

**BUSINESS COMMUNITY FOCUS GROUP MEETING #2
OCTOBER 11, 2017
MEETING 7 OF 12**

To: Mark Hetrick & Julie Spriggs, Town of Zebulon
From: Chad Meadows, CodeWright Planners
Date: October 11, 2017
RE: Business Community Focus Group Meeting #2 Summary



On Wednesday, October 11, 2017 from 6:30 to 8:30 PM, CodeWright conducted the second of two focus group meetings with the Business Community Focus Group. Five stakeholders attended the meeting, including existing and prospective business owners and a representative from the Chamber of Commerce. Attendees included:

Business Focus Group Members in Attendance

Forest Ball
Michael Chemali
Brian Johnson
Ashley Nichols
Denise Nowell

Town Staff and Consultants

Julie Spriggs
Chad Meadows
Cara Isher-Witt

The evening's discussion focused on identifying specific ways that the updated UDO can better serve the goal of increasing business activity in town. At the last meeting with the Business Community Focus Group and feedback from business owners and potential business owners that the GrowZebulon team spoke with at Zebulon Night Out on October 10th, the team heard from stakeholders that the biggest thing the Town can do to encourage business development was relax regulations. In order to better understand the situation and tailor revisions to the UDO to meet specific needs, CodeWright asked about three major areas that the updated UDO could get at making the development process more friendly for businesses: removing obstacles, adding incentives, and establishing mandatory minimum elements to keep a level playing field between existing and new businesses.

The focus group's collective comments on each of the topics follow. Similar or related comments have been grouped, and comments are presented in no particular order and not attributed to a particular speaker.

Removing Obstacles

CodeWright asked focus group members about their experiences (or the experiences of others they work with) encountering various types of obstacles when developing or doing business in Zebulon:

1. Procedural Obstacles

The Chamber of Commerce representative reported hearing from Chamber membership that the review procedure process in general is cumbersome and vague; prospective business owners report feeling like they don't know at the beginning of the review process what the steps will look like and when they can expect to complete the process. There was discussion about a two-pronged solution involving both better education for applicants to inform them about the process and an improved, simplified process that is easier to understand.

There was general agreement that the Special Use procedure is a particular problem that may be discouraging new businesses from opening. Many businesses are required to go through the

Special Use procedure, which is unpredictable because it is a negotiated process, and which can take up to a year to complete, delaying business opening.

When asked about the possibility of a two-pronged review process that would streamline review for projects that meet more stringent standards or a planned unit development procedure that would allow a negotiated process for flexible standards, most focus group members expressed discomfort. One focus group member asked why the Town would want to have a less stringent process if the more stringent process yields what the Town actually wants to see. They worried that applicants will want to go around the preferred process and take a chance on the elected officials approving their project anyway. Similarly, another member said they want to keep review at the level of the professional planning staff rather than the quasi-judicial level of the elected officials. Another person spoke in favor of the planned unit development, saying that the planned development application process is unlikely to be abused because it is difficult and costly, so only those who were serious about their chances for approval would choose to use it.

There was general agreement that introducing an administrative adjustment process (to allow staff the discretion to approve minor deviations from minor numerical standards), a procedures manual to guide applicants, and a pre-application conference were all positive aspects that should be included in the updated UDO.

2. Obstacles with Uses

No one reported any issues with zoning districts and allowed uses in the past.

The group did have a short discussion about how zoning districts are decided upon and assigned to land.

3. Obstacles with Standards

One person reported that the signage standards in Zebulon seem more strict than neighboring communities, but that it is not posing a major obstacle.

Another person shared a story of a business that is being required to put in sidewalks even though neighboring businesses did not have to install them at the time they developed. However, they reflected that this was the nature of the process of increasing development quality and is a reality in development.

4. Other Obstacles

With regards specifically to downtown redevelopment, one person reiterated a sentiment that came up in the Downtown Focus Group meeting: that the requirement to bring a building all the way up to code while also trying to bring a business into positive cash flow is a huge obstacle. The group discussed the possibility of a bond process for delayed improvements, or a system of flexibility in the case of bringing nonconforming sites into conformity on redeveloped sites. Staff reiterated that the building code requirements for a certificate of occupancy are not flexible because the state controls them.

Adding Incentives

CodeWright presented a number of potential incentives or inducements that the UDO could include to encourage preferred forms of development:

1. Review Process Incentives

Focus group members thought that the option for a more efficient expedited process would be an effective incentive for new business owners.

2. Fee or Tax Incentives

Focus group members did not report experiencing or hearing from others that fees and taxes in Zebulon are a major obstacle. Thus, waived or lowered review fees, system development fees, or tax incentives are not major priorities.

3. Bonuses

One person said they like the flexibility that a bonus-based system for increased density, intensity, or height would bring.

Another person said they felt an incentive system of bonuses would be unfair because it would allow some developers to exceed limits that others adhered to. There was also discussion of the vagueness in standards that bonuses can bring, such as

4. Reductions to Standards

In general, focus group members were more receptive to the idea of reductions to standards (reduced parking, reduced landscaping requirements, reduced open space requirements) than to bonuses as incentives.

Mandatory Elements

Focus group members discussed how the UDO should reconcile differences in the requirements and obstacles faced by existing and new businesses. There was general agreement that there should be mandatory elements that all developments must adhere to.

However, while focus group members said they might feel it was unfair for a similar business coming to Zebulon in the future to face an easier development process, they also agreed that this is sometimes the nature of doing business and that increased development and development quality would benefit existing businesses as well. This was not a major concern for focus group members present.

Other Comments

On the topic on how best to continue outreach to business community members, ideas included an online survey, a lunch meeting rather than a night meeting, attending regular Rotary or Chamber meetings.