COLVARD FARMS SUBDIVISION APPLICATION REQUEST FOR PRELIMINARY APPROVAL OF PHASE VIII

Prepared by Colvard Farms Development Company, LLC August 15, 2005

TABLE OF CONTENTS

Page Number

EXECUTIVE SUMMARY	3
MAJOR SUBDIVISION APPLICATION	8
APPENDIX A: EROSION AND SEDIMENTATION CONTROL PLAN APPROVAL	10

EXECUTIVE SUMMARY

Colvard Farms Development Company, LLC is applying to Chatham County for preliminary approval of Phase VIII (4 lots) at the Colvard Farms residential development.

On March 13, 2001, the Chatham County Commissioners approved our application for a Conditional Use Permit for a planned residential development (cluster subdivision) and on October 15, 2001, they granted our request for final approval of Phase I with 22 subdivision lots and eight exempt lots. We received approval on April 15, 2002 for a modification to the Conditional Use Permit to allow for minimum distance in a side yard of 15 feet. In December 2002 we received final approval from the County for Phase II of the subdivision with 33 lots.

During their regular meeting on April 7, 2003, the Chatham County Board of Commissioners approved our request to revise the existing Conditional Use Permit for a Planned Unit Development for a cluster subdivision to include a tennis and recreation club (private facility). On May 19, 2003, the Chatham County Board of Commissioners granted our request for preliminary approval of Phase III. The original Phase III approved at sketch design, depicted 15 lots; however, because of our need to relocate the recreation center, the number of lots decreased accordingly. The remaining lots for the original Phase III will be designated by a later phase for the subdivision. The impervious surface area for Phase III is less than four acres or approximately 17%. When applying these figures to the entire subdivision, impervious surface area remains under 9%. Final approval was granted for Phase III on January 12, 2004.

Final approval for eight (8) lots in Phase IV (handled through a separate entity called North Chatham, LLC) was given on September 20, 2004. On July 18, 2004 the Chatham County Commissioners granted preliminary approval for Phase V with 24 lots. The Commissioners gave final approval for Phase V with twenty-three (23) lots on December 13, 2004. Preliminary approval for Phase VI with fourteen (14) lots was granted by the Commissioners in March 2005. Phase VII was presented at the public hearing in March 2005 with a request to modify the conditional use permit to incorporate the new property and was subsequently approved.

Phases VI (14 lots) and VII (23 lots) were granted preliminary approval in June and a request for final approval of these phases is pending this month.

All permits and approvals to state and local government agencies have been obtained for the subdivision as shown below:

- □ <u>Wastewater Treatment and Disposal Permit</u> Submitted to the Division of Water Quality, Water Quality Section of DENR on February 1, 2001 and was approved on July 13, 2001 as permit number WQ0019569. The Water Reclamation Facility has been operating since October 2001 and we began spray irrigation of treated effluent in August 2002 using segment one of the permanent system. On February 7, 2003 we received certification to begin using a new storage pond which has a 120 day holding capacity for more than 200 homes (far beyond the necessary requirements). On April 21, 2003 we received approval for modifications to the spray areas at Colvard Farms. We received certification for six additional lots on June 27, 2003. A third partial spray area was certified in November 2003, bringing the total number of homes approved to 33. In addition, a fourth partial area was certified on July 22, 2004 adding another 14 homes for a total of 47. Finally, a fifth partial certification was made on April 21, 2005 increasing the total number of homes permitted to 78. Building permits may be issued for the lots approved; however, Certificates of Occupancy may not be issued until or unless the Engineer has certified additional spray area. Further certification of the spray irrigation system shall continue in 2005 with the modifications to add other spray areas.
- Wastewater Collection Permit Submitted to the Division of Water Quality, Water Quality Section of DENR on April 24, 2001 and was approved on July 25, 2001 as permit number WQ0019941. This system is presently in use.
- Public Water Supply, Treatment and Distribution System Submitted to the Division of Environmental Health, Public Water Supply Section of DENR on May 11, 2001 and was approved on July 24, 2001 as DEH Serial Number 0100920. This system is presently in use and approved for a maximum of 150 lots.
- Water System Management Plan Submitted to the Division of Environmental Health, Public Water Supply Section of DENR on May 11, 2001. This plan has been approved subject to issuance of the permit for the Public Water Supply, Treatment and Distribution System (shown above). This plan is presently in use.
- Soil and Erosion Control Permit (Chatham County) Submitted to the Division of Land Resources, Land Quality Section of DENR on May 11, 2001 and was approved on July 6, 2001. Modifications to this plan were approved on April May 8, 2003 (Phase III and Recreation Center) and August 29, 2003 (Phase IV). The request for Phase V was approved summer 2004. An erosion control permit was approved for Phase VI by Land Quality Section of DENR on February 4, 2005. For Phase VII, an application for the

erosion control permit was approved on May 13, 2005; this same application includes the area for Phase VIII.

Street and Driveway Access Permit (Durham County) – Submitted to NC DOT, Division 5, District 2 on May 18, 2001. Durham County has granted approval. We received approval on June 29, 2001 for Driveway Permit number D52-35-01-033 and on the same date we were granted a Right of Way Encroachment Contract for drainage, grading and paving for widening. All road improvements have been made and accepted by NC DOT as of 2002 (see "Final Right of Way Dedication Plat of NC Highway 751, F. Neal Hunter Property" recorded on August 23, 2002 in plat book 156, page 199).

At their March 13, 2001 meeting, the Chatham County Board of Commissioners made the five required findings and approved our request as submitted with eight conditions. The status of these eight conditions follows:

- 1. A 50-foot undisturbed buffer area has been established along the outside property line adjacent to the public lands managed by the US Army Corps of Engineers and is recorded in the plats for the approved lots in Phases I and II.
- 2. A 50-foot rear building setback from the 50-foot undisturbed buffer has been established and is recorded in the plats for the approved lots in Phases I, II and III.
- 3. Within the required minimum 50-foot building setback, there is a restriction prohibiting the cutting of trees 18 inches or greater in diameter. This is documented in the "Amended and Restated Declaration of Covenants, Conditions and Restrictions of Colvard Farms Subdivision" recorded on January 27, 2003 in book 991, pages 311 through 364.
- 4. Signs have been posted approximately every 100 feet along the border of the property in Chatham County with the public lands managed by the US Army Corps of Engineers. On one side, these signs inform homeowners that hunting is permitted on designated game lands. From the US Army Corps of Engineers side, signs will inform citizens of the Colvard Farms residential development.
- 5. As noted in the application to the North Carolina Department of Transportation for a Driveway Permit, turning lanes have been constructed according to DOT standards at the entrance of the subdivision road with North Carolina Highway 751 (see "Final Right of Way Dedication Plat of NC Highway 751, F. Neal Hunter Property" recorded on August 23, 2002 in plat book 156, page 199).
- 6. Colvard Farms will ensure that lights are shielded from upward glare and on the sides or placed to prevent spillage onto adjacent properties. A minimum number of street lights are used within each phase of the development.

- 7. The developer has met with the Chatham County Historical Association regarding the evaluation and disposition of existing farm structures on the property and appropriate action has been taken according to their recommendations.
- 8. After further discussion with the Chatham County Planning and Health Departments in December 2002, it was agreed that Colvard Farms would send a copy of reports required by the state on the water reclamation facility to the attention of the Director of Public Works in Chatham County. Reporting for the facility began in August 2002. Effective December 2002, the Public Works Department received all reports to date and now receives the monthly and annual reports at the same time they are sent to the Division of Water Quality in Raleigh.

At their April 7, 2003 meeting, the Chatham County Board of Commissioners made the five required findings and approved our request as submitted with the following condition:

Landscaping/buffering shall be as shown on the site map and shall also include a 20 foot wide, Type A, opaque buffer on the western boundary (along the roadside) of the recreation center lot to provide adequate buffering for Lot 80.

On June 7, 2004, the Chatham County Commissioners made the five required findings and approved our request to modify the Conditional Use Permit as follows:

- 1. Increase the total number of lots approved for the subdivision by 24 from 107 to 131 lots.
- 2. Reduce the minimum lot size for Phase V to 10,000 square feet.
- 3. Minimum setbacks from property lines for Phase V shall be as follows:
 - a. Front: 15 feet
 - b. Side: 10 feet
 - c. Rear: 25 feet (except lot #'s 114 119 shall have a rear setback of 15 feet.

The fifty (50) foot non-disturb buffer for lot #'s 114 – 119 shall remain.

4. Prior to the sale of lots there shall be full disclosure to prospective buyers of the various land use activities possible on US Army Corps of Engineers land, specifically hunting and control burns for timber management.

In June 2005 an application request was submitted to modify the conditional use permit for Colvard Farms to add one (1) lot and approximately one (1) acre for Phase VIII and to approve sketch design. This request for Phase VIII was approved in July and increases the total site acreage from 306 to 307 and the number of lots from 145 to 146. In addition, there will be no

need for the thirty foot perpetual access easement approved in Phase VII since this 1 acre parcel has been purchased by F. Neal Hunter.

The standard lot set-backs for this request include: front (40 feet), side (15 feet) and rear (25 feet), unless the lot backs up to the public lands managed by the Army Corps of Engineers. In that case there is a 50 foot non-disturb buffer and 50 foot building set-back inside the lot. No lots in this request back up to public lands. In addition, lots in Phase VIII will use Crimson Oak Drive which was approved as a road name through the Phase VI and VII final approval process.

Today there are (49) homes occupied in Colvard Farms. Four homes have been constructed in the exempt lots at the end of Colvard Farms Road and no lots are left in Phases I, II, III or IV. Eight (8) homes are under construction in Phase II, four (4) in Phase III, four (4) in Phase IV and six (6) in Phase V. The recreation center and tennis courts opened May 2004 for use by residents.

Also, late last year a conservation easement was established on some of the large exempt lots adjacent to and west of Phase IV totaling approximately 100 acres. This easement is owned and managed by the North American Land Trust.

MAJOR SUBDIVISION APPLICATION

Type of Review:	Preliminary		
Name of Subdivision:	Colvard Farms in Williams Township		
Subdivision Applicant: Jeff N. Hunter 9310 NC Highway 751 Durham, NC 27713 Work: (919) 405-3844		Subdivision Owner: Colvard Farms Developmen 9310 NC Highway 751 Durham, NC 27713 Work: (919) 405-3844	t Co., LLC
<u>PIN #</u> 0716-39-5191.000 0716-29-9640.000 0716-39-1942.000 0716-39-7765.000 0716-29-7985.000	Deed Book 893 893 851 1142 1186	Page Number 775 775 1030 589 1090	Parcel # 0070467 0019670 0019669 0019667 0019671

Watershed: Critical and Protected Areas (WS-IV-CA and WS-IV-PA)

Zoning: RA-40 with Planned Unit Development Approval

Existing Access Road: Crimson Oak Drive to Colvard Farms Road to NC 751

Total Acreage = 307		Total Number of Lots Originally Approved = 107 Total Number of Lots with first Request = 131				
	Total Number of Lots with second Request $= 145$					
	Total Nur	Total Number of Lots with third Request = 146				
Area for Phase VIII = 3.7	4 acres*	Minimum Lot Size:	20,135 sq ft			
Subdivision lots $= 4$		Maximum Lot Size:	30,195 sq ft			
		Average Lot Size:	24,685 sq ft			
*This is part of several tra	acts with land	in both Durham and Chath	am Counties: however.			

*This is part of several tracts with land in both Durham and Chatham Counties; however, only Chatham County acreage is included in this request.

Paved private road in Chatham County with length = 5,678 feet Paved private road in Durham County with length = 4,738 feet

Water System: Community Sewer System: Community

Other facilities:

Bike and Pedestrian Trail – in Chatham and Durham (proposed) Counties Recreation Center (swimming and tennis) – in Chatham County Picnic Areas – in Chatham and Durham (proposed) Counties I hereby certify that I am the owner or authorized agent of said property and that the information provided is complete and the statements given are true to the best of my knowledge.

Jeff N. Hunter (Authorized Agent)

Date

The owner(s) must sign the following if person other than the owner is making this application.

I hereby certify that Jeff N. Hunter is an authorized agent for said property and is permitted by me to file this application.

F. Neal Hunter

Date

FINANCIAL GUARANTEE INFORMATION

In accordance with the list of information to be included with the financial guarantee submitted to Chatham County for assurance of completion of improvements, we present a cashier's check in the amount of \$154,526 to complete the infrastructure for Phases VI and VII of the Colvard Farms subdivision. A summary of these improvements is found in the Appendix A entitled "Infrastructure Cost Summary for Phases VI and VII" dated July 11, 2005. The roadway infrastructure work for Crimson Oak Drive and Fairstone Court is under construction (see attached letter of certification from the engineer) with at least 40% of the work completed. All infrastructure costs are based on actual previous work for Phases I, II, III, IV and V at Colvard Farms.

Completed Costs

The main road (Colvard Farms Road), front entrance, sales center, water reclamation facility, gravity sewer of the wastewater collection system, community water system, Phases I through V and the Recreation Center (tennis courts, clubhouse and swimming pool) have been completed.

Jeff N. Hunter

Date

APPENDIX A INFRASTRUCTURE COST SUMMARY FOR PHASES VI AND VII

APPENDIX B

APPROVED ROAD NAMES OF CRIMSON OAK DRIVE AND FAIRSTONE COURT

(see attached)

APPENDIX C EROSION AND SEDIMENTATION CONTROL PLAN (see attached)