



MEMO

To: Asheboro Redevelopment Commission

From: John N. Ogburn, III, City Manager

Date: April 28, 2021

RE: Asheboro Redevelopment Commission Regular Meeting

The Asheboro Redevelopment Commission will have its regularly scheduled meeting on **Monday, May 3, 2021, at 9:00 a.m.** in the **Public Works Conference Room, located at 1312 N. Fayetteville St.**

AGENDA
ASHEBORO REDEVELOPMENT COMMISSION
MONDAY, MAY 3, 2021
CITY OF ASHEBORO PUBLIC WORKS CONFERENCE ROOM
9:00 AM

- I. Call to order
- II. Announcement of Redevelopment Commission member vacancy
- III. Election of officers
- IV. Approval of the minutes (March 1, 2021)
- V. Mr. David Hutchins, Public Works Director, will give an update on current and future sidewalk rehabilitation projects
- VI. Information related to potential acquisition of property on North Street
- VII. Items not on the agenda
- VIII. Adjourn

**Minutes
Asheboro Redevelopment Commission
March 1, 2021
9:00 AM**

The Asheboro Redevelopment Commission held its meeting on Monday, March 1, 2021, at 9:00 AM in the Public Works Conference Room, located at 1312 North Fayetteville Street, Asheboro, NC, 27203.

Members Present:

Linda Carter, Chair
Ross Holt
David Jarrell
Jonna Libbert
Ann McGlohon
Katie Snuggs
Delilah Warner

Members Absent:

Cynthia Bailey

Also present were John Evans, Assistant Community Development Division Director; Chuck Garner, Code Enforcement Officer; Brad Morton, Planner/Deputy City Clerk; Trevor Nuttall, Community Development Division Director; John Ogburn, City Manager.

Mr. David Jarrell was briefly appointed to call the meeting to order prior to the arrival of the Redevelopment Commission Chair.

Approve minutes of Last Meeting (November 2, 2020 & January 4, 2021)

Ms. Warner moved to approve the meeting minutes from November 2, 2020 and January 4, 2021. Ms. Snuggs seconded the motion and the motion carried unanimously.

Annual Code Enforcement Update

Mr. Chuck Garner, Code Enforcement Officer, gave a visual presentation on the latest code enforcement data. He stated that there have been two unlawful tent cities cleared, nine dilapidated structures removed, and 307 notices of violations issued. He stated that approximately 75% of the violation notices were general nuisance violations such as grass and/or junk, trash, and debris. He stated that 10% of the violations were for junked vehicles and the remaining 15% were zoning violations. He then showed pictures of various violations that he has encountered. Ms. Snuggs thanked Mr. Garner for all of his assistance. Mr.

Garner thanked the commission for the phone calls he received regarding code enforcement.

Information regarding potential parking lot improvements at the corner of West Salisbury Street and North Church Street

Mr. Nuttall gave a visual presentation which included a preliminary site plan of a potential parking lot located at the corner of West Salisbury Street and North Church Street. He stated that funding was received for Church Street lofts, a multi-family senior housing project, located beside Asheboro City Hall. He stated that as a part of this particular project, parking will be needed in order to serve 40 to 50 housing units. He stated that the existing land use on the potential parking lot were two single family dwellings, which have been previously removed. He stated that there should be enough parking provided on the concept plan to serve the units, although handicapped parking is a concern. He stated that some of the City Hall parking areas could be used to alleviate the handicapped parking spaces needed.

There were no questions from the Commission and no action was taken at this time.

Information regarding electric vehicle charging station grant funding opportunity

Mr. Nuttall gave a summary of information related to an electric vehicle charging station grant:

He stated that the City Engineering department has applied for a grant from the North Carolina Division of Air quality for the installation of two Level Two Electric Vehicle charging stations in the city owned parking lot behind City Hall. The \$10,000 grant would cover potentially all of the cost of installation of the facility, together with the maintenance and operation of the station for a period of five years. Staff has determined that there already is adequate underground power in the area - making the installation a simple undertaking. The City Hall lot - convenient to downtown shopping and entertainment - would provide added incentive for the rapidly growing number of electric vehicle owners to visit downtown Asheboro. Funding is through the Volkswagen Settlement and the state. He stated that it's likely by 2025 a quarter of vehicles sold will be electric and that city fleets could potentially move to electric vehicles.

There were no questions from the Commission and no action was taken at this time.

Update regarding proposed zoning text amendments concerning allowable encroachments into public right-of-way

Mr. Nuttall presented the Commission with an update regarding the above referenced agenda item, which was discussed as a preliminary study item at the January 4, 2021 Redevelopment Commission meeting. He gave an overview of the text amendments:

Applicant: City of Asheboro

Request: Text amendments to the zoning ordinance concerning allowable encroachments into the public right-of-way

Affected Sections: Insert new sub-section to Article 200A that would negate provisions of Section 304.4 and Section 505 within Tiers 1 and 2 of the Center City Planning Area

He then gave the analysis:

1. The Asheboro Zoning Ordinance generally prohibits encroachments into public right-of-ways, which are outside of a public street that is maintained by either the City of Asheboro or North Carolina Department of Transportation. Such encroachments may include features such as canopies, awnings, signs, or improvements related to outdoor dining.
2. There has been an increase in the number of requests for encroachments described in (1) above, particularly in the central business district that makes up the historic core and coincides with part of the Center City Planning Area, where the setbacks of existing structures tend to be minimal, or in some cases are directly along the public right-of-way line. The proposed text amendments are focused on the Center City Planning Area.
3. The Asheboro City Code includes provisions that can allow encroachments into public right-of-ways with review to ensure such encroachments do not create safety problems or prevent free passage across them.
4. The City only has jurisdiction over city-maintained public right-of-ways. The North Carolina Department of Transportation reviews encroachment requests within public right-of-ways of state-maintained roads. State law, for example, allows encroachments into the public right-of-way in cases such as sidewalk dining (which may include structures regulated by the Zoning Ordinance). This is subject to an agreement between the local government and NCDOT (Session Law 2013-266).
5. The intent of the amendments is to ensure that the zoning ordinance isn't in conflict with the provisions of the city code, or allowances by state law. However, the other provisions related to design standards, provisions related to area, height, and placement, and other general requirements are not affected by this proposal.
6. Staff has researched standards for other jurisdictions and found that many closely align with requirements of the state building code;

- Prohibition of objects or structures less than 7 feet in height above sidewalks
- Supports for objects or structures shall be at least 2 feet from curb lines
- Cap of canopy/awning encroachment at two-thirds the width of the sidewalk measured from the building

He then listed City Code Provisions:

§ 99.11 STRUCTURES OVER SIDEWALKS

- Plans for the construction or erection of a structure or fixture, exclusive of a drop awning, over any sidewalk area shall be submitted to the Building Inspector and his approval thereof obtained before the work of construction or erection is begun. No such plan shall be approved unless the following minimum requirements are met:
 - (A) All projections on the street side of a structure shall be at least 18 inches from the traffic face of the curb.
 - (B) The minimum clearance from the finished grade of the sidewalk to any part of an overhead structure shall be ten feet, excluding any horizontal supports, which shall not be less than eight feet, six inches from the finished grade of the sidewalk.
 - (C) Signs placed under the deck of all structures shall have a minimum clearance of nine feet from the finished grade of the sidewalk.
 - (D) Column spacing shall vary from 18 feet to 25 feet to conform to spacing of parking spaces, water meters and fire hydrants.
 - (E) Roof drainage shall be provided with all downspouts emptying through the curb to existing gutters.
 - (F) The top of all foundations shall be at least six inches below the finished grade of the sidewalk.
 - (G) Repairs to sidewalk or necessary new sidewalk shall be constructed at cost to abutting property owners.
 - (H) Abutting property owners shall be responsible for the maintenance of the structure and keep the roof or deck clear from all rubbish and trash.
 - (I) All structure materials, including roof and deck, shall be noncombustible. A flat roof or deck shall be designed by a licensed architect or engineer to support a live load of at least 40 pounds per square foot.
- ('69 Code, § 19-17) (Ord. passed 7-8-65; Am. Ord., passed 3-4-66)

§ 99.12 AWNINGS

- All awnings suspended over any sidewalk or walkway shall be not less than seven feet in height from sidewalk or walkway at the lowest point.

Affected Zoning Ordinance Provisions

- 304.4 Projection of Canopies, Marquees & Awnings into Required Yards

Canopies, marquees and awnings may project not more than eight feet into a required yard provided that

- (1) No part of a canopy (except awnings) or marquee shall be less than 10 feet above the sidewalk or other surface which it overhangs, except for necessary vertical supports which may be attached to the ground and except for necessary horizontal supports which shall not be less than eight feet six inches above the sidewalk.
- (2) No part of any awning (canvas and similar metal type) shall be less than seven feet above the sidewalk or other surface which it overhangs.
- (3) **No part of any canopy, marquee, or awning shall extend into any public right-of-way**, and no closer to the curb face than 18 inches measured in horizontal distance.
- (4) No part of any canopy, marquee, or awning may project into any required buffer yard.

505 Prohibited Signs

- 1. Locations
- (a) Except where specifically exempted or modified by this Ordinance, signs shall be located as follows:
- i.) In all zoning districts, and subject to G.S. 136-32, **signs shall be located outside of the public rights-of-way.**

He then showed the Center City Planning Area Map and stated that the request includes Tier 1 (Central Business Planning Area) and Tier 2 (Central Fringe Planning Area).

He then gave the commission the proposed text:

Notwithstanding Sections 304.4 and 505 of the Asheboro Zoning Ordinance, objects and structures over sidewalks otherwise permitted by Chapter 99 of the Code of Asheboro shall be allowed to encroach into city-maintained public right-of-ways and, with state approval, state-maintained public right-of-ways, provided:

- (aa) any sidewalk within the public right-of-way is not rendered non-compliant with Americans with Disabilities Act standards by such object or structure; and
- (bb) the object or structure does not prevent the city and any other entitled entity from maintaining public infrastructure within the public right-of-way; and
- (cc) the object or structure is in strict compliance with Chapter 99 of the Code of Asheboro and all other provisions of the city Zoning Ordinance.

Ms. Carter asked if these amendments still allow for spacing to maneuver on the sidewalks, to which Mr. Nuttall stated that this is correct. Mr. Jarrell inquired on

the actual project in questions, to which Mr. Nuttall stated that a request for a canopy for dining was made. Mr. Holt stated that many of the canopies that were erected in downtown were initially constructed to model the look of shopping centers. Mr. Nuttall noted that the proposed canopies would be raised higher than the sidewalk with a ramp up to enter a dining area. Ms. Carter noted the difference in right-of-way widths on Sunset Avenue. Mr. Nuttall stated that this would be going to the City Council for their decision at their next regular meeting.

There were no more questions from the Commission and no action was taken at this time.

State and Federal policy and legislative changes that could positively affect historic redevelopment projects

Mr. Nuttall provided information related to the above referenced agenda item. He stated that the potential developer for the Acme-McCrary building presented the city with the following information that if approved would allow the development company to move forward on a market rate and affordable housing project with some commercial space. He stated that there is state policy in the form of Low Income Housing Tax Credits (LIHTC) that could assist: The North Carolina Housing and Finance Agency (NCHFA) – Qualified Allocation Plan (QAP). The two biggest impediments to receiving a 9% LIHTC are found in:

Section IV.A.(iii) Site Suitability (which has to be perfect based on recent history). A 3-point deduction is applied for frequently used railroad tracks within 250' of a proposed building project. There are no considerations given for noise mitigation such as solid masonry walls or triple glazing.

Section IV.C.1.(c) Project Development Costs. The costs for historic adaptive reuse projects may not exceed \$115,000 per unit and negative points are assessed for costs exceeding \$96,000 per unit. These “caps” are difficult to achieve for family-oriented developments that include 2-bedroom mixed-income units that require modern amenities such as in-unit laundries and community spaces found elsewhere in the marketplace.

He also listed the federal policy that may assist future projects:

The Historic Tax Credit Growth and Opportunity Act (HTC-GO) H.R. 2825/S.2615

- The Tax Cuts and Jobs Act of 2017 changed the Federal Historic Tax Credit (HTC) from a 1-year to a 5-year allocation reducing the value of the federal historic credit by approximately 15%. While repealing this provision would be a very effective change, historic tax credit program advocacy groups, such as the Historic Tax Credit Coalition feel a focused approach on the provisions included in the proposed HTC-GO would offset this reduction and could be more easily achieved. This passed the House in

July of 2020 but stalled in the Senate and is currently being considered as part of the COVID-19 stimulus package. The provisions include:

- Temporarily increasing the HTC to 30% (from 20%) with it scaling back down to 20% by 2027.
- Eliminating the depreciable basis adjustment of the HTC. This would place the HTC in line with the LIHTC which has no depreciable basis adjustment.

He explained why this matters to the Commission:

Current Budget and Impacts – Acme-McCrary Example

- 9% LIHTC
 - Currently the projections show a financial gap of approximately \$1.4 Million utilizing 9% LIHTC (51% affordable units), \$2,750,000 of HOME Loan funds, and required revisions to the QAP that would make the project eligible for 9% LIHTC. Passage of the HTC-GO would eliminate the remaining financial gap.
- 4% LIHTC
 - A Tax Exempt Bond Financed project with the preceding assumptions (but no changes to the QAP) result in a financial gap of approximately \$4.9 Million.

He stated that the items of focus will be the question regarding property which is adjacent to the railroad and if the state views this railroad as “frequently used”. He stated that the city has some experience with the Mill Loft development and stated that this development may help the case that the railroad would have no impact on development. He stated that the developer has performed these same projects before and the city is interested in helping wherever it can.

Ms. Libbert inquired if there would be any demolition to free up parking, to which Mr. Nuttall stated that there may be some demolition and this might allow for additional parking spaces. He stated that parking will definitely need to be carefully considered in order to make the project feasible. Mr. Ogburn stated that Rebekah McGee of Downtown Asheboro, Inc. would be attending a statewide Main Street conference and will be providing feedback on this project. Mr. Holt mentioned potential property tax relief due to the Acme Building’s historic status.

There were no more questions from the Commission and no action was taken at this time.

Items not on the agenda

Mr. Nuttall mentioned Randy Purvis, Chief Building Inspector, will be retiring at the end of May, 2021. Mr. Ogburn mentioned that the City Council awarded a landscaping contract for the David and Pauline Jarrell Center City Garden. Ms. McGlohon inquired on the old train depot at White Oak Street, to which Mr. Nuttall stated that Norfolk Southern has an order to remove the structure and that Mr. Chuck Garner was working with Norfolk on this. Mr. Ogburn mentioned that Sunset Avenue would be repaved with zoo animal crosswalks in the spring of 2021. Mr. Jarrell stated that he missed last meeting but thanked the city for continuing its efforts to revitalize Trade Street. He mentioned that Saturday, March 20th is the second Asheboro Downtown Streatery event. He also mentioned that typically Four Saints would host a St. Patrick's Day event, but the streatery event will incorporate this.

Adjourn

After hearing no further business, Ms. Carter adjourned the meeting.

Brad Morton, Secretary
Asheboro Redevelopment Commission