

**MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
SPECIAL SESSION
MARCH 11, 2013**

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Old Chatham County Library, 158 West Street, Pittsboro, NC, Pittsboro, North Carolina, 3:00 PM on March 11, 2013.

Present: Chairman Walter Petty; Vice Chair Brian Bock;
Commissioners Mike Cross, Sally Kost, and Pamela Stewart

Staff Present: Charlie Horne, County Manager; Jep Rose, County Attorney; Renee Paschal, Assistant County Manager; Vicki McConnell, Finance Officer, Sandra B. Sublett, Clerk to the Board; and Lindsay Ray, Deputy Clerk to the Board

Work Session

1. **Public Input Session**
2. **Vote on a request by the Board of Education to endorse a special election to fill the vacant Board of Education seat in District 4**
3. **Presentation by the Board of Education on the Northeast High School**
4. **Discussion and vote on offer to purchase Central Carolina Business Park Campus**
5. **Presentation by Dennis Fair Regarding RV Park Setback Requirements**

INVOCATION AND PLEDGE OF ALLEGIANCE

Commissioner Cross delivered the invocation after which the Chairman invited everyone present to stand and recite the Pledge of Allegiance.

CALL TO ORDER

Chairman Petty welcomed those in attendance and called the meeting to order at 3:04 PM.

APPROVAL OF AGENDA and CONSENT AGENDA

Commissioner Bock moved, seconded by Commissioner Stewart, to approve the Agenda and Consent Agenda as follows:

1. **Minutes:** Approval of Board Minutes for the February 18, 2013 regular meeting and February 18, 2013 work session

The motion carried five (5) to zero (0).

2. **Annex Bids:** Award bids for annex renovations to Bordeaux Construction and amend the Annex Project Budget to reflect increased cost

The motion carried five (5) to zero (0). The amended Annex Project Budget is attached hereto and by reference made a part hereof.

3. **Nonprofit Panel Volunteers Appointment:** Appointment of nonprofit volunteers as follows:

Richard Edwards	Vanessa Kennedy	Jessica Ornat
Donna Fehrenbach	Ruth Lewter	Joni Pavlik
Diana Hales	Michael Levandowski	Tammy Phillips
Barbara Hatcher	Cathy Markatos	Gerald Stroupe
Patricia Jackson	Jim McMaster	Margaret Tiano
Joyce Johnson	Suzanne McMaster	Mary Tiger
Ruth Katz	Carolyn Miller	Suzanne Wise
		Leonard Zeller

The motion carried five (5) to zero (0).

4. **Sexual Assault Awareness Month:** Approval of **Resolution #2013-09 Proclaiming April as Sexual Assault Awareness Month**, attached hereto and by reference made a part hereof.

The motion carried five (5) to zero (0).

5. **Resolution Supporting Chatham-Randolph Mega-Site:** Approval of **Resolution #2013-10 Supporting Chatham-Randolph Mega-Site**, attached hereto and by reference made a part hereof.

The motion carried five (5) to zero (0).

6. **Request to Construct New Cell Tower:** Approval of a request by Raleigh Towers, LLC to construct a new cell tower on Parcel #199152 known as Old Chatham Golf Club, located off O'Kelly Chapel Road across from Nickel Creek Circle. The lease area will be approximately .27 acres of the 403 acre tract and located within the Joint Plan Area of Chatham County and Cary, Williams Township

The motion carried five (5) to zero (0).

END OF CONSENT AGENDA

PUBLIC INPUT SESSION

Steve Seilkop, 3942 Rives Chapel Church Road, Siler City, NC, presented his comments to the Board and provided them in their entirety for the record as follows:

"I come before you today to question the proposed sale of 188 acres in Central Carolina Business Campus (CCBC) based on two considerations:

- Cost to the County
- Consistency with the purpose of the CCBC

Cost

The 457 acres purchased to create the CCBC in 2000 cost the County approximately 2,900/acre, and the proposed sale price is \$6,000. On the surface this sounds like a good deal for the County. However, it neglects the fact that the County spent in excess of \$8.3 million to develop the infrastructure of the CCBC, including roads, water, sewer, and underground

utilities. That works out to a cost of \$18,162/acre. Added to the original \$2,900/acre purchase price, this land has cost the County \$21,062/acre. Thus, the proposed sale will result in a loss to the County of \$15,000/acre ($\$21,062 - \$6,000 = \$15,062$). Overall, the proposed sale of 188 acres will reflect a loss of more than \$2.8 million ($188 \times \$15,062 = \$2,831,656$). This does not reflect good stewardship of Chatham County tax dollars.

Consistency with the Purpose of the CCBC

The purpose of the CCBC is to enhance commercial tax revenue and bring jobs to the County. The proposed sale does neither. The buyer's stated objective is to conserve the Rocky River corridor. This is a worthy goal, given that approximately 50% of the proposed land sale is in steep, wooded bluffs above the Rocky River that is unsuitable (in my view) for commercial development. However, the remaining 50% is some of the most attractive land for commercial development in the CCBC, and there is no guarantee that it will be utilized in this way. In fact, the requirement that current tenants of the CCBC were held to, namely building within two years of purchase, is being specifically waived in the proposed purchase agreement. Thus, there is no requirement for commercial development, which is totally inconsistent with the objectives of the CCBC. Furthermore, success builds upon success, and the proposed sale works against this by failing to assure six new commercial tenants on the parcels that are being sold. This makes the remainder of the Campus less conducive to synergistic development possibilities among prospective clients (e.g., the existing hospital, primary health care center, and dialysis center).

Recommendations

Given these clear negatives for the County, I suggest that the Board of Commissioners table the proposed sale, and consider other alternatives, which will be discussed in Donna Sivulka's presentation."

Donna Sivulka, 3942 Rives Chapel Church Road, Siler City, NC, presented her comments to the Board and provided them in their entirety for the record as follows:

"For the past year and a half, I have been part of the NC STEP Leadership Team. More specifically, I have been Chairperson of a project that was funded by the Rural Center to develop a Concept Plan for developing walking and nature trails within the CCBC. While I would like to have presented that Plan to the Board, I was denied an opportunity to do so. Nevertheless, I come before you today to offer several options regarding the sale of property. I do so as a private citizen.

Option 1: Delay Selling and Rethink the Marketing of the CCBC.

The intended purpose of the CCBC was to expand the County's commercial tax base and create jobs. But in order to do this, the property needs to be marketed more aggressively. Unfortunately, until recently, the most successful marketing tool — web-based marketing — was not employed to its fullest potential. In fact, general searches on the Internet for business parks in Chatham County, North Carolina resulted in no mention of the Campus. This was brought to the attention of the EDC and was remedied in October. It makes sense to see if the upgraded website marketing strategy works before proceeding with a sale that achieves none of the goals of building the Campus in the first place. As part of this new strategy, consideration should also be given to reconfiguring the lots in the CCBC to include sale only of truly buildable land. This would likely increase interest on the part of potential buyers who would not be required to buy land that they neither want nor need. In short, this land is sellable for its intended purposes; it just has not been wisely configured, or marketed to its fullest potential.

Option 2: Revise the Proposed Sale Terms to Include only Unbuildable Property

The land that has been identified by the potential buyer as having conservation value is that of the river corridor. That being the case, why not sell the buyer that land only? That

would come to roughly 107 acres or possibly more. At the offering price of 6K/acre, the minimum sale price would be approximately \$640,000. The buyer could ostensibly achieve the stated conservation goals, but there would still be sufficient acreage retained by the County to sell for commercial development purposes.

Option 3: Alternative Provision to Allow for Greater Public Access

The NC STEP project for creating trails within the Campus was developed with multiple benefits in mind, including recreation and exercise. If the County is uninterested in allowing public access to the Rocky River through the CCBC — even though it is clearly willing to allow such access to just one individual — an alternative could be considered. Lot 5 is small (10 acres) and has very little river frontage. If an easement were granted on this lot, it is possible that this easement and an adjacent tract owned by the Town could be combined into a small park for recreational and health usage.

Recommendation: Chose Option One. Let's see if we can't put this land to its intended use. Let's market it more wisely. This would be best for the County and best for the taxpayers."

Diana Hales, 528 Will Be Lane, Siler City, NC, presented her comments to the Board and provided them in their entirety for the record as follows:

"Although 130 of Chatham, LLC, the tentative purchaser of 188 acres of county-owned land in the Central Carolina Business Park has great intentions for Rocky River conservation, the County should NOT accept the offer. The acreage represents all the subdivides that touch the Rocky River in this business park that was created to encourage economic development for the Town of Siler City. This owner, 130 of Chatham LLC, has already purchased more than 1,000 acres along the river, and is accumulating more acreage every month. The goal of conservation is worthy, and there is a presumptive benefit to the river as various conservation measures are taken to re-establish hardwood forests and eliminate invasive species. However, regarding this sale, I would encourage the county to decline this offer for a short-term revenue of the \$1.12 million from this sale.

This sale will remove all future benefits that can accrue to Chatham citizens in the form of property taxes for actual commercial development projects on this land. Conserved, undeveloped land will always have less value on tax rolls, forever.

Additionally, this purchase removes all future possibilities of creating a public access to the Rocky River in Siler City. Ever since the County purchased this land in 2000, a nature walk or trail along the river was part of the plan, and has been a goal for the Town of Siler City, as well. For the past two years Siler City's NC STEP program, funded by the NC Rural Center, had a project focused on development of that trail and walking paths in the undevelopable portions of that 188 acres. To that end, a professional concept plan was recently completed and was about to be presented to this Board of Commissioners. This parcel in the business park is the ONLY public land that borders the Rocky River, and therefore the only possible access for citizens to see and enjoy the river. The only public access to this incredible 35-mile Chatham County river is at the White Pines Nature Reserve, south of Pittsboro, at the confluence of the Rocky and Deep rivers, which is managed by Triangle Land Conservancy.

This sale is not in the public interest because it takes a \$21,000/per acre investment in land and infrastructure and sells it for \$6,000/acre with no requirements. It treats Siler City poorly because it permanently removes the possibility of a trail amenity for future businesses and future greenway linkages from downtown Siler City to a river experience.

Instead of selling now, actively market this property in a business climate that is coming out of recession. Give Siler City a chance to grow. The NC STEP project team was investigating sources to actually build a trail and walking paths on the unbuildable portions of those parcels. Retain the buildable portions that are also being sacrificed with this sale for future sale to realize the potential of this business park."

CHATHAM COUNTY BOARD OF EDUCATION

Vote on a request by the Board of Education to endorse a special election to fill the vacant Board of Education seat in District 4:

Commissioner Kost suggested changes to the resolution as follows:

- ❖ State that the elections are County-wide so even though there are residency districts, the representation is County-wide. The resolution should be changed from _____ to _____
- ❖ Add language explaining why we have the vacancy
- ❖ In the BE IT THEREFOR RESOLVED, the requirement that the Board of Commissioners pay for it should be discussed.

Commissioner Stewart asked the total cost of the election.

The County Manager stated that the cost is not available at this time; however, there will be municipal elections in the fall.

Commissioner Kost stated that she clarified that the Town of Cary's municipal election is in October. There is a local municipal election for the Town of Siler City, for the Town of Pittsboro, and for the Gulf Sanitary District scheduled for November 2013. The cost would be for another thirteen precincts.

Commissioner Cross stated that if they are going to have the bond issue for the new Ag Center in October, there should be no additional costs.

Commissioner Kost stated that she had heard from others that they might perhaps not do a bond referendum.

Chairman Petty stated that they are looking at financing options; however, he doesn't know if they are in a position to discuss anything on it yet.

The Finance Officer explained that she is still waiting for information and hopes to have it by the end of the week.

Commissioner Bock stated that the big change refers to the costs associated with the election which states it would be paid for by the citizens of Chatham County through the Chatham County budget. He asked if any of it would come from the school budget.

Commissioner Kost stated that was her question. She stated that this was what she heard the School Board say at the Board of Education's meeting. She stated that she was amenable to looking at the schools' budget and their fund balance in order to pay for the special election if the GO Bond is not used.

Commissioner Bock stated that he understood it that they expected the Board of Commissioners' help for the special election. He asked Mr. Logan his understanding of the matter.

Commissioner Cross stated that if the voter referendum is called, they will not have to worry about the cost.

Commissioner Kost stated that she felt it was necessary to have the discussion regarding who would bear the costs.

Mr. Logan stated that they didn't include any costs in the actual resolution as they do not know what County-wide referendums or elections will take place.

Commissioner Kost stated that she heard the discussion of cost at the school board meeting when it was said that if the resolution was passed, the Board of Commissioners would agree to bear the cost.

Commissioner Cross stated that the citizens are going to bear the costs anyway as the schools are going to need more money. He stated that the easiest thing to do would be to have the ag referendum which he supports.

Commissioner Kost moved, seconded by Commissioner Bock, to adopt **Resolution #2013-11 Supporting a Special Election to Fill the Vacant Board of Education Seat in District 4** and to strike the last sentence that begins "All costs associated with the election will be paid for by the citizens of Chatham County through the Chatham County budget." Further discussion will be held so that it is clear to the school board that the Board of Commissioners has not agreed to accept the costs.

Commissioner Bock asked if sometime before the election, if someone on the Board of Education changes their vote, that the Board of Commissioners be informed.

Chairman Petty called the question. The motion carried five (5) to zero (0).

Presentation by the Board of Education on the Northeast High School:

Mr. Robert Logan, Chatham County School Superintendent, explained the specifics of the delay to build the new high school in the northeast region of the County as follows:

Synopsis of Agenda Item (Overview & Purpose)

For the past two months we have been discussing the building of the new high school in the northeast region of our county. Information has been presented on student population growth, housing starts, school location, operational cost, serviceable capacity, redistricting, and our annual ORED report. Building plans have been delayed for the past two years due to the slower than projected pace of student growth in the northeast region. Three possible directions or options have evolved from the discussions. Options include:

- 1) Proceed with the timeline to build the new high school on Jack Bennett as planned;
- 2) Delay the timeline for a two year period (2013-2014 & 2014-2015) allowing the school district to obtain additional student growth figures, school facility assessments, and other possible high school building sites;

Organizational Impact (Academic, Fiscal & Personnel)

Option 1: Proceeding with Option 1 would provide a new 800 student high school with an expandable core up to 1200 students. The school would be scheduled for opening during the 2016-2017 school year. A new high school would require the redistricting of Northwood or could impact the size of all four high schools. By our best estimate the district would have two 3A size high schools and one 2A size high school. Based on current projected 9-12 membership numbers, we would have four relatively small high schools. Small high schools have advantages and disadvantages. Among the advantages are smaller high schools have fewer students thus there is an increased sense of family resulting in greater time for the individual needs of each student. Smaller high schools tend to have higher graduation rates, and again due to fewer students to supervise, fewer discipline problems. Disadvantages include higher cost of operation. It is estimated that a fourth high school will add \$1.5 million annually to the district's local current expense budget. Even with technology, smaller high schools struggle to offer a comprehensive, well balanced curriculum. Co-curricular and extra-curricular programs are not of the same quality, and teams/organizations are not as competitive. Our current three high schools all have programs that are successful and they are proud of. The district cannot afford to replicate these programs so a reduction or redistribution of students could diminish the effectiveness of these programs. During one of the previous discussions about the new high school the

question was asked, "What impact would the cost of a new high school have on the tax rate?" I sent you an email indicating that it would not affect the tax rate since the cost had already been calculated into the debt service model.

Option 2: Option 2 would delay the construction timeline by two years (2015-2016 start project, 2018-2019 open new high school). A two-year delay would provide the school district two additional years to realize more accurate student growth projections, allowing the opportunity to better determine housing patterns and future growth thus better informing us about the best long-term placement of the school. Without question the northeast will continue to grow but does having two high schools north of Hwy. 64 best serve the future needs of the county? Or would the strategic placement of the fourth high school somewhere along the Hwy 64 corridor better serve the growth in the northeast and the projected growth in the southeast from the planned Chatham Parks development? An additional two year period would allow this picture to better develop. Many of the disadvantages of Option 1 would be reduced. For example, the 9-12 student population would have increased thus increasing the probability for a more balanced, comprehensive curriculum offering. Co and extra-curricular activities would balance out due to more students, and existing exemplary programs would flourish. Additionally, the cost of Option 2 would be less in that redistricting would allow the district to take advantage of existing serviceable capacity in the other two high schools. If the numbers justify, a new high school, in a more strategic location could still be built two years later. Given, we are estimating a 5% annual inflationary cost to construction, thus a two-year delay could increase the project cost by over 10%. However, an analysis of the 10% construction increase would need to be run in the debt service model to determine if the delay could result in any savings. If so, such savings could be requested for immediate school district needs such as technology.

Mr. Logan's recommendation was that Option 2 be considered.

Chris D. Blice, Principal of Northwood High School, gave an overview of Northwood High School as follows:

Northwood High School, home of the Chargers, is located on Hwy. 15-501 just north of Pittsboro, North Carolina. Our school colors are green and gold and we are home to approximately 1100 students in grades 9 through 12. Our faculty includes 64 Certified Teachers, 3 Guidance Counselors, 1 Media Specialist, 1 Curriculum Coach, a full time Technology Technician Team, and 3 Administrators. We are approximately 15 to 20 minutes south of the Chapel Hill/Durham area and less than an hour from Raleigh. Chatham County is one of the fastest growing "bedroom communities" for these shopping and educational centers. In addition, Chatham County is experiencing large amounts of growth primarily in the Northwood attendance zone. In short, we can offer you small town values and caring mixed with a short ride to the "big cities" and all they have to offer. Northwood High School opened for students in 1972 as part of a system consolidation effort. At present there are three traditional high schools in Chatham County with Northwood being the largest and considered by many to be the flagship school. We are a 2A high school and will be classified as 3A in the 2013 NCHSAA realignment. A recent major construction project provided a new Fine Arts Wing and renovated auditorium, upgraded our outdoor athletic facilities, several classroom spaces, our weights room, and created a new main entrance/gymnasium lobby area. The recent academic years have brought a 1 to 1 computer initiative (laptops for all students and staff), a school-wide wireless network, the establishment of Professional Learning Communities, and an ever-improving academic/instructional focus.

Academics and Activities: Our school offers a wide range of academic, co-curricular, and extra-curricular activities for our students. Challenging core/elective classes in English, Math, Social Studies, and Science offer many Honors and AP opportunities. AVID (Advancement Via Individual Determination) helps many of our students reach for higher learning opportunities in their college plans. Elective classes include Band, Chorus, Drama, Dance, and Visual Arts venues along with Foreign Language and online classes. CTE opportunities include Agriculture, Carpentry, Family and Consumer Sciences, Business, Marketing, and Health Occupations. Clubs and organizations include National Honor Society, Career and Technical Honor Society, Spanish Honor Society, Student Council,

Creative Writing, FFA, FCCLA, FBLA, DECA, SkillsUSA, HOSA, The STANCE Step Team, Dance Team, Brain Game Team, and Visual Arts/Dance/Thespian/Tri M Honor societies. Our in-house student-cheering group “The Northwood Nuthouse” rivals some of the local college/university groups. To say we have much to offer to all students is truly an understatement.

Our SAT, EOC, AP, and ABC Composite scores (see back page) indicate that consistently strong academic improvement is underway and our students are routinely selected for Governor’s School, Teaching Fellows, and innumerable other scholarship offerings. Our North Carolina Teacher Working Conditions Survey data is among the best in CCS and indicates a high level of teacher satisfaction with Northwood High School. Northwood High School was named in 2009 and 2010 to the prestigious Newsweek Magazine’s Top American High Schools listing, and achieved North Carolina School of Distinction Status in 2010 and 2011. Our 2012 ABC composite score has us at 88.94% (the highest in Chatham County Schools). Go Chargers!

Northwood Student Achievement Data

SAT Data (NHS is above state and national averages. Includes writing)

	2010	2011	2012
Northwood	1465	1506	1514
Nation	1506	1500	1498
State	1485	1475	1469

2011-12 EOC (End Of Course) Scores (NHS students led the County and State in English I and Biology)

	Northwood	Chatham County Schools	North Carolina
English I	86.4%	80.2%	82.9%
Algebra I	70.8%	78.2%	78.7%
Biology	95.9%	91.7%	83.0%

5 year ABC Composite Scores (Showing a steady increase of over 22% in four years)

2007-08	2008-09	2009-10	2010-11	2011-12
66.6% prof.	75.2% prof.	82.5% prof.	84.3% prof.	88.9% prof.

5 Year AP Testing Data Comparison (NHS students consistently score above state and global averages)

	2007-'08	2008-'09	2009-'10	2010-'11	2011-'12
# Northwood (NW) AP Students	129	149	115	125	182
% NW AP Students Scores Proficient	73.6%	65.1%	66.1%	70.4%	67.0%
% N.C. AP Students Scores Proficient	61.7%	62.4%	62.7%	63.9%	63.8%
% Global AP Students Scores Proficient	60.1%	61.1%	60.2%	60.2%	61.5%

Post Graduation Plans for Diploma Earners

	2010 Graduates	2011 Graduates	2012 Graduates
4 year Institution	65.0%	61.1%	62.8%
2 year Institution	30.5%	34.1%	22.6%
Other (Military, Work)	4.5%	4.8%	14.6%

In each of these tested areas (SAT, EOC, and ABC Composite Scores) Northwood leads Chatham County Schools and North Carolina, and in SATs is above the North Carolina and National averages. Our AP offerings are the most extensive in Chatham County Schools and our students consistently score above both the state and global averages.

Arts and Athletics: Northwood High School is well known for an award winning Arts Education Program featuring opportunities in Drama, Visual Arts, Vocal/Instrumental Music, and notably, our Modern Dance Program. Started in 1972, our dance program was the first of its type in North Carolina Public Schools, has two full time teachers, and boasts full enrollments each year. Northwood Arts Education truly ROCKS! Our Athletic Program is

unquestionably the CCS leader in almost every sport we play and a perennial state playoffs powerhouse. Our highly successful athletic program includes award winning Football, Cheerleading, Volleyball, Tennis, Wrestling, Soccer, Basketball, Baseball, Softball, Cross Country, Swimming/Diving, Golf, Track and Field, and most recently Lacrosse. We have played for an athletic state championship in each of the last four years and strive to develop student-athletes who graduate and go on to the next level both athletically and academically.

During the last 10 years, Northwood has dominated the CCS Teacher of the Year selection process and in one of those years had a Wachovia Regional Teacher of the Year. We have 9 National Board Certified teachers and approx. 40% have advanced degrees. Teacher retention for the last four years has been well above the state average, and our 2013-14 enrollment is projected at approx. 1200 students, the highest in our school's history.

And finally, in 2011, Northwood was named as the CCS Piedmont Triad Education Consortium Signature School recipient, and in 2012 was chosen by the Washington Post as a National Challenge School for outstanding student achievement.. Please contact us to make an appointment to tour our school, or to find out more about Northwood High School. You can visit our website by scanning our QR symbol (front page) or by Googling Northwood High School.

Commissioner Bock asked if the school was to be built on the original schedule, would existing programs would have to be cut.

Mr. Blice explained that when there are only so many children that can do so much, you will lose programs. It isn't that they are going to move somewhere else, they are going to go away.

Leslie Burwell, Arts Department Chair, stated that she had been a resident of Chatham County for the last sixteen years and both of her children had or will graduate from Northwood High School. Both have been very involved in the programs offered there in the AP course selections. As the art department chair for the last ten years, when she first came to Northwood, she was a recipient of the Creative Ticket Award (a Kennedy Honor Award for the national level) and was the only high school in North Carolina to receive the award that year. They received the distinction because they have all five disciplines offered in the Northwood arts program that is not typical of a high school. Many high schools have a dance program but may not have band. Northwood has the oldest dance program in North Carolina. They have visual arts, band, choral (with strings), and theatre.

She stated that the equity and diversity in Northwood is amazing. The diversity that creates good athletes and scholars and excellent arts will be diminished. When you have competition and have people together working hard, better people are created. If you take away the size, you take away the pool of people who want to be involved in the arts and also the talent base. The people who are extremely talented in the arts pull up everyone else. The teaching positions will not be available if the enrollment is cut in half. Half of the teaching positions will have to go to one end of the County in the new high school. The other will stay behind. It is that five programs that have made the five teachers in drama, dance, band, music, and visual arts so strong. It has made them stand out in the nation with the Creative Ticket Award in 2002. They continue to have students that are majoring in visual arts. Half of those are employed during this bad recession because they are talented. Creative thinkers are what the 21st century learning wants. If the schools are cut in half, you will have one section of the population. You lose the diversity. The diversity is what makes them strong. Northwood is a diverse high school and has many feeder schools. She stated that she feels very strongly about this as a parent and a teacher.

Mr. Blice asked what is broken, then replied, nothing at Northwood. It is not overcrowded. Each teacher has his/her own classroom. They are within their capacity. The mobiles and pods are working fine. They just received word that they have a Morehead Scholar. Northwood is a very safe school. The school is 41 years old. They are good for about fifty more years. The school is not falling down and is in great shape. They have approximately 1,100 students which is not very big for a high school. The State doesn't fund

schools under 300. He invited Board members to visit the school at any time. He stated that they are a great school and are proud of it.

Commissioner Bock asked if the word “devastate” is an overstatement and a reaction to the numbers or does he still feel they would devastate the arts and music.

Mr. Blice stated that proof of it is in the County. Looking at the smaller schools in the County and comparing them to Northwood, it is unquestionable. He stated that it was comparable to a 75% cut.

Chairman Petty asked if the greater concern was toward Chatham Central with the lower numbers.

Mr. Logan stated that he is more concerned about Chatham Central than any overcrowding at Northwood. He stated that about three years ago, he recommended reconfiguring the schools in Chatham County and for four months, he got mentally beat up. His recommendation had nothing to do with regard to the argument of what was better. He had a model that he showed the school board. He attempted to show the public how the configuration of the school district is more expensive. The smaller schools take more to operate. Because of how programs are constructed, you have to attempt to allocate with as much equity as possible the staffing that is necessary to run a program. If you don't have enough children to warrant full allocations of those positions, then the positions are made up with local dollars. If you have schools that are large enough in enrollment that you draw those numbers down from the State, then you are able to provide for them with State allocations and anything locally is icing on the cake. He stated that he remembers when Commissioner Bock came on the Board of Commissioners; he asked him what the Board is getting for their money. A large portion of the money goes for operating smaller schools. He stated that he has to operate those schools on the basis of equity. He has to see to it that if he is offering something at a K5 or 6-8, they are attempting to offer those same programs at the K-8. That requires more funding for personnel in those schools. He stated that they went back and adjusted it during the recession. As things have improved, some of those positions have been eased back into the small schools. He stated that he was very careful to not get them out-of-balance when it comes to equity. He asked why he was not coming to the Board discussing building a new high school somewhere off of Highway #421 and consolidating Jordan Matthews and Chatham Central. Jordan Matthews has about 758 children and Chatham Central 390. If the two were consolidated, there would be approximately 1,100+. He stated that he feels the communities would fight them with fervor and force which would back the Board of Education and the administration away from the plan. The people in the communities don't want that. The people have to understand is if they want and expect their small schools and expect equity of programs in small schools, there is a price tag for it. They should be looking at consolidating the two high schools; however, he doubts the people will allow them to do so.

Chairman Petty stated that in the interim, they presented redistricting a few students that would get the numbers up. He asked if that was not an acceptable option.

Mr. Logan stated that another approach would be to rotate clockwise the present attendance zones. This would include rotating some of Jordan Matthews over to Northwood, some of Northwood down to Chatham Central. Jordan Matthews is projected to have over 900 students by the year 2017. There is projected growth in the west as well as the northeast. If it was to be rotated, we could come up with a better fit. The goal would be to have about 800 at Jordan Matthews, 1,100 at Northwood, and 500 at Chatham Central. When redistricting occurs, the children are not moved immediately. The juniors and seniors are allowed to phase out which is a two-year process. The freshmen and sophomores would go. Only half of the numbers would apply.

Commissioner Kost replied that it would not take care of what they have been talking about. It would only take care of making sure of getting State funding so that it is kept up over 400. What we have talked about was Northwood in the program, on a per-student basis they are getting an allocation of funds, because of the additional funds and a bigger

enrollment, you can have the extra programs. She stated that what she is hearing is that they can't have those programs at Chatham Central because it is too small and some at Jordan Matthews because it is too small.

Mr. Logan stated that that program would continue. It would still be an issue of having enough children in those locations to warrant the same level of programming that we presently have at Northwood.

Commissioner Kost stated that she remembers the process and how the school board and administration was beaten up. She stated that she felt that it was rolled out the wrong way and should have been presented to the community differently. In an age of finite resources, we have to reopen the discussion and talk about the size of all schools. We have some small elementary schools. The distance factor must be taken into consideration as Chatham is a very large county.

She stated that the ink is hardly dry on the County's Capital Improvements Plan. She stated that Mr. Blice had asked what was broken. She stated that it is the process that is broken. We have a Capital Improvement process where we have a public hearing; we tell the public what we are doing; a month after the Capital Improvements Plan was adopted, the school board has the discussion about postponing the high school. She stated that she told people that the high school had been delayed, but was still on schedule for 2017. A month later, the Capital Improvements Plan is now being revised. The process is broken. She stated that she was looking for the school board to have this discussion when the public is paying attention. The citizens do not know about today's discussion. She stated that she did not like this being done now. This discussion should have been held three months ago.

With regard to the cost issue, Commissioner Kost stated that she heard at the school board meeting that the school probably could not be built for 44.5 million dollars. Not only are building costs rising, but interest rates are likely to rise. Before the Board of Commissioners makes a decision about the calendar of this postponement, she would like for them to agree on a number, put it into the debt model, and see what it means. If the school was built now, the operations cost are \$1.5 million. The escalation will be \$5 million. It would be cheaper to build the school now and open it with less capacity. She stated that everyone is proud of what Northwood has accomplished; there is a dynamite arts program; but at some point, a high school has to be built. If it is cheaper to do it now, then the pros and cons have to be weighed.

Commissioner Kost asked the school board to include the Board of Commissioners in their discussion of express routes. She stated that Commissioner Cross represented an area of the County where the bus rides are two hours. It is also true where she lives on the east side of the lake. There have been discussions regarding what it would take to have an express bus service; let's cut the rides for these kids as they are on the buses way too long. She stated that she had heard that building the new school on Jack Bennett Road would only cut ride times by fifteen minutes. To the folks who live in northeast Chatham, it is still a long way to Northwood. She stated that she hopes they will address the issue of express routes.

Commissioner Kost asked if the Jack Bennett Road site has been so bad for so long, why hasn't this discussion been held. She stated that they had talked about site challenges; however, she heard things on Monday that she has never heard about having to bring in massive amounts of dirt for the footprint under the building. The Jack Bennett Road is not the best of roads which is a major crossover for Chatham County. She stated that she would like to know why, all of a sudden, the site is so bad as it has been owned by the County for over ten years. An optimal, perfect site does not exist in northeast Chatham County. This site could at least have tied into a sewer treatment plant. She stated that she hopes before the Board of Commissioners makes any kind of decisions, the new numbers are run through the debt model so as to understand the financial implications.

Commissioner Stewart asked for clarification regarding the development of Chatham Parks and the opening of the new high school. She asked if any of those students would be sent to Chatham Central from Chatham Parks.

Mr. Logan said that was something that could be done. One of the redistricting possibilities that they are looking at would pull more children out of the southern end of the existing Northwood district to go to Chatham Central and those children would be in the Chatham Parks area when it opens.

Mr. Logan stated that he had never thought the Jack Bennett Road school site was a good site. He stated that he had not responded with anything relative to the site in an attempt to support prior decisions. Part of what opened that discussion back up at this time was Chatham Parks. Having more information about Chatham Parks and knowing where it is going to be and having an idea of their plan, it stands to reason that it should be incorporated into the decision making. Relative to the bus routes, even if the new northeast school is built and the population at Northwood is split, the school is exactly 8.8 miles from the Jack Bennett site to Northwood High School. That still does not address the longest bus route which is from Moncure to Northwood.

Commissioner Kost stated that she was asking the school board to look, as part of their budget process, what it would take to cut the bus routes, not just the northeast but all of them.

Mr. Logan asked if the Commissioners would be willing to assist with the additional transportation costs in order to do so.

Commissioner Kost stated that she felt it needed to be discussed. She reiterated that she is not real happy with the way the budget process is going with the school system now. The responsibility of the school board is to request what they need to do their job. The County Manager will make a recommendation, but it is not up to the school board to make the recommendation fit their request. It is the Board of Commissioners' decision on how much to fund. If there is a need and they have heard from the community that these bus routes are too long, they need to put it on the table to be weighed against the other priorities of the County.

Chairman Petty stated that if the numbers do not support a school at the Jack Bennett location and it is a fifty million dollar investment, it might be cheaper to do it now; however, it might not be the cheaper thing for a fifty-year investment. The Board could find themselves having to build another school having to meet the demands that are not being met with this school. He stated that he agrees with the numbers and how they might postpone the building of the school and rotate things around to get the numbers where they need to be. He stated that he appreciates that perspective from an efficiency issue. He stated that he also understands, in normal and daily business and activities, there is new information that comes to light along the way. If we get so fixed and focused on one direction, we might miss other opportunities which would be a mistake with bad consequences. The school bus route is an issue. Everything being discussed is important, but all are separate issues. He stated based on the information provided, he feels a school is not needed at the Jack Bennett site. There is a concern with the numbers at Chatham Central. The best way to address those two issues is to postpone this and look for a better site and rotating clockwise the attendance to try to accomplish what needs to be done. While that is the main focus today, we can certainly look at express bus routes as another option. He stated that logistically, it looks to him that a site on the other side of the lake on the Highway 64 corridor would address both the north and the south needs and not impact Northwood. He stated that he felt the school superintendent was on target with his recommendations.

Commissioner Bock stated that at least since 2009, the ORED numbers suggested that the timing didn't match. The Board of Commissioners discussed it and said they didn't believe the ORED numbers. In 2010, the numbers still didn't match up, but promises had been made, and the school was going to be built. When the new members came in 2010-2011, he spoke with several existing school board members and everyone said that the

numbers didn't justify the new school. This is not new information. We keep putting it on the Capital Improvements Plan and putting it off hoping that the numbers will finally match. The reason it was put on the Capital Improvements Plan the last time is that they were hoping that the ORED numbers and timing would match. He stated that the ORED numbers have been relatively accurate and they have known for years that the numbers didn't match the decision so the numbers weren't driving the decision. He stated that he applauds the school board for not being afraid to say what needs to be said. He was told many times by folks that it was on the schedule, it needs to be built there because that is the land that we own, and when he drilled deeper, it was that they have gone too far down the road and spent too much money to turn back. We need to not be afraid to change our minds just because a decision was made. If the numbers and data don't justify it, they need to change it. He stated that he knows it wasn't an easy discussion, but he applauds the school board for having it and he was happy to see that it was a unanimous vote.

Commissioner Stewart stated that as disappointing as she thinks citizens will be about not building the school there, she feels that if the affected parents were talked to and told that their children would not have an opportunity to participate in these types of things, they would agree on the type of education their children are getting. They are the ones who should be saying yes or no to the decision. The other thing that bothers her with the location on Jack Bennett Road is how dangerous it is.

Commissioner Bock stated that Commissioner Kost asked a good question as to why they were having this discussion now. He stated that it was a good question as it should have been held a long time ago. At least for the last two years, we have talked about how this property is the most unsafe road in the County. There is a hunting preserve located next door. They have heard that it doesn't cut back on the drive time. It is too close to the County line which restricts from where you pull students. Everyone keeps saying that this is the wrong location. He stated that there was no question in his mind that this is the wrong location. The fact that it hasn't been discussed should not limit them from having the discussion now.

Commissioner Kost stated that her point was they may have all known it as they live and breathe it every day as county commissioners; however, the citizens who are going along with their day-to-day lives are not living and breathing it. They were paying attention during the Capital Improvements Plan. What she heard is that they knew they didn't need the school, but just voted in December to approve the Capital Improvements Plan that had the school opening in 2017. She stated that the Board has a process. It is a public process where people are looking for schools and changes. She asked to use that process. She stated that she was "slapping" the fingers of the school board. She stated that they need to know when our Capital Improvements Plan is and she wants them to work to that plan so that the Board of Commissioners can be more transparent to the citizens.

Mr. Logan stated that when they had the discussion in December, the Board of Commissioners asked for their recommendation. They indicated at that time that they would like to get their updated ORED report so that they could give the Board the new figures and any recommendations or suggestions about modifying the plan. They did not get the report and were unable to discuss until the retreat in January.

Commissioner Kost stated that in the future, let's back it up so that the process is lined up.

Chairman Petty stated that is what he meant when he said new information, not that it was new but that it was current.

Commissioner Kost stated that the Board needed to look at the numbers as it appears that the delay is actually going to cost them money not save it. She stated that they could not justify it based on cost until they run the numbers through the model.

Commissioner Bock stated that he didn't feel they were justifying it based on costs. Cost is one thing to consider. He stated that this decision was made on what is best for the

school system and for the children in that school system. Every bit of information he stated that he heard at the school board meeting was based on what was best for the school system and the children in that system.

Commissioner Kost stated that it was a unanimous vote, but it was a unanimous vote with a very slow vote. The school board was wondering why it was being pushed to make a decision at that given moment.

Commissioner Cross asked for verification of the site improvement money. He stated that he remembers taking soil samples and getting estimates for site improvements. He asked if there had been any money spent on the site improvements.

Mr. Logan stated that they had not spent any money on site improvements. The soil samples and site samples were taken up to seven years ago. It was determined at that time that the soil was so bad at this site that they would have to remove as much as five feet of the existing soil and replace it with "good" dirt. The entire foot print would have had to have some of the soil removed and replaced with compactable dirt which will pack solid. Road work and site preparation were estimated to cost approximately eight million dollars.

Renee Paschal, Assistant County Manager, explained that they had run preliminary numbers for the debt model. It looks like it is more favorable to delay the school; however, they do not want to say that without taking all factors into consideration. They are waiting on some information about a couple of outstanding possible refinancing. She suggested that staff bring the information to the Board at an upcoming meeting and get direction at that point. It could potentially affect what is put into the debt reserve.

Commissioner Bock stated that the school board made the decision to delay building the school.

Ms. Paschal stated that was correct. The Board of Commissioners could direct staff to follow that recommendation.

Commissioner Kost asked if they could first get better numbers so that the debt model could be updated.

Chairman Petty stated that they might estimate costs on the economy and increased costs of construction. He stated that he didn't think they could estimate the costs in building the school in the wrong location.

Commissioner Cross asked if the eight million dollar site improvement estimate was included in the estimated cost of the school.

Mr. Logan stated that it was included.

Commissioner Kost stated that part of the eight million would be needed to purchase a new piece of property.

Mr. Logan stated that it might have to be used it for another site.

Commissioner Stewart asked if we build the school there, would we have to build two high schools.

Mr. Logan stated eventually.

Commissioner Kost stated that if Chatham Park brings fifty thousand new citizens, Chatham County will be looking at building three new schools.

Mr. Logan stated that there would also be some new growth at Jordan Matthews according to their projections.

Commissioner Bock moved to direct staff to incorporate the recommendation from the school board to delay the high school and search for another school location so that it can be worked into the budget.

Commissioner Kost stated that she wanted more information before she could agree to this which is how it fits into the debt model. She stated that when the Board adopts the budget, it is when they adopt the Capital Improvements Plan.

Commissioner Bock asked if she was saying she might vote to build the school on the current schedule even though the school board has said no to a new high school.

Commissioner Kost stated that she wants to know all factors before she makes a decision.

Commissioner Bock stated that at the last meeting, they had a discussion about the North Carolina Association of County Commissioners wanting to change the laws so that the county commissioners could make those kinds of decisions. The school board was against that and so was Commissioner Kost. The school board has made a decision and now we are saying that we may countermand that decision.

Commissioner Kost reiterated that she wanted all of the information before she made a decision.

Commissioner Bock restated the motion to direct staff to incorporate the recommendation from the school board to delay the high school and search for another school location so that it can be worked into the budget.

The County Manager stated that the decision would be to delay for two years and a presumption on the debt model that it is a fifty million dollar project instead of a forty-five million dollar project. He stated that he raised it because they are delaying two years on the assumption that in two years it will be ready to build; however, that may not necessarily be the case. Everything that staff will present will be presumptive.

Commissioner Cross asked when the new numbers would be forthcoming.

Mr. Logan stated that he would get the latest ORED numbers.

Commissioner Cross stated that he would like to know if this includes looking for another piece of land.

Commissioner Stewart seconded the motion.

Commissioner Kost stated that she is not being inconsistent. She stated that she was simply asking that we have more information for making a decision as the school board may want to reconsider because they didn't have all the information with regard to cost. She stated that she would like the information before she votes.

Chairman Petty called the question. The motion carried four (4) to one (1) with Commissioner Kost opposing.

Commissioner Bock moved to actively search for a different location for the school and at the same time actively market the existing location for sale.

Commissioner Cross stated that he was not sure about marketing the existing location at this time. He stated that he had rather decide on marketing the Jack Bennett Road location if and where they find another piece of property. That would be part of the equation as they will have the eight million budgeted for the schools including site preparations. Some of that could be applied to another property. There is also whatever amount of money that we get for the Jack Bennett Road property when it is sold. If the Board was lucky enough to get the one million back from what they paid for that property, it would give the Board nine million

dollars. He stated that he felt another piece of property could be bought for that amount or less.

Commissioner Bock removed his motion.

Commissioner Kost stated that Commissioner Cross made a good point stating that no one loves this site. She stated that we all know the problems with Jack Bennett; we all know the problems with the lot; we all know that it is an environmentally sensitive area; however the issue begins with if we can find a better site. There are not that many good sites to build a high school on a minimum of sixty-five acres. She stated that she was okay with looking for a different site; however, she is not okay with trying to sell this site until a better site is identified.

Commissioner Cross asked if those numbers happen to fall in the Preston Development property, it would be good.

Mr. Logan stated that they have talked about that and it would be a starting point. They could talk with them about the possibility of the land on the northeast side of their property.

Commissioner Stewart stated that if we can't find land for one school, we are in trouble if we are talking about land for multiple schools. She asked if there was a possibility of using the land on Jack Bennett Road for any other possibilities.

Chairman Petty thanked the school board for making their presentation and for their hard work and what they do for the school system.

BOARD PRIORITIES

Discussion and vote on offer to purchase land in the Central Carolina Business Park Campus:

Dianne Reid, President of the Chatham County Economic Development Corporation, explained that an offer had been received from 130 of Chatham, LLC to purchase approximately 188 acres of the Central Carolina Business Campus. It includes area around lots 2, 3, 4, 5, and 10. A portion of the Common Area is east of Progress Boulevard was not subdivided. The proposed purchase price is \$6,000 per acre or \$1,128,000. She stated that the appraisal done last December of which approximately two hundred twelve acres were deemed developable. The remaining property is unsuitable for building due to slopes, wetlands, water features, etc. When the appraisal was done, they looked at the two hundred twelve usable acres and determined that the market value of the fee simple interest in that parcel was \$1.27 million and that the unbuildable would be some residual negotiable value. There was approximately 41% (78 acres) of the 188 acres could be developed. The buyer's primary interest is in protecting the land along the Rocky River. The buyer asked for the portion of the restrictive covenants which specified that the property had to be developed within two years be excluded from the offer; however, should the buyer at any point decide to subdivide any of the parcels for development, it would have to follow the restrictive covenants that go with the land.

Chairman Petty asked if they did not want to be tied to the two years; if and when he decided to resell, it would follow the same covenants.

Ms. Reid stated that the covenants would go with the land. Uses are limited to business operations and use allowed by applicable zoning and other land use regulations. She explained that if the Commissioners decide to sell the land, there will be a ten-day upset bid triggered. Following that, Chatham Hospital, per the restrictive covenants, will have a sixty-day period to exercise its right of first refusal because some of the land is adjacent to their property. We have received the deposit and signed contract.

Commissioner Cross asked the recommendation of the Economic Development Corporation (EDC) to sell the property.

Ms. Reid stated that the offer came after the EDC's January meeting and is being considered before their next meeting tomorrow. They have not looked at the offer.

Commissioner Kost asked if the Town of Siler City had been consulted.

Chairman Petty stated only in general conversation. There has been no official notification of which he is aware. He asked how long the EDC had been trying to market the property.

Ms. Reid stated that they had during 2009-2011. When she came to work, the infrastructure was being installed and the hospital was under construction. The infrastructure was completed in 2008. She stated that her background is not real estate marketing/commercial property management. The EDC Board recommended to the Board of Commissioners at that time that an RFP be done and try to get a professional commercial real estate broker involved and that was done. The chairman of the Board of Commissioners at that time was on the committee to select the broker. Grubb & Ellis was selected which was a well-known company that operates throughout the Triangle. They had the contract to market the property and used their regular channels of direct marketing. They are no longer a commercial realtor in the area. Last year, they did another RFP and received no interest in marketing the property, mostly due to the economy. Since 2012, the EDC has been involved in it.

Chairman Petty stated that he felt confident that a lack of web site presence with this property wasn't the only effort that was made to sell the property.

Ms. Reid stated that was correct, especially during that three-year period. Ms. Reid added that there have been multiple occasions throughout the period when either through the partners, Research Triangle Regional Partnership or the Department of Commerce, there is a project that is looking for a location in this area. They have submitted information several times for development for various projects. They have tried to talk with engineers about site development costs to get a large, pad-ready site. It is a problem property because of the slopes and water features.

Chairman Petty asked if that had been the key problem to marketing the property or a sign-of-the-times.

Ms. Reid stated that she felt it was both.

Commissioner Kost stated that the business campus used to take a lot of the EDC's time. She asked, if at one time, a subcommittee had been appointed to look at the overall use of this facility. She stated that it bothers her that we are not thinking about this strategically. We have a buyer who wants to conserve the land and she approves of land conservation; however, not after they have spent ten million dollars including the roads, water, and sewer. It is in the Town of Siler City. She stated that she thought the subcommittee was supposed to be looking at the overall strategy for the business campus, if it is not going to be an industrial or business park, that we look at the multi-use or some other use for it so that we are making decisions deliberately, not just because someone has offered to buy the land.

Ms. Reid stated that of the 212 acres that can be developed if it is sold, we would still have 134 buildable acres left.

Chairman Petty stated that he didn't want to lose sight of the fact that there are 100+ acres that are not buildable of the 188 acres and that we are getting full price for. If you figure it is at a lesser value, then we are getting more than market value for the buildable land.

Joe Glasson, Chairman of the Economic Development Corporation, stated that Commissioner Kost makes a good point. He stated that they got their hands slapped when people came in and talked about the cost they have within the ten million dollars in development costs. If you were to ask for an appraisal in terms of the average cost per acre that it could be sold for, it would be \$6,000.00. The cost is approximately \$23,000.00 an acre; therefore he believes if you have a bad asset, you have to do something with it. You can't keep expecting something to happen when it's not going to. The biggest issue they see and have discussed with the subcommittee is could they actually find one buyer to buy the entire business campus at a reasonable price in order to be able to take it off their hands and other's hands as it has been like an albatross. Chatham Hospital has been wonderful for it. The community college has been superb for it. Trying to market it beyond that has been very difficult. The other offers the Board of Commissioners may have in the future, if we get some large businesses that may come in, he thinks will be significantly lower than our cost today is at \$23-24,000 per acre. He stated that they had looked at it from the standpoint of is there a possibility of selling this as a one-piece.

Commissioner Kost asked what is the strategy, to dump the land no matter what or is it to look at other alternatives to the property and whether we want to look at a mixed-use area, etc. She stated that she understands "cut your losses", but she also knows that you don't sell at the bottom. We have tried to market it through the great recession. We are talking about an economy that we haven't seen since the 1930's in 2009, 2010, and 2011. We tried to market it when there hasn't been a lot of activity anywhere. She stated that at this point, she is not ready to say, "Let's sell this for conservation and move on." She stated that the issue of the NC STEP Program and their work in trying to develop a river corridor and to ignore it in the decision-making process is wrong.

Mr. Glasson stated that they had not ignored the NC STEP Program. They have had extensive conversations about it. The real issue is do they have a strategy to market this product in a different manner than it has been marketed in the past. They talked with many site managers. It was presented to the Department of Commerce and other people time and time again not to be considered. The location is terrible. He stated that if he had a chance to locate a business park in Chatham County, it wouldn't be there as it is not the optimal location. When he came on the EDC Board, they were actually the general contractors for building the park. The first thing he did was to try and persuade the board to get out of the business and give it back to the County and people who know what they are doing. He stated that while it was being built, it was passively marketed. About four years ago, they got very serious and got a commercial real estate broker. Unfortunately, nothing came of it. He stated that the Board of Commissioners has to decide if it wants to sell a piece of the land for conservation purposes and asked if it will damage the remaining part of the asset relative to trying to market it in the future. He stated that he personally feels that being able to market this asset with this kind of asset is not a deterrent.

Chairman Petty stated that he put together a list of pros and cons. He stated that there is a large percentage of the land that is not buildable and therefore not marketable. He stated that if he was the buyer, unless he had a particular purpose for it, he would want to mix some good land in with it to make it a good deal. He would not offer \$6,000 an acre for unbuildable land and this is what he asked to buy.

Ms. Reid stated that they made that suggestion when the Manager and she met with his real estate broker that he look at the unbuildable parts and return with an offer.

Chairman Petty stated that he was willing to offer this price to get some good land with it. Sometimes it is necessary to just cut your losses and not continue to throw good money after bad. He stated that the opportunities that he had heard about that provided a glimmer of hope requested shell buildings. If we are going to keep this property and try to sell it, he asked if they would have to invest more money in it and put up shell buildings. There has been some discussion that if someone is interested in the property, we would give it to them in order to get jobs. He stated that he doesn't understand how, when we are not able to give the land away to get jobs, why we wouldn't sell it for whatever we can get for it with regard to a fair market value. Everyone seems to love conservation and so much of this

land cannot be used, he stated that he can't understand why this is a problem. We still have approximately 134 acres of good, marketable land in which no further investments would be needed. Should we be required to make additional investments, some of this money could be used for them. He stated that he received an email from another local businessman with a business park in Siler City that he has been trying to sell for about ten years. He just lost a deal at \$4,000 per acre. He said that he called him and was told that he'd better sign "on the dotted line" before the buyer changes his mind. He stated that he has revenue with his property with tenants on the property and he cannot sell it. With that being said, he stated that he wanted to make sure there has been a good effort to market the land, that it may take more money to make the property marketable, and make sure they get the dialogue started. He asked how many possible tenants or buyers we have had over that period of time.

Ms. Reid replied none.

Mr. Glasson stated that the inquiries have been minimal and the serious inquiries they have had none.

Ms. Reid stated that was true with the commercial broker as well. They had some inquiries for uses that were not permitted according to the restrictive covenants or consistent with the zoning. Most of the projects for which the land was submitted, were being considered for giving the land away in exchange for jobs. One of the avenues they pursued to a small measure due to the economy, was there were some companies that could partner with the County (land) and a private developer (spec building) or a build-to-suit operation for someone that might help on the remainder.

Chairman Petty asked what other counties were doing and about their success rates.

Ms. Reid said that what they see in terms of prospects those who are ready to make a decision is definitely a desire for an existing building. They don't want to wait time to construct it, so having a building is critical in terms of landing a deal. Our peers have not been doing well either due to the economy.

Chairman Petty stated that he feels the buyer may maintain the land for conservation and consider that remainder as an investment. He stated that if they could get a portion of the money to help cover their costs and give them money to work with toward the budget, shell buildings, or more economic incentive programs for an incoming business, then he would think that was as good an investment as the land itself.

Mr. Glasson stated that if he was sitting on the Board of Commissioners, the first thing he would look at is that they have this asset and ask what the carrying cost of the asset. The carrying cost would be anywhere from \$300-400,000 per year. The key is what is the potential of the asset whether with the sale or without. Does this damage the potential of the asset at all in terms of future sale? He stated from his perspective, he doesn't think that it does. He stated that he understands the folks that want to have access in looking at the conservation side. He stated that he feels it is a good balance. The asset is not damaged relative to its commercial potential. In reality, we have some conservation going on in the process that limits access for commercial development and allows for people to walk up and down the Rocky River.

Donna Sivulka stated that when she was trying to put together the RFP to get a contractor who would come up with concept plans, she was looking for a description of the park. She wanted to find something that would tell her what is in the park, how much is there, what is buildable, what is there. She could find nothing on the EDC website that was readily visible. The EDC Strategic Plan sited the selling of the property as the most important thing on their agenda, she could find nothing. She couldn't find anything, to help her write up her RFP. She searched in the Strategic Plan which was their basis to no avail. She went on the website and began "googling" and found nothing under business parks/Chatham County. She found only big hits for Preston after which she googled Central Carolina Business Campus. During the past four to five years when everyone thought the Business Park property was being marketed, it has not been.

Ms. Reid stated that a person looking for land would not come to Chatham County's website. They would go to the State of North Carolina Department of Commerce sites and buildings. This property has been listed there for the entire duration of the time that the County has owned it.

Chairman Petty stated that he felt it was unfair to say that it hasn't been marketed.

Ms. Sivulka stated that when she looked at the EDC minutes from December 12, 2012 meeting, they said that the only way you can sell property successfully is through web-based marketing. She stated that if they buyer was interested in conserving, he would have given the general public a chance to walk along the beautiful places that he claims he has seen. He says that he might, sometime down the road, give some people the opportunity to walk. Looking from his perspective, once the property comes into his hands, it is his property and now becomes a huge liability to let the general public walk along the property.

Commissioner Stewart asked if that wouldn't be the case if anyone bought it. She stated that they would come in, they would buy it, and it would still be the same thing.

Ms. Sivulka stated that there was to be an NC STEP Program meeting on March 14th where she would get approval by the entire leadership team. Between the 14th and 18th, she was hoping to get this on the Board of Commissioners' agenda. She found out that the meeting was moved up from March 18th to the 11th. She then did what they could do and made the presentation at this meeting.

Chairman Petty asked if there was any type of official agreement that this property be used or permission granted for it.

Charlie Horne stated that from the beginning of the purchase of the land as part of the concept was that an amenity for the business park would be like RTP. There would be walking areas, etc. It was never taken any further as there was no momentum to do that. NC STEP became a proponent of it.

Commissioner Kost stated that she had asked about this and asked what was happening with regard to the easement. Now we don't have the easements and it should have been done a long time ago.

Ms. Sivulka stated that what they wanted to propose was to get an easement granted by the Commissioners so that they could establish the beginnings of a trail system. They had planned to bring the concept before the Board with the idea in mind that it could be used as an amenity to help market the property. It also had multiple benefits because they were also looking at this also if you can have trails along certain areas for the general public, there is a lot done with respect to recreation, exercise, possible education. With the way the property is now being sold, none of the multiple benefits will be realized. She stated that she feels is it not much to ask, given that we know that a good web-based marketing strategy has not been employed until very recently, to wait and give it an opportunity to see whether we get more hits. It will give them an opportunity to present their plan to the Board. She stated that she thinks putting the sale off temporarily and giving it a better chance to be marketed for its intended purposes will make a better decision on how to go forward.

Commissioner Stewart stated with interest rates going up in the future, it could impact their ability to sell the property.

Mr. Glasson stated that they do not have good commercial space inventory in Chatham County that is ready. He stated that he had spoken with three or four major developers and asked them if they would consider building some spec buildings where they can have something in order to be a ready-response team. They look at it as 1) demand; 2) interest rates; 3) type credit. They are seeing it throughout the entire economy. When Ms. Sivulka mentioned "web-based marketing", it is a very good and proper way to market something, but not necessarily large sites. The response rate and hit rate is minimal at best.

The people that make the decisions about the future of locating into Chatham County are getting the opportunity to see what is available.

Commissioner Bock stated that what strikes him is the conspicuous absence of the Rocky River people and the Haw River Assembly. He has always said if someone wants to preserve something, then they should buy it. Mr. Sweeney is doing that. He asked where all of the people who support conservation. If this was the last piece of property for sale, then he could understand it, but most of the property is not even buildable. It is doing what a lot of people have said for a long time, protect that river. He said he is having trouble in figuring out why the argument has changed. He stated that he thinks it is a fair price; the case has been made that they probably shouldn't be in the real estate marketing business at all, and he can't see why the Board would turn this down.

Chairman Petty asked who was holding real estate today that was not upside down.

Commissioner Bock stated that just because \$23,000 per acre was paid, it doesn't mean that it is worth that amount. The infrastructure is still there for the other 134 acres. It is not like that investment is gone if this property is sold.

Chairman Petty stated that there was also the cost of money associated with holding on to the property.

Commissioner Kost stated that if the decision was being made now to build the business park and invest ten million dollars, she would vote no. She stated that it was also marketed during the recession and this is not the time to sell it. She asked if the property was financed and money borrowed to purchase it.

The Finance Officer stated that seven million dollars was borrowed.

Commissioner Kost asked if we need to take the \$1.5 million and pay down the debt.

The Finance Officer stated that the business park was not the collateral for the money borrowed.

Commissioner Kost stated that we do not have to take the money to pay down the debt.

The Finance Officer stated that she was not sure we could do that as there is a prepayment clause for at least ten years.

Commissioner Bock stated whether approved or not, we owe the prospective buyer an answer.

Commissioner Bock moved to accept the offer.

Commissioner Stewart asked if the Board would waive the covenant for them to build within two years. She asked what Mr. Sweeney wanted the property for.

Ms. Reid stated that he wanted the property in order to protect the Rocky River.

Chairman Petty stated that if he was buying it, he would want to exercise the same right to not be confined to two-years because if he could buy it, he would conserve all but seventy acres, and when the market turned around, he would resell it.

Commissioner Stewart asked if he would be interested in buying only the non-buildable sites.

Ms. Reid stated that he didn't want that.

Commissioner Stewart stated that she thinks this is great. If he wants to conserve the Rocky River, that is fantastic. She asked if the Town of Siler City knew this was being considered.

Chairman Petty stated that they know.

Ms. Reid stated that it was mentioned at the joint board meeting.

Commissioner Cross stated that he had had comments about them expecting water and sewer customers in the business park. They would also like to have the trail. There is not anything to keep the Board of Commissioners from taking a topo line and keeping 15-20' strip along the Rocky River and maintaining County ownership of it and using it as a trail. There will be nothing done on the trail that will damage the Rocky River.

Commissioner Cross stated that he had prepared a chronology of the growth in the park along with his thoughts and concerns. He stated that he didn't like the fact that it was being sold without an intended tenant, and he doesn't like giving up the Rocky River nature trail. He asked that his written comments be included in the official minutes as follows:

- We are the 6th different BOC that has promoted the Business Park development. I have served on 5.
- We all campaigned to promote Economic Development / Jobs.
- **The Park has always been considered a long-term investment of taxpayer dollars.**
- **A tremendous number of people and amounts of time, effort and money have been invested to provide something shovel-ready for the EDC and BOC to work with.**
- The current 3 tenants have created **359** Full and Part-time jobs. This proposal creates **0**.
- If we sell this prime portion of the Park with no intended tenant/business/jobs...who are we serving?

I don't think it likely that we will be financially solvent enough to create other shovel-ready sites any time in the near future...or even a chance of having public support for it.

- **If we approve this proposal, I would expect an up-set bid by a current tenant or others. If we sell without a proposed tenant, it would simply lock up 77 acres of our best economic development asset.**
- I believe our Park Partners and citizens expect more from us than a no purpose sale of this property. Our investment on this 188 acres represents \$4,048,580M. This \$1.128M offer is not even close. Even if we consider the proposal based only on 77 buildable acres, it represents \$1,658,195M... and I can just image the taxpayer friction, if the BOC gives away 111 acres, with no economic benefit!
- The property was never intended to be a "Natural" area. Although much of it will be – either way.
- **Let's not forget the work of the NC STEP leadership team with Siler City to establish the Rocky River Nature Trail. If the BOC does decide to go forward with this sale, at least pick a topo line that will facilitate the trail and maintain ownership of that strip along the river. We are not likely to ever have this "Diamond" opportunity again.**
- **If we still plan to proceed with this sale, I think it should be discussed with some of our Partners, at least Siler City BOC, before a decision is made.**
- If this proposal had a promising tenant/business with jobs, it might not be so difficult to get onboard with the price, but it doesn't.

- I cannot support this sale as proposed...with no tenants, no jobs and no trail!
- The economy started its slump in late 2006...and we have certainly not enjoyed a good financial climate to grow the Park...but there are serious signs of recovery – the DOW recovery, latest national housing start numbers and the ADP’s report on new private sector jobs. Most economists I’ve heard/read expect recovery based on new hires required for increased product demand, in late 2013 and 2014. There will also likely be expansions, start-ups and corporate relocations.
- The Chatham Business Park is our **ONLY** shovel-ready Economic Development asset.

I suggest we should hold on to this asset and be patient.

...please continue scroll down for the Park chronology.

2013 Investment to date – approximately \$10M...long term investment.

<i>Land acquisition - \$1,423,637M</i>	<i>Countless partner meetings, hours / \$.</i>
<i>Improvements - \$8,320,999M</i>	<i>Countless staff hours / \$.</i>
<i>Strategic Plan - \$154K UNC</i>	<i>Internal & External Legal hours / \$.</i>
<i>R/W Easement - \$10K Legal</i>	<i>Ongoing Legal issues / \$ (sale or no sale).</i>

Borrowed - \$7,364,920M

**Current \$ investment per acre - \$21,535K...including non-build acres.
Taxpayer & Partner (Investors) Expectations ?**

♠ **2012**

♠ **2011** February....**Grand Opening – Chatham Medical Park** (Business Offices and Wellness Center).

(**260** current employees – including Chatham Hospital).

♠ **2010** November...**Water and Sewer easement approved for Siler City.**

September...**Grand Opening - Central Carolina Community College (33 current employees).**

♠ **2009** November....**Ground Breaking – Central Carolina Community College.**
January.....**Economic Strategic Plan implemented.**

♠ **2008** December....**EDC approved as Chatham Agent to promote CC Business Park.**
August.....**Grand Opening – Chatham Youth Development Center (66 current employees).**

July...**Grand Opening - Chatham Hospital. (166 employees-'08 - 260 combined-'13)**

March.....**Roads in and paved.**

♠ **2007** June...**Hired new EDC Director, Dianne Reid.**
March.....**Economic Strategic Plan contract with UNC Kenan-Flagler Business School and UNC Center for Competitive Economies. (\$154K).**

♠ **2006** November...**Ground Breaking - Chatham Hospital. (30 acres - \$375K).**
Ground Breaking - Chatham Youth Development Center.

September...**Ground Breaking - Chatham Business Park..**

August.....**Roads rough-in completed.**

May.....**Roadway / culvert contract approved by CCBOC.**

♠ ♠ ♠ **Economy started to slump into recession.**

2005 May.....**R/W easement to US64 achieved through CCEDC efforts. (\$10K Legal).**

April.....**Site-prep funding approved by CCBOC.**

March.....**Water and sewer treatment service agreement with Siler City BOC.**

February....**Chatham Hospital proposed as part of UNC system.**

January.....**Chatham BOC decided to explore possibilities to move forward with the Chatham Business Park. Partners evolved to include Siler City, CCEDC, Chatham Hospital BOD/UNC Health Care, CCCC, NC Juvenile Corrections and NC STEP program.**

Dec'04 - Jan'05...CCBOC discussions of possibly selling the property due to no R/W easement to place entrance at US64.

2000 March.....**CCBOC purchased property with no R/W easement to US64. (\$1,423,637M – 469 acres or \$3,835K per acre).**

Steve Seilkop asked if there is a guarantee that the buyer will conserve the land.

Chairman Petty stated that he didn't think there was a guarantee; however, all but seventy acres will be conserved because nothing else can be done with it.

Commissioner Cross said that initially, it was recognized as a lot of unbuildable land in there. The abundance of natural land was one of the things that was going to make this such a beautiful business park. He stated that the County was not in a position that it had to sell the land and he would not sell the property.

Chairman Petty asked if there had been discussions with the potential buyer about the trail. He asked Ms. Reid what she thinks his concerns are and what she thinks if it would kill the deal to pull out a portion of the land.

Mr. Glasson stated that Mr. Sweeney has a history of buying conservation areas and leaving it as is. From a standpoint of past projecting into the future and if they see him changing his behavior, he would think not. He wants to be able to buffer around the Rocky River. He is a strong conservationist. He stated that Mr. Sweeney has the money; he wants to do it; and he has conservation purposes. Mr. Glasson stated that he doesn't think Mr. Sweeney's purchase will damage the asset in order to be able to sell land in the business park in the future.

Commissioner Kost stated that it takes away the potential of having the trail. She stated that she liked the idea of countering where the County pulls back 25' and then she would support selling the remainder of it. She stated that she had heard concerns about Mr. Sweeney and liability for the trail. Removing 25' and maintaining the ownership would fix that problem.

Commissioner Bock asked if Mr. Sweeney wasn't concerned about that being damaging to the river.

Ms. Reid stated yes. His concerns were adjacency to hunting land along the corridor and a fear of danger on the trail and the possibility of wildlife corridor disruption.

Commissioner Kost stated that the trail corridor would need to be wider for wildlife but it is actually is a corridor for wildlife. One of the key principals in conservation is that

you include the people in the community to enjoy the great outdoors because they are more vested and more committed to conserving land. She stated that she likes the idea of pulling back 25' and sending that back as a counter offer. She asked that the motion not be seconded and her motion be put on the table.

Commissioner Bock stated that he had a motion.

Chairman Petty asked if the 25' buffer would be a deal-killer.

Commissioner Cross stated that conservation was not really a problem there as the buildable part is up near the road. The rest will be conserved no matter who buys it.

Tom Glendinning stated he has been very successful here buying cheap and selling at market. He did very well. In Cleveland, the land eventually sold for less than 50% on the tax value stating that he knows the potential losses. He stated that what the Board would be getting at this rate would pay for the holding costs for 2½ or 3 years which may be a valuable consideration. The note will not change. The money is obligated and the note has to be paid with no prepayment. He stated that with regard to conservation benefits to an owner, you can give an easement which gives a five-year deduction to somebody with a profitable business. That would be to not take 25' back, the easement would be donated to a land conservancy or the donation as a park/donation fee-simple of a certain portion of that comes off a business or personal income. Taking land off of that for government control would be a deduction and would not receive the benefit of it.

Commissioner Stewart asked what would tax revenue on the property be if it was sold.

Commissioner Kost stated that it would probably be under special use.

The County Manager stated that if it was under a conservation easement, there wouldn't be much.

Commissioner Kost stated that she feels strongly that they owe the citizens who have really been working on the trail to try to negotiate whether it is an out-right purchase of holding it back with a conservation easement or other. She stated that she thinks the Board owes it to them to do due diligence and try to get the trail. She asked that the Board let the motion die for lack of a second and come back with a motion that would have them pursuing the trail.

Commissioner Bock asked that the Board vote "no" on the motion rather than to let it die for lack of a second.

Chairman Petty stated that he would like to see them be able to hold the land next to the river; however, we run the risk of not selling it. He doesn't know that they can go to the buyer and say they would like to keep a portion of it. Or they may go to the buyer and tell him that they agree among themselves to ask him first if he will let them have the land, and if he says no, they will sell it to him. He stated that they run the risk of exposing what they want to do or losing the deal altogether. He stated that they owe him an explanation.

Chairman Petty called for a second to the motion to sell the land. Commissioner Stewart seconded the motion.

Chairman Petty reminded the Board if they vote yes, then the chances of getting Mr. Sweeney to give up the land will be between slim and none. If they vote no, they run the risk of not selling the land. He stated that he would not have any objections, if the motion is approved, to asking the buyer to allow Siler City to use the property or give an easement to the Town of Siler City so that he doesn't maintain ownership or something along those lines. He stated that he doesn't have a problem with making that part of the negotiations if there is still room for negotiations.

Commissioner Kost encouraged everyone to vote no to the motion so that they could then draft a motion that does exactly that.

Chairman Petty called the question and restated the motion to accept the offer to sell the land and adopt **Resolution #2013-12 of the Chatham County Board of Commissioners Authorizing an Upset Bid Process with Respect to Certain Property in the Central Carolina Business Campus**. The motion carried three (3) to two (2) with Commissioners Cross and Kost opposing. The resolution is attached hereto and by reference made a part hereof.

Chairman Petty stated that usually, in his negotiations, the best deal is where neither party walks away from the deal totally happy. That means that everyone had to give a little something. He stated that he would hope that they buyer would understand their strong desire to use the property even though there was no official agreement, to allow use for that land. He stated that he didn't know how it would be structured or even possible, but he thinks it is obvious that it is a key point if they have the option; however, he doesn't feel that they want to run the risk of not selling the property.

Mr. Glasson stated that the EDC is serving as the Board of Commissioners' agent in this transaction. He stated that he would have no problem asking the buyer if he would consider it and find out his reaction. He stated that his speculation is that he would not accept it, but that they should make a good faith effort to see if the possibility exists that he may.

Commissioner Kost agreed that in the negotiation, it isn't done the way they just did it. She stated that they gave away their position stating that it was so incredibly weak and that this was no way in which to negotiate a deal.

BREAK

The Chairman called for a short break.

Presentation by Dennis Fair Regarding RV Park Setback Requirements:

Dennis Fair thanked the Board for taking the time to hear him. He explained that they bought the property in Moncure at Moncure-Pittsboro and Jordan Dam Roads. They purchased it in 2001 with the intentions of putting an recreational vehicle (RV) park on the property at the time. They were unzoned at that time; they drilled a water well on the property; they hired soil scientists to do hydraulic conductivity testing on the property; they installed a 2,984 gallon per day septic system on the property in which they invested approximately \$100,000 for the purpose of putting an RV park on the property. He stated that they incorporated "Fair Weather RV Park", and employer tax ID numbers were issued. About that time, another recession occurred and they were in a situation where they could not get financing to put the park in and develop the property. They were led astray by a bad banking advisor who told them to put their cash into the property for equity; however, they should have done the opposite. Their property was rezoned in 2009. At that time, they were assigned a 50' setback from all property lines for the recreational vehicles which made it a buffer in which no roads or other things could be constructed within the buffer. According to the United States Industry Standards for RV Parks, this is a little much. It is generally a 10-20' setback. They designed the park in 2004 with a 20' setback as a modern day RV park with pull-through lots. It is not a work-type RV park, but a destination park close to the lake. It was a family-type park with pot-luck type atmosphere for the traveling RVers. At this point, they would like for the Board to consider reducing the setbacks from 50' to 20' so they can move forward. They would like to relocate their businesses as they are now renting a building in Cary where they own two businesses. They create roughly twelve jobs in moving to the property as well as, according to the RV Industry Standards, they would contribute approximately \$100 per day plus to the local economy. In their size park, they would generate about \$750,000 to put into the local economy.

Commissioner Bock stated that he realizes that it is the County interpretation that Mr. Fair doesn't have the vested right. He asked if that was correct.

Jason Sullivan, Planning Director, stated that was correct for the right to be closer than 50' from the property line.

Commissioner Bock asked if the Board was inclined to figure out how he could use this the way he wants to use it, is there a way within the existing ordinances and interpretation of them that would allow him to do that or would they need to do something else.

Mrs. Sullivan stated that the Board would have to amend the Zoning Ordinance. The property is currently zoned B-1. It was unzoned until 2007; zoned residential; and then the Commissioners went back and offered all the property owners that had existing businesses or some rights established on those properties; and then rezoned to the appropriate zoning districts. This property was zoned to be B-1 which is a general business zoning district. That was based on permits that had been issued by Environmental Health for a list of uses and a site-specific plan for the property which did not include an RV park. The way the current ordinance is worded, a B-1 zoning district does allow campgrounds by right. He doesn't have to come to the Board to request that. It is something that can be approve administratively. It requires a 50' setback from any property line. Within a B-1 zoning district, however, if you don't have an RV park use or have some other type of use allowed by right, it a 20' setback from the side of the property lines.

Commissioner Bock asked if Mr. Fair had some kind of paper work or something that his intention was to be an RV park in the beginning, would it change our interpretation.

Mr. Sullivan stated that staff has spent countless hours reviewing information that Mr. Fair provided. He stated that they worked with former attorney Kevin Whiteheart and ultimately with the current County Attorney, Jep Rose in reviewing all of the documentation provided as far as permits that have been issued. That is when they established the vested right which led to the B-1 zoning district. He stated that there is an environmental health permit issued for the septic system. It has a site specific plan with a list of uses. They also have an Erosion and Sedimentation Control Permit that has been issued with a site plan attached to it. To establish any other vested rights, they would have had to have had some type of permits that would have been issued.

Commissioner Bock asked if a 50' setback was more or less the standard in the industry.

Mr. Sullivan stated that he had not researched that.

Chairman Petty asked, if from the very beginning, Mr. Sullivan had any way of knowing with everything presented that it would be used for this purpose.

Mr. Sullivan stated that they had quite a bit of information and it appears at some point that Mr. Fair did consider having an RV park on the site. There was information from Environmental Health that he had looked at having ten hook-ups at one point. What was actually submitted to and approved by Environmental Health did not include the RV park.

Commissioner Bock said that he would like to try to figure out a way to allow him to put the park there stating that it was a great location for an RV park, tourism, job improvement, etc. He stated that assuming that the other Board members agree, he would like to figure out what they have to do to allow it.

Mr. Sullivan stated that the only option he sees at this point if the Board is interested is amend the Zoning Ordinance to change that section of the ordinance that says it is a 50' setback. If that is removed, it reduces it to whatever is required in the B-1 district which is 20'.

Commissioner Bock asked if that would have to be across the board.

Mr. Sullivan stated that is correct. It would be across the board.

Commissioner Kost asked if a variance could be done.

Mr. Sullivan stated he could apply for a variance. It would be up to the Board of Commissioners serving as the Board of Adjustment to determine whether it was granted. It would probably be more appropriate to have a text amendment and change it across the board. Once you establish a precedent, if it was to be decided, then what grounds would you have for denying the same request for other uses in a B-1 district in the future.

Commissioner Bock asked Mr. Fair if he had talked with his neighbors and if there were any objections.

Mr. Fair stated that everyone wants something in Moncure. He stated that everything has gone north of Pittsboro, and Moncure is the next area that needs growth and jobs. He stated that everyone with which he has spoken is in favor of it.

Commissioner Cross asked if the gas stations have 20' setbacks. Mr. Sullivan stated that was correct.

Commissioner Bock asked if a 20' setback would get everything done that Mr. Fair needs done.

Mr. Fair stated yes, that they had designed the park with 20' setbacks and have already paid \$5,000 for an RV park consultant who designed the park.

Commissioner Kost asked why the consultant didn't find out about the setbacks.

Mr. Fair stated that at the time, there was no zoning.

Commissioner Kost asked when the park was designed.

Mr. Fair stated that in March 2001, they contacted the CE Group (Mark Ashness) regarding RV park designs; they closed on the land later that month; they got a DOT permit showing the commercial connection permit in August 2001; they hired an architect in October, 2001 to design the park; the wastewater treatment system was in place in November; on November 5, the septic system was designed; in February, they went through hydraulic conductivity testing was done because the County sent them to the State and the State sent them to the County; they were issued a well permit in March 18, 2002; they installed the septic system; Fair Weather Travel Park was issued an employee identification number in November, 2002; etc.

Commissioner Kost stated that the consultant did the design work before it was zoned to B-1.

Mr. Fair stated that they had it done twice. The original design was not a modern, pull-through park. During this time, they traveled in a motor home across the country staying at hundreds of RV parks. They then consulted with an engineer who designed a modern day RV park in 2006.

Commissioner Kost stated that they could still do the park in the 50' buffer it would just be less basis.

Mr. Fair stated that their property is narrow. It would be 100' off of a 350' strip of land which would leave no usable space.

Mr. Sullivan showed the location of the property which was approved by Environmental Health on the map.

Commissioner Bock stated that it sounds as though the Planning Director made the right interpretation based on what they have. He stated that he would like to see it changed.

Mr. Sullivan stated that if the Board would like to amend the ordinance, it can be scheduled for a public hearing in order to move through the process.

Commissioner Kost stated that she has problems changing the ordinance for one case when there may be other reasons that it needs to be. She asked if there were any other options. She stated that she was sympathetic to Mr. Fair as he got caught in the middle of the change; however, she hates to change it for everything based on one.

Commissioner Bock asked where the 50' came from.

Mr. Sullivan stated that there are a number of uses in the Table of Uses that require double setbacks where there is an additional setback whenever you join residentially zoned property.

Commissioner Bock asked Mr. Sullivan if he was saying that it couldn't be done or if it was just going to cause trouble later down the road.

Mr. Sullivan stated that was a County Attorney question. Each variance request is taken on its own merits.

Commissioner Kost stated that the County Attorney has said there will be a Closed Session at the next meeting. She stated that this could be added to the list of things for discussion at that time.

Commissioner Stewart stated that Mr. Fair had already made the original investment before anything changed.

Commissioner Bock stated that what he would like to do is figure out a way to have Mr. Fair work with a 20' setback rather than a 50' setback.

Mr. Sullivan stated that one thing Mr. Fair may want to consider for variance is a \$500 application fee and the documentation that he will have to supply.

Commissioner Kost asked if the fee could be waived.

Mr. Sullivan stated that it was a fee on the County's fee schedule and the ordinance says that they have to charge it.

Commissioner Cross asked if there was a plan to buffer the property.

Mr. Fair stated that they have screening; shrubbery; with the idea of low maintenance; bushes, low grass areas, and trees.

Mr. Sullivan stated that Mr. Fair has rights to develop under this plan; however, if he chooses to change the use, he will come under new rules. He stated that the B-1 allows the RV park by right. He is unsure how landscaping would apply with stormwater permitting which may impact the design.

Mr. Fair stated at this point they spent \$30,000 putting in erosion control and sedimentation ponds, clearing the property, etc. prior to the zoning the last time.

Chairman Petty stated that he thinks the most simple thing to do would be to find the variance and determine the legal position on it.

Commissioner Bock stated that in order to establish a vested right, there is no interpretation that they can say he didn't get a permit, but he filed as an RV park, he has a drawing that says it was such, can the Planning Department not find a way to interpret the

vested right so that they don't have to go through anything regarding the Board of Adjustment.

Mr. Sullivan stated that they spent a considerable amount of time reviewing the documentation with the attorney. It wasn't just a decision that they made in-house. They spent a lot of time reviewing the documentation.

Mr. Fair stated that he has Articles of Incorporation that they filed and he has more documentation than what was given to the Planning Director. He stated that he had given the Zoning Administrator a timeline from beginning to end three years ago. He stated that they have done all the soft work regarding everything to do with it and shows their intentions from day one.

Commissioner Bock stated that if Mr. Fair has additional documentation, he could give it to them so that at the next Board of Commissioners' meeting, they can get advice from the County Attorney to see what can be done.

Commissioner Kost stated that they should ask the County Attorney what they need to do to show the vested rights before Mr. Fair goes to the expense of making extra copies.

The County Manager stated that he feels the best intent is what they probably have is probably fine. In terms of how the Board has to make a recommendation, is based on what we have in-hand.

Commissioner Kost stated that they would get back in touch with the Fair's after they speak with the County Attorney and see if there is additional information that would help prove their position.

Commissioner Cross stated that if Mr. Fair was to bring his other information to the Planning Director tomorrow, there might be some information that he could present in the Closed Session that would solve the problem

The County Manager stated that the problem is that Staff has not had it in-hand to this point. It cannot be considered as part of the request being acted on because they have not seen it.

Commissioner Cross asked if it could be considered if Staff now saw it.

The County Manager stated that it could not as it was after the fact. He stated that a decision was made based on the information in-hand some time ago. He stated that he is unsure what information Mr. Fair would have that would change the applicability we could use now as an afterthought. He stated that the County Attorney can help resolve it.

Mr. Fair stated that he believes if the Board can see the file he has already submitted, they can make a decision as well.

Commissioner Kost asked if the Board could amend the Zoning Ordinance in the Table of Uses for an RV parks to make it 50' and asterisk it and put in language that says, "unless there are circumstances the Board of Commissioners could reduce the setback to 20' which would still maintain the 50' but would give them the flexibility so that they do not have to be so rigid. She stated that she feels the rigidity is what is getting in the way.

Angela Birchett, Land Use Administrator, stated that public recreation camps and grounds are allowed in many different zoning districts as either conditional use or by right. Since the 1990 Zoning Ordinance, one had to have a minimum of twenty acres in order to have a public recreation area and grounds. Based on the district location, there were setbacks with which you had to comply. If it was in a B-1, light industrial, or heavy industrial, you would comply with those setbacks. Jeff House, who is across the street on US #1 from this property, came in and wanted to build an RV park. He only had ten acres. The Board, in trying to help another citizen have their dream RV park, said they wanted to have the twenty

acres in order to protect the people staying in the park and the surrounding properties. They said if they were going to reduce it to allow a ten-acre site, which is only allowed in the Haw River Township, then they would increase the buffer to 50' to protect the people staying in the park as well as those who might locate on the perimeters of adjoining property lines.

Commissioner Bock asked how many acres Mr. Fair owned.

Mr. Fair said 10.01 acres but he is not in residential.

Ms. Birchett stated that Mr. Fair was adjacent to residential.

Mr. Sullivan explained that the Board could asterisk the Haw River Township if they wanted to amend the ordinance to reduce the 50' to a 20' buffer. If it is a conditional use permit in a residential district, then all the townships where there is zoning except the Haw River Township, there has to be a 50' buffer instead of the 20' buffer in the Haw River Township.

Ms. Birchett stated that Mr. House has already heard of this and is looking to reduce his setbacks to 20' and pull everything toward the road if this goes through.

Commissioner Kost stated that this is to protect property owners. If someone built an RV park 20' from her property line, it would be a problem.

Mr. Sullivan stated that they would return at the next Board of Commissioners' meeting to discuss the issue in Closed Session with the County Attorney. He stated that he would communicate with Mr. Fair after the next Board of Commissioners' meeting to be held on March 18, 2013.

MANAGER'S REPORTS

The County Manager had no reports.

COMMISSIONERS' REPORTS

Sunshine Week:

Commissioner Kost reminded the Board that this is "Sunshine Week" which is a week about open and transparent government. She stated that much of her discussion about the Capital Improvements Plan dealt with the concept of the Sunshine Week.

Rails-to-Trails:

Commissioner Kost said that the "Rails-to-Trails" folks have constructed parking on Pittard Sears Road. She asked that the Board request NCDOT to erect signage on Pittard Sears Road and O'Kelly Chapel Road directing people to that parking. The problem now is that people are continuing to park on O'Kelly Chapel and it is a very dangerous road.

The Board asked that the County Manager take care of this and report back to the Board so that people can be advised of the process.

By consensus, the Board agreed.

Cell Tower:

Commissioner Kost stated that she thinks they all supported the cell tower on the Chatham Golf Course; however, they heard from some neighbors who didn't know about it. They had purchased their house and in the interim, she would like for them to look at their notification letter as there may language that could be added that says, "if in the next four months it changes hands, you are responsible for notifying the new owners". There needs to be something as she received a call from a resident who is going to have the cell tower in his

back yard. He stated that there were some things they could have done a little differently that would have made it a lot better, but they didn't know about it. Because it was on a dead end road, they did not see the signage. She stated that she would like for the Board to look at that process and procedure to see if they need to make some changes so that this doesn't happen again.

Mineral Rights:

Commissioner Kost stated that she requested at their last meeting that the Register of Deeds make a presentation on mineral rights. She asked if that was going to be on the March 18, 2013 Board of Commissioners' meeting.

The County Manager stated that he had asked the Register of Deeds about that and that she is checking on it.

Commissioner Kost stated that she was continuing to get requests from people who want to know about it. She stated that if it was not available for the March meeting, she would like to have it on the April 15, 2013 meeting as it is a real concern of citizens who have been told to research mineral rights. She stated that Lee County is doing a real service to their citizens by doing this.

ADJOURNMENT

Commissioner Cross moved, seconded by Commissioner Stewart, to adjourn the meeting. The motion carried five (5) to zero (0), and the meeting adjourned at 6:32 PM.

Walter Petty, Chairman

ATTEST:

Sandra B. Sublett, CMC, NCCCC, Clerk to the Board
Chatham County Board of Commissioners