

PERSON COUNTY BOARD OF COMMISSIONERS
MEMBERS PRESENT

SEPTEMBER 9, 2019
OTHERS PRESENT

David B. Newell, Sr.
Gordon Powell
Jimmy B. Clayton
Kyle W. Puryear
B. Ray Jeffers

Heidi York, County Manager
C. Ronald Aycock, County Attorney
Brenda B. Reaves, Clerk to the Board

The Board of Commissioners for the County of Person, North Carolina, met in regular session on Monday, September 9, 2019 at 7:00pm in the Commissioners' meeting room in the Person County Office Building.

Chairman Newell called the meeting to order. Commissioner Clayton offered an invocation and Vice Chairman Jeffers led the group in the Pledge of Allegiance. County Manager, Heidi York was absent until 7:15pm.

DISCUSSION/ADJUSTMENT/APPROVAL OF AGENDA:

Chairman Newell announced that item #3 for a request for a text amendment to the Planning Ordinance would be opened as a public hearing. In addition, on item #4, an appointment to the Adult Care Home Community Advisory Committee would be considered.

A **motion** was made by Commissioner Puryear and **carried 5-0** to accept the adjustments as noted above by Chairman Newell and to approve the agenda as adjusted.

INFORMAL COMMENTS:

There were no comments from the public.

DISCUSSION/ADJUSTMENT/APPROVAL OF CONSENT AGENDA:

A **motion** was made by Commissioner Puryear and **carried 5-0** to approve the Consent Agenda with the following items:

- A. Approval of Minutes of August 19, 2019, and
- B. Budget Amendment #5

NEW BUSINESS:


REPORT ON ADAPTIVE REUSE OF THE OLD HELENA SCHOOL:

Interim Assistant County Manager, Laura Jensen told the group that Person County applied to have a graduate student team undertake analysis of the possible revitalization of the historic Helena School in Timberlake as part of the team's course work in Community Revitalization Applied (PLAN 735/PUBA 735) at no charge to the county. The course instructor is UNC-Chapel Hill School of Government faculty member Tyler Mulligan. The team, consisting of Andrew Cutler, Maria Dewees, Paul Liu and Natalie Swanson produced a comprehensive report at the conclusion of the project, with four recommended actions the county can take for encouraging redevelopment of the school by a private developer.

Ms. Jensen introduced to the Board Ms. Maria Dewees, Mr. Paul Liu and Ms. Natalie Swanson to present the community profile of Timberlake including a site analysis, market analysis, financial feasibility analysis and to summarize the recommendations for potential redevelopment of the old Helena School by a private developer.

Ms. Dewees led the group through the following presentation titled Adaptive Reuse of the Helena School. She presented the Report's Community Profile outlining Timberlake's Assets and Liability noting the Community Stakeholders, the Study Area and Land Ownership by the Top 5 Land Owners through its Site Analysis. Ms. Dewees provided an executive summary noting the proposed private use was recommended as multifamily housing development in the historic school with commercial space in the auditorium. Additionally, she further noted that the potential redevelopment by an outside developer would be challenging.

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ADAPTIVE REUSE OF THE HELENA SCHOOL

ANDREW CUTLER, MARIA DEWEES, PAUL LIU AND NATALIE SWANSON


PLAN 735

TIMBERLAKE, NORTH CAROLINA






4,300
Population



43
Median Age



\$63,041
Household Income

SITE SNAPSHOT

- ❖ ~ 25,000 ft² school built in 1936
- ❖ 3 auxiliary buildings

Site Considerations

- Traffic & Parking
- Storm Water
- Auxiliary Buildings



EXECUTIVE SUMMARY

Proposed Private Uses

- Multifamily housing development in historic school
- Commercial space in auditorium

Key Considerations

- Is a community-minded investor available to invest in the project?
- Is Person County willing to participate in a public-private partnership to enable private redevelopment of the school?

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REPORT OVERVIEW

- 1) Community Profile
- 2) Site Analysis
- 3) Market Analysis
- 4) Financial Feasibility Analysis
- 5) Recommendations

COMMUNITY PROFILE

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TIMBERLAKE'S ASSETS AND LIABILITIES

Physical	Institutions/Amenities
<ul style="list-style-type: none"> Location along US 501 and proximity to Durham Rural commercial/retail center Zoning allows for future development Undeveloped/underutilized land Limited traffic capacity 	<ul style="list-style-type: none"> Helena Park and Helena Gym Brooks General Store and Dollar General New Helena School Limited amenities in a small community
Economic	Social
<ul style="list-style-type: none"> Modest increase in new residents Relatively wealthier compared to Person County and NC Aging population No municipal services or resources 	<ul style="list-style-type: none"> Well-established social networks and strong connection to place Mobility of county residents Strong community interest in redeveloping the Old Helena School

COMMUNITY STAKEHOLDERS

County Government and Affiliates

- Person County Board of Commissioners
- Person County Parks and Recreation Department
- Person County EMS
- Piedmont Community College

Major Landholders

- Brooks, Woody, Gentry, Bello and Chambers families

Major Business Owners

- Brooks and Woody families

Other Institutions

- Helena Elementary PTA
- Helena United Methodist Church



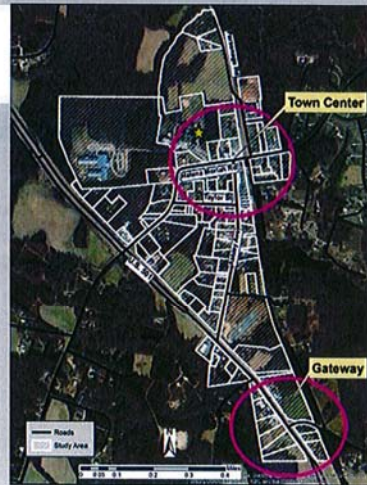
SITE ANALYSIS

STUDY AREA

The study area captures the residential and commercial center of Timberlake.

Study area includes:

- 101 parcels
- 221 acres
- \$20 million in value
- Zoning: commercial/residential

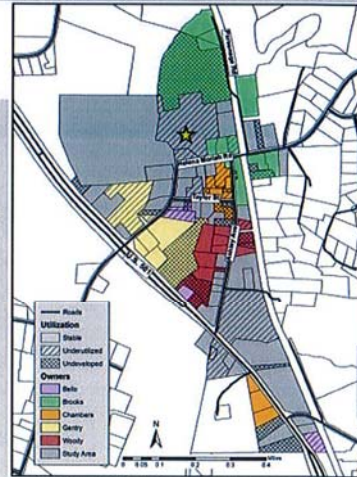


TOP 5 LAND OWNERS

Name	Parcels	% Parcels	Acres	% Acreage	Building SF	% Building SF	TAV	% TAV
Brooks	14	14%	36.9	17%	45,005	17%	\$2,405,739	12%
Woody	12	12%	13.8	6%	12,267	5%	\$918,379	5%
Chambers	11	11%	8.8	4%	7,196	3%	\$701,105	3%
Gentry	6	6%	23.4	11%	4,618	2%	\$827,630	4%
Bello	6	6%	4.2	2%	8,240	3%	\$269,593	1%
Top 5 Owners	49	49%	87.1	39%	77,326	29%	\$5,122,446	25%
Other Owners	52	51%	134.1	61%	187,024	71%	\$15,180,190	75%
Total	101	100%	221.2	100%	264,350	100%	\$20,302,636	100%

LAND OWNERSHIP

- Five families own 39% of the land in the study area, including a large portion of undeveloped and underutilized parcels.
- These land holders will likely shape the future development of Timberlake.



Mr. Liu presented to the Board information related to the report's Market Analysis, Residential Market Area Overview including Income, Age demographics and supported Housing as follows:

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MARKET ANALYSIS

MARKET ANALYSIS OVERVIEW

Office

Office jobs in Person County have decreased by ~1% every year since 2010.

Retail

Timberlake has a significant retail presence in southern Person County.

Residential

The number of older and relatively higher-income households in Timberlake is projected to increase in the next 5 years.

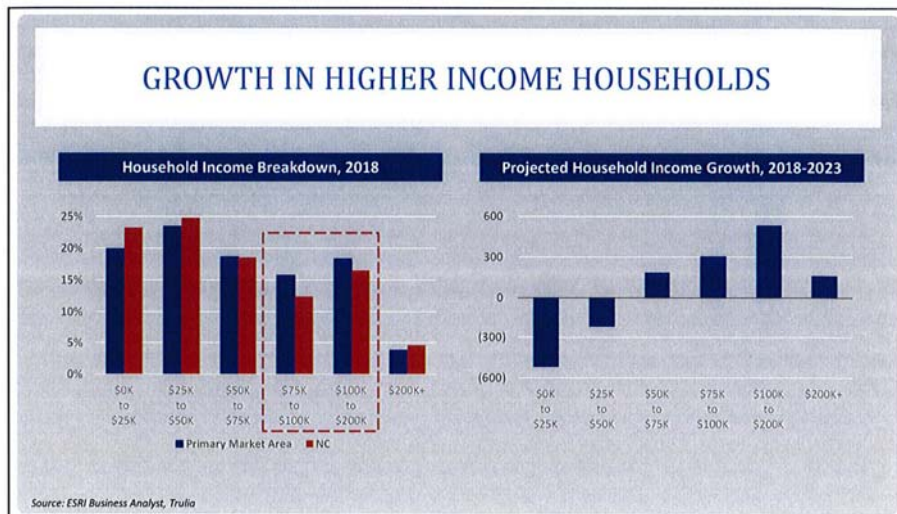
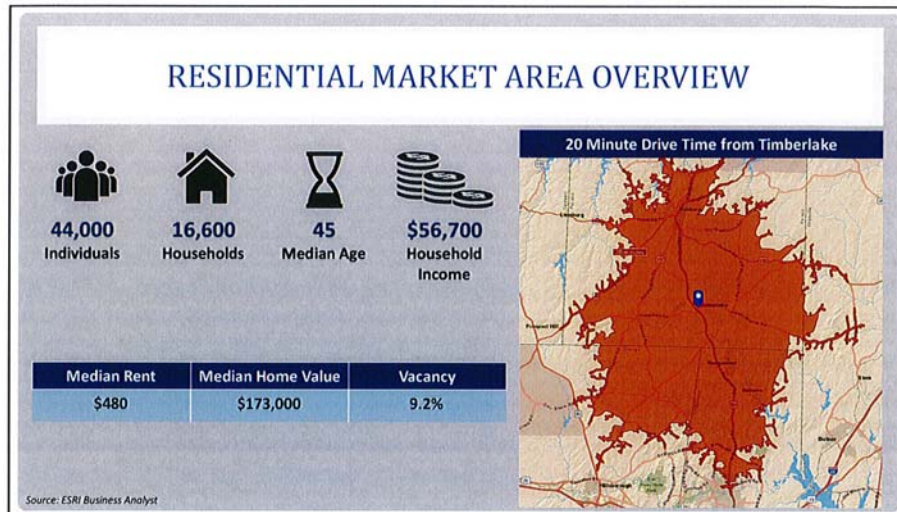
Supportable New Demand

No additional demand

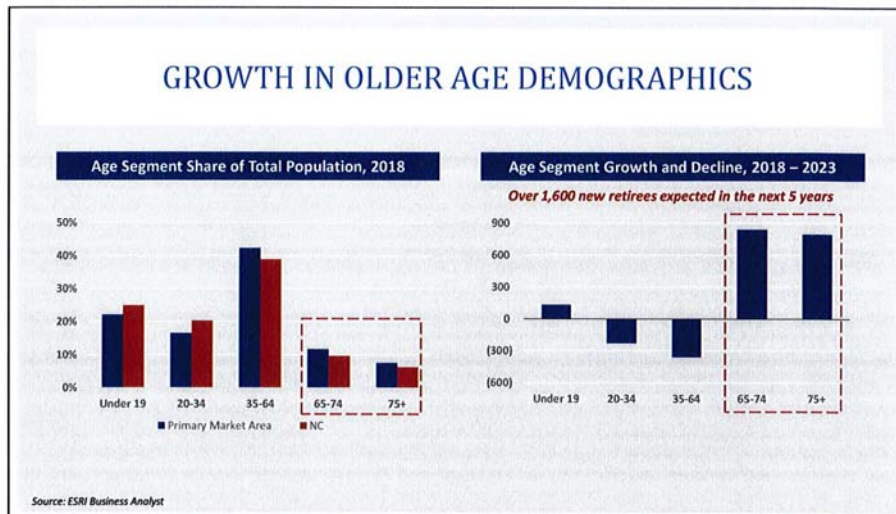
~2,800 square feet

70 to 110 multifamily rental units

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MULTIFAMILY RENTAL MARKET SUMMARY

- Given lack of multifamily housing in southern Person County and ongoing demographic trends, pent-up demand may exist for a multifamily project in Timberlake
- Timberlake can potentially support **70 to 110 of new renter-occupied units** in the next five years
- A project which takes advantage of adjacent on-site amenities could potentially catalyze additional development in Timberlake's "town center"

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Ms. Swanson concluded the presentation focusing on the Report's Financial Feasibility and Recommended Uses based on key assumptions and analysis of the Internal Rate of Return and Equity Multiple for the case results. She also presented Feasibility Strategies as well as Proposed Actions to the Board.

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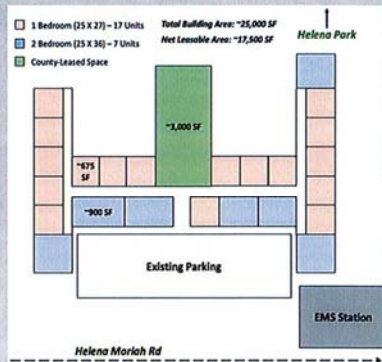
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FINANCIAL FEASIBILITY

RECOMMENDED USE

- Mixed Program: Residential & Commercial
 - 17 one-bedroom & 7 two-bedroom apartments
 - Commercial use in the auditorium

Type	Number	Approx. Square Footage	Rent/Unit/Month
One-Bedroom	17	675	\$950
Two-Bedroom	7	900	\$1250
Auditorium	1	3000	\$3000



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KEY ASSUMPTIONS

- Historic Tax Credits
- Long Hold Period (10 years)
- Acquisition cost would be \$14/SF or \$343,000
- Community-minded investor

BASE CASE RESULTS

- Internal Rate of Return (IRR): **6.4%**
 - Typical IRR would be 15%
- Equity Multiple: **1.6x**
 - For every \$100 of investment, \$160 return

Permanent Sources		
Development Equity	31%	\$1,325,483
Federal HTC Equity	12%	\$522,270
State HTC Equity	11%	\$468,704
Deferred Developer Fee	9%	\$378,350
Mortgage	36%	\$1,513,095
Seller Financing	0%	\$0
Total Permanent Sources	100%	\$4,207,904

Uses		
Acquisition	8%	\$343,098
Hard Costs	68%	\$2,853,966
Soft Costs	24%	\$1,010,840
Total Dev. Uses	\$172/SF	\$4,207,904

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FEASIBILITY STRATEGIES

1. List Property on Historic Register
2. Amend County Parking Requirements
3. County Builds and Leases Parking to Developer
4. County Master Leases Auditorium
5. Interest Only Seller Financing

LIST PROPERTY ON HISTORIC REGISTER

- Apply for historic designation to make property eligible for historic tax credits
- Provides 23% of project funds

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PARKING AT THE OLD HELENA SCHOOL SITE

- Decrease Parking Requirement
 - Current parking requirement: 2.5 spaces per residential unit (71 total)
 - Other rural counties: 1.5 spaces per residential unit (47 total)
- Lease Parking to Developer for \$25/Space/Month

Impact on Project	Cost to County	Benefit to County
+2.3% IRR	\$235,000	\$141,000

MASTER LEASE OF AUDITORIUM

- County master leases auditorium for \$3000 per month to decrease vacancy from 10% to 0%.
- County can utilize the space or lease to another private tenant.

Impact on Project	Cost to County	Benefit to County
Improves loan terms	\$360,000	Up to \$360,000

INTEREST ONLY SELLER FINANCING

- **Benefit to Developer:** Defers payment to acquire school
- **Benefit to County:** Receive annual interest on loan

Impact on Project	Cost to County	Benefit to County
Lowers Development Cost	Deferred Revenue	\$157,000

RESULTS WITH FEASIBILITY STRATEGIES

- **Internal Rate of Return (IRR): 9.7%**
 - Typical IRR would be 15%
- **Equity Multiple: 1.9x**
 - For every \$100 of investment, \$190 return

Permanent Sources		
Development Equity	20%	\$733,862
Federal HTC Equity	12%	\$446,705
State HTC Equity	11%	\$400,889
Deferred Developer Fee	8%	\$294,767
Mortgage	39%	\$1,429,398
Seller Financing	9%	\$343,098
Total Permanent Sources	100%	\$3,648,718

Uses		
Acquisition	9%	\$343,098
Hard Costs	66%	\$2,413,766
Soft Costs	24%	\$891,854
Total Dev. Uses	\$149/SF	\$3,648,718

RECOMMENDATIONS

PROPOSED ACTIONS

1. Identify Community-Minded Investor or Developer
2. List Property on the Historic Register
3. Amend Parking Requirements
4. Address the Other Vacant Buildings on Site
 - Demolish or Determine Alternative Use Plan

Mr. Liu confirmed the Report yielded better financing results without the outlying buildings, thus the recommendation to demolish or determine an alternative use plan.

Mr. Liu noted the attractive location in proximity to Roxboro and Northern Durham noting the rent would be higher than desired for marketability.

When asked about the renovation costs noting the requirement to abate the asbestos issues, Mr. Liu stated the County's 2012 site analysis illustrated costs at \$2.5M to rehab.

Vice Chairman Jeffers described an idea where neighboring counties started a regional partnership for a County Food Council with commercial kitchens. Vice Chairman Jeffers said this could address needs of local food banks and might serve well as a use in one of the buildings on the old Helena site.

Commissioner Puryear asked if any stakeholders were contacted as part of their study to which Ms. Swanson stated that was not part of their scope and due to the fact, stakeholders were contacted as part of the 2012 Report and could not agree on a proposed use, it would be exhaustive to revisit.

The Board thanked the three UNC-CH graduate students for their feedback and work on the Person County site.

PUBLIC HEARING:

TEXT AMENDMENT (TA-01-19) REQUEST BY MARTIN & SHEILA PERSSON TO ADD EVENT CENTER TO THE PLANNING ORDINANCE AND ADD A DEFINITION TO EVENT CENTER:

A **motion** was made by Commissioner Puryear and **carried 5-0** to open the duly advertised public hearing for a Text Amendment Request by Martin & Sheila Persson to Add Event Center to the Planning Ordinance and Add a Definition to Event Center.

Planning Director, Lori Oakley introduced County Planner, Kayla DiCristina who would be presenting this case, TA-01-19.

Ms. DiCristina stated all planning and zoning ordinances as well as state statutes have been met for this public hearing.

Ms. DiCristina noted TA-01-19 was a request by Martin and Sheila Persson to add Event Center to the Person County Planning Ordinance *Appendix C - Table of Uses* and add a definition of Event Center to *Appendix B – Definitions* noting the applicant purchased a portion of the former Roxboro Country Club property containing the former clubhouse. The clubhouse had many uses including an event center. The principal use of the clubhouse was considered a private recreation facility for profit and the event center was an accessory use to the principal use.

Ms. DiCristina explained the text amendment request proposed to add a use that is not currently listed in the Person County Planning Ordinance Table of Uses and by adding this use, the applicant can operate an event center as a primary use and it will provide an option for other property owners in the county who are interested in a similar business.

Event venues currently exist in Person County in an unregulated state. Properties that qualify for bona fide farm exemption are able to circumnavigate Planning and Zoning and Building Inspections regulations for erecting buildings on their land. There are multiple cases where these buildings are used as event venues, most notably the wedding venue present on the Northside of Tunnel Creek. In addition to providing an avenue for the Perssons and other residents to conduct a business of this nature, adding the proposed changes to the Person County Planning Ordinance allows staff and board members to better regulate event venues and ensure the protection of persons and property

While the applicant proposed the definition for an event center and allowing the use-by-right in the zoning district RC (Rural Conservation), Planning staff desired to ensure consistency within the Table of Permitted Uses, and recommended adding the proposed use as a by-right use in the following zoning districts: B-1 (Highway Commercial), B-2 (Neighborhood Shopping) and GI (General Industrial) and via special use permit in the R (Residential) district because of the restrictive nature of the district.

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Ms. DiCristina provided the following Appendix B proposed definition for Event Venue and Appendix C to add Event Venue to be added to the Table of Permitted Uses:

Appendix B: Definitions

Event Venue: A commercial establishment and associated grounds engaged in the hosting and production of pre-planned events like weddings, corporate parties, or reunions. Typical accessory uses include kitchens or meal preparation space, limited overnight accommodations, photography studios, facilities to accommodate live or recorded music, on- and off-site parking and outdoor recreation facilities.

Appendix C: Table of Permitted Uses

Add: Event Venue (to the table)

Add: X (permitted use) in the RC Zoning District

Planning staff recommendations include adding the Event Venue as listed below to the Table of Permitted Uses:

S (Special Use) in R district

X (Permitted) in B-1 district

X (Permitted) in B-2 district

X (Permitted) in GI district

Ms. DiCristina stated the Planning Board, at its meeting on August 8, 2019, voted 4-0 to approve the requested text amendment TA-01-19 including staff's recommended text.

Ms. DiCristina stated Planning Staff recommended approval of TA-01-19. The proposed text amendment allows a use that previously existed as an accessory use to be added to the Table of Permitted Uses and clearly defined so that it may function as the primary use on the property. Additional text recommended by staff ensures that this text amendment is consistent with the Person County Planning Ordinance and Table of Permitted Uses as well as consistent with the Comprehensive Land Use Plan and future planning goals of Person County. It is reasonable and in the public interest as it will provide clear regulations for event centers in Person County.

There were no individuals appearing before the Board to speak in favor of or in opposition to the Text Amendment Request by Martin & Sheila Persson to Add Event Center to the Planning Ordinance and Add a Definition to Event Center.

Commissioner Puryear asked how much of the former Roxboro Country Club did the new owners plan to operate as an Event Venue to which Mr. Persson stated they own the clubhouse and parking area, approximately 20 acres that included the pond, but did not include the swimming pool.

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Commissioner Powell asked if the applicant would be accommodating limited overnight stay to which they answered not at this time, but possibly a potential future use.

A **motion** was made by Commissioner Puryear and **carried 5-0** to close the public hearing for a Text Amendment Request by Martin & Sheila Persson to Add Event Center to the Planning Ordinance and Add a Definition to Event Center.

CONSIDERATION TO APPROVE A TEXT AMENDMENT (TA-01-19) REQUEST BY MARTIN& SHEILA PERSSON TO ADD EVENT CENTER TO THE PLANNING ORDINANCE AND ADD A DEFINITION TO EVENT CENTER:

A **motion** was made by Commissioner Puryear and **carried 5-0** to approve a Text Amendment Request by Martin & Sheila Persson to Add Event Center to the Planning Ordinance and Add a Definition to Event Center as well as to approve Planning staff recommendations for the use to be by right in the zoning district RC (Rural Conservation), B-1 (Highway Commercial), B-2 (Neighborhood Shopping) and GI (General Industrial), and by special use permit in the R (Residential) district noting the text amendment request was consistent with the Comprehensive Land Use Plan and future planning goals of Person County and reasonable in the public interest as it will provide clear regulations for event centers in Person County.

APPOINTMENTS TO JUVENILE CRIME PREVENTION COUNCIL, PERSON AREA TRANSPORTATION SYSTEM BOARD, AND ADULT CARE HOME COMMUNITY ADVISORY COMMITTEE:

Clerk to the Board Brenda Reaves presented interested citizen applications for the Board's consideration to nominate and appoint as deemed appropriate.

Juvenile Crime Prevention Council

Unexpired term of a 2-Year Term:

1 position for the Local School Superintendent or designee

Dr. Rodney Peterson requested the Board of Commissioners to appoint Mr. Ron Anthony to the Juvenile Crime Prevention Council to serve out the remainder of the term for Ms. Joan Kister (current Superintendent's designee). Ms. Kister's term is due to expire December 31, 2019.

The Board of Commissioners, if so desired, may appoint Mr. Anthony to fulfill the unexpired term, or, appoint for the remainder of the term to December 31st as well as a new term (2-years) thus giving him a term to 12/31/2021.

A **motion** was made by Commissioner Puryear and **carried 5-0** to appoint Ron Anthony to serve as the Superintendent's designee on the Juvenile Crime Prevention County for a term that will expire 12/31/2021.

Person Area Transportation System Board

3-Year Term: 1 position for a citizen-at-large to fulfill an unexpired term to 12/31/2021
Ms. Tammie Kirkland requested appointment.

A **motion** was made by Vice Chairman Jeffers and **carried 5-0** to appoint Tammie Kirkland to the Person Area Transportation System Board to fulfill an unexpired citizen term to 12/31/2021.

Adult Care Home Community Advisory Committee

1-Year Initial Term; 3-Year Reappointment: 1 position available
Ms. Jessica Aguilar requested appointment

A **motion** was made by Commissioner Puryear and **carried 5-0** to appoint Jessica Aguilar to the Adult Care Home Community Advisory Committee for an initial one-year term.

CHAIRMAN'S REPORT:

Chairman Newell had no report.

MANAGER'S REPORT:

County Manager, Heidi York reported on the following:

- 1) Health Dept. Director sought the commissioners' interest in establishing a workgroup for one or two commissioners with the Health Board's chair and vice chair as a follow-up to recent events,
- 2) Confirmed a letter notifying the Woodsdale Volunteer Fire Department of breach of contract was delivered on Friday, September 6, 2019, giving them 30-days notice and aligning such with the October 8, 2019 state deadline as directed in Vice Chairman Jeffers' recent motion,
- 3) Informed the commissioners that she still has three county cell phones designated for commissioners that have not been picked up that would be returned.

COMMISSIONER REPORT/COMMENTS:

Commissioner Puryear stated interest in serving on the Health Department workgroup as a commissioner representative.

Vice Chairman Jeffers asked the County Manager to look into complaints related to unkempt property located at 1195 Concord Ceffo Road.

Commissioner Powell asked staff if the old body shop demolition was complete located on the Oxford Road. Ms. York stated she would get an update.

ADJOURNMENT:

A **motion** was made by Commissioner Powell and **carried 5-0** to adjourn the meeting at 7:44pm.

Brenda B. Reaves
Clerk to the Board

David B. Newell, Sr.
Chairman