

Statement by John Marcum re:

November 16, 2010

Public Hearing by Village Council on Revised Tradition Proposal

Like several others I see here today, I live on one of the streets, Caddell Rd., that adjoin the proposed Tradition project. Since several of the Council's new members did not participate in the original hearings on this issue and do not live in the historic area, let me begin by recalling how strongly the citizens of Old Town opposed the original plan for Tradition. There was a petition of over 200 Old Town residents, numerous letters of protest, newspaper articles and a quasi judicial special use permit hearing that failed to answer a number of required questions in the affirmative. Real estate brokers warned that there was little prospect of selling the one million dollar townhouses that were proposed, noting that substantially less expensive projects like the one behind the Lawn and Tennis units were unsold. The developer insisted he had the funds to make it succeed and for reasons having to do with trying to jumpstart New Core, the Council gave the developer a permit with 5.25 units per acre. Concerned Citizens filed a legal complaint over the apparent spot zoning and other irregularities in the process but later withdrew it without prejudice as it appeared likely that the developer lacked the funds to proceed.

Last fall, the developer was back for more, arguing that he needed a few more units (at a new zoning level of 6.725 per acre) to make the project viable. He noted he had been hit by an economic "tsunami" and would now have to drop the prices to perhaps \$700 K per unit. Although in nearly two years he had not built a single one, he assured everyone that he would build the first one within thirty days if his request was approved. Instead it was rejected correctly by P&Z and the Council as being unjustified.

Now we are told that the Council has had additional discussions with the developer and has asked him to bring this new proposal forward for an incredible increase to 16 units per acre or 64 units crammed into this four acre space. Let's be clear, the Council has not met on this issue, has not held hearings, nor has it approved this request. The developer notes he can probably only sell the townhouses for \$250-300K in this market and has developed new plans for how to still make them smaller with different and no doubt cheaper materials. P&Z reviewed this new request last month and rejected it unanimously, 7-0, for these reasons.

For anyone concerned about the future economic viability of Pinehurst, this latest request from the developer is a terrible idea. Those that have had the occasion to visit other exclusive counterpart tourist destinations like Carmel, Jupiter, Palm Beach, Pebble Beach and so on realize how carefully these towns have preserved their heritage and appearance. This revised proposal might be OK in Cary or in the Bronx but despite its name would be an abrupt and disastrous departure from the real "tradition" of Pinehurst.

As for his request for economic relief, let us recognize that there is uncertainty in any economic undertaking, and the developer chose to proceed in the midst of the great recession three years ago. This has been a very difficult time for all in the real estate industry and we can hope that the official end of the recession in 2009 will

soon bring some relief to Pinehurst. But there is no basis for rescuing this one developer from his poor judgment any more than the Council should rescue every builder whose projects are in danger of bankruptcy or all residents in Pinehurst whose homes may be in danger of foreclosure.

This latest proposal is far worse than the original and would be totally inconsistent with the historic district and our long range plan. Consequently, I recommend we uphold the integrity of our zoning process and comprehensive plan and reject this latest proposal. The developer is free to proceed with the permit he has been granted. If he is unable to do so, the market or the courts will provide a suitable remedy through a buyer who may proceed with a more viable plan. It might even be possible for the village to buy the property and use it as a combined park and parking facility.

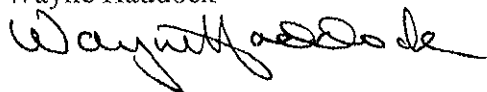
TRADITION OF OLD TOWN

Let's start at the beginning. Mr. Doninger did not design the "New Core District" of Pinehurst. Mr. Doninger did not even know there was a New Core District in Pinehurst when it was accepted by the Village Council. He is a businessman that lives in Cary who happened upon an opportunity to be involved in a project in Pinehurst that was waiting for a developer. His love of golf and the historical ambiance of Pinehurst drove him to becoming the developer of The Tradition of Old Town. The citizens of Pinehurst are fortunate that Mr. Doninger is this developer. It easily could have been a "Stamp Them Out and Run Developer."

When it comes to The Tradition of Old Town, no one knows Michael Doninger as well as I do. He lives in North Carolina, he is not an investor from out of state, he is not a developer that builds a project and takes the money and runs. Michael's heart is in this project. Sure he is a businessman and will make money on the project but he actually cares about the appearance of the town homes. He does not plan to design and build minimum code construction apartment footprint units in Pinehurst. His vision is to build a town home community of Pinehurst Design that architecturally blends in with the area. Mr. Doninger sought out Rick Raynor with Metro Architectural Design and Wayne Haddock with Pinehurst Homes, Inc. He selected an award winning architect and builder that he knew could deliver the kind of product Historical Pinehurst deserves. He is a positive individual who has worked with the Village of Pinehurst staff, Historical Committee, and the Village Council to design the Tradition of Old Town as it is today. There was nothing Mr. Doninger did not agree with while making the initial project a reality. Unfortunately, the economy has changed the entire concept of the project. It is no longer feasible to build twenty custom designed town homes in the New Core District in Pinehurst. Mr. Doninger has a great deal of money invested in Pinehurst and even though he has to face reality, he hopes to fulfill his vision of constructing town homes of value in Pinehurst. Like all of us, he had hoped a good economy would return in a few years. Unfortunately, it appears it will be many more years before we see a healthy economy again.

The site infrastructure is complete and ready for twenty 3500 sf to 6500 sf custom design town homes as approved by the Village of Pinehurst which will not happen. What you see is what you will see for many years to come unless the density requirement for the site is changed. It is a fact The Tradition of Old Town cannot be built as a twenty-unit development in today's economy. The Village of Pinehurst Council should have some foresight and change the density for this development. The citizens of Pinehurst should feel confident that Mr. Doninger will deliver a quality product with Pinehurst Architectural design. We do not want to look at a four acre undeveloped site for years to come. The Village Council should change the density requirements to 16 units per acre for this town home community. This can be a win win decision for Pinehurst.

Submitted by: Wayne Haddock



November 16, 2010

Re: The Traditions development

I feel it important that certain facts concerning the proposed text amendment to increase the density of the referenced property be made a matter of record. These are:

1. Although there are two proposed text amendments today - density and open space – discussion can be simplified by first addressing the density issue as without approval of the proposed density increase, discussion on the open space becomes unnecessary.
2. Review of the site plan submitted to the village by the developer in support of the proposed amendment can be characterized as unique in that all property square footage is either classified as “Open Space – 52.1%” or “Impervious – 47.9%”. Said another way, the developer has defined all square footage of the property as either pervious or impervious. This is in marked contrast to his original 20 townhouse site plan in which open space was 35.1%, impervious space 55.6% with the balance of 9.3% in space not meeting the definition of open space. This therefore raises a question for council – is it reasonable to define all non-impervious surface area in a development as open space? This is a fundamental question today significantly affecting any property density in Pinehurst as well as establishing a precedent for future development.
3. The developer filed site plan, previously reviewed by the Planning and Zoning Board, reflects a proposed density of 16.45 units per acre which is excessive of the proposed text amendment 16 units per acre. As such, I question why the site plan submitted is even being considered today as it clearly is not compliant with the proposed text change. To clear up any misunderstanding on this comment, the site plan reflects 64 proposed units which is incorrect. Using the property total square footage from the site plan it may be determined that the property is 3.89 acres in size therefore making the total permissible number of units 62 ($3.89 \times 16 = 62.24$ rounded to 62).

4. There are just 18 proposed guest parking spots or a ratio of .29 parking spots per unit (62 units) far, far below the previously developer suggested 2 guest spots per unit when 20 townhouses were planned. Using this ratio of 2 / unit suggests that an approximate total of 124 spots or 106 more than shown are required to adequately meet the guest parking needs.
5. It should be noted that the approximate gross square footage of (25K+) for each of the four proposed buildings is more than three times the permissible size of any allowable business across the Magnolia Road in the New Core area. Further, each building size is more than twice the minimum lot size of the surrounding R-10 zoned area. Given this, I submit that individually or in total, the proposed four building configuration is not in harmony with the surrounding neighborhood which any development on the property must comply to.

In summary, I recognize that no one likes where we are today with a 4 acre piece of property at a viable village intersection having nothing but what appears to be a partially completed go cart track on it. Unfortunately, facts in the matter which I've just outlined clearly show that the proposed density change is not in harmony with the surrounding neighborhood nor a public necessity. As such, I suggest that your only option is to deny the village request for a density increase thereby most likely leaving this piece of property, as well as the other portions of New Core, uncompleted until such time as the economy recovers to actually support the overall development originally envisioned.

Thank you,

Doug Middaugh
400 Pine Vista Drive
Pinehurst, NC

Comments for Village Council Public Hearing #2
11/16/10

There is but a single question today for this hearing that needs to be answered - What is the true implication of the single line proposed to be deleted and why has the village chosen to do so now after the line has been in the PDO for approximately 5½ years and not previously questioned?

I submit that the answer to my question, while somewhat involved, is the following:

There is no question that PDO Section 5.13.3 (a) states in part "...Where the proposed special use will require a site plan approval pursuant to Section 10.2.15, the application shall also be accompanied by a general concept plan;...". The village has previously stated that the information provided in the concept plan is redundant with that required by the proposed line to be deleted therefore making the line unnecessary. I consider this reason nothing but a stealth attempt by the village to mask the true reason deletion of the line is being sought.

PDO Section 10.2.15.1 (b) dictates the criterion under which a site plan is considered Minor or Major. Item (b) (1) defines the criteria based on the amount of land disturbing activity. Sites having less than 1 acre disturbed are deemed minor site plans while all other site plans in (b)(2) are deemed major site plans. Further, it is stated in (b)(2) that "In addition, ALL site plans required to be submitted as part of a Major Special Use Permit request or Conditional Use District Rezoning application shall be considered as major site plans.

Given this crystal clear criteria, why did the village staff chose just 8 days after the Historic Commission approval of the required Chapel Certificate of Appropriateness to file legal notice to delete

the SINGLE line in the PDO that allows the Chapel site plan, once filed, to be approved by village staff as opposed to the current P&Z and Village Council with public hearing approval process.

Our staff, while skilled as they are, simply should not have the ability to approve a site plan for any Major Special Use plan especially one in the middle of its permitting process. The Planning & Zoning Board as well the Village Council has the right to hear any site plan resultant from a Major Special Use application. The residents of Pinehurst also have the right to be heard on the site plan for a Major Special Use application.

I'll finish this by saying that the suggested line has served Pinehurst for 5 & 1/2 years and to suggest that it be deleted in the middle of the Village Chapel permitting process before the Chapel has submitted its site plan, which would benefit by the deletion, is simply wrong. This proposed amendment should be denied and not be reconsidered until such time as the Village Chapel has filed its site plan.

Thank you.

Doug Middaugh
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