

**To:** Sherry Ashley, City of Statesville  
**From:** Chad Meadows, CodeWright  
**Date:** 10/27/2024  
**CC:** Andrew Ausel, File  
**RE:** **Statesville Soars Stakeholder Interview Summary**  
(Also includes notes from elected official interviews)



Statesville Soars is a project to update Statesville's Unified Development Code (or "UDC") in an effort to implement the 2045 Land Development Plan as well as to restructure and modernize the current UDC, clarify development review procedures, add modern uses, and incorporate more graphics and illustrations. Task 1, Project Initiation, of the Statesville Soars project includes a series of eight project stakeholder interviews. The CodeWright team conducted in person stakeholder interviews on July 30, 2024, in the offices of the Planning and Zoning Department (one was conducted via telephone on July 30). Project stakeholders are persons identified by City staff with knowledge about the City's current UDC provisions and experience with the current development application review process. The input gathered during these interviews is instrumental in gaining a comprehensive understanding of the issues from diverse perspectives.

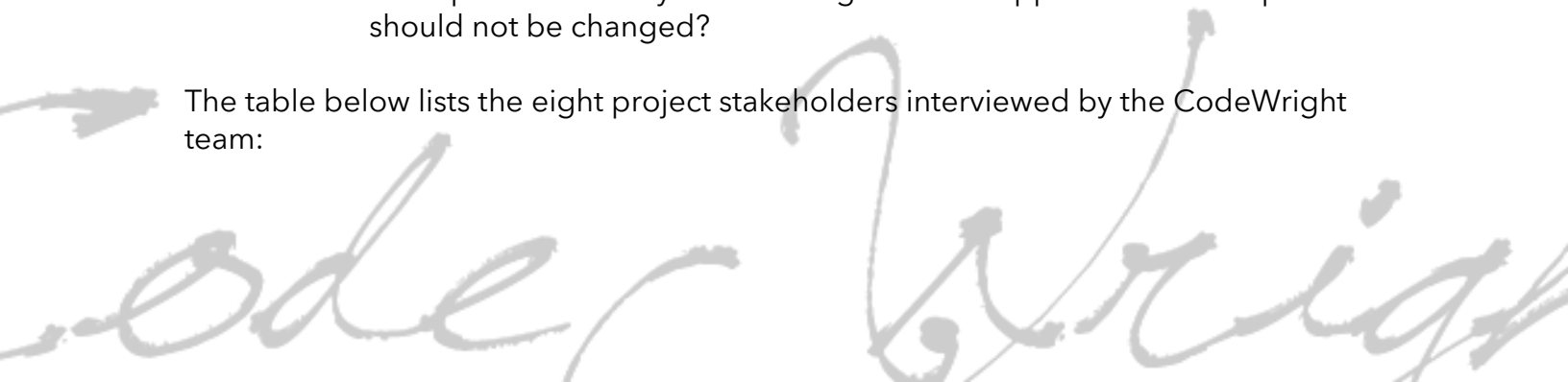
In addition to the eight stakeholder interviews, the consulting team also conducted a series interviews with seven Statesville City Council members, some on July 30 and others as telephone conversations on subsequent dates. This document includes the input collected from both the stakeholders as well as the elected officials. It is important to note that stakeholder interviews were conducted in confidence without staff present so that interviewees could feel free to be candid about their experience with the development review process (interviews with elected officials included members of City staff).

This report summarizes the comments by topic area and does not attribute comments to any individuals. The topics are listed in no particular order and are not in any sort of priority sequence.

Interviewees are encouraged to share their thoughts freely, but are all asked the following three questions:

1. What aspects of the City's current regulations are problematic?
2. What parts of the City's current application review process are in need of improvement?
3. What parts of the City's current regulation or application review process should not be changed?

The table below lists the eight project stakeholders interviewed by the CodeWright team:





# Statesville Soars

Stakeholder Interview Summary (project stakeholders and elected officials)

## PROJECT STAKEHOLDERS

Name	Title	Affiliation
Craig Goodson Todd Black Jennifer Bosser	Director, Economic Development Existing Industry Manager President & CEO	Iredell County Economic Development Corporation
Nate Bowman	President	Bowman Development Group (residential developer)
Michael Johnson	President	JGNC Real Estate (+ former Statesville elected official)
Michael Young Dianne Young	President Vice President	LMY, Inc. (downtown redevelopment)
James Pressly	President	Pressly Residential Group, LLC (residential apartment builder)
Taylor Williams	President	Williams Development Group (residential developer)
Denis Blackburne (via telephone)	Senior Vice President	Woda Cooper Companies (affordable housing developer)
Matthew Erich	President	Striv Development (residential & non-residential)

In addition to interviews with project stakeholders, the CodeWright team also conducted discussion with the following six elected officials:

- Mayor Costi Kutteh
- Kimberly Wasson
- Lisa Pearson
- Steve Johnson
- Joe Hudson
- Doris Allison
- Amy Lawton





## COMMENTS AND DISCUSSION TOPICS

The following pages list the comments provided during the stakeholder interviews and Council member discussions. Comments are organized into nine major categories, and are not listed in any particular order.

### A. Current Conditions & City Policy

1. Growth in Statesville had been very limited prior to development of the 2045 Land Development Plan. 5 years ago, Statesville started to experience growth pressures outside its corporate limits.
2. Statesville is having lots of growing pains.
3. There are large national builders coming to Statesville.
4. The EDC would be a good group to organize a developer's roundtable, but they don't have a lot of residential developers that they work with regularly.
5. There is a desire to protect industrial development and vacant land intended for industrial development outside the City limits.
6. The City is experiencing accelerated growth and does not know what to do with it.
7. Statesville wants to grow. We have infrastructure. We need people that have a vision for the community, and a clear vision with rules to achieve it so that when there are opportunities for development we all get what we want.
8. Changes in the regional sewer system operation have resulted in a "development bump" for Statesville.
9. Recent water agreement could mean City will grow to the east and west, but not the north and south.
10. Notes that large, statewide banks do not loan for mixed-use projects; and developers must utilize local banks - this can be a problem.
11. The development model is changing and cities are competing for corporate relocations based on growth and demographics.
12. Statesville is transportation rich - good roads, rail lines, good airport, etc. and the City should be more involved in investing in these corridors and areas and not as involved in the areas where sewer extension. The City is a great magnet for residential transplants in a state where people are moving to, and we need to provide the right jobs, places and housing to attract them.
13. It seems that many landowners in downtown sit on their properties and charge lower rents that are safe, but that are at least paid. They would rather have guaranteed low rents than pursue higher rents that may be more risky and result in vacancy. This approach keeps rents low and low rents interfere with the ability to encourage investment. Low rents don't drive traffic, and low traffic volumes prevent redevelopment.
14. It is difficult to deal with water situation.
15. The City has lots of closed down factories, and there are challenges with what to do with the closed down factories. The City needs to apply more flexibility on the abandoned factories





# Statesville Soars

## Stakeholder Interview Summary (project stakeholders and elected officials)

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16. There needs to be more employment for people who live in Statesville.
17. Project quality seems to be increasing.
18. This UDC project needs to drive more public participation to the public forums, and perhaps these public forums should have more than just UDC-related subject matter to get better participation.

### **B. Development Review Process, Generally**

1. There is a lack of clarity regarding approvals; it seems that sometimes the City goes back after an application has been submitted and applies new requirements.
2. Some developers have had a difficult time with the development review process.
3. Silos between departments are a problem.
4. Developers are at the mercy of the City; the City wants extra stuff (like more asphalt or other requests).
5. PUDs require development agreements - why?
6. Mooresville's ordinance requires applicants to list conditions in a separate document. In Statesville, there is a site plan and a development agreement, but conditions are only listed on the site plan, nowhere else.
7. The City likes to have a lot of informal meetings before application submittal, which can be hard on applicants.
8. It takes the City a long time to start the clock.
9. The pre-submittal meeting should be all you need.
10. Turnover in the Planning Department creates problem as there is a lack of continuity among staff.
11. Why do several application types require a second reading?
12. Would like to see standardized language for development agreements.
13. Redevelopment rules for downtown need to operate at the speed of business - the City needs to get plans reviewed and approved quickly.
14. PUD zoning often lacks communication to the residents in surrounding neighborhoods. Need to revisit PUD rules.
15. Permitting fees are higher than expected.
16. 2 months to get a zoning permit is too long. 2 weeks would be better.
17. Support for administrative review of site plans, and not having to go to Council for site plan review.
18. Need more pre-application conferences and more pre-construction meetings.





## C. Technical Review Committee Process

1. TRC used to review plans with the applicant in the room, but that has changed recently, and there are no longer reviews in front of the applicant. It seems like now the TRC gives some comments after the fact or after an initial review and the development community doesn't like it.
2. TRC process is unclear/ Lots of comments from the TRC during the rezoning process.
3. TRC is coming back with additional comments following initial review.
4. Developers not included in TRC meetings; and are having discussions with applicants in the room - this is a problem.
5. Stated the example of Salisbury, that propose a one-stop shop that was supposed to speed up development review, but it didn't work. Suggests getting all the City staff in the same room with the development community frequently, perhaps even several times a week.
6. TRC comments evolve over course of review and surprises can come up along the way.
7. Commercial properties pay important taxes and the developers in this industry. More open dialogue is needed between the developers and TRC/staff.

## D. Perceptions of Fairness in the Development Process

1. The potable water situation is difficult to understand, and some applicants have been subject to mandatory connection distances that are longer than others. Suggestion for the City to slow down, assesses the situation, and then inform the development community.
2. Statesville has approved development applications, but then revises or updates requirements after the approval (like the Mobility Plan) and these changes surprise developers.
3. Inconsistent application of permit fees can occur.
4. The Mobility Plan called for a flyover requirement that was applied to one developer but a neighboring project was exempted.
5. One example of a recent residential project first denied then reconsidered at a work session and subsequently approved.
6. There is a perception that the City might apply a particular standard to one applicant, but then waive that same requirement for a subsequent applicant.
7. The City needs consistency in fees and fairness in application of the rules.
8. Staff can sometimes miss things during application review, or Council adopts new rules after review has started and the new requirements are applied to applications under review.
9. Most developers are looking for 20-30 acres with the right zoning, ingress and egress, water, fiber, and cable. Statesville should do more to communicate with interested developers about these sites.
10. Suggest that if a change in the rules happens, there should be a 'grace period' before the new change is implemented.





# Statesville Soars

## Stakeholder Interview Summary (project stakeholders and elected officials)

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11. Private individuals can successfully block infrastructure extension. For example, land owners who own to the centerline of the street are blocking the installation of turn lanes for streets. The City should be helping developers deal with obstructionist individuals when trying to extend utilities and make street connections.
12. Current developers want small lots and higher densities, but the City does not appear to want that.
13. Suggestion that new development should pay higher fees to help subsidize the costs for review of redevelopment projects.
14. Feels like there is an unwillingness to work through challenges with difficult developments.
15. I can't name names but several people on review staff basically threw everything they could at us to make every step of dealing with the City a royal pain.
16. Accountability, and transparency for the public to understand what this code does and what it can realistically support and change is important.

### E. Extraterritorial Jurisdiction

1. ETJ and voluntary annexation is not well understood; there needs to be more education (for everyone) on how the development process works.
2. The development interface along the edges of the City's planning jurisdiction does not match up well with the County. Land uses between the two jurisdictions don't match well. Street alignments don't match up well.
3. It seems that the majority of residential development takes the form of large tracts of single-family detached residential on tracts in the ETJ.
4. Suggest increasing lot sizes, setbacks, and design requirements with distance from the City Center to disincentivize sprawl and to better support infill and redevelopment.
5. Current approach allows developers to purchase peripheral land at low prices per acre and then rezone to more urban densities that allows a larger profit and mismatched urban development in suburban/rural areas.
6. Housing developments are causing confusion among existing residents and people are often concerned about farms getting built out.





## F. Development Standards

1. Some applicants get “waivers” from standards, and these waivers are typically decided by City Council - the City has granted waivers to some development requirements in the past, but now these ‘grandfathered’ sites no longer look good.
2. Some of the City’s current stormwater/sidewalk/gutter requirements do not work.
3. Road widths in the UDC are generally too wide.
4. Utility extensions and easement requirements are an obstacle to development.
5. Dealing with the distinctions between the Rehab Code versus the Building Code is challenging.
6. The city has too many exactions.
7. The current code does not really allow for redevelopment.
8. Non-residential property maintenance codes are needed but are unpopular.
9. The UDC lacks good rules for roadway connectivity.
10. We want to be attractive to new residents but also need to be considerate and protective of the people who live here.
11. Interpretation of how the rules for building height work have been a problem.
12. Recent TND project proposal was not understood, and while the concept is anticipated in the Land Development Plan, there is not much in the UDC on this topic. For example, the Plan contemplates roadway widths for TND, but the UDC does not include these provisions.
13. Downtown parking issues. Parking requirements for residential don’t work. If anything, parking requirements should be for non-residential only.
14. Parking standards interfere with getting more residential into downtown.
15. Suggests that providing detailed building elevations as part of the development review process is too difficult unless there is more flexibility.
16. The UDC does not relate well with urban development - lot size is irrelevant in urban contexts.
17. Suggestion for a form-based code approach, or at least a code that says what you can do rather than what you can’t.
18. Density is not well defined.
19. The City needs better HOA maintenance requirements for large residential developments - exterior maintenance requirements needed.
20. Fenestration requirements have unintended and nonsensical outcomes - question regarding the benefit of false windows - suggests a more negotiated approach, meet the transparency standard or upgrade the appearance of the exterior materials - or plant lots of plants so you can’t see the building.
21. Curb and gutter: if in the City provide, if outside the city match surrounding conditions.
22. The UDO should consolidate many of the zoning districts.





## G. Use Standards

1. There are no cat café rules.
2. There is concern about multi-family development and its potential impacts on surrounding development.
3. Alcohol sales uses are not well-regulated by the current UDC in the downtown.
4. The Town wants more retail, but doesn't seem to want the rooftops or the traffic.
5. City policy supports more commercial options but hasn't seen much in the way of new commercial even though there is more residential development approved at the periphery of the City.
6. The use table for downtown should be based on what people want to do downtown, and perhaps should be different than those outside of downtown. Suggests that the Downtown Statesville Development Corporation has some ideas on what uses should be allowed in downtown.
7. The City struggled with the concept of a spec warehouse which caused multiple issues on the permitting side.
8. The code should be revised to make common or recurring conditions basic ordinance standards.
9. There is a desire to visit rules that apply to vape shops. Vape shops are a problem.
10. The UDO should identify prohibited uses.
11. Standards that seek to mix commercial and multi-family should be approached carefully - Mooresville is a cautionary tale for this.







## H. Housing Choice

1. Lots of employers lack housing for employees, and many employees must drive for an hour to get to work.
2. There is a mismatch between amenity requirements and the desire for affordable homes.
3. Communities that want more housing need to help developers with utility extensions and street improvements.
4. Affordable housing has to be subsidized; developers go to the highest, best use, which is driven by the market and provide building space at market rates.
5. The NC Housing Finance Association has design standards for affordable housing that also address accessibility.
6. Smaller lot sizes in the interior of the city may start to make sense. If we're going to keep housing affordable, and we want to attract downtown investments- we may need to explore that.
7. Review process for affordable housing is lengthy and tedious.
8. The City needs housing, but this housing can not be as expensive like what is seen in Cornelius - this will bankrupt the developer.
9. Affordability requires some form of subsidy from the government.
10. Chasing residential development all over the City will fill up our schools and create more issues. Workforce housing is an issue for all of these cities where there is great earning opportunity but few housing choices.
11. Are we going to do anything to support affordable and workforce housing? Does Statesville already have its "fair share"?
12. We don't have a good definition of what is affordable to everyone in Statesville. We would need a broadened definition of affordable housing to include even those who make \$25 per hour.
13. How can we make the incentives and the programs around affordable housing more effective at making sure these people can keep their homes even after they miss a payment or come on hard times?
14. How will a code update provide housing for people that make less than \$50k per year? How do we use this effort to get more people into home ownership opportunities?





## J. Incentives and Preferred Forms of Development

1. Developers are more interested in incentives that are going to get buildings to market sooner- faster permitting, fee waivers, etc.
2. Incentives, if included, should be in the ordinance, be clear, and support specific forms of development.
3. Infrastructure costs often constitute 28% of the cost of housing, and thus it needs to be built as a part of the development by the City.

END OF REPORT

