

Zebulon Board of Commissioners
Work Session
Meeting Minutes
March 20, 2025

Present: Mayor Glenn York, Jessica Harrison, Shannon Baxter, Quentin Miles, Gilbert Todd, Jr.-Manager, Lisa Markland-Town Clerk, Kellianne Williams-Asst. Town Manager, Bob Grossman-Police, Chris Perry-Fire, Matt Lower-Planning, Sheila Long-Parks & Recreation, Eric Vernon-Attorney

Absent: Commissioners Beverly Clark and Amber Davis

Mayor York called the meeting to order.

APPROVAL OF THE AGENDA

Mayor York asked to amend the agenda to remove the closed session scheduled and to add an update on the Town Clerk position.

Commissioner Harrison made a motion, second by Commissioner Miles to approve the agenda and amended.

OLD BUSINESS

Fire/EMS Station - Appointment of Special Counsel

Chief Perry provided an update on the Fire/EMS station project. He reminded the board that they had previously authorized an agreement with Wake County to develop the design and construction documents. The project was nearing the point where bids would be ready and a decision to start the project would need to be made.

Chief Perry noted that the project had just completed the 50% construction drawing stage and final tweaks were being made. He explained to the Board that there were four different funding sources for the project: the Town of Zebulon, Wake County General Fund, Wake County Fire Tax funding, and United States Department of Agricultural grant funds.

To manage the financial aspects of the project, Chief Perry introduced Clay Richards from Davenport Public Finance to discuss the next steps over the coming months.

Clay Richards presented a brief project overview and key next steps in the financing process. He stated that the Town was expecting to have the guaranteed maximum price (GMP) in early June. Current estimates for the project were around \$17,300,000. The Town had received a \$7,500,000 grant from USDA, leaving approximately \$10,000,000 as the local funding requirement. Mr. Richards explained that the allocation of funding between the Town and county would be memorialized through an interlocal agreement. It was anticipated that the Town would be responsible for 51% of the local funding requirement, with the county responsible for the remaining 49%.

To fund the Town's portion, a direct bank loan installment financing was being considered. That would require Local Government Commission (LGC) approval. Mr. Richards noted that the LGC was aware of the project and no concerns regarding approval had been raised at that time. A preliminary financing schedule was presented, which revolved around the final GMP being received by the Town on June 2nd. That aligned with the LGC application deadline of June 3rd. The LGC approval was expected on July 1st, with closing anticipated in mid-July. Prior to closing, it was explained that several approvals would be needed from the Board. On June 2nd, the Board would be asked to approve the winning bank lender, adopt a preliminary findings resolution, and hold a public hearing on the financing. On July 7th, the Board would be asked to approve the final resolution.

Mr. Richards outlined several key steps in the process, including coordinating with USDA on grant requirements, conducting debt affordability analysis, holding an LGC pre-application call, finalizing the interlocal agreement with Wake County, and completing the facility design and project bidding.

Commissioner Baxter asked about Wake County's role as a lender. Chief Perry clarified that Wake County had initially discussed lending the money but had since retracted that offer. He added that the Bobby Fitts believed they might get a better rate commercially than what Wake County had initially offered.

Commissioner Baxter sought clarification on the timing of receiving bank proposals and when the Board would have access to review them. Mr. Richards explained that bank proposals were expected back in mid-May, and the Board would see them at the June 2nd meeting.

Commissioner Baxter also inquired about the impact of the bond referendum not passing on the Town's credit rating. The Board was assured that for a direct bank loan, the banks would not consider the Town's credit rating.

Chief Perry emphasized the aggressive nature of the schedule, explaining that most pricing guarantees from contractors were only valid for about 90 days. That necessitated completing all steps outlined by Mr. Richards and awarding contracts within that time frame to guarantee prices.

Chief Perry then introduced Paul Jacobson from Sands Anderson to discuss the legal components of the project.

Paul Jacobson, accompanied by his colleague Ashley Anderson, explained their role as bond counsel or special counsel for the installment financing. He detailed the importance of complying with both state law requirements for borrowing and federal law requirements for tax-exempt treatment of interest on the debt.

Mr. Jacobson outlined the services Sands Anderson would provide, including discussions with the Local Government Commission staff, drafting necessary resolutions and agreements, coordinating publication of public hearing notices, and working with the bank and their counsel to negotiate terms.

Commissioner Baxter asked about the potential impact if EMS services were to be privatized in the future. Jacobson explained that there were ways to structure agreements to preserve tax

exemption if a private party were to provide services, but it would need to comply with specific requirements in the tax regulations.

The Board discussed the need for two motions: one to appoint Sands Anderson as special counsel and another to authorize appropriate town representatives to sign the agreement.

Commissioner Baxter made a motion, second by Commissioner Miles to appoint Sands Anderson as the special counsel for the Fire/EMS project. There was no discussion, and the motion passed unanimously.

UDO TEXT AMENDMENTS - Ordinance 2025-25

Planning Director Lower presented on the Unified Development Ordinance (UDO) text amendment for a regional mixed-use district. He reminded the board of the specific standards that should be applied when considering a text amendment, as outlined in the UDO.

Mr. Lower explained that the amendment was proposed because Zebulon is growing, and the comprehensive plan requires staff to plan for the entire future growth area, which includes approximately 10,000 acres of parcels 5 acres or larger. He emphasized the need to consider various types of development, including rural, suburban, and urban.

Matt presented examples of regional mixed-use developments from other areas, highlighting that such developments are not currently permissible by right in Zebulon. He noted that other municipalities in the region, including Morrisville, Clayton, and Burlington, have already enabled regional mixed-use development to occur by right.

The proposed amendment included dimension standards similar to downtown mixed-use, with the addition of a master plan requirement. Lower explained that this requirement was included due to the potential significant impact of these developments.

Matt detailed changes made to the amendment since the January 13th public hearing, including clarifications on stormwater retention facilities, adjustments to the table of permitted uses, and updates to utility standards.

The Board engaged in extensive discussion about various aspects of the proposed amendment:

- Commissioner Baxter raised concerns about specific uses permitted in the regional mixed-use zone, such as blood and tissue collection sites, outdoor display sales, campgrounds, games of skill, pawn shops, and RV parks. The rationale was explained behind including these uses and noted that the board could choose to remove or modify them if desired.
- The Board discussed building height restrictions, setbacks, and the transition from higher-density areas to residential zones. Mr. Lower explained that the amendment included specific distance requirements that triggered decreases in building height near residential districts.
- Parking requirements were debated, with Commissioner Baxter expressing concern about potential inadequate parking in mixed-use developments. Matt stated that the lack of minimum parking requirements was intended to allow market forces to determine appropriate parking levels, but he acknowledged that alternative approaches could be considered.
- The Board discussed the open space requirements and the authority given to the planning department to adjust the number of residential units. Matt Lower explained

the rationale behind the 15% adjustment allowance but noted that the Board could modify this if desired.

- Commissioner Baxter sought clarification on how the Board would maintain control over the design and character of regional mixed-use projects. Mr. Lower assured that the master plan requirement and existing mixed-use design standards would provide opportunities for board input and control.

Throughout the discussion, Matt emphasized that the proposed amendment was based on best practices in urban planning and was designed to make Zebulon more competitive in attracting high-quality development. He also noted that the Planning Board had unanimously recommended approval of the amendment.

Commissioner Baxter made a motion, second by Commissioner Miles to table this until the April 7th meeting so that the two commissioners who were not present would have the opportunity to review the recording from tonight's meeting and have the ability to vote on the amendments. There was no discussion, and the motion passed unanimously.

TOWN CLERK UPDATE

Mayor York provided an update on the clerk position. The interim candidate they had previously considered was unable to attend meetings due to existing commitments but was willing to prepare minutes from recordings.

The Board discussed options for filling the position, including expanding the search and utilizing the services of Good Hope Works for recruitment.

The Board agreed to have Good Hope Works continue handling the recruitment process, with the Town potentially assisting in broadening the reach of the job posting. They emphasized the need to make the job posting easily accessible on the Town's website and social media channels.

Mayor York reminded the Board of a special called meeting on March 26th for the East Wake Local Government Association meeting at Wake Tech East, sponsored by Wendell.

Commissioner Miles acknowledged that this would be Town Clerk Lisa Markland's last meeting after 27 years of service, expressing appreciation for her work.


ADJOURN

Commissioner Baxter made a motion, second by Commissioner Harrison to adjourn the meeting. There was no discussion, and the motion passed unanimously.

Adopted this the 7th day of July, 2025

SEAL




Glenn L. York – Mayor


Ana Gomez Rindahl – Town Clerk