City Council of Peachtree City
Meeting Minutes
October 18, 2012
7:00 p.m.

The Mayor and City Council of the City of Peachtree City met in regular session on Thursday, October 18 2012. Mayor Haddix called the meeting to order at 7:00 p.m. Other Council Members in attendance: George Dienhart, Vanessa Fleisch, Eric Imker, and Kim Learnard.

Announcements, Awards, Special Recognition
Fayette County Retired Educators Day Proclamation
Recognize Employee of the Month – Chris Hyatt
Recognize Supervisor of the Quarter – Chris Campbell
Recognize Mike Howell for 10 Years of Service
Presentation on Fayette College & Career Academy
Mayor Haddix announced the Commemorative Air Force would hold a Veterans Day Open House on November 3 at the Dixie Wing hangar at Atlanta Regional Airport – Falcon Field. Haddix proclaimed November 4 as Fayette County Retired Educators Day in Peachtree City. Karen Bullock, retired principle from Kedron Elementary School, accepted the proclamation. Chris Hyatt of the Police Department was unable to attend the meeting to accept the Employee of the Month recognition. Chris Campbell of the Fire Department was recognized as the Supervisor of the Quarter. Mike Howell of the Police Department was recognized for 10 years of service. City Manager Jim Pennington was recognized as a 40-year member of the International City/County Managers Association (ICMA).

Council Member Learnard gave a presentation on the proposed Fayette College & Career Academy. Learnard noted there were 26 college and career academies located in Georgia, and the national model was the Central Educational Center located in Newnan. The academy would consolidate technical and dual enrollment classes in one location, improving efficiency and cost. Students would graduate with a technical college certificate, which gave them skills for a job or the ability to support themselves while pursuing higher education. The Fayette County Board of Education had provided $41,000 for a needs assessment. Learnard said the academy would be under local control. Learnard said one of the issues cited by local industry was there were not enough qualified candidates to fill jobs due to technical proficiency and work ethic. The steering committee was composed of industry leaders, educators, and political leaders.

Public Comment
There was no public comment.

Agenda Changes
There were no agenda changes.

Minutes
October 4, 2012, Regular Meeting Minutes
Fleisch moved to approve the October 4, 2012, regular meeting minutes as written. Learnard seconded. Motion carried unanimously.

Monthly Reports
Haddix noted the Fire Department report was on the dais. There were no comments.

Consent Agenda

1. **Consider Budget Adjustments – FY 2012**
2. **Consider Bid – Replacement for the Public Works Fuel Canopy – APEC**

Fleisch moved to approve Consent Agenda items 1 and 2. Learnard seconded. Motion carried unanimously.

Old Agenda Items

10-12-02 Public Hearing – Consider Annexation Request from Southern Pines Plantation Commercial Group, LLC – 77.10 acres on SR 74 South

Haddix noted there were a staff memo and other additional information, as well as the report from Smart Numbers, on the dais. Planning & Zoning Administrator David Rast addressed Council, giving background information on the request to annex the 77.1-acre tract owned by Southern Pines Plantation Commercial Group, LLC (SPP). The current zoning in unincorporated Fayette County was C-C Community Commercial (27.46 acres), O-I Office Institutional (5.47 acres), and A-R Agricultural Residential (44.28 acres). The site was approved for more than 177,100 square feet of office and retail space several years ago. The County's future land use plan designated the property as Commercial, Office, and Parks and Recreation. The property had one existing access point and two approved right-in, right-out access points.

Rast continued that the proposed plan for the property included two office tracts (two buildings on 4.1 acres), and 90 residential lots (35.9 acres). The buildings on the two office lots would total 20,000 square feet. Acreage to be deeded to the City included 9.1 acres of greenbelt; 18.2 aces of wetlands, streams, floodplain, and buffers; and 9.8 acres of right-of-way. The issues with the site included two streams that ran through the property, wetlands, and future floodplain. A 50-foot greenbelt was planned around the entire development. The frontage on SR 74 was fairly void of vegetation. Staff's recommendations included landscaping and berming along the frontage consistent with the office area on the other side of the highway, helping to provide a gateway entrance into the City. The 60-foot tree-save and landscape buffer would be maintained by the office building owners and the homeowners association (HOA). A transition buffer would separate the office buildings from the residential component. A raised median in the common entry roadway would also separate the office component from the residential component, and it would be landscaped and maintained by the HOA. An amenity area near the entrance of the subdivision would include a pool, cabana, and tot lot. Pocket parks would also be located throughout the development, known as The Gates.

Rast pointed out that the property was not located in the City and was not included in the City's land use plan. Most of the southern portion of Braelinn Village, bordering the site, was single-family medium density, with one-third to one-half-acre lots. The Somerby senior development would be multi-family because of the assisted living and memory care parts of the facility. Meade Field was designated as Open Space Public (OSP). Starr's Mill Professional Building was Office, and Wilshire Pavilion and Wilshire Village were designated as Commercial.

The surrounding land uses in Fayette County included rural residential (minimum one-acre lot size), low-density residential, for Brechin Park, the Chimneys, Millpond Manor, Mountbrook, and Jefferson Woods. All of the subdivisions were on septic except for the Chimneys, but the lot sizes were still one acre. The Mills Farm development, the horse farm on Redwine Road, was designated low-density residential (five-acre or larger tracts). The Starr's Mill School Complex was designated as Public Facility.

The Gates would be single-family medium density and office. The relationship of the surrounding developments had a transition from single-family medium to rural residential, and this proposal was consistent in that portion of the City.

Rast continued that most of the subdivisions on the south side of the City were zoned R-15, with a land use of single-family medium density. The average lot size was one-third acre, and that was consistent from Crosstown Drive south. There were a few higher density cluster subdivisions, but most of the developments off Robinson Road were single-family medium density. Opposite Robinson Road were a few single-family, low-density larger tracts. Most of those were on septic and were a minimum of one-acre in size. There was a variety of zoning in the County subdivisions, but they were all designated rural residential for land use. Brechin Park was a Planned Unit Development (PUD), the Chimneys and Millpond Manor were zoned R-45, Mountbrook was a conservation subdivision with a significant portion of the subdivision designated as open space; Jefferson Woods was a PUD, and Mills Farm was in the County's holding pattern of AR. The Gates fit in with the zoning and land use in place.

Rast said the two most common ways to determine density were gross density and net density. Dividing the total number of lots by the total land area determined gross density. There were 90 lots in the residential component of 73 acres, which was a gross density of 1.23 lots per acre. The net density was the total number of lots divided by the total land area minus greenbelt and open space. The 90 lots would be on 45.7 developable acres for a net density of 1.97 lots per acre. Comparable subdivisions for gross density in the City were Oakdale, Muirfield, Everhill, Wickerhill, Huntington Place, Crescent Oaks, Kimmeridge, and Tapestry. Comparable area subdivisions for net density included Morallion Hills, Meadow Run, Timberlay, Kenton Place, and the Rubicon.

Rast went over the traffic analysis, saying the rates were based on the Trip Generation rates identified within the Institute of Transportation Engineers Trip Generation Report (7th edition). As currently zoned, the Plantation Center (a 177,200 square-foot shopping center with medical/dental office, high-turnover/sit-down restaurant, fast-food with drive-thru, convenience market with gas, and a drive-in bank) would generate 16,285 trips per day, which Rast said was a significant amount next to a major school complex. A corporate headquarters (254,000 square feet) would generate 2,033 trips per day. Although there was not a plan to use for comparison, staff looked at some of the uses at Westpark. The Gates [90 single-family homes and two office buildings (20,000 square feet)] would generate 1,082 trips per day. Rast said a detailed study had not been conducted, but this was what a traffic engineer would use before getting into the details.

Rast continued that staff had also talked with different organizations about the development. Because it was an annexation, Fayette County had to be notified. The following responses were received:

- The Fayette County Board of Commissioners consented not to object to the annexation and zoning request.
- Dr. Richard Bearden, Superintendent of Fayette County Board of Education, confirmed there was sufficient capacity at the Starr's Mill school complex for additional students.
- Fire Chief Ed Eiswerth and Police Chief H.C. "Skip" Clark indicated the development as proposed would have negligible impact on existing level of service or their ability to serve.
- Recreation Administrator Cajen Rhodes indicated their programs have seen a steady decline in participation, and he felt the various youth sports associations would welcome the idea of new families coming into Peachtree City.
- Roland Myers, president of the Brechin Park Homeowner's Association, spoke in favor of the proposed development at the September 10, 2012, Planning Commission meeting.
- Stephen Hogan, general manager of the Peachtree City Water and Sewerage Authority (WASA) indicated the authority had adequate treatment capacity for the proposed

project, and stated, *"The current total permitted capacity allowed by our National Pollutant Discharge Elimination System (NPDES) permit is 6.0 MGD (million gallons per day). Our current ADF (average daily flow) is approximately 3.2 MGD. The subdivision project is estimated to contribute only an average of 27,000 to 36,000 gallons per day at full build-out, leaving significant remaining capacity even at the high end."*

- Bryan LaBrecque, aviation director of the Atlanta Regional Airport - Falcon Field stated, *"We have reviewed the area in question and have no issues with a residential development in the affected area as detailed in the attachment to your e-mail. With regards to a potential office complex use, we would need to further assess the potential impact, depending upon the height of the complex."*
- When asked if the Fayette County Development Authority (FCDA) was for or against the rezoning, Matt Forshee, president and CEO, responded, *"The Board of Directors of the Fayette County Development Authority has not taken a public position on this issue and at this time does not plan to take a public position on this. It is our goal to ensure that Fayette County and its cities are best positioned to grow economically and though some Board members may have provided some members of council their personal opinions on the project, none of those are in any official capacity.*

Rast said staff looked at the annexation and rezoning application packet very closely, including the information gathered since the last meeting. There had been a lot of feedback. Staff supported the request because annexing and zoning the property offered the opportunity to impose restrictions. The City could dictate how it wanted the property to look. He continued that Limited Use Residential (LUR) zoning allowed site-specific zoning conditions.

Rast briefly went over the requested zoning and the requirements for each:

<u>OI Office Institutional</u>

- Use restrictions
- Identification of uses not permitted
- Combined square footage limited to 20,000 square feet
- One curb cut from entrance road
- Parking located behind building
- Maximum building height of 35 feet
- 60-foot tree save and landscape buffer adjacent to SR 74
- Transition yard between residential
- Architectural concept to be similar to Starr's Mill Professional Building
- Limitation on business hours

<u>LUR-16 Limited Use Residential</u>

- No more than 90 lots permitted
- Minimum floor area (1,500 square feet)
- Unified architectural concept
- 60-foot tree save and landscape buffer adjacent to SR 74
- Landscaping within buffer, subdivision entrance, and internal parks to be owned and maintained by HOA
- 50-foot greenbelt along all other property lines would be owned and maintained by the City, with a requirement for the developer to augment the plant materials in sparse areas
- Clearing and grading plan required for each lot; no mass grading of the property
- Landscape plan required for each lot, to include three canopy trees

In addition, Rast said statements must appear on the final plat and within the recorded deed restrictions and covenants for the subdivision indicating the proximity of the development to Atlanta Regional Airport – Falcon Field and the proximity of development to the Meade Field Recreation Complex. Rast pointed out there was approximately 125 feet between the closest ball fields and the homes. The sparser areas would be replanted to create a dense evergreen screen.

Community Services Director Jon Rorie went over the financial impact analysis for The Gates as proposed, development as currently zoned in the County, development as an office complex, development as residential, and development as industrial. The idea behind the assessment was to determine if the development would be an asset or liability to the City. They tried to determine the population increase with type of development and how it calculated into revenue and expenditures. The analysis was based on estimates and assumptions. Staff could only look at various scenarios, not predict the future.

Rorie noted that, no matter what happened with the property, the assumption was there would be an incremental cost increase in the City's budget. Rorie also pointed out that one-time fees (construction permits, connections, etc.) were not included in the summary since there was usually an expense tied to the revenue.

As proposed, the City should see a net gain of $74,241 over a 10-year period. Rorie noted that, if the property were developed as zoned for commercial use, there would be a net gain of $119,383. If developed as industrial, the plans would have to be approved by the Peachtree City Airport Authority (PCAA) due to the proximity to the airport. There would still be a net gain over a 10-year period of $90,690. There was also concern about the type of industry that could locate near the schools.

Rorie continued that the scenarios could all be net positives. The budget position should be one of neutrality. There were many variables, including the stages of construction, how fast it was built, and what was built. The data was as consistent as possible. None of the scenarios were financial windfalls or losses.

Haddix re-opened the public hearing, asking the developer to speak first.

David Kirk of Troutman Sanders spoke on behalf of the applicant, SPP, saying Rast had summed up the request well. He expressed appreciation to staff for all the energy and enthusiasm there had been when answering Council's questions. Kirk said they had also worked hard to respond to questions and provide information. They had letters of either support or no objection with regard to the project. One question was the potential impact of 90 new houses over the next few years on the real estate market in the City. Kirk had provided some information at the October 4 meeting. Kirk introduced John Hunt of Smart Numbers, who went over the analysis of how the new houses would impact the real estate market in the City.

Hunt said his company had been tracking all aspects of the Metro Atlanta residential real estate for approximately 20 years and had expanded to Savannah, Macon, Columbus, Augusta, and Charlotte. In September 2005, his company had notified their clients that a housing downturn was imminent, noting that housing could not continue to appreciate due to overbuilding and over appraising. During the ensuing years, their job had been to gauge the feasibility of projects for their clients, which included developers, builders, realtors, and banks. Their motto was, "every deal was guilty until it could be proven innocent."

Smart Numbers tracked the market in its entirety, and after six years of a housing recession, there were positive signs. Atlanta had an acute lack of inventory and huge increase in demand, which was causing prices to increase for the first time in six years. In normal times, the proper new home price was 10% – 20% above the price of a similar resale home, and that was equilibrium. Between 2003 and 2006, the gap between new and resale expanded when lot prices exploded. The demand shifted from new to resale, which was why new homes stopped selling. The company's prevailing goal when analyzing new subdivisions was to determine the prevailing resale price on a given square footage in the surrounding submarket. Once that was done, his company suggested the price for the new homes be 10% – 20% above the resale price.

Hunt continued that Peachtree City proper had a 4.2-month supply at the current absorption rate. The normal historical supply was seven to eight months, which meant the current supply was below normal and almost an acute shortage. Atlanta was down to a 4.1-month supply. The same number of homes was in Atlanta's inventory today as there had been in 1999. There had been 480 closings in the last 12 months, and there were 169 homes listed. At that absorption rate, those homes would be gone in 4.2 months. There was no oversupply issue.

Kirk reiterated the new homes would not compete with the resale homes. They were offering a project that would contribute in a number of tangible ways (sewer, path connections, greenspace protection, less traffic, gateway feature) and had other financial pluses. It would also contribute in intangible ways (use, look and intensity of the development), as well as providing the opportunity to have a compatible use with the surrounding area. Kirk said he would answer any questions at the end of the public hearing.

Roland Myers, president of the Brechin Park HOA, said the developer had met with their board. The Brechin Park HOA was in favor of the annexation and zoning. This proposal was compatible with their neighborhood. There were no homes in Brechin Park directly under the flight path for Falcon Field, and this project would be further away. The flight path for the corporate jets was over Line Creek. He had not heard any complaints during the 12 years he had lived there.

Gary Weers, president of the Wilshire Estates HOA, referred to an e-mail sent by Haddix on October 14, which included a statement saying that someone in the Wilshire neighborhood suggested filling in the tunnel under SR 74 during a board meeting Haddix had attended. Weers said that meeting was held regarding a proposed bowling center/bar, and he did not recall anyone making that suggestion. Weers said no HOA board member had suggested filling in the tunnel, and no homeowner had ever approached any board member with the suggestion. Haddix said it had happened at an HOA meeting, and a resident made the suggestion, not a board member. Weers said he wanted to set the record straight that the comment had been made during a board meeting. The board met recently with the interested homeowners. A vote was taken, and no one had been opposed to the proposed annexation and zoning. He had gotten several e-mails from residents, and they had not opposed the annexation. Wilshire did not oppose the proposed annexation or the building that was proposed.

Mike Healy, owner of Mike & C's in Wilshire Pavilion, told Council he supported the proposed annexation. It was a much better use of the property than a big box or factory. The homes would be in a reasonable price range that people could afford. It would bring more tax income to the City and County. It would not cost the City more than it would be spending. It would be good for the schools with more children to be enrolled. It would also be good for business at Wilshire Pavilion. Healy said he also had a home in Wilshire Estates, and they would like to see it.

Brian Dingivan, also a resident of Wilshire Estates, said the property had been vacant for at least 20 years and had been rezoned by the County 10 years ago. There was an opportunity to put in something desirable rather than a factory. If the property was annexed and rezoned, there was a clear idea of what would happen.

John Dufresne said he was concerned whether the City had adequate fire service if the annexation was approved. The police and fire chiefs had spoken to the Needs Assessment Committee that day, and Dufresne expressed concern about response times to the south side of the City, particularly when the Somerby senior adult project opened. Another fire station would ultimately be needed, and the cost of a station was $3.5 million to $4 million. Dufresne said he could not support the annexation until the fire issue was mitigated.

Mary Giles said she had e-mailed Council earlier with her concerns. She added that, when there was an issue of this magnitude before the citizens, the information should be available before the meeting.

Kevin Wildermuth, a Brechin Park resident, said he generally liked the proposal with one reservation, which was the small lot size, so he was against the proposed annexation and zoning in its current form. The project was on the very edge of the City, and the homes outside the City were on one to five-acre lots. On a three-quarter-acre lot, they would be able to save mature trees since trees were usually wiped out on lots that were one-half acre or smaller. He asked the developer and Council to consider 60 homes rather than 90, which would put the lot sizes at one-half acre, a size not offered in the community. It might attract a niche market.

The public hearing closed.

Haddix said many interesting points had been raised. Financially, all the models came in about the same. He found it hard to accept the development would be completely built in four years. He understood the support from Columbia since the company owned a lot of vacant retail space, and questioned whether Columbia would start building more stores. As for being the gateway to the City, offices were what people would see first. Haddix continued that offices closed down at night, but residential did not. The City had gotten complaints from Wilshire residents about golf cart traffic and trash, which would increase with residential. If the entire tract was built as OI, it would still be peaceful and have less car and golf cart traffic. The cart paths would still need to be connected to the tunnel.

Haddix said not everyone in the County supported the annexation, and he had received 18 e-mails from residents, with one in support and the rest opposed. County residents were concerned about the development being compatible. The office and residential components were both compatible. He had asked about building the entire tract as OI, which was different from industrial zoning, and would be a good neighbor.

Haddix questioned whether the City really needed new homes. There were 14 undeveloped office sites and 1,200 undeveloped residential sites in the City. Haddix said OI meant jobs, residential did not. People had to have a reason to move to Peachtree City. If they were working here, there was reason to move here. More homes should not be built in a declining market. Haddix questioned that there were 169 homes in inventory, saying it depended on the source. He could find double that amount on the internet. He asked if homes in foreclosure and for sale by owner were included, as well as those homes that were "underwater," (homes worth less than what the outstanding mortgage) saying those owners could not sell their homes. The number of rentals would increase, the number of people trapped in the City would increase, and the number of homes in foreclosure would increase. The benefit to building new homes did not exist.

Haddix said the City was facing something new. It was 53 years old, and the need for redevelopment was here. It was needed in some residential areas now and in the Industrial Park. There was a new element to consider in the future.

Haddix referred to the current zoning of the property in the County. The threat for that was to build a septic spray field, which was not desirable for a retail center and had been terrifying for the residents of the area. Haddix said he was a member of the Fayette County Board of Health and stated septic spray fields were not allowed in the County. Regardless of what was approved by the County Commissioners, the Board of Health had to approve the septic field plan, and variances were not given for septic spray fields. The land in the area did not perk well; sewer was needed to develop anything on the property. To get sewer, the developer had to conform to what the City wanted. The developer could not put anything they wanted on the property. They had to have sewer to develop the property with any realistic density.

During the community assessment meetings held for the Comprehensive Plan in 2007, the citizens had said more homes and retail were not needed, but job production was. Haddix said jobs created home sales, which built retail, which filled the City's coffers.

Fleisch asked Haddix if he wanted to annex the property as OI or leave the zoning as it was, hoping the County Commissioners would rezone it to OI. Haddix said he would vote to annex the property as OI, but the Commissioners could not change the zoning to OI. The property owners had to ask for it.

Dienhart said he had been fighting with this decision for two weeks. He was going to vote against it, adding he was worried about a double-dip recession and he had concerns about the school situation. The Board of Education would be closing schools, and students would be shifted throughout the school district. By the time the subdivision was built out, there would be trailers at the Starr's Mill School Complex. He was worried about the fire station situation, and the City did not have $4 million to build a new fire station. There were already response time issues in the area, especially if more than one call came in, and adding more homes could affect insurance rates. All the e-mails he had received were negative, except for one. There were multiple reasons, but he was going to vote no. Haddix said the fire service issue was not a new concern.

Assistant Fire Chief Joe O'Conor addressed Council, noting Fire Chief Ed Eiswerth had to leave. O'Conor said the impact on the fire service would be negligible. Staff had compared similar residential neighborhoods, selecting four streets at random and finding they had been on those streets two times within a year. They had also done similar research on the Somerby senior facility, noting that a year's review of Towne Club showed there had been 59 calls to that complex. Somerby was in the same general vicinity as the annexation. O'Conor continued that he and Eiswerth had met with the Needs Assessment Committee that day, and he clarified that there would be a problem if the department's staffing or any of the budget was cut. Assuming that everything remained flat, the annexation would not affect the department's level of service. That part of the City was identified in every evaluation as needing additional support. Those needs were established, and impact fees were being collected for that purpose, as well as for two other areas that had been identified. The area was three miles from the Braelinn station and 5.4 miles from the Paschall station. Ideally, there should be a station every 1.5 miles.

Dienhart said he understood the additional station would help to meet a level of service City-wide. There were another 1,200 homes to be built in the West Village.

Fleisch said the West Village did not even come into play in this proposal. Those developers needed $6 to $7 million to build a road before any dirt could be turned for a home. Fleisch asked Rast if that plan could change based upon what the market would be at that time or if the developer was held to the current plans.

Rast explained that both tracts in the West Village were zoned LUR. In order to change the layout or density, the property owners would need to rezone the property. Wieland's tract included 475 lots, and Scarbrough's tract had 650. It would more than likely be years before any of the lots were available due to the economy and some of the requirements for the zoning. One of the requirements was to donate land for a fire station, and those impact fees would go toward that.

Dienhart asked if the City would get $4 million in impact fees from those two projects. The homes would go in before the fire station did, so the City would be spreading itself thinner and thinner. The neighborhood looked beautiful; it was just not the time. None of the residents wanted it. A double-dip recession was coming, and closing schools scared him.

Haddix said there were still lots to be built in Centennial and Cedarcroft. He had just signed the plats. Rast clarified that the last four townhomes in Centennial had already been built and were for sale, and they were the last four homes in Centennial. Fleisch said there were 24 lots remaining in Cedarcroft.

Fleisch said the housing market had changed markedly during the past three years. In 2009, there had been 493 homes for sale in June or July. Today, there were 175 homes per her information, which was slightly different, but still in the same ballpark, as that provided by Hunt. Fleisch asked Hunt to explain his methodology.

Hunt said the City used two listing services, Multiple Listing Service (MLS) and FMLS (First Multiple Listing Service).His company handled the reporting and analysis for FMLS for the last 10 years. There was overlap in the listings. His company took both services and kicked out any duplicates. The database was very active and robust. Haddix asked if FMLS listed the "for sale by owner" homes. Hunt said they did not, but usually the rate was 10%. Foreclosures and short sales were included. The data was extremely accurate. Anecdotal stories were common around the City about the lack of inventory, which had happened fairly quickly. The demand had picked up dramatically the last year throughout Atlanta. There had been tremendous success with new home construction coming in at the right price. For every home that was built, three jobs were created.

Fleisch asked Hunt if only data from the 30269 zip code was used. Hunt said they had only used data for the Peachtree City proper for the analysis. Most of the lots were one-third acre. Going to a half-acre lot priced the homes into a range where there was no demand. The demand was shown in the $350,000 – $450,000 range for a 3,000 – 4,000 square-foot house, which sold at a rate of two to three per month. Making the lot one-half acre would increase the price of the homes, and they would not sell.

Fleisch said most of the negatives e-mails she received were about houses sitting unsold, but she noted the e-mails were about subdivisions outside the City at different price points. Homes in the $350,000 range sold in 30269. She asked Hunt if he had looked at homes located outside the City and how they were selling. Hunt said they had. As for new homes sitting, there was a metric used that showed when a consumer had the choice to buy new or a resale at a similar price, they generally chose new without fail at about a 45% market capture and chose resale at about a 50% capture, which was comparable to Atlanta. The reason there was no new home activity in his analysis was because none had been built. Where new homes were being built right, they were selling. Fleisch asked Hunt if he had done anything specific with Cedarcroft, which along with Centennial, was the only subdivision selling new homes. Hunt said the subdivision was in their database. Hunt said all of their experience showed the homes would sell about two to three a month, conservatively.

Fleisch asked what kind of environment had to be in place for redevelopment to take place in the housing industry. Hunt said he did not have the expertise to answer that.

Haddix said most of the employees of City businesses and industries lived elsewhere. The advantage for property taxes was to increase the industrial or OI. Hunt said that assumed there was demand for OI and industrial, and that demand was not coming back. There had to be rooftops first.

Haddix disagreed, saying if the business located here, then it did not matter if the employees lived here. There was an industry that wanted to come here, and all they needed was property. There were five companies looking to expand. If an industry located here, it did not matter where the employees lived. They would still be buying supplies here and making sales, and employees were still buying lunches and products. The City's problem for office and industry was having good land. People could not sell their houses. Hunt said that was not true; demand was outstripping supply. Haddix said people were renting their homes because they had not sold, and they were under water. Hunt said that, as prices began to recover, those people might be able to sell. Haddix said a job drove the ability to buy a home.

Learnard asked Weers how many residents attended the Wilshire HOA meeting. Weers said there were 250 homes, and about 20 homeowners were involved in the meeting. Most of the residents got involved when they did not like something. If he sent out an e-mail asking for a vote, it might not be unanimous, but it would be a landslide. Learnard said she had received several e-mails, and most were concerned with resale of homes. Dienhart asked Learnard how many people she personally talked to supported the annexation. Learnard said it was probably 60/40 in support. Dienhart said none of the people he talked to supported the annexation.

Learnard asked Rast what could go on the property as it was currently zoned in the County. Rast said it was zoned for retail and office. The commercial zoning encompassed 27 acres, which could include a big box, strip retail, and five or six outparcels. Learnard said she was experiencing *déjà vu*, comparing the situation to what had happened with the Line Creek retail center on SR 54 West. Council had "horsed around," saying they did not like the plan and that it was too big or too dense. Then a developer came in and wanted to put in exactly what could go in under the existing zoning, and now a RaceTrac was being built. If the City did not annex the parcel and develop the residential, then what happened was out of the City's control. She felt if the City would not do anything, then the City would get what it paid for, just as with Line Creek. She would like to see a job-producing neighborhood such as a corporate headquarters, but that had not happened in 12 years. The proposal was reasonable and sensible. She said everyone was concerned about the schools, but there would be capacity for the number of children in 90 homes. Dienhart said the school superintendent's statement did not include having five schools in the system that might be closed.

Fleisch noted that the same owner had tried to have the parcel annexed in 2009 for commercial zoning to access sewer so a big box and retail could be developed. Now the plan had stepped down to office and residential. She asked if the property's value would be less since commercial property was usually valued higher. Rast said that was probably an accurate statement. Fleisch said the property owner was trying again. She added that she had one change she wanted to make.

Haddix said he was a Council Member in 2009, and there was not a big box in the plan. Council turned down the annexation for retail. He noted he was also on Council when Council looked at the Special Use Permit request from Line Creek. The citizens were outraged about putting a big box on SR 54 West and adding another traffic light. Haddix said he had not gotten any complaints about RaceTrac. Learnard pointed out it was not built yet.

Imker said he had wanted to hear all the facts. He had been disappointed in some of the deceptive input that had been intended to prevent Council from getting the whole story. He did not want uncontrolled property at the City's south side gateway. He supported the annexation and zoning request, and the opportunity to do that. He had personally asked the Police Chief and Fire Chief how much it would cost to cover the area, and it had not been an additional \$40,000 – \$50,000, as shown in the staff cost analysis. It would cost the Fire Department approximately \$2,000 more per year, and it would cost the Police Department an additional \$5,000. Personnel would not be added to support the annexation. Imker estimated the expenses at \$50,000 annually, which would be offset by property taxes. The numbers looked good. He thanked staff for the additional work. Imker said it would have been nice to have the information earlier, but the staff memo was on the website. The land use and traffic numbers supported the proposal.

Imker continued that, when the 1,200 to 1,400 new homes were built on the west side of the City, those residents and homes would be able to support another fire station. Ninety homes would not require a new fire station. There might be an issue with two simultaneous calls, which happened all the time. If one station was busy, another station covered the call.

Imker said he read an e-mail talking about the stress on the recreation fields and programs, but the recreation administrator said additional children would be great. Imker said he had gotten a dozen e-mails in one day from residents outside the City concerned about their home prices. He did not care about their home prices when they sold. If those people were staying here, they would not care in 10 – 20 years when the home prices recovered. They were just looking for a quick kill to get out of here and look for another job in another state. He also heard the homes would be priced \$30,000 – \$60,000 higher than comparable existing homes, and that clinched it for him. It would provide choices for buyers. He read from Hunt's analysis, "the downward dollar pressure is relieved based on the 10% to 20% higher market starting value of new homes."

There were two offices buildings planned for 22,000 square feet, possibly a doctor's or dentist's office, which was very benign. Imker continued there was a dream list of what was going on the property. He referred to Matt Forshee's statement concerning using the land for industry and offices, saying Forshee did not see the demand for that. There were 14 undeveloped office lots and 39 undeveloped industrial lots in town. There were plenty of opportunities already in the City.

Imker said the City had the opportunity to annex in the property with something concrete that the City could control. As for its proximity to the airport and noise, Imker said it was over two miles away, and the neighbors had indicated there was no impact. Imker said it was asinine for someone to think the City would fill in the golf cart tunnel under SR 74, adding that was a ridiculous argument not to approve the annexation.

Imker said he had wanted to ensure the developer committed to all the things promised upfront, and that it happened before the homes were built. Everything about the proposal said yes, and Imker said he supported it.

Dienhart disagreed with Imker about the schools. He reiterated that schools were going to close. There was a $20 million shortage. Some of those students from the closed school would go to that complex. The capacity would not be available at those schools.

Fleisch had environmental concerns about the area. The Somerby developer had planned to build its own sewer lift station, which meant it did not have to be built to state specifications since it was on private property. If this property was annexed into the City, there would be six partners/properties willing to contribute to build a regional lift station. A regional lift station had been approved by the state a few years ago, but the necessary certifications had expired. Fleisch said the Water and Sewerage Authority (WASA) had gone back to the state to renew it. She was not sure what had happened with that, but the timing would be good for Somerby. While it might not be an environmental disaster, there would be one less lift station to accommodate the area.

Rast said staff had just gotten the plans for the lift station and sewer line that day, and the state had signed off on it. It would allow the partners to come together to work out the funding for a regional station, removing the private lift station from Somerby's tract.

Fleisch asked to amend one of the conditions for approval. She asked that the architectural similarity of the office buildings to Starr's Mill Professional Building be changed to a residential look rather than the institutional look at Starr's Mill. She felt that would blend in better with the area. Kirk said that was fine. They would work with staff and the Planning Commission on the general architectural standards.

Imker moved to approve the annexation and zoning request for the Southern Pines tract. Fleisch seconded. Motion carried 3 (Fleisch, Imker, Learnard) – 2 (Haddix, Dienhart).

<u>**New Agenda Items**</u>

10-12-09 Public Hearing – Consider Amendments to Article IX, Section 908, of the Zoning Ordinance to Establish Regulations for Mobile Food Trucks

The dates of the Planning Commission public hearing changed after the legal notice had been published, and the public hearing was moved to the November 8 meeting.

10-12-10 Consider Reimbursement Resolution – 2013 Stormwater Revenue Bonds

Financial Services Director Paul Salvatore said the resolution would allow the City to reimburse itself for any funds spent from the General Fund if, and when, a decision was made regarding another stormwater bond. He explained that construction funds from the 2006 stormwater revenue bond were depleting. It was at the point that funds had to be taken from the Stormwater Renewal and Extension Fund or the City's General Fund cash reserve if Council felt the work was important enough that it had to move forward prior to closing on another bond.

Dienhart clarified that Council was not voting on a bond, but to take money for projects that might be associated with the bond at a future time. Salvatore said if the City provided the funds for the projects in advance of the bond, the resolution allowed the City to reimburse itself. City Attorney Ted Meeker explained that Council was not voting on a bond or the appropriation of any funds from the General Fund for stormwater projects at this time. The reimbursement resolution was done in advance to comply with Internal Revenue Service (IRS) regulations so, if the City did spend any money and a bond was issued later, then the General Fund could be reimbursed from the bond funds.

Haddix clarified that the list of projects was still subject to discussion, and this was just the first preliminary step. Meeker said the reimbursement resolution was in anticipation of funds being spent.

Haddix said he knew the City needed stormwater money, but since it would come from property owners, he was not prepared to vote for any increase in anything until the spending was adjusted. He wanted to make that clarification since he was going to vote against the agenda item. The Council consensus was the spending needed to be under control.

Learnard moved to adopt the reimbursement resolution for the 2013 stormwater revenue bonds. Fleisch seconded. Motion carried 4 – 1 (Haddix).

10-12-11 Consider Changes in Rental Fee Structure for the Amphitheater
Amphitheater Manager/Convention & Visitors Bureau Executive Director Nancy Price addressed Council, asking for an increase in rental rates for for-profit organizations. The fees had not been raised since 1994. Staff compared the Fred's rates to three other venues in the Atlanta area. Currently, the fee was $2,500, and the request was to increase the fee to $3,200 or 10% of the gross. The recommendation for the 10% gross was due to the increasing popularity of amphitheater, which was now getting higher level acts that took a lot of staff time, then writing very large checks to the promoters. The application fee was $25, with a recommendation to increase it to $100. Price also recommended starting background checks to protect the City's interests.

Price continued the ticket surcharge of $2 covered administrative fees and credit card charges, and there was no recommendation to change that. There was currently no fee to rent the Green Room. The proposed fee was $100, which would help with the wear and tear on the room. There was no fee now to use chairs and tables. The recommendation was to charge $4 each for tables and $1 each for chairs. Price stressed the fees would not be applied to the non-profit rentals, and the recommendation was to keep those at $1,500.

Learnard moved to approve the fee changes as discussed. Fleisch seconded. Motion carried unanimously.

<u>Council/Staff Topics</u>
Hot Topics Update
Learnard noted this would be the last meeting prior to Election Day, and she encouraged residents to vote for the Education Special Purpose Local Option Sales Tax (E-SPLOST). She pointed out that some of the funds were used to help pay down the bond debt, so that was an advantage to voting yes.

Dienhart said he also supported the E-SPLOST, adding that there would be an essentially new Board of Education after the election, and it was unfair to ask them to find another $20 million to cut from the budget. He asked residents to please consider keeping Fayette County schools the best.

Learnard recognized Planning Coordinator Tony Bernard, who had resigned to take a new position in another city, adding that his work had always been impressive and he would be missed.

Learnard moved to convene in executive session for pending or threatened litigation at 10:25 p.m. Dienhart seconded. Motion carried unanimously.

Learnard moved to reconvene in regular session at 10:32 p.m. Dienhart seconded. Motion carried unanimously.

There being no further business to discuss, Dienhart moved to adjourn the meeting. Learnard seconded. Motion carried unanimously. The meeting adjourned at 10:33 p.m.

Pamela Dufresne

Pamela Dufresne, Deputy City Clerk

Don Haddix

Don Haddix, Mayor