difficult to give an average lot size, but that he would guess the average lot size in the R-3 zone was 6000 square feet and in the R-2 zone it was 10,000 square feet.

Mr. Thorn stated that the proposal also had the potential for solar tax credits. Thirteen of the 26 homes could qualify using their passive solar designs for this tax credit. He introduced Bill Lindenmuth to discuss the financial aspect of the proposal.

Mr. Bill Lindenmuth of Capricorn Construction Company gave a presentation on the finances involved in the development of the project. He said their goal was to propose a financing plan which met with the Town's objectives. Capricorn interpreted the objectives to be to provide financing enabling families with 80% of the area's median income to qualify for the homes; the program should be equitable and an efficient program; and the Town should at least break even and possibly generate revenues. Mr. Lindenmuth said they proposed that there should be a maximum of five percent down payment on any of the houses and the payments should

not be in excess of 28% of the owner's income. Some kind of subsidy other than the NC Housing funds would have to be provided in order to make the program work. He said what they recommended was using the Principal Reduction Deferred Payment Loan. They have allocated \$15,680 per home buyer for this loan. He said not all home buyers would need the total \$15,680 in a second mortgage because the amount of this subsidy should only be equal to the amount necessary to reduce the first mortgage down to a level in which the qualifying income was such that the payment would be equal to 28% of the owner's income. If all of the \$15,680 allowed per buyer is not used, the unused portion would be channeled back to the Town. Mr. Lindenmuth said they proposed to value the Town's land at \$101,172 and site improvement to cost \$306,530. The Town would contribute the land and pay for the site improvements and recapture its investment through the second mortgage of a maximum of \$15,680 to each individual purchaser. The principal and interest on the second mortgage would be deferred while the purchaser owned the home. Upon sale by the original purchaser, Mr. Lindenmuth said they proposed three options: 1) require that the full mortgage balance be due at sale; 2) require that the full mortgage balance be due at sale, if sold to non-low/moderate income family; 3) require that a payment schedule be instituted to effect amortization of the note, if assumed by a non-low/moderate income individual. Mr. Lindenmuth also pointed out that their proposal provided a mechanism for annually monitoring the income of the homeowners so that in the event a homeowner's income exceeded 28% of the median, the homeowners second mortgage would begin to accrue interest. He commented that this feature would act as an incentive for the the original purchaser to sell once his income starts to rise and hopefully other individuals would enter the affordable housing market.

There were no citizen comments.

Council Member Smith asked why Capricorn was proposing to build townhouse units. Mr. Thorn replied that the Legion Road site was the only site where townhouses were proposed and this was because of the compatibility with the existing neighborhood and in an effort to reduce costs.

Council Member Smith asked why the company proposed to take its percentage of profits from the total cost of the development which included the cost of the land and its improvements when the Town was the one who would be paying for the land and site development. Mr. Thorn replied that the company proposed to build the homes in a "normal" manner in that they would purchase the property from the Town at cost, approximately \$15,680 per lot, and therefore this cost was considered in devising a percentage of profits. Mr. Smith commented that by purchasing the land from the Town the applicant appeared to be increasing the cost to the potential buyers. Mr. Lindenmuth stated that the \$15,680 paid by the company for each lot was in essence the money allocated to be channeled back to the lower income home buyers to

assist them in qualifying. He said where necessary they proposed to pass these funds back to the home buyer.

Council Member Smith also stated that he thought the proposed \$92,250 for land costs was too low. Mr. Thorn said his company could not afford to pay more than \$15,000 per lot and deliver a house that costs less than \$70,000. He said they had submitted a proposal that complied with the development proposals of Chapel Hill, some of which were expensive. He also said that if they were to build more homes on the same amount of land they could reduce some of the costs.

Council Member Smith said the design of the proposed homes were not like the other homes in the area. He also said he felt the design lent itself toward wasted space and wondered why they had not proposed typical A-frame houses.

Council Member Pasquini said the proposal estimated the cost at \$46.00 per square foot. He asked if it were reasonable to think this cost could be reduced by using different materials.

Council Member Thorpe said that the Council had asked for requests for proposals and received them and that the Council should discuss the merits of each proposal and not try to harangue the developers.

Council Member Pasquini asked what types of cutbacks could be accomplished to reduce the costs. Mr. Thorn said they were using the value engineered designs which take advantage of engineering techniques to reduce costs. He said there was a point at which there would be diminishing returns on what was being cutback.

Council Member Godschalk commented that it should be noted that the implication was not that low and moderate income homes should be cheaply built, but that they should be quality built homes with cost cutting features.

Council Member Andresen agreed saying the Council wanted the program to be a success and an attractive addition to the Town without cutting all the corners. She said substantial savings to the buyers were being included in the financing and development.

Council Member Smith asked why the lot prices differed. Mr. Thorn said they differed based on expected desirability. He said the detached home lots were expected to be more desirable than the townhouse lots.

COUNCIL MEMBER PRESTON MOVED, SECONDED BY COUNCIL MEMBER GODS-
CHALK TO REFER TO THE MANAGER. THE MOTION PASSED UNANIMOUSLY,
(8-0).

Isler and Associates

Marshall Isler, representing Isler and Associates, said they were full time residential developers who were committed to affordable housing and partnerships with municipalities and non-profit organizations. He said some kind partnership by which public monies can leverage private money was the only reasonable way to address the affordable housing issue. He stated that four years ago they had started their first public/private partnership in the City of Philadelphia. He said they completed a \$17 million project in 18 months on time and under budget. Mr. Isler commented that two years ago they started a project with the City of Durham to develop Rolling Hills. Rolling Hills when completed would contain 250 affordable units and was the result of a creative public/private partnership between Isler & Assoc., the City of Durham, N.C. Mutual Life Insurance Co., and a consortium of nine banks which raised \$8 million for a special mortgage program. He said at present the first phase was complete and included 42 units.

Mr. Isler said generally the traditional approach to affordability had been reducing costs. He stressed to take this to the extreme would result in the possible slums of tomorrow. He said they did not profess to build cheap homes but rather cost effective homes. He said Isler & Associates did not pull designs off of the shelf and modify them to meet a particular community, rather they put together a team with a local architect to design units specifically for the sites. From a cost per square foot basis this may cost more but he said they felt value was better. Mr. Isler commented that the homes could be made more efficient through the maximum utilization of interior space.

Mr. Isler said he offered a quality team, product and cost to the Town. He listed the development team as Howard Lee, general partner, Grainger Barrett, legal, Josh Gurlitz, designer, Centurion Construction Co., construction, and himself. He said this team has local sensitively and credibility.

Josh Gurlitz discussed the design aspects of the Isler proposal. He said before he had agreed to the project he had gone around Chapel Hill to get a feel of the typical design of single family homes in Chapel Hill. He said his designs were drawn to be compatible with the surrounding neighborhoods and relate to the outdoors as a natural way to extend the living spaces. He said they discussed using cul-de-sacs in the site design to help create identifiable sub-communities. Mr. Gurlitz said that by creating the cul-de-sacs they would be creating a safer internal circulation. He said the proposal provided for both single family detached housing and attached duplex homes. He commented that The Meadows was an example of the type of site design they wanted to have.

Council Member Smith commented that there should be a series or mixture of price ranges as well as a mixture of design.

Marshall Isler said with regard to financing, the Town would lease the land to the developer for an annual rate equal to 1% of the land value, with the total land value of \$181,500. A first mortgage through a lending institution would be provided at a fixed rate not to exceed 10.5% over a 30-year term. He said a 3% down payment would be required with monthly payments of less than \$440.00. Closing costs would be paid by the developer. The Town at closing would take a 0% interest second mortgage equal to 25% or 18% of the sales price. He said the range of prices was not greater due to the constraints such as the site development.

Council Member Smith asked about the size of the lots. Mr. Gurlitz replied that they were 6,000 square feet and up depending on the location.

Council Member Andresen asked where the Rolling Hills development was located.

Council Member Pasquini asked if the proposals were independent of each other, in other words would they be willing to develop one site and not the other. Mr. Isler said the two sites could be separated in the proposal but that they had not planned them that way.

Council Member Werner asked how much cheaper could one build a 1000 square foot home considering the price of land and improvements, building codes, etc. Mr. Isler said using pre-fabricated construction and less expensive interior materials could reduce the costs to \$28 to \$30.00 per square foot plus the cost of land and improvements.

Council Member Pasquini asked why Isler & Associate's overhead and profit was higher than the others. Mr. Isler said if the \$20,000 that is to be returned to the city is subtracted from the costs then the percentage of profit is in line with the other proposals.

Council Member Preston asked for clarification of the "soft costs" the Town was to incur during the first four months under the Isler proposal. Mr. Isler replied that this involved the Town's financing the construction of the first four units.

Council Member Smith asked which appliances would be provided. Mr. Gurlitz said the appliances included met those in the requests for proposals, the range, refrigerator, dishwasher, fans, etc.

There were no citizen comments.

COUNCIL MEMBER SMITH MOVED, SECONDED BY COUNCIL MEMBER GODSCHALK TO REFER TO THE MANAGER. THE MOTION PASSED UNANIMOUSLY, (8-0).

The Partnership for Affordable Housing in Chapel Hill, N.C.

John R. McAdams, representing the Partnership for Affordable Housing in Chapel Hill, introduced the other members of the partnership: Stewart Aiken, design; Tommy Bland, construction; and Danny Sullivan, construction. He said this group had worked together at the Nottingham Woods subdivision in Raleigh. He said the houses in Nottingham Woods were affordable homes and were not part of a public/private partnership. Mr. McAdams said the prices of the homes ranged from \$69,900 to \$85,000 and in size from 967 square feet to 1416 square feet. He commented that this development was similar to what they proposed for the affordable home demonstration project in Chapel Hill.

Stewart Aiken said the two main objectives in designing the project was to provide affordable homes for the low to moderate income first home buyer and to maximize the number of units on the site. In this attempt they put in attached units and achieved a greater density than they had first proposed. However, he said they found a major flaw in the concept in that the need to use a homeowners association seemed to be a contradiction to the terms of affordable housing for the low/moderate income families. He said they questioned what was going to happen to those homes; what would the homeowners be budgeting for association dues, etc. He commented that they felt it was not necessary in this instance. Therefore, the Partnership decided to maximize the single family homeownership and minimize the cost by the home buyer. This means to include with the home a deluxe landscaping package, total appliances, closing costs, and no association dues. He said this would give the home buyers the least expenditure. Mr. Aiken stated that in order to achieve the maximum density with the single family concept they have employed the cluster regulations for subdivisions. This would mean they would not have to go through the planned development concept and therefore would not need to go through the long process associated with planned developments. He said their plans, with modifications could be approvable in a short period of time. Mr. Aiken stated the Partnership had proposed the shortest construction period with 15 single family detached patio homes on the Merritt Mill Road site with a common drive along the road to reduce the number of accesses to Merritt Mill Road. He said the Legion Road site would consist of 12 single family patio homes.

Mr. Aiken commented that the patio home concept has no shared walls. He said they had a four different floor plans, each taking advantage of the patio feature to extend the livability of the unit. He stated their proposal included a panelized R-control system which would need to be approved by the Town in order for its use. He said it compares to a normal R-value of R-40 in the walls and R-60 in the ceilings.

Mr. McAdams said the Partnership would pay \$215,000 to the Town for the land and the homes would have a price range from \$59,500 to \$69,900. There would be no commonly owned land if the Town accepted dedication of open space for the recreation requirements. He said the Town's recouping of funds would fall short of the total by approximately \$86,000 if the development was approved with the panelized R-control. However, they proposed to pay \$76,000 greater contribution towards site improvements if the panelized system was approved. He said they proposed that Town funds be used for site improvement costs and to pay OWASA connections. He said one of the reasons why the Town would not recoup all its funds was because the Partnership desired to have a range of prices for the homes with the minimum being \$59,500. He commented that if they were to increase the price of the homes by \$3,000 to \$62,000 then the Town would recoup all its funds. He also commented that their land costs were higher than the other proposals. Mr. McAdams said the amount of funds available for second mortgages was less than the other proposals and therefore less was being eroded by inflation and the last of interest being accumulated.

Council Member Godschalk commented that if the panelization proposal was supposed to be a less expensive form of construction and more efficient then why would the Town's second mortgage be higher under this system. Mr. McAdams said they called for the Town to put \$178,500 in this project. The amount of money the Town has available for second mortgages in their proposal was the amount of money that the developer paid the Town back. The developer proposes to pay the Town \$215,662 for the land, \$18,400 for site improvements without R-control. The amount of second mortgage is only that money which comes back through the sale price of the houses. The price of the houses would be held constant. If the costs of the house is reduced by use of the R-control system then the difference would be returned to the Town and therefore increase the amount of second mortgage funds available. Council Member Godschalk asked why not pass this savings to the buyers instead of to the Town. Mr. McAdams said this could be done.

Council Member Godschalk said the amount of site improvements were lower than the other proposals. Mr. McAdams said it was possibly due to the fact that the driveway construction was not included as part of the site cost but as part of the house cost.

Council Member Andresen asked if the R-control panelization system had been used in North Carolina. Mr. Aiken replied yes, but not in Chapel Hill.

Council Member Pasquini asked if they would be willing to separate the projects by site. Mr. McAdams said they could, but that the proposal was for both sites.

Council Member Smith asked if they had built any affordable projects in the area. Mr. Aiken said the Nottingham Woods project in Raleigh was one and that there were model homes available for inspection at Poole Road.

Council Member Smith asked if they had considered having different price ranges for each house based on different construction needs. Mr. Aiken replied yes and that to some extent that was how they would base the cost of construction.

Council Member Smith also asked if they had considered building the units without all the appliances since there was a distinct possibility that there were home buyers who already owned appliances. Mr. Aiken said he was sure they would be willing to offer some kind of discount for those buyers who did not need appliances.

Council Member Smith said he was disappointed with the proposals because he was concerned that payments of \$400 - \$500 per month were still too much for an average family in Chapel Hill in the low to moderate income bracket to pay.

Mr. Aiken said that the requests for proposal indicated the desire to have homes in the \$50,000 to \$70,000 range. He said they could have tempered the proposal and would be willing to work with the city on the basis of desired specifications. If the Town were to write down specifically what it wants in the house, Mr. Aiken said the Town could find that they as well as the other developers could be over designing the house, not only with the inside materials but the volume, exterior design, etc. He said he thought all of the developers were trying to create an image that was not only pleasing but one that the Town could be proud of. He stated that he applauded the demonstration program.

Council Member Pasquini said this was what he had been trying to get at before. He wondered if some of the homes could be built so that the buyers could finish the interior as they saw fit. Mr. Aiken said they could but he did not think it would be addressing the need of the market.

Council Member Smith asked how much would be saved in costs with the use of the R-control system. Mr. Aiken said they had estimated a savings of \$2.50 per square foot. Mr. Smith commented that he felt there should be further savings in labor costs if the developer were using pre-fabricated wall systems.

Council Member Thorpe said he hoped the Council would not try to build a house that was not complete. He said the worst thing that could happen would be to sell unfinished homes to people in the low to moderate income range because they would never be able to get the money to finish the homes. Mr. Thorpe also asked if the Town was legally sound in attempting this program.

Town Attorney Karpinos responded that the basic principal was legally sound. He said the details would have to be structured to comply with the authority the Town has under general law and local acts.

Mr. C. R. Bell, speaking as a resident, said he had property on Elderberry Drive in the Legion Road area. He commented that he was pleased to see Chapel Hill moving in the direction of providing affordable home ownership opportunities. He said he felt the Town would be getting a good buy in any of the proposals. However, Mr. Bell said the question was whether the Town was building affordable housing or what the Council would like to live in and want the Town to subsidize so that someone else could afford it. He said he felt they were two completely different things. Mr. Bell said the proposals were nice homes and would upgrade the neighborhood. He stated that the Town could get less expensive houses that did not have all the frills and might be manufactured, but would be adequate. He said that he would be glad to sell anyone 24, two bedroom units at \$50,000 a piece and the Town would not be putting in anything and he would offer them at no down payment.

Council Member Godschalk agreed that Mr. Bell was correct that if one gets a \$70,000 house for \$50,000 it had to be considered a bargain. He asked what would be the Town's financial policy about the houses. He felt there needed to be some discussion on this issue; whether or not the Town wanted to recover the funds at the end of the project or put funds in a revolving account or whether to keep the homes forever in the low/moderate income pool or whatever. He said these issues were as important as the design side of the program.

Council Member Andresen agreed with Mr. Godschalk and said the memorandum brought up the policy question and offered some options. She asked whether or not it would be legal for the Town to decide exactly who the homes should be sold to, like Town employees, teachers, etc. She commented that she would love to see these people be able to buy the homes but she was not sure as to the legal ramifications of this type of policy and asked the staff to prepare a report on this.

Council Member Pasquini also agreed saying he would prefer the homes sold to individuals with a fixed income rather than a variable income. He said he did not want the Town to get too far in the project and reach a point where no changes could be made because the developers would have spent a considerable amount of money on the project. He said if the Council needed to meet again prior to assigning the project to a developer then they should meet again.

COUNCIL MEMBER THORPE MOVED, SECONDED BY COUNCIL MEMBER GODSCHALK TO REFER TO THE MANAGER AND ATTORNEY. THE MOTION PASSED UNANIMOUSLY, (8-0).

Public Hearing on Wachovia Bank Special Use Permit for Drive-Up Window - SUP-24K-13

Citizens wishing to speak to the Council about this proposal were sworn in by the Town Clerk.

Manager Taylor requested that the following documents be entered into the record of this meeting:

- Agenda #2, November 17, 1986, "Wachovia Bank" - Application for a Special Use Permit to Construct a Bank with a Drive-Up Window (SUP-24K-13)
- Applicant's Project Fact Sheet
- Applicant's Statement of Justification
- Applicant's Traffic Impact Analysis

Roger Waldon, Planning Director, gave a presentation on the application for a Special Use Permit to construct a drive-up window. He said the applicant proposed alternative buffers for two of the four property lines. These buffers would consist of several earth berms and landscaping. Mr. Waldon commented that the key issue was the disagreement over six parking spaces in the northwest corner of the site which the staff recommended be deleted and the applicant wished to keep. He said the staff felt that since the applicant was providing three times the required number of parking spaces, the six spaces could be eliminated without undo hardship.

Council Member Pasquini asked why so much parking was being proposed and why the staff did not recommend a further reduction. Mr. Waldon replied that the applicant had done surveys of other bank parking needs and believed the number of spaces proposed would be adequate for their needs. He said the staff had not recommended a further reduction in the number of spaces because there was no reason to and the site was large enough to support these parking spaces. Mr. Waldon said the primary reason the staff recommended the deletion of the six spaces in the northwest corner was due to the poor visibility in backing out of the spaces with vehicles entering the site from Banks Drive.

Council Member Smith asked if there were entrances to the bank on both sides. Mr. Wartman of Wachovia Bank replied that there were two proposed entrances on the east and west sides of the bank. Council Member Smith asked how many parking spaces were at the Wachovia Bank on Estes Drive. Mr. Wartman responded that there were 24 or 25 and that they were not enough even though the bank received a lot of pedestrian traffic.

Council Member Smith asked Mr. Waldon to be sure the stipulations in the Special Use Permit for the Timberlyne Shopping Center had all been met.

Council Member Andresen said she agreed with the staff recommendation for the elimination of the six parking spaces in the northwest corner. She asked how far the shopping center parking lot was from the proposed bank location.

Bill O'Brien, representing the applicant, said the six parking spaces would be assigned to employees and generally would be filled throughout the day and thereby not interfering with the normal traffic flow. He questioned whether parking at a 90° angle was any better or worse than any other type of parking. He pointed out that the entire parking lot for the shopping center was striped for 90° angle parking and it had spaces adjacent to the travel lanes as the bank proposed. He said that the Bank could not legally use the shopping center parking spaces. Mr. O'Brien commented that the applicant had already compromised on its plans to meet the staff's concerns but felt that the six parking spaces were needed. He went on to say the site and building were designed for future expansion, however such expansion would not affect the parking areas and no more spaces would be needed.

Alan Rimer, representing the Planning Board, said the Board recommended approval of the Special Use Permit with the six parking spaces remaining. He said the spaces could be labeled for employees only in order to prevent customers from using them.

Manager Taylor recommended that the Council approve the project by adoption of Resolution A which would eliminate the six parking spaces in contention.

Mr. C. H. Wartman, representing the applicant, Wachovia Bank, said he would just like to reinforce the desire of the Bank to keep the six parking spaces for the employees.

Council Member Godschalk said he felt the applicant had proposed an attractive site plan, saying he liked the proposed berms for buffers. He said he felt the six parking spaces were a minor matter and spoke in support of the Planning Board recommendation.

Council Member Werner asked how the size of the proposed bank compared to the Bank on Estes Drive. Mr. O'Brien replied that the proposed bank was around 3500 square feet or 2/3 the size of the Estes Drive Wachovia Bank.

Council Member Smith asked if the staff or applicant had considered using diagonal parking instead of the proposed 90°? Mr. O'Brien said the Bank preferred the 90°, 10' wide spaces and that their studies showed these kind of parking spaces were easier to maneuver into and out of.

COUNCIL MEMBER PASQUINI MOVED, SECONDED BY COUNCIL MEMBER GODSCHALK TO REFER TO THE MANAGER. THE MOTION PASSED UNANIMOUSLY, (8-0).

Public Hearing on Application for a Zoning Atlas Amendment

Roger Waldon, Planning Director, gave brief presentation on the application to rezone approximately 15.2 acres of land on Erwin Road from Residential-4 to Residential-2. The parcel is located at the intersection of Erwin Road and Weaver Dairy Road and was the proposed site of Windy Hill development. He said the property would be contiguous to similar zoning as there are lots zoned R-2 and R-4 adjoining. The present R-4 zoning allows 10 units per acre while the proposed R-2 would allow 4 units per acre. Mr. Waldon said the request for rezoning was consistent with the Land Use Plan. He commented that if the property were rezoned the recreation requirements for a subdivision would change from that of the planned development.

Bob Anderson, representing the applicant, Windhover Associates, said the applicant desired to create a subdivision on the property that would be developed with 10,000 square foot lots for a total of about 40 lots. He said the proposal was consistent with the land use plan and urged the Council to approve the rezoning request.

Alan Rimer, representing the Planning Board, said the Board recommended approval of the rezoning request feeling the transition between the R-2 and R-4 zones were consistent with the Comprehensive Plan.

Manager Taylor recommended the Council adopt an ordinance approving the application and rezone the site from R-4 to R-2.

Council Member Werner commented that he was pleased to see the request. He urged the applicant to take into consideration landscaping along Erwin and the entrances and exits for the proposed subdivision.

Council Member Preston asked if there had been any resolution to the cutting down of the tree in the corner of the lot along the curve of Erwin Road. Ms. Loewenthal, Assistant Town Manager for Environment and Development, replied that as of yet no resolution had been made.

Council Member Andresen spoke in favor of the proposal saying she felt it achieved the purpose of the Comprehensive Plan.

Council Member Smith asked if the property were adjacent to the extension of Sage and Weaver Dairy Roads. Mr. Waldon replied that the property was not adjacent. Mr. Smith spoke in support of rezoning the property for single family home development.

COUNCIL MEMBER GODSCHALK MOVED, SECONDED BY COUNCIL MEMBER THORPE TO REFER TO THE MANAGER. THE MOTION PASSED UNANIMOUSLY, (8-0).

COUNCIL MEMBER WERNER MOVED, SECONDED BY COUNCIL MEMBER PRESTON TO ADJOURN THE MEETING. THE MOTION PASSED UNANIMOUSLY, (8-0).

The meeting adjourned at 11:02 p.m.



