

# BROADWAY BOARD OF COMMISSIONERS

## WORK SESSION MINUTES

October 21, 2021

Mayor Donald Andrews called the work session to order. Those in attendance with the Town of Broadway were: Commissioners Tommy Beal, Lynne Green, Teresa Kelly, Jim Paschal, Mayor Donald Andrews, Town Manager Eddie Thomas, Town Clerk Laura Duval, and April Collins, candidate for Commissioner. Others in attendance were: Vic Czar, Public Works Director of the City of Sanford, and Marshall Downey, Director of Planning and Community Development; Mark Lyczkowski and Bobby Branch, developers and Jim Chandler, of the Timmons Group, consulting for the prospective project.

Mr. Lyczkowski presented information on the proposed development. Their intent is to develop Tim Patterson's farm on Seminole Road. They want to be good partners with Broadway. If developed in Harnett County, the county allows development by chart, and they do have a Land Use Plan. Mr. Chandler advised rezoning can be requested under that plan, but it is not typically approved. Mr. Lyczkowski and Mr. Branch would not request rezoning there because Harnett County cannot provide police support and sanitation collection. They would develop the property according to the chart. The number of lots and lot size allowed is based on the number of utilities and amenities provided. Under Harnett County guidelines, 400 or 500 lots could be developed on septic. The Town of Broadway will receive none of the tax base if the property is developed in Harnett County.

If the property is annexed by Broadway, Lee County would be petitioned for conditional rezoning. Conditional zoning would allow the Town Board to make restrictions on the development. When completed, it would generate approximately \$200 million in tax base annually. The developers would rather work with the Town of Broadway. They are willing to work with adjacent landowners for extra buffers, as well as, hold neighborhood meetings to educate them on the development's progress. The developers can have more lots (over 500) and offer better amenities in Broadway.

The first step in the process is to be annexed by Broadway, so the development would fall under the UDO guidelines. There can be no satellite annexation because it allows only 85 acres to be annexed. For contiguous annexation the property has to border the Town Limits. They have spoken with adjacent landowners who are willing to sale some of their property so that the Patterson property can be contiguous. Those property owners would also be annexed into the Town at the same time.

Mr. Lyczkowski stated the only reason for annexation is the availability of water and sewer services. He understands the Town is working on sewer feasibility studies now. The property would be developed under the UDO. A conditional rezoning request would

come before the Town Board for negotiation of amenities. Developers plan to have 120 acres of open space, walking trails, preservation of wetlands, etc. A third of the property will not be developed. It will be a win-win for both parties. They understand sewer capacity is an issue. Mayor Andrews advised the Town is currently licensed for 145,000 gallons but can go up to 165,000 if a request is made and a plan is put in place. The Town handles about 105,000 gallons now. In order to handle future growth, the WWTP has to be expanded. Mayor Andrews advised the WWTP is run very well. Craig Buchanan, Public Works Director, does an outstanding job. The WWTP is located in Harnett County.

Mr. Lyczkowski reviewed the conceptual developmental plan, which is not final. Larger lots with higher density will be built on the Broadway side of the property. Towards the Harnett County side, there will be smaller lots. A parkway will come off Seminole Road into the development. There will be a five acre area for neighborhood commercial, which may have village shops not a strip mall. Under conditional zoning, the Town Board would have some control over these types of things. There are plans for a townhouse community. They plan to have an amenities area with a pool, clubhouse, gym, walking trails, etc. There will be a few more open spaces with the possibility of walking trails, benches, gazebos, and parks within the development. It is also possible a few acres could be given to the Town to use as a park for future growth. Those are ways the developers and Town can work together. Two ways to enter the development could possibly be planned for this side of Town. The development would go from the Siegfried's property line on Seminole Road to Holly Springs Church Road. Homes will be built behind the 421 Circle K, Boone Trail #2 Fire Department, Sandy Ridge Mobile Home Park, and Ed's Collision Center. Mr. Branch advised Mr. Patterson's son owns 70 acres, and he is keeping that.

The developers would like to have a new regional pump station located on the property, which could run the wastewater down 421 to the Carr Creek pump station. Developers are willing to put some money into it. Mr. Lyczkowski feels this project could be an answer to the next 50-100 years for the Town on sewer. It could be an economic tax base of \$200 million per year. It would help generate money for police, fire, trash collection or whatever services are needed. Harnett County would get their share of taxes, also.

The project would take approximately three to eight years. It is market driven. They hope to develop 100 lots per year, so the tax base would continue to grow over several years. That would enable the Town to gradually implement increased services. The developers would hire builders to construct the homes.

The developers are under a contractual obligation timeline with Tim Patterson. They want to find out whether Broadway wants to work with them or whether they will need to work with Harnett County. They would like an answer from the Town Board within 30 days.

Mayor Andrews advised the sewer recommendations from the feasibility study will be ready in January. The study will cover three options: expanding the existing WWTP, pumping wastewater to the City of Sanford if an arrangement is made, or selling our infrastructure to the City for them to maintain.

Mr. Downey advised that he has worked with Mark, Jim, and Bobby on projects within the City of Sanford. He explained that less than a year ago, long-range planning and growth was a concern for the Town Board with the prospect of 50 units being built within the Town Limits. Mr. Downey stated that 1,000 units could be built in this development, which may double or triple the current population. If annexed, Broadway would be responsible for providing fire and police services to that number of residents. It would also send a message to other developers that Broadway is welcoming growth. The Town Board really needs to consider how they want the Town to grow and whether or not they want urban type development.

Mayor Andrews asked Vic Czar how much wastewater would be generated by 800 homes. Mr. Czar stated the permit would be somewhat restrictive. He feels 100 to 120 gallons per day per unit could be generated for a household of three people. 800 homes could possibly generate 100,000 gallons per day. Mr. Czar explained that a balance would have to be achieved between the amount permitted and actual usage generated.

Since the property is located in Harnett County, children would attend Harnett County Schools instead of Lee County Schools. If annexed, the development would affect Broadway's municipal services but not the school system. There are other municipalities in the state that serve two counties.

Mr. Downey explained if the Town annexes the property, the developers would petition for conditional zoning and present land use, density, and architectural plans. Conditions could be set requiring the actual builders to present site specific plans. Buyers can also come to the Town Board and petition changes to the plan. The Town Board would make the decisions about any changes.

Mr. Downey reviewed the process if the project goes forward. Once the concept plan is developed, Mark and Bobby would market it. Jim would present site development plans. The state requires a plat explaining how it would be divided and that would be presented. Then they would have design construction drawings completed and given to the local authority for approval. Next they will build infrastructure and put it in place. Once infrastructure is completed, it would be inspected to ensure it meets the Town's standards. The next step is recording the final plat so that they can sell the lots.

In order to take this type of financial risk and significant investment, Mr. Lyczkowski explained the higher density is needed. Four lots per acre are needed so that the infrastructure can be paid for and the developers can make money. Mr. Downey agrees with the reasoning behind higher density. The disagreement may come with the location of the higher density.

Commissioner Kelly asked about the developer's investment in this project. Mr. Lyczkowski advised they would have approximately \$1 million in the project. Mr. Branch stated they can't walk away from a project like this, or it would kill their next project. They have to move forward in a positive way. Even if they would sell it down the road, they are always tied to it. Mr. Chandler advised they would have parameters to follow. Mr. Lyczkowski added once they are gone, the Town Board would be in control. While the market is good, they want to move forward. He sees it as an opportunity for everyone. It is an opportunity for an increased tax base.

Mayor Andrews advised that the Town had been approached by the property owner across the road from the Patterson farm to be annexed. Mr. Lyczkowski replied they did not ask them to do that. Mr. Branch responded that they were approached by Smith Douglas Homes to buy the corner lot next to Mr. Yow's so that the Patterson farm can be annexed. Smith Douglas wants all of Green Acres annexed by the Town if the corner lot can be. Mr. Branch told them the gravel roads would probably have to be paved. Two or three things affect annexation. Mr. Branch explained the corner lot would be part of the chain to get them contiguous annexation. Mr. Lyczkowski explained the property owners in the chain are Robin Whitford Johnson, Scott Yow, and the subdivision corner lot. They have verbally agreed to petition for annexation. Mr. Downey explained a part of a subdivision cannot be annexed. The whole subdivision would have to be annexed. These lots are on private well and septic already. They can request a voluntary annexation with the exception that they don't need water and sewer service from the Town. However, in the future they could change their minds, but they would be responsible for incurring the cost of connecting to the water and sewer system.

Mr. Lyczkowski explained in order to make the installation of infrastructure and amenities affordable, density of four houses per acre is a necessity. It comes down to everyone making money. In order to take this type of financial risk and make this substantial investment, revenue is needed and that comes from high density lots. Mr. Downey agrees with the concept of higher density but may disagree with the location of higher density. The Town Board has to decide if higher density is in alignment with the Town's core. Mr. Lyczkowski stated the county line is only a few miles from downtown Broadway. If the project remains in Harnett County, 500 lots will be developed without the Town having any input or tax revenue. Mr. Downey agreed, but the Town would also have no costs involved with the project.

Mayor Andrews asked Mr. Czar what the timeline would be if an arrangement was worked out with the City of Sanford. Mr. Czar stated it would depend upon what both parties want. He feels it could be done fairly quickly within one year. The Town Board would need to decide how they want the Town to grow in the future. The sewer issue has to be resolved to take care of desired growth. Mayor Andrews also asked about the timeline for putting infrastructure in the ground to pump the wastewater to Carr Creek. Mr. Czar stated it would take a little while to get permitting and materials then installation would begin. It would have to be in the ground before the first lot is sold. It may take two-three years per Mr. Lyczkowski. Mr. Czar also advised the size of the

pump station could be determined to control future growth. The infrastructure is very expensive, and the developers could help with the cost.

Mayor Andrews mentioned the Town Board needs to have a discussion about their vision for the next 10, 20, 30 years. In the near future the Town Board needs to meet with Mr. Downey to discuss growth. The WWTP can probably handle 75 more homes before capacity is reached. In the last two weeks the Town has been approached by a few other developers.

Commissioner Green asked where is the assurance that things will be done as agreed. In a few other instances projects were begun then nothing materialized. Mr. Lyczkowski answered conditional zoning sets standards so there are no water permits, no sewer permits, and building permits issued by the City of Sanford unless the developers do what they say they will do. Planning and Community Development monitor the zoning to ensure developers do what they promised. Commissioner Kelly brought up the Tramway commercial property that was supposed to be developed but never was. The Town Board doesn't want that to happen in Broadway. Mr. Lyczkowski responded the US 1 traffic problem was going to cost over \$3 million to correct. That's why that commercial development came to a halt. Now NC DOT has placed that project on the STP program and will take care of the traffic issues. Building permits cannot be issued until DOT issues driveway permits.

Mr. Czar stated there are always risks involved. Mr. Downey reiterated that conditions must be met under the zoning standards. There are no guarantees and parts of the project could be changed due to the market. Mr. Chandler pointed out that if something needed to be changed, the builders would have to come back and get the conditions changed.

Mr. Czar clarified that the Town is in control of certain things: the land use, densities, but they may not be in control of everything. The Town Board may have thoughts that differ from the developers. He recommended that the Town Board meet with Mr. Downey to learn exactly what they're getting into. Property owners on 421 may want to be annexed at some point later on. It's a big decision to make. Annexation of the Patterson property will give the Town some control over the development, but not annexing the property will also give some control. It all comes down to how many more houses you want in Broadway and whether the Town Board wants to maintain the rural character.

Mr. Thomas asked a question about the densities of R-12, R-10, commercial, R-6 in the development. He wondered if the town homes could be designated as senior living for over 55 near the Broadway side of the development. Mr. Chandler advised these town homes would probably be multi-story and wouldn't be designed for senior living. Commissioner Kelly mentioned that Off Broadway has been fantastic for the community. There is a big demand for those town homes. Mr. Lyczkowski and Mr. Chandler stated changes could be made, and there could be a section for senior living. Mr. Thomas stated density is pressed deep towards 421. They advised several changes could be

made to have town homes nearer the town limits. Mr. Downey advised most seniors prefer being interspersed with younger residents, so most developers are getting away from strictly senior living homes.

The Town Board agreed to meet with a representative from Community Planning and Development to further discuss the vision for future growth in Broadway. They will have answers for Mr. Lyczkowski and Mr. Branch after that meeting so that the developers can make their decisions. Mr. Lyczkowski feels the top two things to consider are annexation and how to make the sewer work. He stated after they close on the Patterson farm, they may have to put some money in escrow to cover their portion of the pump station. Mr. Czar advised this comment pertains to having a developer's agreement between the Town and the developers.

Commissioner Beal made the motion to adjourn the work session. The motion was seconded by Commissioner Kelly. Motion carried unanimously to adjourn.

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Donald F. Andrews, Mayor

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Laura K. Duval, Town Clerk