



# PLANNING COMMISSION

## Regular Meeting

### Town Hall

### March 6, 2012

At 6:05 p.m. in the Town Hall, Chairman Bruce Brinkley, having established a quorum, called to order the Regular Meeting of the Planning Commission. In attendance were Vice Chair Dennis McCoy and Commissioner Mike Strub. Commissioners Malcolm Hayward, Roger Munz and Joan Natali were not in attendance. Also present were Town Planner Tom Bonadeo and Town Clerk Libby Hume. There were no members of the public in attendance.

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

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

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

Bruce Brinkley stated that he and his wife were travelling through eastern Maryland and drove through Cambridge, Snow Hill and Pocomoke. These towns all had numerous empty store fronts similar to Cape Charles. Bruce Brinkley added that he knew of several small towns in Virginia with similar circumstances as well.

Mike Strub stated that the people in Northern Virginia and points to the west all went to Virginia Beach, St. Michaels, Ocean City and Rehoboth Beach.

#### **CONSENT AGENDA**

Since there were only three Commissioners in attendance this evening, Tom Bonadeo requested that Item 5a-Sign Ordinance Review be removed from this month's agenda.

**Motion made by Mike Strub, seconded by Dennis McCoy and unanimously approved to amend the agenda as discussed.**

The Commissioners reviewed the minutes for the February 7, 2012 Joint Public Hearing with Town Council and the February 7, 2012 Regular Meeting.

There was some discussion regarding the fact that minutes had to be presented in the past tense since it was a recap of what happened during the meeting.

Bruce Brinkley noted several typographical errors.

**Motion made by Dennis McCoy, seconded by Mike Strub, to approve the minutes from the February 7, 2012 Joint Public Hearing with Town Council as presented and the February 7, 2012 Regular Meeting as amended. The motion was unanimously approved.**

#### **REPORTS**

Tom Bonadeo reported the following: i) The restaurant building at the Harbor had been erected and the roof was almost complete; ii) The contractor had raised the walls and roof of the Harbor Bath House and the sheathing was almost done; iii) The AT&T antennas were installed on the Sinclair FM Tower but not yet connected; and iv) The Wetlands Board met and issued a permit for Gamesa to run the submarine cable to cross the intertidal zone and come ashore on the Bay Coast Railroad property. The Board also approved an application for the Bay Vista subdivision to install a breakwater extending from the existing Bay Creek system to the old ferry dock area with upland

restoration and a beach nourishment plan. As part of the project, the Board required the removal of the emergency concrete riprap that was placed after Hurricane Irene. Both applications should be on the Virginia Marine Resources Commission's March agenda. The complete applications were available for review if any of the Commissioners were interested.

In regards to the Broadband Network update item, Dennis McCoy asked where the computer lab was located. Tom Bonadeo responded that the lab was currently located in the front room of the Cape Charles Christian School. Tom Bonadeo added that the Town Hall now had a 25MB broadband connection as part of a one-year contract with the Eastern Shore of Virginia Broadband Association (ESVBA). Part of the 25MB was for wireless testing to get better access for those without wired connections.

## **OLD BUSINESS**

### *Adaptive Reuse – Text Change R-1*

The Commissioners reviewed the proposed modifications to § 3.2.C.7 of the Zoning Ordinance to allow for adaptive reuse of some buildings in the Residential (R-1) Zone of the Historic District, such as the old Presbyterian Church, the former Cape Charles School, the Cape Charles Memorial Library along with other church buildings that were not candidates for single family homes. The purpose was to restore the fabric of the existing structures vs. tearing down the structures and building something new.

A public hearing was held earlier this evening and no comments were received.

**Motion made by Mike Strub, seconded by Dennis McCoy, to recommend approval of the proposed text change to § 3.2.C.7 of the Cape Charles Zoning Ordinance to Town Council. The motion was unanimously approved.**

## **NEW BUSINESS**

### *CUP and Rezoning of Parcel*

Tom Bonadeo stated that a group of individuals were rallying to preserve the former school as a Town building. The Town Council received an unsolicited proposal for the historic restoration of the building using tax credits which required the review and approval of the Virginia Department of Historic Resources for both Federal and State tax credits. The adaptive reuse of the building for 16 – 17 apartments was in accordance with the proposed Adaptive Reuse text amendment. The proposal was still under review and being discussed in closed session due to negotiations. This item (6a) was part of the process and the Town Council requested the Planning Commission review a conditional use permit for the adaptive reuse of the school.

Tom Bonadeo stated that the park and former school properties were currently zoned as Open Space when the Town adopted a zoning ordinance. The definition of Open Space was left out until recently when the Planning Commission and Council adopted a definition for the zone. Schools and churches were not part of that definition. The Town Council would like to correct the zoning map to show the school property as being in the R-1 Zone changing the school from a nonconforming structure to a legal structure in the R-1 Zone. This would have to be done whether the school building was used as a community center or renovated into dwelling units. Tom Bonadeo pointed out the property on the Bauman and Sanborn Maps and explained the history of the school being built at the current location.

Tom Bonadeo informed the Commissioners that the Town Council was holding a Public Information meeting on Saturday, March 10<sup>th</sup>, at 10:00 AM, so staff and Council could provide the facts to the citizens and interested individuals. Tom Bonadeo reviewed a 25-year timeline of the old school as follow:

1987 – 1993: Money was very tight. Legal action was taken to force the Town to give the school and students to the County. The building was badly in need of repair and the Town could not afford to make the necessary repairs. The County evaluated the school and found \$188K in needed maintenance to the building. The County opted to close the Cape Charles and Cheriton schools and build a new school in Kiptopeke. The Town sued the County to get the school property, which included the park, back. Six years had lapsed and the County had not done anything to the building – the roof was leaking, the boiler did not work and there was a list of other items needing repair as well.

1993: The Town started the Jersey Project on the northeast part of Town using funding from the Community Development Block Grant Program and asked for financial assistance for the school building. The request was denied.

1995: Brown & Root (predecessor to Bay Creek) was working on plans for Accawmacke Plantation and proffered \$69K for a new roof and built the tennis courts. The Town paid \$9,500 in addition to cover the cost overruns for the new roof.

Late 1990s: The Town was almost broke. \$62K was needed to repair the heating system. The Town paid \$4K to have an inventory study of the school completed.

1999: The Town spent \$3K - \$8K for an engineering review of the school. A cost estimate of \$1.59M was received to renovate the school for dwelling units. The Town could not afford to move forward.

2000: The temporary buildings around the school were removed.

2005: The Town considered borrowing \$2M to repair the building. The project was referred to the Code Official to review.

2006: Another engineering and architectural review was done. A cost estimate of \$3.5M was received to renovate the building for Town offices. The Town could not afford to move forward.

2007: Town Council appointed a Temporary Space Committee, which eventually became the Real Estate Committee. The Recreation, Police and Public Works Departments moved into the building. The Committee studied all town-owned real estate and determined that it would cost too much money to repair/renovate the school.

20 years had lapsed (1987-2007) and nothing had been done about the condition of the building.

2007: The Town approached the Accomack-Northampton Planning District Commission for assistance to see if anything could be done and received a \$5K grant towards plans to renovate into apartments. Leon Parham did the plans. A loan was approved if the apartments were to be workforce housing units. A group of individuals, similar to the current group, opposed the plans wanting to keep the building as a school and the project was scrapped.

November 2008: A group of individuals wanted to “save” the school and Town Council agreed to allow the group the opportunity to raise funds to fix the building.

November 2009: The Cape Charles Christian School was interested in locating their new school in the building. The lease of the property was to begin in 2010 and the renovations were to be completed in 2012. The Cape Charles Christian School could not raise enough money to renovate the school so the request was withdrawn.

Late 2011: The Town received an unsolicited proposal from Echelon Resources, Inc., for a quality historic restoration of a commercial nature using Historic Tax Credits. Without the Historic Tax Credits, no one would be able to do anything with the building and the Town did not qualify for tax credits.

Also, during this timeframe, the Town was required to upgrade the wastewater treatment plant at a cost of \$16M. Fortunately, grants were obtained to cover the cost of the majority of the project and the Town borrowed about \$5M. It would be good to capitalize on Echelon Resources doing the historic restoration of the building which would increase the property values of the surrounding area.

The proposal did not include the tennis courts, as rumored. The basketball courts would be relocated. The current basketball court would be used for off-street parking for the tenants. If the building was used for Town offices, the number of parking spaces would be increased and impossible to keep off the street.

Echelon Resources had a good track record with similar projects in other towns around the State. None of the projects were for low-income housing. The entire neighborhood would benefit. Echelon Resources was the only real prospect that had come forward that could fund the project and they were expecting to spend about \$130 per square foot for the renovation to apartments.

Bruce Brinkley expressed his reservations regarding the amount of rentable space and whether Echelon Resources would be able to rent 16 or 17 apartments on a full-time basis. Tom Bonadeo stated that the apartments would be studio and one-bedroom apartments renting in the \$600/month range. These apartments would be good for young professionals. Currently, it was very difficult for them to find individual apartments of this type for rent. Patrick Hand renovated the Mack Building into apartments and they were currently rented.

Tom Bonadeo went on to state that Echelon Resources was taking a chance and their bank was taking a chance. The rent could not be too low or Echelon Resources would not be able to pay back their loan. There was some discussion on the consequences if Echelon Resources could not repay the loan. Tom Bonadeo stated that if that happened, the Town would still have a restored historic structure.

#### **OTHER**

Tom Bonadeo stated that as part of the Town's Comprehensive Plan, a Capital Investment Plan was developed which included \$1.7M for the old school and blight remediation. A bill was recently passed by the Senate to allow localities to appoint a receiver to fix blighted properties.

#### **ANNOUNCEMENTS**

There were no announcements.

**Motion made by Mike Strub, seconded by Dennis McCoy, and unanimously approved to adjourn the Regular Meeting of the Planning Commission.**

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Chairman Bruce Brinkley

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Town Clerk