

**IREDELL COUNTY BOARD OF COMMISSIONERS
MINUTES
MARCH 30, 2005**

**JOINT CITY/COUNTY MEETING IN REFERENCE TO
A PROPOSED
URBAN SERVICE AREA (USA) AGREEMENT**

The Iredell County Board of Commissioners met in Special Session with the Statesville City Council on Wednesday, March 30, 2005, at 7:00 p.m., in the Media Room of the Statesville Civic Center located at 300 South Center Street, Statesville, NC. The purpose of the meeting was to review the Urban Services Area (USA) agreement with Michael Lauer, a consultant from Planning Works, L.L.C., based in Leawood, Kansas.

Commissioners Present were: Chairman Sara Haire Tice
Vice Chairman Godfrey Williams
Steve Johnson
Marvin Norman
Ken Robertson

County Staff Present were: County Manager Joel Mashburn
County Attorney Bill Pope
Planning/Inspections Director Lynn Niblock
Planning Supervisor Steve Warren
Clerk to the Board Jean Moore

Statesville City Council Members Present were:
Mayor Pro Tem Costi Kutteh
C.O. "Jap" Johnson
Michael Johnson
Jim Lawton
Pete Peterson
Paula Steele

City Staff Present Were: City Manager Rob Hites
City Attorney Eddie Gaines
Planning Director David Currier
City Clerk Mary Craddock
Public Information Officer Nancy Davis

Others Present: Media representatives, real estate agents, land developers, and other interested parties.

Call to Order: Chairman Tice called the board of commissioners to order and Mayor Pro Tem Kutteh did likewise for the city council.

Review of the November 1, 2005 USA Agreement: Using a PowerPoint presentation, Consultant Michael Lauer briefed the boards on the proposed Urban Services Area (USA) draft agreement. Highlights of the presentation were:

City Comprehensive Plan Directives

- ▶ Commit to utility service throughout Third and Fourth Creek Basins (urban service area)
- ▶ To time future growth in conjunction with the provision of facilities
- ▶ Growth should fund its proportional share of capital costs
- ▶ City improvement standards and zoning should be applied throughout the urban service area

Purpose of the USA

- ▶ Equitable decision-making to protect property owners and taxpayers
- ▶ Provide acceptable alternative to ETJ

- ▶ Coordinate land use/facility decisions
- ▶ Coordinate improvement standards
- ▶ Plan for long term sewer system growth
- ▶ Predictability
- ▶ Fiscal integrity

Advantages to City

- ▶ Facilitate efficient utility extensions
- ▶ Minimize future land use conflicts
- ▶ Minimize potential costs of resolving service deficiencies

Advantages to County

- ▶ Support County land use goals
- ▶ Reduce school transportation costs
- ▶ Facilitate City/County coordination without delegation of approval authority
- ▶ Improves land use predictability for County residents

Draft Agreement Contents

- ▶ Findings regarding joint exercise of government powers
- ▶ Joint Planning Committee
- ▶ Development procedures
- ▶ Improvement standards
- ▶ Land use/development standards
- ▶ Boundaries
- ▶ Fees
- ▶ Agreement changes
- ▶ Dispute Resolution
- ▶ Term of Agreement

Joint Planning Committee

- ▶ Three city and three county members with staggered three-year terms
- ▶ Quorum to be four members
- ▶ To adopt rules of order
- ▶ Make recommendations on USA boundary and agreement changes along with interpretation of regulations
- ▶ Exceptions to improvement standards
- ▶ Decide appeals to staff decisions on boundary and use issues

Development Procedures

- ▶ Dual review by staff
- ▶ County staff approval of administrative permits
- ▶ Board of Commissioners to approve
 - Major subdivisions
 - Rezoning
 - Plan Amendments
- ▶ County Board of Adjustment to approve variances
- ▶ City Council must approve improvement exceptions

Improvement Standards

- ▶ County to adopt the city standards for construction of improvements

Land Use & Development Standards

- ▶ No change to existing development
- ▶ County to adopt and apply city zoning and subdivision standards to regulate USA development as it occurs
- ▶ County sign standards will apply
- ▶ If City Manager finds that services can't be provided within two years, county may apply interim development standards

Interim Development Standards

- ▶ Subdivision does not create obstacle to future extension of water and sewer
- ▶ Necessary easements provided
- ▶ Sufficient right-of-way provided for needed roadways
- ▶ Provisions made for future connection to sewer if lots are smaller than one (1) acre

Boundaries

- ▶ USA boundaries are established on a map
- ▶ County planning director to interpret boundaries
- ▶ Boundaries to be changed by mutual agreement of City and County

Fees

- ▶ City and County may establish reasonable fees, such as
 - Development review fees
 - Facility connection charges
- ▶ County must approve City fees

Agreement Changes

- ▶ Changes to the agreement are to be made by mutual agreement of the city and county

Dispute Resolution

- ▶ Parties agree to mediation before seeking judicial remedies

Term of Agreement

- ▶ 10 years, unless extended by agreement of both parties

City Regulations to be Adopted by County

- ▶ Zoning (not including sign regulations)
- ▶ Subdivision Regulations
- ▶ Standards for Public Improvements

Lauer said a few changes needed to be made to the agreement and these were:

Page 4 – delete “and building codes” from 11th sentence in column 2.

Page 5 – In Section 3, approval by subdivision review committee should be added and county planning director omitted. In Section 6-A, it should say, “Exceptions to development standards shall be reviewed in accordance with adopted county procedures.”

Page 7 – Under Section 4- B – The last sentence should be deleted in its entirety (*“To effect this agreement, the County agrees to adopt the building code referenced in Appendix A, hereinafter referred to as City Building Code.”*)

Page 8 – Under Section 5-C, 2F should be changed to 1F1

Page 9 – Signature page should be changed to reflect Sara Haire Tice’s signature

Questions & Answers

County Attorney Pope asked if the zoning remained the same unless an applicant requested a change.

Lauer said yes. He said the city might request a small area to be rezoned, but otherwise, there would be no changes until an applicant made a request.

Commissioner Johnson asked for clarification if the city determined it couldn’t provide service in two years.

Lauer said, typically, an applicant would apply to the city’s public works department. Then the city manager would make a determination on whether or not services could be provided in the two-year period. Lauer said if the services could not be provided, adequate easements would need to be obtained. He said rights-of-way would probably be a non-issue, unless the City had a detailed roadway capital plan.

Steele asked about properties that could not be developed in two years. She asked if the applicant would have to provide curb and gutter.

Lauer said there was no answer on this, but this was one reason why a timeframe was established. He said if the city was not there in a reasonable period of time the development would fall under the county's guidelines. Lauer said that if developed under the county's existing zoning standards, the developer might not be required to have curb, gutter and sidewalks.

Commissioner Johnson said he felt it would not be fair to hold a developer to the city's standards if it was unknown as to when water and sewer would be extended.

Steele said properties at times were annexed and they may, or may not, meet the city's standards.

Mike Johnson said another problem pertained to roads – they were designed differently if there wasn't curb and gutter. He said at times, the city had to tear up a road and start all over. Councilman Johnson said one advantage with the USA pertained to properties not contiguous to the city but whose owners desired satellite annexation.

Kutteh said most subdivisions in the city wanted curb and gutter. He said his concern was primarily in providing ancillary services, e.g., fire and police protection. Kutteh said the major subdivisions wanted water and sewer, and they would spend the money to obtain the services.

Lauer said the agreement would apply to all subdivisions, but family subdivisions would need a few administrative parts to be reviewed. He said the staff would need to review whether or not easements were needed in family subdivisions.

When asked if the agreement was similar to others in the state, Lauer said to his knowledge, it would be the first in North Carolina. He said across the nation, there were USA agreements, but for the most part, they differed from one another.

Mr. Lauer asked the group to consider curb, gutters and sidewalks, and to especially think about guidelines. (When should they be requested, should they be tied to the provisions of centralized services, or should there be a subdivision threshold?)

Steele said the city threshold stipulated every lot that abutted a street would have curb, gutter and sidewalks.

Kutteh said until any areas were annexed by the city, the property owners would need to discuss any planning matters with their elected officials.

Chairman Tice asked Niblock and Warren their opinions about the agreement.

Warren said it would take some time to work out the processes. He said that if approved, it would take three or four months for the agreement's implementation, and this was due to the need for the county to incorporate amendments into its ordinances. Warren said the agreement set up boundaries, where properties within the boundaries, would become more urban and the outside would remain more rural. He noted that no one was being forced to make a change. Warren said there would be family splits or subdivisions where the city would not want to interfere. He added, "The thing that will require more time is when you have a major subdivision which will trigger a rezoning -- the property will have to be zoned to a higher density."

Commissioner Williams voiced concerns about developers potentially moving outside the boundary to build lower cost developments and thereby extending sprawl.

Lauer said short term this might happen; however, long term, the city was trying to accommodate more development at urban intensities to discourage sprawl, or to offer an alternative.

Councilman Mike Johnson said he wanted to clarify that the agreement did not contract away the city's right to annex.

Lauer said the agreement did not address annexation.

Commissioner Norman asked if the county's planning board had reviewed the concept.

Warren said the planning board members reviewed the agreement last fall, and they held a meeting today to review the latest information.

Niblock said the city and county staff met earlier in the day about the agreement and he felt good about the concept. He said there were some procedural issues, for instance family subdivisions, that had not been addressed, and if the boards agreed, a policy statement could be drafted to go along with the agreement.

Commissioner Johnson said that if a family wanted to help a son or daughter, he didn't want to prevent this from happening. He asked the difference in a major and minor subdivision.

Niblock said a major subdivision was anything over ten lots with any rights-of-way being deeded. He said a minor subdivision was ten lots or fewer with no new roads or dedicated rights-of-way.

Currier said in the city a minor subdivision did not have new streets or changes, plus there other exceptions.

Commissioner Johnson said the differences between the two types of subdivisions and their requirements might need to be worked on.

Commissioner Williams asked how commercial development would be impacted by the USA.

Lauer said it would be similar to residential development.

Commissioner Johnson asked what would be wrong in excluding someone with a minor subdivision in regards to curb and gutter.

Michael Johnson said the city was not outlining where services should or should not go. He said the USA defined the city's intent for growth. He asked how many minor subdivisions had been built in the county over the past two years.

Niblock said he had an accurate count in his office. When pressed for a "ballpark figure," he said maybe 50 county-wide.

The two boards then discussed the appropriate ways to deal with minor and major subdivisions.

Commissioner Robertson said jurisdictions sometimes found themselves in trouble when a rule was made to try and remedy every scenario. He suggested that the two planning boards meet to make decisions on any gray areas.

Niblock said the county's current ordinance well defined the differences in the two subdivision types. He said the gray areas would be whether or not to use the city's current standards, the county's, or a combination.

Michael Johnson asked if language such as: “the highest level of conformity that was reasonable” could be used for the situation or in the agreement.

Niblock and Warren asked how “reasonable” would be defined, and who would determine whether or not it had been met.

Lauer agreed that “reasonable” was subjective.

City Manager Hites said the city was planning on rewriting its ordinance. He said the subdivision definitions could be rewritten.

Chairman Tice said it appeared the next step was to allow the city and county planning staffs and boards to meet about the agreement.

Warren said that Mr. Lauer would be in the Statesville area in May, and prior to this, the planning departments could meet.

Commissioner Johnson said the staff could determine the differences in major and minor subdivisions along with determining what would be expected of the developers if the city could not provide service in two years. Mr. Johnson suggested for the Statesville officials to meet with the Town of Troutman representatives. Johnson said the Troutman officials thought the USA line was near Dover Road.

Hites said he had met with Troutman Town Manager Donald Duncan, and the lines had been presented to him.

Michael Johnson said, “There’s nothing arbitrary about the lines. They follow a ridgeline.” He said the lines were derived from the drainage basins.

County Attorney Pope asked Councilman Mike Johnson if he was saying that everything in the Third and Fourth Creek Basins were in the USA area.

Councilman Johnson said everything depicted in the USA was in one of the basins except the extensions up I-77 North that crossed into a small portion of the Fifth Creek Basin. He added that the economical potential of the intersection was such that it was worthy of an inter-basin transfer.

City’s Action:

MOTION by Mike Johnson to adopt the USA based on the modifications or revisions outlined by Lauer and upon an amicable resolution on the minor and major subdivision definitions between the city and county. (Unanimously approved after a second to the motion by Councilman Lawton).

County’s Action:

MOTION by Commissioner Steve Johnson to offer the same motion as Councilman Michael Johnson by approving the USA concept with the modifications as outlined by Lauer and to instruct the staff to resolve the conditions to be placed upon minor subdivisions if the city could not provide services within two years.

VOTING: Ayes – 5; Nays – 0.

ADJOURNMENT: There being no further business, the meeting was adjourned at 8:20 p.m. by **motion** of Chairman Tice (Voting: Ayes – 5; Nays – 0) for the board of commissioners and by **motion** of Mayor Pro Tem Kutteh for the city council.

Approved: _____

Clerk to the Board