



## **PLANNING COMMISSION**

### **Regular Meeting**

#### **Town Hall**

#### **July 10, 2012**

At 6:00 p.m. in the Town Hall, Vice Chairman Dennis McCoy, having established a quorum, called to order the Regular Meeting of the Planning Commission. In attendance were Commissioners Malcolm Hayward, Mike Strub and Joan Natali. There were currently three (3) vacancies on the Commission. Also present were Town Manager Heather Arcos, Town Planner Tom Bonadeo and Town Clerk Libby Hume. There were approximately 15 members of the public in attendance.

A moment of silence was observed followed by the Pledge of Allegiance.

#### **REGULAR MEETING PUBLIC COMMENTS**

*Bob Panek, 408 Tazewell Avenue*

Mr. Panek stated that he was here tonight to make his public comments as a private citizen and not in the role of Town staff. Mr. Panek stated that he supported the scheduling of a public hearing for the rezoning and conditional use permit and added that his reasoning was that the community center use was an impractical use for a building of that size. Mr. Panek distributed copies of some research that he had performed regarding community centers in areas in the State of Virginia and one in Maryland, all with much larger populations than Cape Charles. Mr. Panek reviewed the provided information. (Please see attached.)

*Odessa Sullivan, 606 Strawberry Street*

Ms. Sullivan stated that she was speaking on behalf of the community center adding that she believed that the Town needed a community center. Before the Town could go forward, there were procedures which had not been met. As individuals, everyone must go through these procedures in order to come to a solution to whatever the situation was that they were trying to come to. The Town Council must also follow the same procedures and could not omit any procedures. Forms had to be filled out and fees must be paid. Regardless of the outcome, the procedures must be followed.

*Don Bender, 300 Fulcher Street*

Mr. Bender deferred his allotted time to Ms. Deborah Bender.

*Deborah Bender, 300 Fulcher Street*

Ms. Bender stated that she wanted to address Mr. Panek who wanted to compare our little town to all those other towns. "Let's compare it to Onancock. Onancock had more people than Cape Charles and less employees. They did not need two town managers to accomplish one job. Everyone in the town office did not have a secretary to answer their phone and they actually got by." Ms. Bender said that she lived there for 18 years and she knew a little about the Town of Onancock. Ms. Bender went on to state that she was here tonight to talk about the rezoning of the property where the historic 100-year old school was located and referred to the Comprehensive Plan that Tom Bonadeo had a part in writing. Ms. Bender stated that she was assuming that by now everyone had read it and went on to state that the Comprehensive Plan talked about the need for public space for public service needs. Ms. Bender continued to state that she had read it several times and had yet to see where it stated the need for urban apartments. How would urban apartments contribute to the Town and citizens' welfare? Plus, the Town would lose the parking lot currently used for the playground which she, as a

grandmother, used on a regular basis. Ms. Bender stated that it seemed to her that the public servants of this Town, such as the Town Manager, the Mayor, the Town Council, the Planning Commission and the Historic Review Board were not working for the citizens of this Town at all and added that the citizens paid their salaries but they, in fact, were working for the developers. Ms. Bender went on to talk about Edwin Gaskin and stated that she had read the letter that Mr. Gaskin sent to Heather Arcos and Bob Panek. Mr. Gaskin was in this to make money and was not doing anything to help this Town. Mr. Gaskin basically called the citizens idiots. Why had Edwin Gaskin only been at the closed meetings with Heather Arcos and Bob Panek? Ms. Bender referred to the Town Manager and Dave McCormack as the double threaded needle explaining that she was referring to the fact that Heather Arcos and Dave McCormack's wife were friends and asked whether this was how this all came about. Whenever anyone referred to Onancock's community center, they were told that we were not in Onancock and that was the first true statement that she had heard. Ms. Bender repeated that she lived in Onancock for 18 years and attended many, many meetings and never saw the Mayor, the Town Manager or the Town Council blatantly ignore the residents the way the Cape Charles officials were doing. Ms. Bender stated that a friend of hers was once in business with Edwin Gaskin and told her that Mr. Gaskin would make plenty of money on this project and the Town had basically crawled in bed with the devil. In closing, Ms. Bender asked the Commission to stop and think about the citizens, not the developers.

*Veann Duvall, 110 Tazewell Avenue*

*Ms. Duvall deferred her allotted time to Mr. Wayne Creed.*

*Wayne Creed, 548 Monroe Avenue*

Mr. Creed began by stating that everyone had worked hard on this project over the last few months but asked that the Commission not move forward with the public hearing adding that this project was not ready for prime time. The main reason was the obvious discrepancy in the Comprehensive Plan and what the developer was trying to do. Page 44, Section III-D.5 stated that the growth of the Town would require an increase in space for community services and the restoration of the old school as an adaptive reuse and to establish a community center. Mr. Creed said that it was stated in the Comprehensive Plan in plain English. Mr. Creed went on to state that there had not been a historic review of the project. The building was 100 years old and the Historic Review Board had not even looked at the plan. Mr. Creed stated that no one had seen any plans and asked what the developer was going to do architecturally. Would the developer do what was done at the Cape Charles Hotel – promising Savannah and giving us an Econo Lodge? The citizens did not want to see this with the old school. Mr. Creed continued to state that, more importantly, the Town had ignored the advice of its own attorney. The attorney would have a hard time explaining in court why the Town had ignored his own advice. There was no repurchase agreement, no pro forma and it's unbonded. Mr. Creed stated that it was insane to go on at least without a repurchase agreement. What if something happened, what would happen to the land and to the school? The Town would be left out in the cold. What were the requirements of the conditional use? Where would the garbage be put? Where were they going to park? What would happen with the water flow? What about fencing and lighting? The citizens had not seen any of that information. What about the reports – asbestos abatement reports, building code violations? No one had seen any of that. Mr. Creed stated that there were so many gaps in the project, it was not feasible to move forward right now. Mr. Creed added that the citizens were prepared to defend each and every one of these points and more. It was their duty to make sure the Council was putting the horse before the cart. Mr. Creed told the Commission to hold off on the public hearing until they could look at these gaps, review what the attorney said and decide whether to listen to what they said or just ignore it. Mr. Creed repeated that they were prepared to defend these points with passion.

*Dorie Southern, 104 Monroe Avenue*

Ms. Southern deferred her allotted time to Mr. George Southern.

*George Southern, 104 Monroe Avenue*

Mr. Southern stated that he had the honor of addressing the Commission a month ago at the public hearing for these same issues. At that time, he said that in trying to familiarize himself with the issue, he looked for the application for what was being considered and there wasn't one. The Commissioners did not receive one in their packet that month. After the fact, he received some hastily done applications that were very incomplete filed in the name of the Town - one for the rezoning and the other for a conditional use permit. The Commissioners very wisely decided, in the absence of all the facts, to table the decision for the next meeting which was tonight. Unfortunately, from what he had been able to see in the packet, the proper applications which were required were still not provided. Mr. Southern began with the conditional use permit since it was included in the packet adding that there still wasn't an application for the rezoning. Mr. Southern noted that the land owner's signature showed Edwin Gaskin on behalf of Echelon Resources. Mr. Southern stated that he did not believe Edwin Gaskin was present tonight but it did not matter. The conditional use permit checklist showed seven requirements and requirement number six was for a disclosure statement signed and notarized verifying ownership. Mr. Southern asked the Commissioners to look on their paper to see that item number six had been checked but there was not a disclosure statement signed and notarized verifying ownership and asked how could there be. Mr. Southern stated this was a false document adding that we all knew that Edwin Gaskin did not own this land. This was an application for a condition in the future that was not even true. Another problem was number five which required a plot plan of the property. There was an 8.5" x 11" sheet of paper with a magic marker and a broken line drawn on something that was almost illegible. There was no plot plan of the property and there could not be a plot plan of the property until the land had been subdivided and surveyed. There was no survey. There was no subdivision. Mr. Southern stated that we knew as a condition of the contract that the Town of Cape Charles had to bear the cost to obtain a subdivision of the property but it had not happened. Mr. Southern continued to state that what he had was a fraudulent application signed by a person who was not the owner attesting that there was attached a plot plan of the property. We knew there was not, but one might say that the general area was known as shown by the magic marker on Exhibit A. This was a very sensitive question because it was where the boundary would be with the Kiddie Playground. Without a survey, the exact boundary was not known. It was where the boundary would be with the tennis court and without a survey, we did not know that boundary. Mr. Southern stated that in his opinion, the honorable Commissioners were being hoodwinked by others asking the Commissioners to approve a fraudulent application. Mr. Southern went on to state that the Commissioners did the right thing a month ago and if they decided now to approve something that was clearly fraudulent the Commissioners were basically saying that their jobs as a Commissioner was meaningless and they were merely a rubber stamp which would be a very sad thing. Mr. Southern stated that two of his good friends had resigned from the Planning Commission. If the Commission was nothing but a rubber stamp, people would not want to serve because it was taking up their time and energy for nothing. Mr. Southern asked the Commissioners to make an independent decision and review the material given. It had nothing to do with whether or not they were in favor of a community center, but had everything to do with correct procedure for the Town of Cape Charles. If we did not uphold correct procedure then anything goes. Mr. Southern told the Commissioners to look at the application for conditional use and added that the Commissioners could not give a conditional use permit for open space property. It must first be rezoned and it had not been rezoned. A public hearing could not be approved for something that could not legally be done.

*Michael Belote, 525 Madison Avenue*

Mr. Belote deferred his allotted time to Councilman Frank Wendell.

*Jim Stallings, 525 Madison Avenue*

Mr. Stallings deferred his allotted time to Councilman Frank Wendell.

*Brock Stiles, 525 Madison Avenue*

Mr. Stiles deferred his allotted time to Councilman Frank Wendell.

*Frank Wendell, 515 Monroe Avenue*

Mr. Wendell stated that Thursday night would be his first Town Council meeting in twelve years, however he served six terms before that. Thursday night would begin his seventh term and thirteenth year on Town Council. Mr. Wendell stated that from time to time public officials used the terms fiduciary and due diligence in regards to conducting business on behalf of the citizens of Cape Charles and he thought that need was very evident here tonight. Mr. Wendell stated that the Commissioners probably knew what that meant but he wanted to review the definitions with everyone and distributed copies of the definitions to the Commissioners and proceeded to read those definitions adding that we were not meeting the definition of due diligence with this project. Mr. Wendell went on to comment on the contract, which he stated was suppressed for way too long. Mr. Wendell stated that he was not sure if the Commissioners had seen the contract and distributed copies. Mr. Wendell added that there were glaring omissions and there was no repurchase right which the Town's attorney asked for on behalf of the people of Cape Charles. There also wasn't a performance bond which the attorney asked for on behalf of the people of Cape Charles. Why was the Town ignoring its own lawyer? Mr. Wendell distributed copies of an email dated April 18, 2012 from Bob Panek to Edwin Gaskin writing about the attorney's recommendations regarding a repurchase right and performance bond and stated that this was part of the due diligence supposed to be done on behalf of the people of Cape Charles. Mr. Wendell distributed copies of an email dated April 19, 2012 from Edwin Gaskin to Bob Panek, and interjected that Mr. Gaskin liked to write a lot and thought very highly of himself, before reading excerpts from the email regarding the following i) the repurchase right – Mr. Gaskin wrote that he could not agree to business terms that he knew would be rejected by their lender and which would incur legal costs to explore an issue already addressed; ii) the performance bond issue – Mr. Gaskin wrote that the Town's external legal counsel was the only one asking for a performance bond and to agree to this request would be to merely satisfy the heavy-handed approach of the Town's external legal counsel. If the Town wanted the performance bond, the Town should pay the cost. Mr. Wendell added that he found that insulting and reckless. Mr. Wendell distributed copies of an email dated January 30, 2012 from Edwin Gaskin to Bob Panek referring to Scenario B which would be for 17, not 16 units, and added that all along, they were planning for no public space regardless of what was said, and again asked who we were working for. Mr. Wendell distributed an email dated May 16, 2012 from Edwin Gaskin to Heather Arcos and Bob Panek and added that by this date, Mr. Gaskin was becoming annoyed by the idiots in Town who did not like his ideas and Mr. Wendell added that this was his thirteenth year on Council and he and his sister ran a 120-year old business with about \$4.3M of inventory and he had done a lot that he was proud of such as coaching girls' basketball, boys' football and working with civic organizations. Mr. Wendell stated that he resented on behalf of himself, his family and the good people here tonight having been characterized by the opposition as the "idiots of the world" and asked that this be put in the minutes. Mr. Wendell went on to read from Mr. Gaskin's email stating that much progress could be borne of controversy provided that the strength of leadership existed to ignore the idiots of the world. Mr. Wendell distributed copies of an email dated May 11, 2012 from Edwin Gaskin to Heather Arcos and Bob Panek, interjecting that this was better than

fiction, stating that he was looking forward to the vote on June 14<sup>th</sup> and moving forward to actually starting the project but he had concerns about allowing the project opposition to let loose with the insidious plans over the next 33 days but they could not be hog-tied or shipped off to Gitmo or anything. Their antics just had to be weathered. Mr. Wendell commented that he had had a few people try to hog-tie him but he had wriggled out of it. Mr. Wendell stated that he applauded Malcolm Hayward at the last meeting where he moved to table the decision on this issue so the Commission could review the information and become better educated on the issues and added that he was proud of the Commissioner for doing that. Mr. Wendell went on to state that as Mr. Wayne Creed, president of Old School Cape Charles, said earlier there were a lot of problems with the project. Mr. Wendell distributed copies of excerpts from the Comprehensive Plan and read the Vision Statement adding that this was part of the fiduciary duties for the people of Cape Charles and asked how this was accomplished by adding 17 luxury urban lofts in the school vs. the Town retaining ownership and performing the building maintenance to protect the 100-year old investment whether we moved forward with a multi-purpose community center or not. Town Council meetings could be held there instead of having to hunt for the locations where they were held. Mr. Wendell went on to state that the people had been told that the Open Space definition was troublesome and had to be changed but the third paragraph on page 7 stated that protecting open space was a priority. How much of a priority could it be if the Town was doing everything it could to do away with it just because a 100-year old public building sat on it? The sentence that embodies what to do with the school was on page 44 and read the language stating that "Growth of the Town will require an increase in space for community services, therefore, the Town plans include: The restoration of the Cape Charles School as an adaptive reuse to preserve this structure." To increase space for community services, the Comprehensive Plan stated that it should establish a community center. The Comprehensive Plan also stated the need to relocate the library to a larger space and relocation of the Town offices. Mr. Wendell added that sometimes the Town stated that it needed office space and sometimes it stated that it did not. Mr. Wendell also stated that sometimes it was stated that the building would be condos and other times it was stated that it would not. Mr. Wendell continued with the Comprehensive Plan and stated it referred to the development of educational programs and so on. On page 45, it stated that the Town should be supporting partnerships with organizations to increase and improve cultural and art programs and added that the Town did not reach out very well to Old School Cape Charles. Old School Cape Charles submitted a petition with 317 signatures asking for equal time and had never received a response. It took the Town 16 days to turn down their first proposal. The Town talked about a pro forma but kept Echelon's pro forma confidential from the public. Mr. Wendell added that he was a Town Councilman now so he would be looking at it shortly. How good was Echelon's pro forma when they were going to turn the project over to a site specific entity that we don't know anything about and how was their pro forma? Mr. Wendell stated that he was done with his handouts and asked the Commissioners how much business they had done where they had hired a high-priced lawyer and asked for their high-priced advice and then turned around and ignored it. How successful had the Commissioners been in pursuing the capitalistic American dream in that fashion? We had all paid for that advice and Town Council ignored it. The Town Council should give the reasons why the advice was ignored. Why the repurchase right was not important enough to fight for? Why the performance bond was not important enough to fight for? There certainly must be reasons because they were not included in the contract. Mr. Wendell concluded by stating that if the Commissioners had not done their due diligence, they had a fiduciary obligation to not set this public hearing because they were not serving the public and had not done their due diligence.

There were no other comments from the public nor any written comments submitted prior to the meeting.

## CONSENT AGENDA

**Motion made by Joan Natali, seconded by Mike Strub, to accept the agenda as presented. The motion was approved by unanimous consent.**

The Commissioners reviewed the minutes for the June 5, 2012 Joint Public Hearing with the Town Council, and the June 5, 2012 Regular Meeting.

**Motion made by Joan Natali, seconded by Mike Strub, to approve the minutes from the June 5, 2012 Joint Public Hearing with the Town Council and the June 5, 2012 Regular Meeting as presented. The motion was approved by unanimous consent.**

## REPORTS

Tom Bonadeo reported the following: i) As Bob Panek mentioned earlier, the Northampton County Board of Supervisors voted to renovate the former middle school building into a multi-use community center; ii) The final parking layout was being completed for the Harbor. There would be about 35-40 spaces for the Shanty and 12-13 for the Harbor. The Harbor buildings went through the christening of the Memorial Day and July 4<sup>th</sup> weekends. During the construction of the new wastewater treatment plant, the flow through the Harbor area was reversed and was working properly. Malcolm Hayward commented on the smell when you drove by it. Tom Bonadeo stated that there were times when the wind blew the odor toward the Harbor and Town. Mike Strub asked whether, as part of the Harbor Development, whether a kiosk would be placed to notify the boaters of the shops in Town. Tom Bonadeo stated that there currently were not any plans for signage but a meeting was being scheduled to discuss possible signage for this purpose. There was some discussion regarding a possible shuttle from the Harbor into Town but Tom Bonadeo cautioned that the property between the Harbor and Town belonged to the railroad and what appeared to be a road between the two areas, was actually part of Tavi's private property and there was only an ingress/egress for the railroad. The Town had to work with the railroad and Mr. Tavi to get a passageway through there. The railroad would not allow vehicles to go across the railroad tracks and people were parking on the railroad property. The Town needed to work closely with the railroad to ensure that the process did not get cut off; iii) The Historic Review Board met in May and approved a remodeling project for a duplex at Tazewell Avenue and Nectarine Street; iv) There were numerous remodeling projects underway throughout Town. Jeb Brady performed 80-90 inspections last month. There were also a number of homes under contract currently. There had been an increase in the number of depressed properties being purchased; v) There were also some restaurant offerings. The Brown Dog Ice Cream was now open and had to close one day during the week because they ran out of product. Some other businesses also had an overwhelming 4<sup>th</sup> of July week. It was almost like having three weekends with having the holiday in the middle of the week; and vi) VDOT was working on crossing signs on Old Cape Charles Road to allow golf carts to cross the road. One sign had been placed and the Town was working with VDOT for the placement of at least two more signs. Malcolm Hayward asked whether bridges would have to be built across the culvert at the crossings to allow the golf carts to access the path. Tom Bonadeo stated that this was another issue because the planners of the path would have to work with VDOT to cross their right-of-way and added that he was not involved in this part of the plan.

Mike Strub asked about the Hotel Cape Charles' plan which showed wrought iron like a French-quarter style and now the building was completed with more of a Scandinavian style and very modern which would be fine in certain locations and asked whether this change was taken through the proper channels. Tom Bonadeo stated that the building was not completed as presented and the Town was working with the developer to get that completed.

## **OLD BUSINESS**

### **A. Resolution 20120628 – Referral to Planning Commission the proposed amendment of the zoning map as to the property generally located at the corner of Madison Avenue and Plum Street**

Tom Bonadeo informed the Commission that the Town Council, by Ordinance 20120614, approved the sale of certain property owned by the Town, collectively called the “Old School Area,” to Echelon Resources, Inc. Echelon intended, by adaptive reuse, to rehabilitate the Old School Area and convert it into 17 residential apartment units and surrounding grounds (the “Old School Rehabilitation”). The current zoning of Open Space did not allow for the Old School Rehabilitation. The R-1 zoning district allowed, by conditional use permit, for the Old School Rehabilitation as an adaptive reuse. The schools in Cape Charles were previously zoned in R-1 and this building needed to be rezoned to R-1 for any of the proposed uses. This was not a meeting to decide anything but a meeting to start discussion regarding the process. The agenda packet included two maps and a plot plan (Exhibit A). Tom Bonadeo stated that it was important to note the language in the Comprehensive Plan that dealt with the growth of the Town, when in actuality, the population of the Town had shrunk according to the 2010 census. Tom Bonadeo stated that he and Joan Natali were part of the group that authored the Comprehensive plan and the six bullets on page 44 that everyone referred to could not all be done in the same building nor intended to do so. Previous studies had been done which stated that the former school building was not good for the Library. The six bullets were independent items that the Town would like to have in the future.

Tom Bonadeo went on to explain that the Open Space designation also affected the flood ordinance. The Town staff spent time scoring for this and one of the requirements was adequate Open Space which did not include areas containing buildings. The Town scored 9 which resulted in residents receiving a 5% reduction in flood insurance rates. FEMA questioned why the Town had a building in Open Space and it truly had to be Open Space to be counted toward the FEMA insurance plan.

Tom Bonadeo read Resolution 20120628 which authorized the referral to the Planning Commission the proposed amendment of the zoning map and related conditional use permits as to the property generally located at the corner of Madison Avenue and Plum Street and added that the Mayor signed the Resolution as the representative of the Town who owned the school property.

Mike Strub asked for clarification that neither use fell under Open Space and the land had to be rezoned for either use and the only acceptable use under this designation would be to tear down the building. Tom Bonadeo responded in the affirmative. Frank Wendell interjected that the definition of Open Space could be changed. Tom Bonadeo responded that the Town could not make an exception for buildings in Open Space per FEMA regulations. Mike Strub stated that this was a correction that was long overdue.

Tom Bonadeo stated that this meeting was not for discussion about a neighborhood community center or a municipal community center. The zoning ordinance required the building to be in the R-1 zone and Open Space was to be preserved as truly Open Space.

**Motion made by Joan Natali, seconded by Malcolm Hayward, to schedule a public hearing and special meeting for July 26, 2012 at 6:00 p.m. to hear public comments regarding the proposed zoning map amendment. The motion was approved by unanimous consent.**

B. *Conditional Use Permit – Echelon Resources, Inc. for the adaptive reuse to rehabilitate the old school area*

Tom Bonadeo stated that the Old School Area was the real property bounded on the north by Madison Avenue, on the east by Plum Street, on the south by parcel 83A3-1-23 and on the west by lot 287. The area contained lots 281 through 286, a portion of the area that was originally North Park Row and the old Cape Charles High School building. The conditional use permit application and the zoning ordinance required the Planning Commission and Town Council to consider the following items and that the permitted use(s) would not: i) adversely affect the health, safety or welfare of the persons residing or working in the neighborhood of the proposed use or adversely affect the other land uses within the particular surrounding neighborhood. Tom Bonadeo stated that the residential adaptive reuse would restore the building in accordance with the guidelines of the Secretary of the Interior for Rehabilitation and the neighborhood surrounding the park is R-1 including the houses and apartments on North Park Row. 11 Park Row contained four two-bedroom apartments. These properties were the same distance from the park as the school building; ii) be detrimental to the public welfare or injurious to property or improvements in the neighborhood. Tom Bonadeo explained that the historic restoration and adaptive reuse would be an investment of over \$2M in the neighborhood and this restoration would improve the neighborhood values with a newly rehabilitated building in accordance with the Secretary of the Interior's guidelines. The density of the site would be no more than the western park row site or the underlying zoning of R-1. This property covered the equivalent of seven town lots or the equivalent space for seven single-family residences. The four two-bedroom apartments at 11 Park Row were on a single lot. The residential use would require about 17 spaces of off-street parking which would be provided in the area that was currently off-street parking and on the west side of the building. The historic rehabilitation in either use would be an asset to the improvements in the adjacent park; and iii) be in conflict with the purpose of the Comprehensive Plan. The current Comprehensive Plan stressed the preservation of contributing historic structures and the Virginia Department of Historic Resources in partnership with the U.S. Secretary of the Interior had promulgated rules and tax credits especially for the adaptive reuse of these contributing structures. Page 44 of the Comprehensive Plan specifically set multiple goals, which had been pointed out numerous times, one of which was to provide for the adaptive reuse of the school building. Other items referring to a community center and library were separated in the Comprehensive Plan as past studies showed that they could not be accomplished in the same building (Schriver & Holland Study). The requirements were also based on growth expected at about 3% and Cape Charles had not met this growth rate as shown in the last census. The Town had almost as many part-time residents as full-time ones.

This application met the requirements of the zoning ordinance for conditional use permits and the adaptive reuse in the R-1 zone. The use was compatible with the permitted uses in the R-1 zone and the plan would meet the table of parking standards. New utility services would be placed underground. The structure was a contributing structure to the National Historic District.

Tom Bonadeo added that the Historic District Review Board would also be reviewing this information and providing their input before the Planning Commission would make their decision.

At this point, Tom Bonadeo introduced Mr. Dave McCormack of Echelon Resources, Inc.

Dave McCormack gave a presentation on the adaptive reuse of the old Cape Charles School building regarding i) the current status of the building; ii) the principles of adaptive reuse; iii) an overview of Echelon Resources' experience; iv) the proposed project details; and v) comparisons to other projects done by Echelon Resources showing before and after photographs of several projects and providing details of the various projects.

Frank Wendell asked about Echelon's proffer to the Town of Hopewell where auditorium space was left and a clubhouse was built for the football team at an approximate cost of \$100K. Dave McCormack responded that Hopewell waived the entire tap fee and Cape Charles' tap fee was \$53K and added that each municipality was different. Purchase prices were irrelevant and it was very difficult to find \$2M to rehabilitate a building.

Malcolm Hayward asked whether Echelon's plans for this building were to rent or sell as condos. Dave McCormack stated that there were no plans for condos. He personally did not like condos which were very expensive to do and lenders were not very willing to lend money for condo projects. This building would be high-end apartments and their lender, VHDA, was on board for a 30-year deal.

Malcolm Hayward asked, in Echelon's experience, where the tenants would come from. Dave McCormack stated that he had been aware of the building for some time, but a friend of his recently brought it to his attention by stating that he would be interested in renting an apartment in Cape Charles because he came often to fish and asked Dave to consider this building. The tenants would be a variety of people, some who would live here full-time and others who came here regularly. The rent would be kept affordable, but not low-income. Malcolm Hayward asked about the target rental amount. Dave McCormack responded that the rent would be in the \$600-700 range and added that he planned to rent one of the units himself and explained that he came to the Shore often and had looked into renting a place but it was very difficult to find a place to rent.

Joan Natali asked about the timeline for construction, obtaining a certificate of occupancy, then finding tenants, etc. Dave McCormack stated that when buying from a municipality, the process was different but if the rezoning and conditional use permit was approved, they would immediately file with the Department of Historic Resources. The Department of Historic Resources took about eight weeks to review the plans and during that time, Echelon would be obtaining bids for the project. It would be about 90 days before construction could begin and it would take about one year for the construction. A certificate of occupancy could be obtained by September 2013 and they would then file for tax credits. Their lender had a lien on the tax credits which would be used to pay down the outstanding balance. Marketing of the property would begin within 90-days of receipt of the certificate of occupancy. The entire process was expected to take approximately 2.5 - 3 years.

Malcolm Hayward asked whether they had a preference in using local contractors. Dave McCormack stated that they preferred to use local contractors for economical and logistical reasons.

Dave McCormack concluded by stating that Echelon has lots of experience and a great track record. They have lots of references and welcomed people looking into their track record.

**Motion made by Mike Strub, seconded by Malcolm Hayward, to schedule a public hearing and special meeting for July 26, 2012 at 6:00 p.m. to hear public comments regarding the**

**conditional use permit application from Echelon Resources, Inc. The motion was approved by unanimous consent.**

**NEW BUSINESS**

There was no new business to review.

**OTHER**

Malcolm Hayward stated that there were several houses in town which were overly blighted and asked whether the Planning Commission could do anything about them. Tom Bonadeo stated that the house on the corner of Randolph Avenue and Plum Street which was under Code Enforcement had a contract for new siding and reconstruction. The Town was working with the applicant to get past due bills paid. Tom Bonadeo also informed the Commissioners of a new law in Virginia which took effect July 1, 2012 regarding receivership where a municipality could take over a blighted property to get it fixed up.

Malcolm Hayward asked whether this was under the Planning Commission's purview. Tom Bonadeo explained that the zoning ordinance set this up to be dealt with by the Code Enforcement Department. Heather Arcos stated that Code Enforcement regularly provided reports to the Town Council regarding the status of Code Enforcement cases.

Malcolm Hayward stated that people often approached him regarding certain properties in Town and asked how he should reply to their inquiries. Heather Arcos asked him to refer any inquiries to the Code Official.

**ANNOUNCEMENTS**

Tom Bonadeo stated that Bruce Brinkley worked for the City of Portsmouth for Doug Smith, the former Building Code Official, and had been working late hours. With his work load, Mr. Brinkley felt that he needed to step down from the Planning Commission. Several applications had been received from citizens interested in serving on the Commission. The Town Council would be scheduling a closed session to meet with the applicants in the near future. Joan Natali added that this was a great opportunity for anyone in the audience to apply to serve on the Commission. Dennis McCoy stated that the Commissioners were not employees of the Town. The Commission was an advisory board working at the request of the Town Council. Citizens provided valuable perspectives regarding what it was that the people wanted and the Commissioners needed to be responsible to the entire town.

Malcolm Hayward suggested that a meeting be held to allow all the citizens of Town the opportunity to hear the presentation by Echelon Resources. Heather Arcos stated that there would be more meetings scheduled as the project moved forward.

**Motion made by Malcolm Hayward, seconded by Joan Natali, and unanimously approved to adjourn the Planning Commission meeting.**

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Vice Chairman Dennis McCoy

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Town Clerk

Planning Commission Regular Meeting Public Comments  
(Comments provided in writing by speakers)

*Bob Panek, 408 Tazewell Avenue*

Community Centers

1. Some Comparisons

<u>Locality</u>	<u>Population</u>	<u>Square Footage</u>
Falls Church, VA	12,750	11,000-12,000 (estimated)
Vienna, VA	15,750	13,100
City of Fairfax, VA	22,500	14,330
Severna Park, MD	28,500	36,000 (including 2 pools, former YMCA)

Average for buildings without a pool is about 0.75 square feet per resident. Severna Park, with 2 pools, is 1.25 square feet per resident.

The above suggests a Cape Charles community center of about 1,500 square feet, not 17,000.

2. A Case Study

An excellent community center feasibility study for the City of Fruita, Colorado was done in 2007, available at [www.greenplayllc.com](http://www.greenplayllc.com). The study was amended in 2008, available at [www.fruita.org](http://www.fruita.org), parks and recreation. The study contains a comprehensive market analysis (community needs, available services, ability to pay, etc.), configuration alternatives, construction cost estimates, and operating cost and revenue estimates. Fruita has a population of about 9,000, and about 40,000 people live within a 10 mile radius. They built a facility of about 40,000 square feet, including a pool. The study indicates that revenues will cover only about two thirds of operating costs.

3. Northampton County, Virginia

At the Board of Supervisors meeting on June 25, 2012, the Board agreed to move forward with renovating the former Northampton Middle School into a mixed use community center, including: gymnasium, auditorium, meeting rooms, kitchen & cafeteria, and rental space. This facility is located about 12.6 miles from Cape Charles.