

John M. and Gloria R. Alderman
244 Redgate Road
Pittsboro, NC 27312-7931
October 7, 2012

Chatham County Board of Commissioners
P.O. Box 1809
Pittsboro, NC 27312

re: Rezoning ST Wooten parcel from residential to heavy industrial land use

Dear Commissioners Bock, Petty, Cross, Kost, and Stewart:

Since before the 1700s, our ancestors were residents of North Carolina, including several in Chatham County. As a family, we returned to Chatham County in 1976 and since 1982 have been homeowners living along Redgate Road, off Mt. Gilead Church Road. During these recent decades, we have been law abiding, tax paying, constructive members of society. We answered our nation's call in many ways, including having numerous members of our family, including our two sons, serve in the military. We now ask something from you: If ST Wooten presents a request for rezoning part or all of a residential parcel to heavy industry along Sugar Lake Road, please vote to prevent any heavy industrial use on this parcel. Our request for denial is based upon numerous facts:

1. As stated above, we first bought our Redgate Road land because property throughout the Mt. Gilead Church Road Corridor was zoned residential. Proof is documented within the North Carolina court system judgment records' Finding of Facts during the mid-1980s in a case where Chatham County Board of Commissioners illegally rezoned a parcel of land adjacent to Redgate Road property (Alderman et al. vs. Chatham County et al. 1986). Both the Superior Court Division Judge in Pittsboro, Thomas H. Lee, and the N.C. Court of Appeals Judges, Clifton Johnson, Hugh Wells, and Jack Cozort, ruled in our favor. The court decision reinforced our belief that residential zoning could be relied upon, so Redgate Road residents made additional investments in their property.

2. With the greater Mt. Gilead Church Road Corridor zoned mostly residential since 1968, there has been an exponential increase in residential development. The exception is the Great Recession associated years 2007 – 2011 (Figure 1). Given these trends, it is illogical and contrary to the County's Land Development Plan and County Zoning Ordinances to rezone any residential parcel within this corridor as heavy industrial.

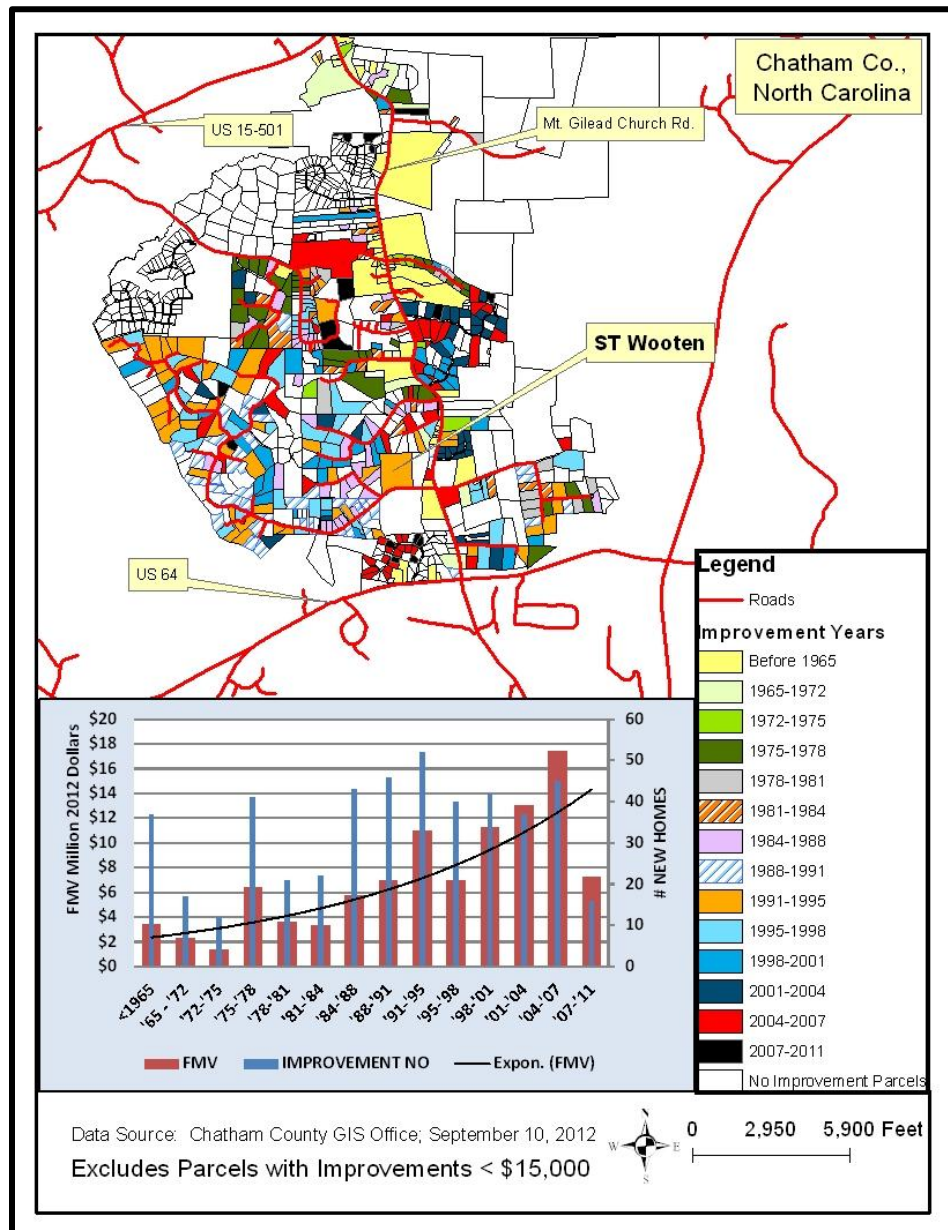


Figure 1. Historical transition of the greater Mt. Gilead Church Road Corridor from mostly agricultural/silvicultural usage to residential usage

3. Chatham County has encouraged this growth during most of the past decades through maintaining residential zoning within the corridor. Landowners have experienced significant increases in their property values, and the county has acquired increasing tax revenues as a result of landowner investments. Virtually all of the property value is associated with residential land use, whereas relatively insignificant value or property tax revenue is associated with ST Wooten's property within the corridor (Figure 2).

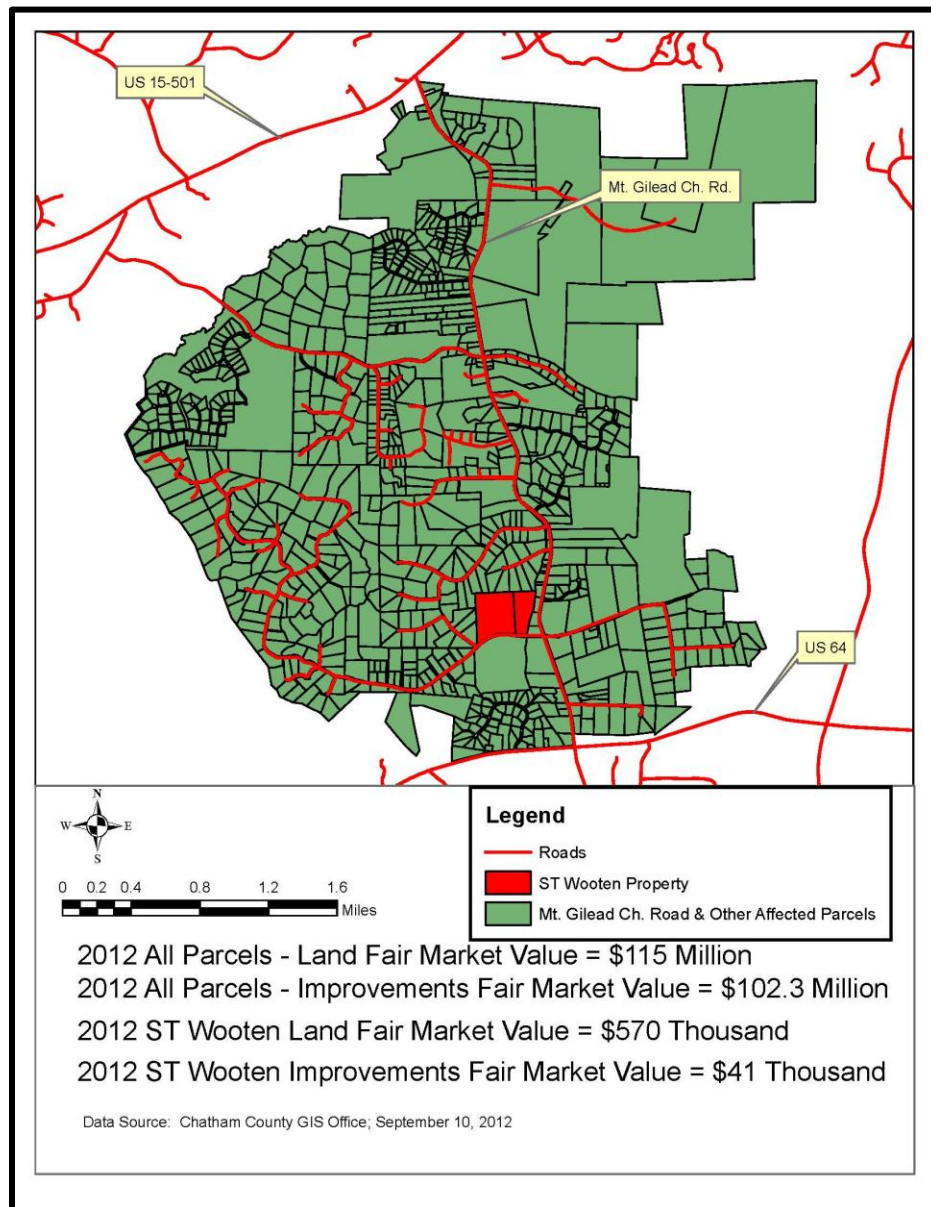


Figure 2. Land and improvements Fair Market Values (FMV) associated with residential zoning versus ST Wooten's land and improvement values within the Mt. Gilead Church Road Corridor

4. ST Wooten's heavy industrial use of its present asphalt plant parcel has reduced its land value (\$10,088/acre FMV) compared with all adjacent parcels (Figure 3), including its adjacent vacant

parcel (\$11,113/acre FMV). Chatham County is simply acknowledging reality: It is not giving preferential tax treatment to heavy industry when assessing land values. It is openly saying that, in this case, heavy industry has a negative effect on land values. All 11 parcels surrounding ST Wooten's asphalt plant parcel fall within the lowest 7 FMV parcel value classes within the Mt. Gilead Church Road Corridor. Their mean land FMV is \$18,574/acre (\$21.6K maximum within this band). There are 31 parcels surrounding the 11 above parcels. The mean land FMV is \$29,992/acre for these 31 parcels (\$52.9K maximum within this band). There are 39 parcels surrounding the above 31 parcels. Their mean land FMV is \$33,282 (\$69.4K maximum within this band). These numbers suggest negative impacts on land values surrounding the existing asphalt plant.

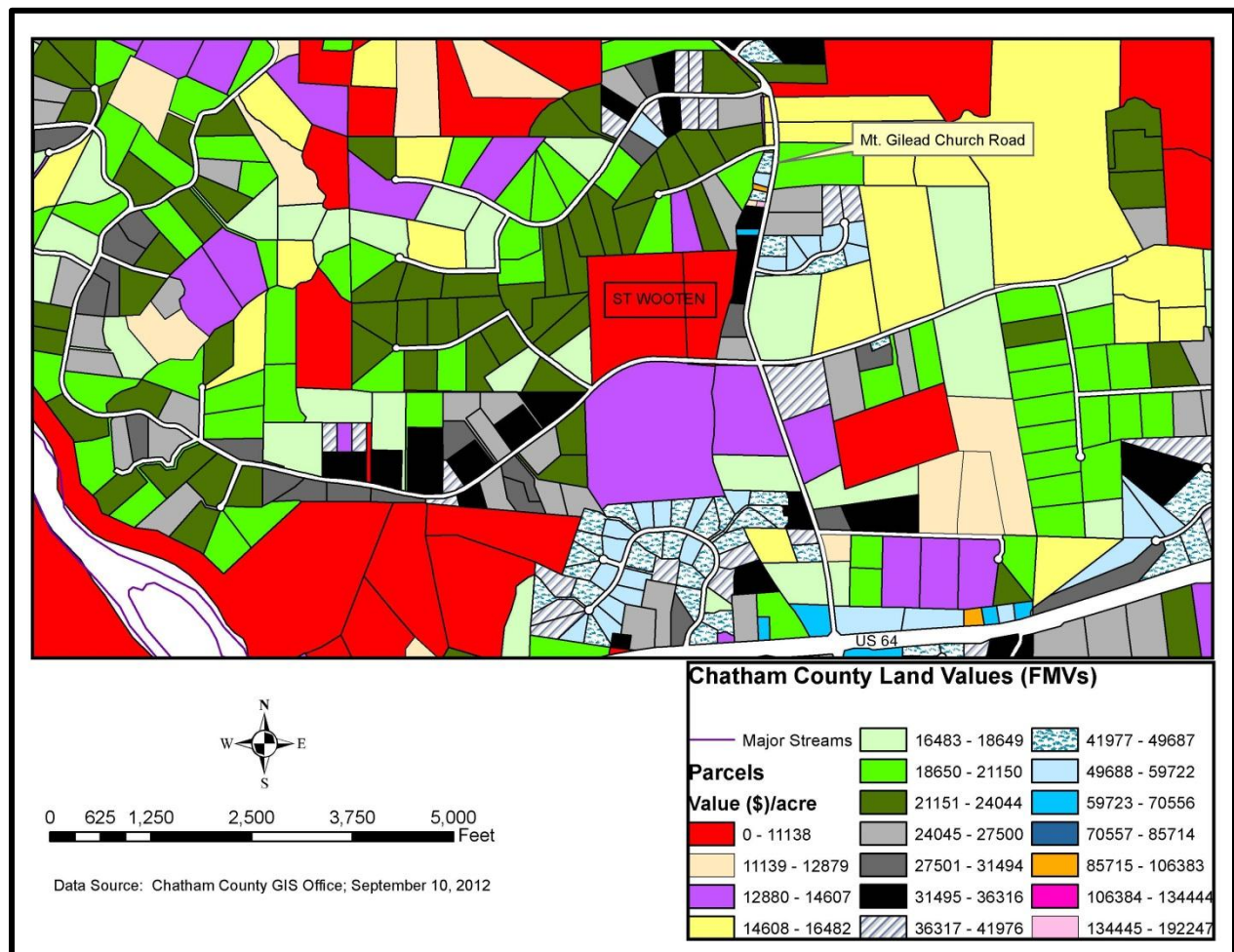


Figure 3. Land values (FMVs)/acre near the ST Wooten asphalt plant parcel

5. An examination of land FMVs plus improvement FMVs (mostly residences), reveals an apparent zone of impact surrounding the existing ST Wooten asphalt plant (Figure 4). If ST Wooten's request for rezoning of its adjacent residential parcel is approved, we (and many of our

Mt. Gilead Church Road Corridor neighbors) are greatly concerned that this zone of property value impacts will expand outward and negatively affect our and our neighbors' property values. Reality and perceptions drive real estate markets; therefore, we are greatly concerned about our ability to sell our property with a reasonable rate of return if such heavy industrial zoning occurs in a residential neighborhood.

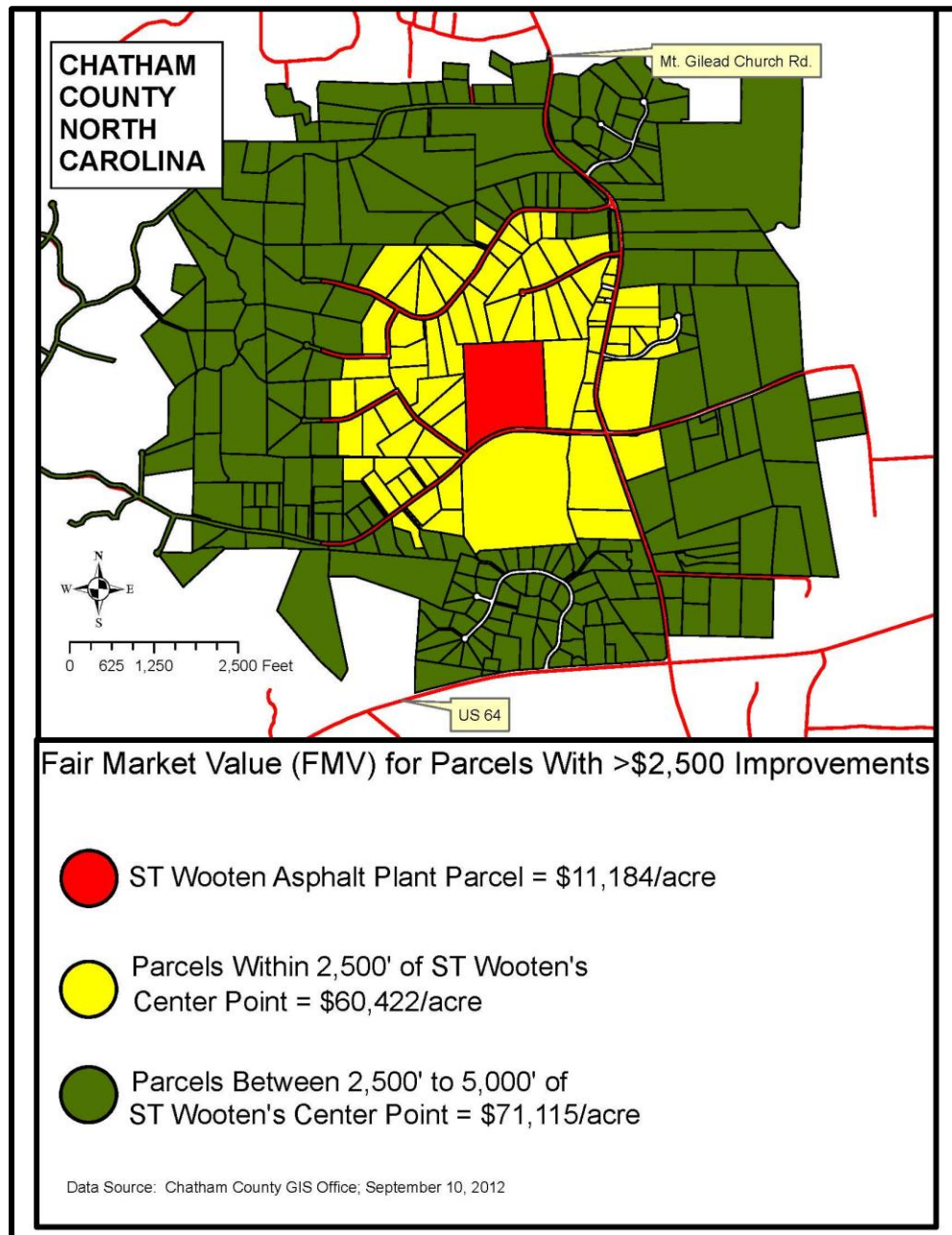


Figure 4. Land plus improvement FMVs surrounding the ST Wooten asphalt plant

6. Citizens living within the Mt. Gilead Church Road Corridor have invested significant family funds in wells (Figures 5 and 6) during the past decades. Because of relatively low yields from many of these wells, families near ST Wooten's asphalt plant are concerned that their wells' yields may be negatively affected by future use of ST Wooten's relatively high yielding wells on Wooten's properties. They also have significant concerns over potential contamination of their wells from soil and groundwater contaminants associated with ST Wooten's current asphalt production site.

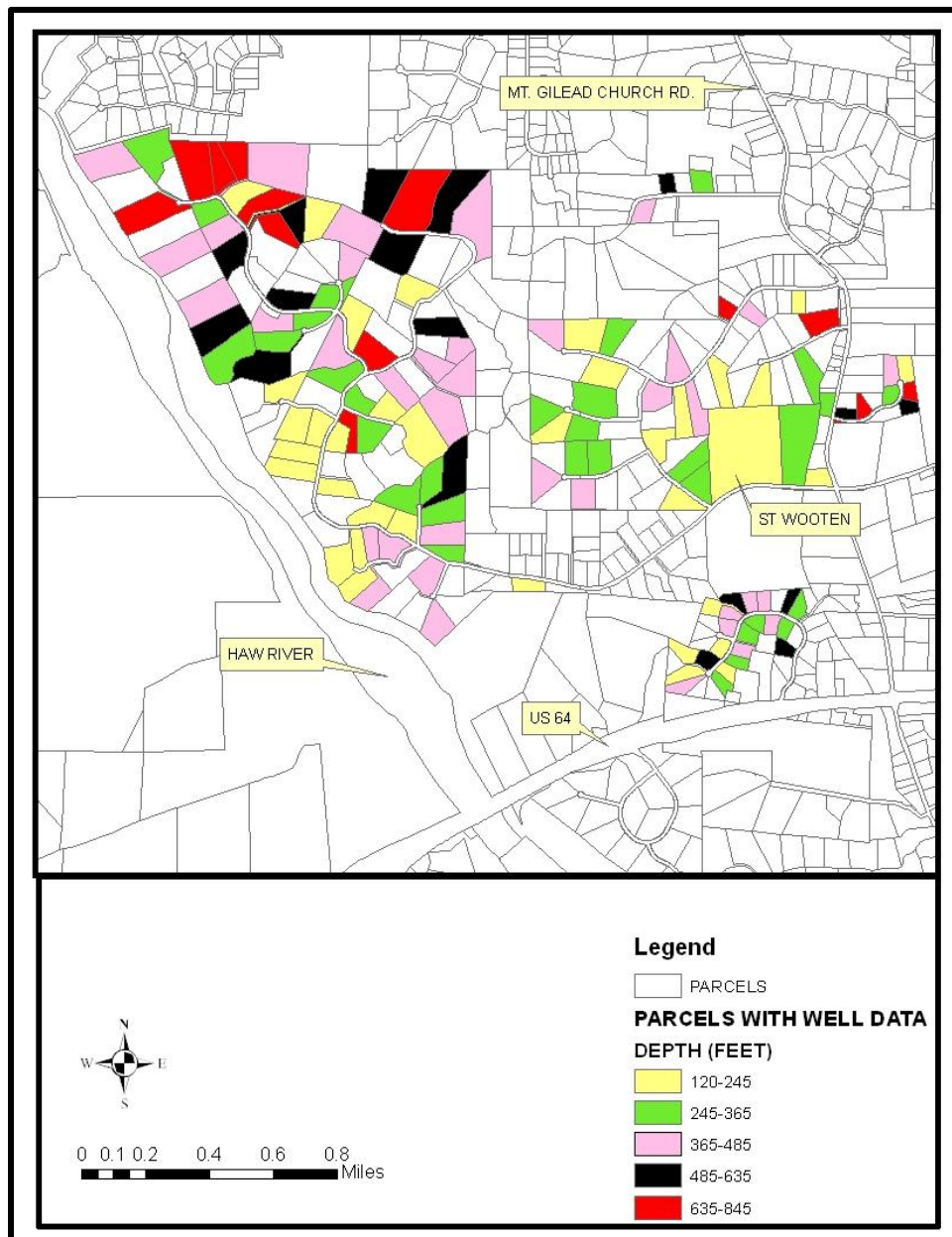


Figure 5. Sample of parcel well depths near ST Wooten's properties

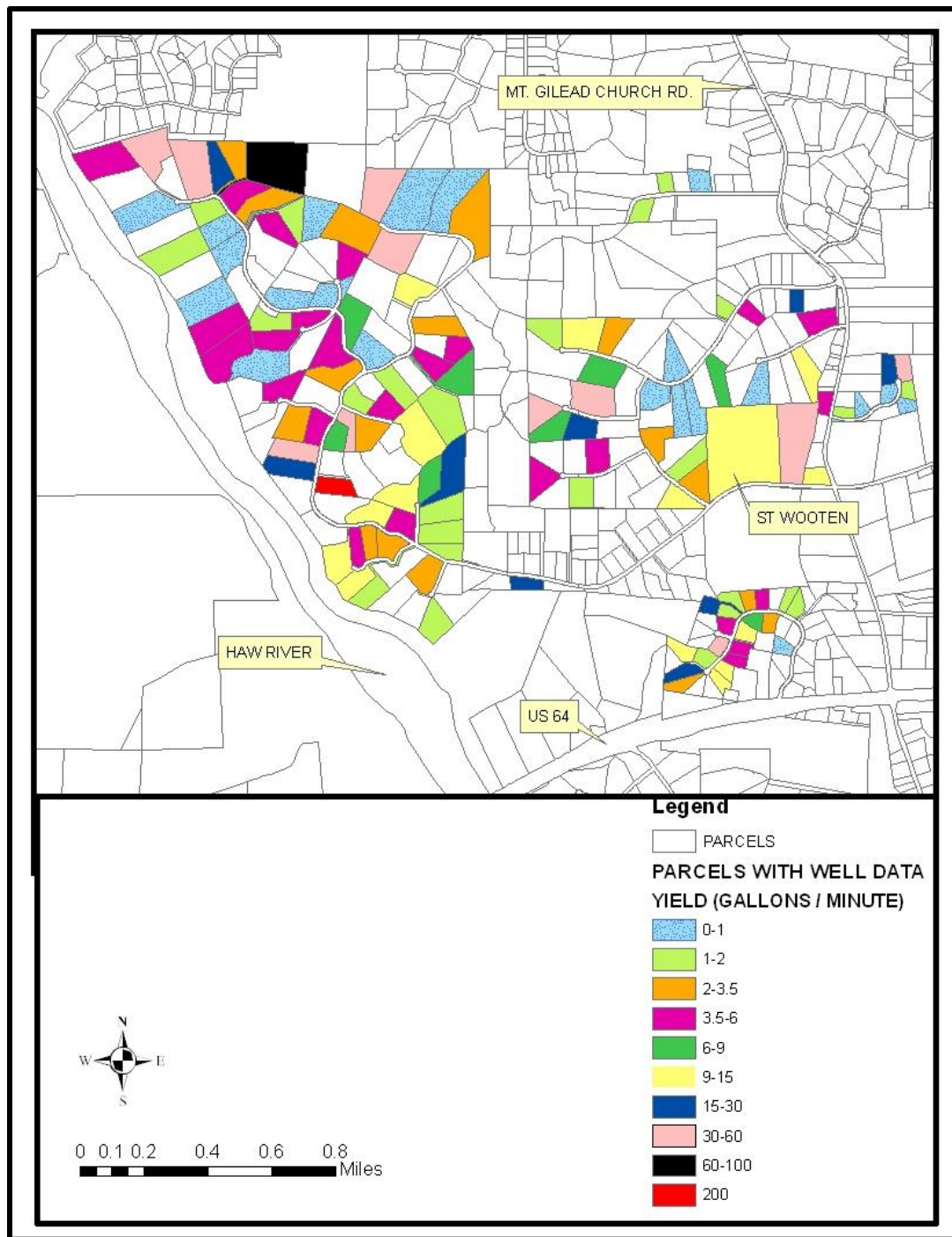


Figure 6. Sample of parcel well yields near ST Wooten's properties

7. Most of the area eastward from the Haw River and down to Jordan Lake Dam (and not owned by the federal government) is mostly zoned residential (Figure 7). This area only represents 25 percent of Chatham County's 446,409 total deed acres, yet it represents 56 percent of Chatham

County's total \$9.4 Billion FMVs associated with land plus improvements. Given this, it's clear that most of Chatham County's property tax revenue associated with land and improvement ownership is generated from this small area, especially since agricultural and silvicultural usage, which are dominant land uses elsewhere in Chatham County, generate relatively little tax revenue based upon land values for the county (note NC statutory requirements for reduced assessments for agriculture and silviculture lands). For these reasons, it's extremely important for the BOC to carefully support residential land uses in this area. Allowing an unprecedented rezoning of a small parcel within a residentially dominated area, such as the Mt. Gilead Church Road Corridor, to heavy industrial will have an extremely negative effect on property values throughout zoned parts of Chatham County. The consequences of such a precedent setting rezoning will not only damage residential property owners, there will be a cascading series of impacts on homebuilders, realtors, and most other local businesses, thus magnifying negative tax revenue receipts for the county.

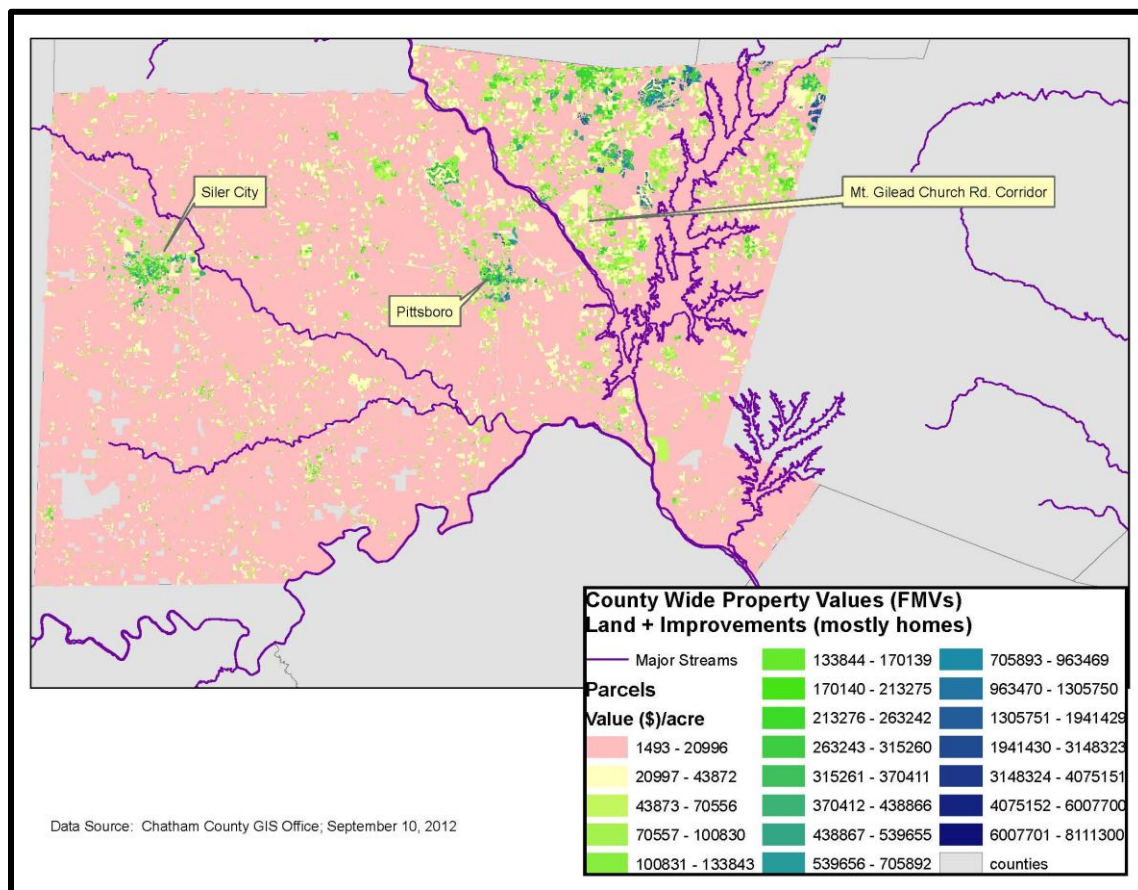


Figure 7. Land plus improvement FMVs/acre throughout Chatham County

8. Within Table 1 (Zoning Table of Permitted Uses) of the Chatham County Planning and Zoning Ordinances, there are 237 identified permitted uses within 10 identified zoning districts, including IH (heavy industrial zoning district). Twenty-nine of these 237 uses, including asphalt

manufacture or refining AND cement, lime, plaster manufacture, are limited to heavy industrial zoning districts, and they are not allowed in association with any of the other 208 uses. This is consistent with zoning in ST Wooten's home county/city of Wilson (Figure 8) and with zoning in Raleigh associated with ST Wooten's concrete manufacturing facility on Capital Boulevard in Raleigh (Figure 9). In Wilson, ST Wooten's asphalt and concrete manufacturing facilities are within a zoned heavy industrial area in southern Wilson, which is surrounded by a buffer zoned light industrial before reaching business and residential zoned properties. In Raleigh, ST Wooten's facility is more than 0.3 miles from the nearest residential zoned areas. Seth Wooten's home in northern Wilson is safely within a mostly zoned residential area. If the City of Wilson protects ST Wooten's and others' personal and business interests through zoning considerations and the same is true in Raleigh, why would Chatham County's BOC do otherwise?

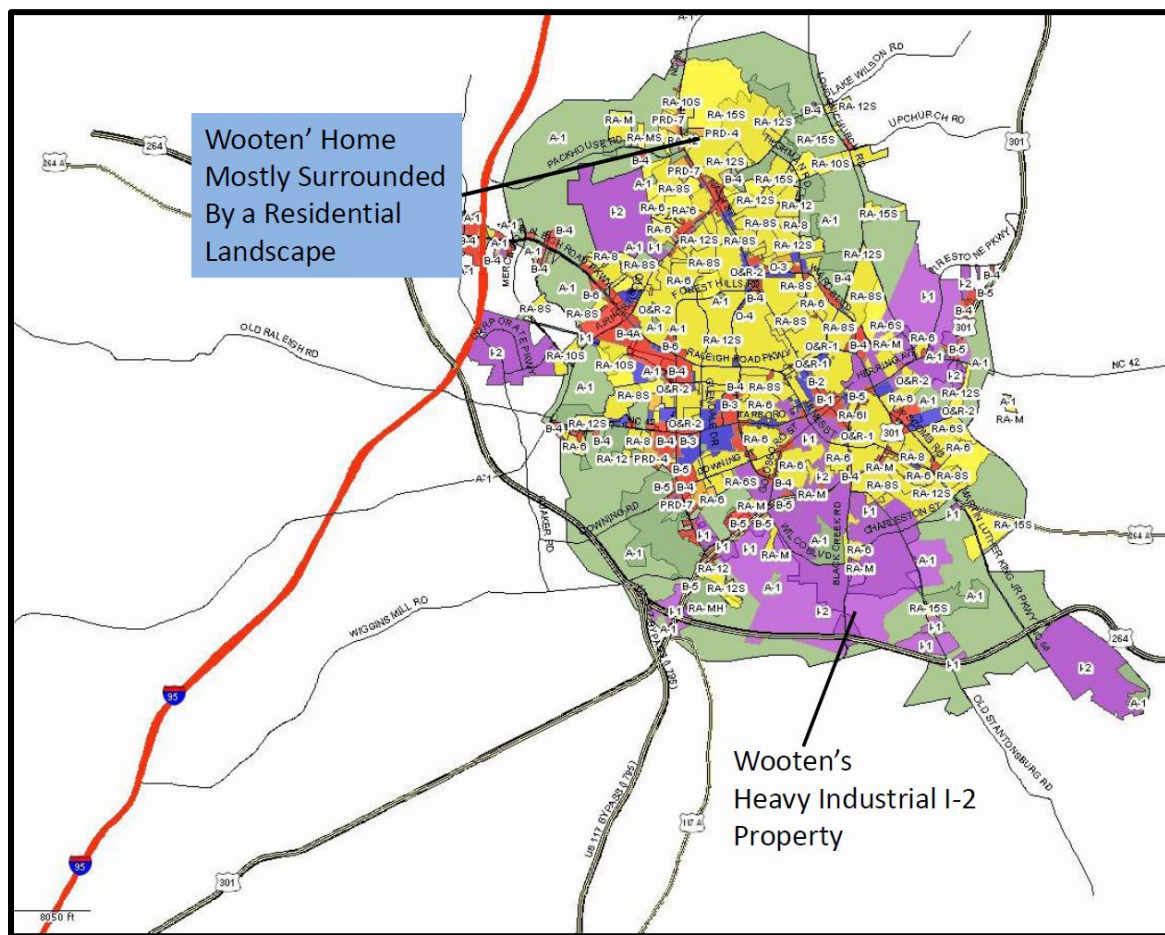


Figure 8. Zoning protections within ST Wooten's home county/city of Wilson, North Carolina; residential zoning in yellow, industrial zoning in purple (heavy industrial in light purple); from City of Wilson's GIS on-line program

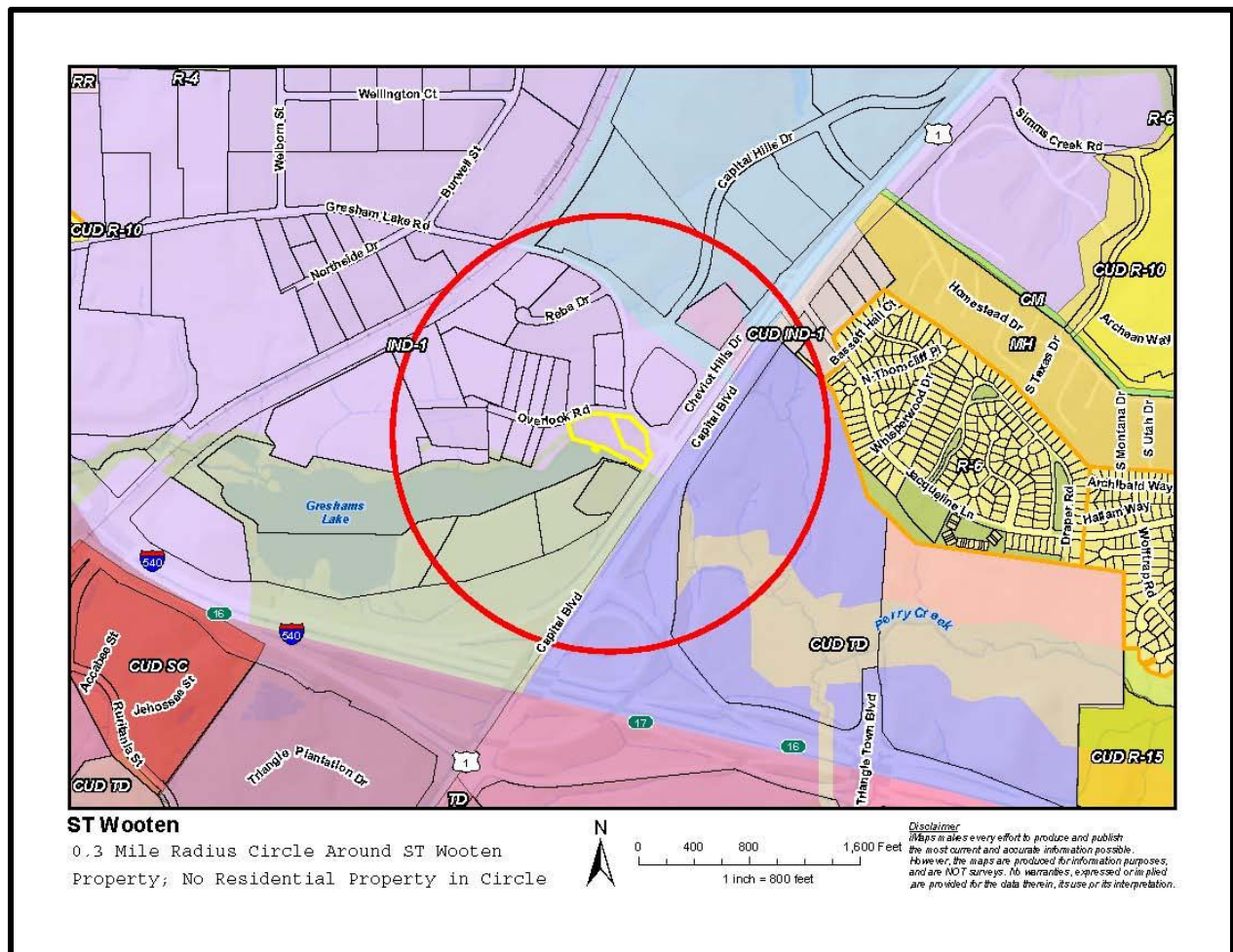


Figure 9. Zoning surrounding ST Wooten’s concrete manufacturing facility in Raleigh, North Carolina

9. 471 families live within the Mt. Gilead Church Road Corridor. These families spend approximately \$11.7 million annually within Chatham County for food, housing, household operations and supplies, transportation, and contributions to churches and other institutions (U.S. Bureau of Labor Statistics 2012). This contribution should be considered a minimum contribution to the local economy, since there are many other types of local purchases by these families, and the above figure does not include taxes paid locally. Clearly, many local businesses rely on our collective purchases. Again, Chatham County BOC should carefully nurture residential land use within this corridor and prevent any negative impacts from heavy industrial rezoning here. To do otherwise will harm not only the residents, realtors, and developers of Mt. Gilead Church Road Corridor, it will also harm businesses which depend upon us.

10. Noise, originating any time of the day or night from the existing ST Wooten asphalt plant, is already having a very negative effect on residents from near US 64 to at least Redgate Road (Figure 10). Particularly during early morning hours while most people are asleep, the noise often awakens them, and they have great difficulty returning to sleep. There are known negative health effects from such regular loss of sleep. Loss of sleep negatively affects work or other activities during the following daylight hours.



Figure 10. An appropriately named company making a delivery to ST Wooten's asphalt plant on Sugar Lake Road

It is probable that noise from Wooten's site is enhanced because of its location in a valley relative to other residential properties at higher elevations near it (Figure 11). Much of the noise from Wooten's plant travels directly to many peoples' homes without being deadened by surrounding woodland.

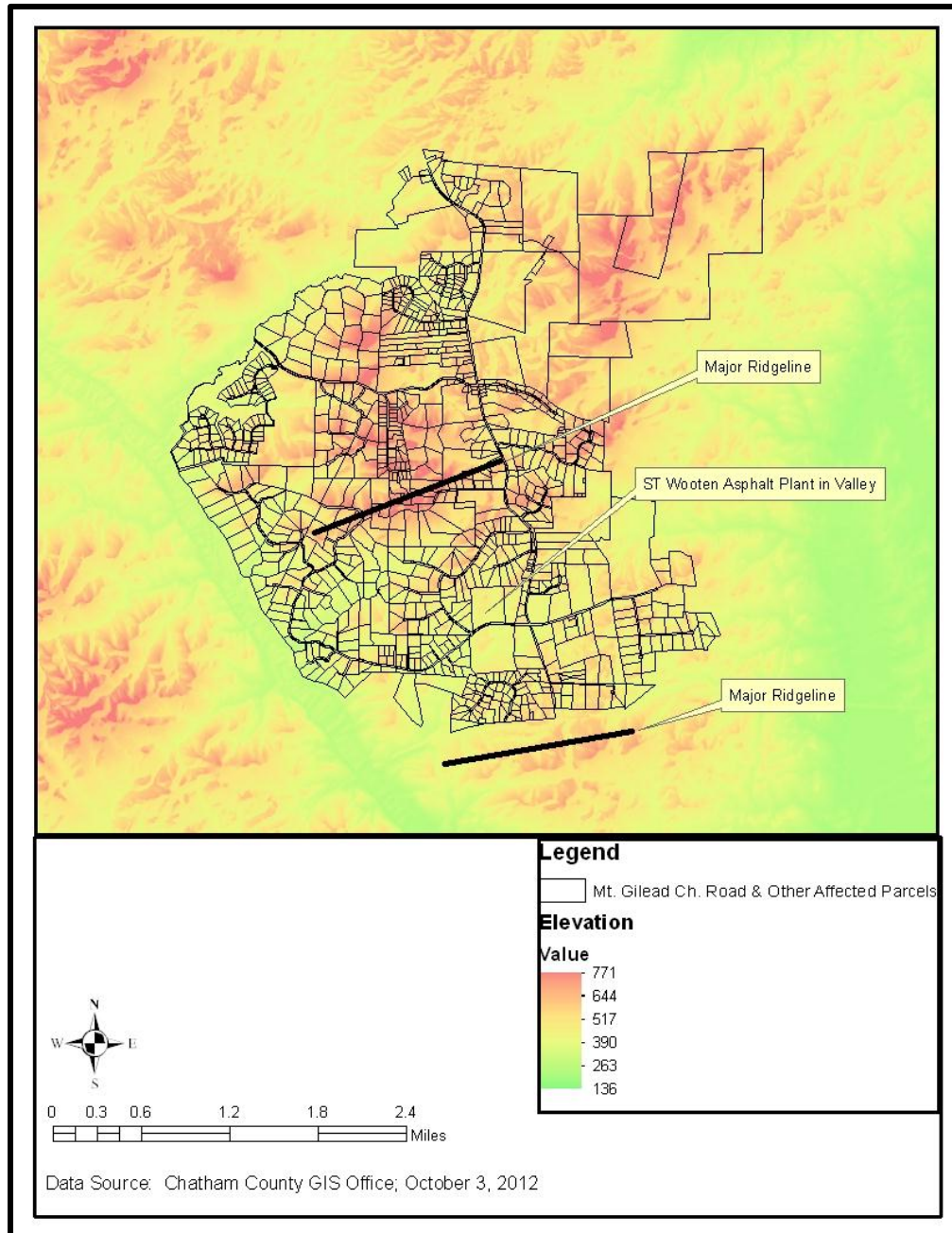


Figure 11. ST Wooten's amphitheater effect; ST Wooten at 410', Redgate Road at 620'; south of US 64 at ~500'

11. We own a North Carolina small business. During the past few weeks, we have diverted thousands of dollars' worth of time or financial resources toward the effort to defeat ST Wooten's rezoning plans. During these weeks, business efficiency has suffered significantly. This inefficiency will probably continue until the associated public hearing. **In many ways, our business looks upon such inefficiencies as a hidden local tax.** We are quite confident that others in business within this corridor are experiencing the same inefficiency. As far as our business is concerned, we regularly explore ways to increase efficiency. Without reservation, if we must move our business to another county or state to maintain our past efficiency and remain highly competitive, we will do so. We are confident others within this corridor will do the same. **Chatham County can ill afford developing a reputation of being a poor location for small businesses.**

12. ST Wooten's asphalt plant parcel is 37.6 acres. Currently, according to Google Earth, their operations on this parcel cover approximately 16 cleared acres. A significant percentage of this area is not being used. With proper planning and rearrangement of raw materials, much more than 5 contiguous acres is available for industrial use within this cleared area. Therefore, to the public, ST Wooten simply appears to be trying to incrementally expand its industrial land area into an area zoned residential. Every such expansion weakens the strength of residential zoning in the general area. The BOC should look very unfavorably on applications which appear to abuse Chatham residents in such a way, especially since land is available in nearby zoned heavy industrial areas.

13. NC Division of Air Quality (NCDAQ) maintains pollutant data for industrial facilities across North Carolina. Within Chatham County, 12 criteria pollutants, such as carbon monoxide and sulfur dioxide, are identified. ST Wooten's Sugar Lake Road facility is an emitter of 6 criteria pollutants. Additionally, industrial facilities in Chatham County emit 111 hazardous/toxic pollutants. From NCDAQ data, ST Wooten's Sugar Lake Road facility is an emitter of 12 of these hazardous/toxic pollutants, including phosphorus metal, hexane, polycyclic organic matter, xylene, ethyl benzene, toluene, formaldehyde, benzene, polycyclic organic matter, naphthalene, lead, and chromium. Given known groundwater contamination, such as trichloroethylene (TCE), from past operations at this site and these various types of air pollution, it is impossible for modern science to fully understand all the individual, cumulative, and synergistic effects on Chatham County residents in the area around ST Wooten's current Sugar Lake Road asphalt facility. This is of great concern to your citizens, since these substances are associated with many diseases or conditions, such as various kinds of cancer, respiratory and circulatory disease, mental illness, and autoimmune disease. For health reasons and the fact that this is a zoned residential area, any further expansion of ST Wooten heavy industrial activities at their current facility or on adjacent properties is inappropriate.

If time permits, we will provide additional facts as they become available.

Sincerely,

John M. Alderman and Gloria R. Alderman