

# Town of Blowing Rock

Date: Wednesday, November 9, 2022, 6:00 p.m.

Location: 1036 Main Street, Blowing Rock, NC 28605

# Agenda

Item		Present & Participants
I.	CALL TO ORDER – ROLL CALL FOR ATTENDANCE	Mayor Charles Sellers
II.	PLEDGE OF ALLEGIANCE	Mayor Charles Sellers
III.	APPROVAL OF MINUTES – By Roll Call  1. October 11, 2022 – Regular and Closed Session Meeting Minutes	Mayor & Council
	REGULAR AGENDA ADOPTION	Mayor & Council
IV.	CONSENT AGENDA:  1. Budget Amendment - #2022-14  2. Tax Releases - #2022-2 & 3  3. Tax Refund - #2022-1	Mayor & Council
V.	PUBLIC COMMENTScomments shall be limited to three (3) minutes	
VI.	PRESENTATION: 1. Underground Utilities	Town Engineer Doug Chapman and Chamber Task Force
VII.	PUBLIC HEARING: 1. Short-Term Rentals 2. Ice House Lease	Planning Director Kevin Rothrock Manager Shane Fox
VIII.	REGULAR AGENDA:  1. Retreat Dates and Location – Discussion  2. Downtown Development Standards – Committee Creation	Mayor and Council Planning Director Kevin Rothrock
	3. Use Table Amendment Consideration – Assessory Apartments	Planning Director Kevin Rothrock

IX.	OFFICIALS REPORTS & COMMENTS:  1. Mayor 2. Council Members 3. Town Attorney 4. Town Manager  CLOSED SESSION – Attorney/Client privilege and NCGS 143-318.11 (a)(5)	
XI.	ADJOURNMENT/RECESSMayor Charles Sellers entertains a motion and second to adjourn or recess the meeting.	

# Town Council Meeting - Tuesday, October 11th, 2022

The Town of Blowing Rock Town Council met for their regular monthly meeting on Tuesday, October 11, 2022, at 6:00 p.m. The meeting took place at Town Hall located at 1036 Main Street Blowing Rock, NC. Present were Mayor Charlie Sellers, Mayor Pro-Tem Doug Matheson and Council Members Albert Yount, David Harwood, Melissa Pickett and Pete Gherini. Others in attendance were Town Manager Shane Fox, Town Attorney Allen Moseley, Town Engineer Doug Chapman, Police Chief Aaron Miller, Planning Director Kevin Rothrock, Public Works Director Matt Blackburn, Emergency Services Director Kent Graham and Town Clerk Hilari Hubner who recorded the minutes.

#### **SUMMARY KEYWORDS**

site, year, town, building, applicant, dot, project, approved, road, received, property, council, blowing, bids, driveway, question, lease, area, requires, requested

# **SPEAKERS**

All, Hilari Hubner, David Harwood, Albert Yount, Jeff Walker, Shane Fox, Devin Staley, Roy Gryder, Doug Matheson, Melissa Pickett, Pete Gherini, Adrian Tate, Charlie Sellers, Kevin Rothrock

# ΑII

Good evening ladies and gentlemen, thanks for coming this evening, October 11, 2022 for the Blowing Rock Town Council meeting. I'm calling this meeting to order. First thing we'll do is roll call. All were present.

#### **Charlie Sellers**

All right, everyone please stand for the Pledge of Allegiance.

# ΑII

Approval of minutes from September 13, 2022, regular and closed sessions. Do I have a motion?

# Pete Gherini

So moved.

#### **Doug Matheson**

Second.

#### **Charlie Sellers**

Any discussion? How do you vote? All right on the regular agenda adoption Council, we need to add to the regular agenda, the consent for a capital equipment bid lease cars, chippers and other equipment. Are you all in agreement to that? Ok, do I have a motion to approve the revised agenda?

#### ΑII

All unanimously in favor.

# **Albert Yount**

So moved.

#### **Charlie Sellers**

Do I have a second?

# **David Harwood**

Second.

#### ΑII

All unanimously approved.

#### **Charlie Sellers**

Okay, regular agenda provision has been approved. Alright under consent agenda history wall, adding number 21 station budget amendment 2022-13, fireworks for a Chetola wedding, tax release 2022-1. Do I have a motion? So moved. Do I have a second?

#### **Melissa Pickett**

Second.

#### **Charlie Sellers**

How do you vote? Do we have anybody that signed up for public comments? Now, this is not for the public hearing. This is just strictly for public comments. Okay. Moving right along. And now we're moving into the Blowing Rock Ale House Project. And I will defer to Mr. Kevin Rothrock and we will open this.

#### ΑII

Unanimously approved. Mr. Mayor

#### **Charlie Sellers**

Yes

#### **David Harwood**

I would like to request to recuse myself. Yes, sir. My firm is the architect of record for this project.

# ΑII

Greatly appreciate that. That's admirable. Let us know what you have for dinner. Thanks, David.

#### **Kevin Rothrock**

This is conditional rezoning of property General Business, and it would be conditional zoning general business. Same underlining zoning district is for Blowing Rock brewery, or Blowing Rock Brewing Company. They are requesting this rezoning vacant property on the southwest corner of highway 321 and Edmisten Road. The property is four acres. The proposed brewery will be a production facility will also serve beer in the draft house. With this project, a light manufacturing facility there are limitations land use ordinance related to the type of potential negative impacts associated with manufacturer. Limitations include A. smoke cannot emit from any vent that is visible to the naked eye; B. annoying or disruptive noises cannot be generated outside of the block; C. no vibrations detected beyond the property; D. no generation of odors beyond the property; E. cannot require more than a daily average 200 gallons of water per employee. They're expecting now at least eight employees and will probably be more and they cannot create electrical disturbance. The applicant would have to demonstrate through their plans and what they submit that they meet those criteria prior to issuing a permit. From your staff report, there are a couple of changes I'll go through. The street setback on 321 and Edmisten Road is 20 feet. I originally had 40 feet and that was based on the height of the building. They had 36 feet nine inches, it's now at 35. So the standard setback would be 20 feet. And then on the perimeter, it would be eight feet around the perimeter of the property. To go back a little bit, I think you know where the site is in the corner 321. This is a view of it from the parkway. This is the site that shows the stoplight there at Edmisten Road. I did mention the building height. It is 35 feet. That's the max and we'll point out some of the architectural designs in just a moment. Let me speak to access the primary ingress and egress access to the site. Will be through a driveway cut on 321. There is a driveway cut there now. And then a secondary exit is planned on the Edmisten Road. And there's a driveway cut there as well. DOT will have to approve both of these driveways on both streets. And if a driveway cut on Edmisten Road is not approved by DOT, access from 321 is still adequate based on the sufficient turning radius for delivery trucks, garbage trucks and fire vehicles. The next slide shows that vehicles coming in still have room to turn back into the loading facility or loading dock and leave the site and head southbound. Ideally an access for vehicles to come out on to Edmisten Road would provide access to the light so they could turn left to head back to Boone. But again, we will reserve that for DOT's judgment and the applicant can work with DOT on getting that approved. There were some issues with sight distance heading backup Edmisten Road and they would have to do quite a bit of grading to peel that that corner that part of the right of way back. Based on the proposed use the project requires one parking space for every two employees on the maximum shift plus space for the draft house. So being that there's eight to ten employees proposal on a maximum shift that would be four to five parking spaces and the additional thirteen spaces based on the square footage for the draft house services. So 21-23 spaces required, they're providing 33 on the project. We've not received detailed stormwater drainage but we've talked with the engineer and the town engineer is comfortable with their ability to provide stormwater detention for the project and then be able to tie that into the public drainage on 321 and Edmisten Road. So we will review those in detail before construction begins and grading activity begins. As far as utilities, the project will have a sewer pump that will meet North Carolina building code and the town's utility code requirements installed and then connected to the force main on the property in front of 321. Also at this time applicant is preparing to install a well to

meet the project's water needs. A well permit will be authorized by Appalachian District Health. If public water is available this project in the future, the applicant would like to reserve the option of making a connection at that time. For either utility services the property would need to be annexed into the town and an annexation application will be required or the town we need to receive that before the project can begin land disturbing. And so that was something we discussed with the applicant. We need the application then we'll go through the process for annexation which is about a two month process. Garbage collection for the site, there'll be a dumpster enclosure on the left side of the site, near the loading bay. You see it right here, loading bay here and then here's the dumpster enclosure. And garbage trucks can get to that. Of course it's provided by Republic now, instead of the town. The site is heavily wooded, except for the front area where they're going to actually put the building the rest of it up the hill is heavily wooded. There will be a detailed landscape plan that will be provided and reviewed before construction. And based on discussions with the with the engineer and the applicant, that will not have any problem meeting those criteria. shade trees for the parking area but much of the project will be hidden from view if you're heading northbound, because the parkway land and the vegetation that's on the parkway, or the parkway property. As part of the conditional rezoning application, the applicant has requested elimination of the required landscaping between the parking lot and the building, so they can make sure that they've got plenty of turning room and the ordinance requires between these parking spaces and the building and they like the flexibility to leave that out so that they can ensure they've got free flow of traffic there. This is the area that will be landscaping pretty heavily with some trees and then also back in here. I am going to go back to the building design so as you can see in the in the drawing, standing metal seam roof, heavy timber posts and beams, have a composite paneling that they're planning to add, composite wood siding, filtered stone, and then solar panels to maximize solar energy potential for the site. And then also a condition that they're asking for some waiver on is our code requires a 6 and 12 Minimum pitch for commercial buildings and they're asking for a 3 and 12. And you can see the design that they have. If they went steeper then it would drive the height of the building up. Adrian Tate's here and he can explain more detail about the building design, but they would like to do that 3 and 12 and still see that it's still a good design for the site or for the building. And it fits the site well.

# **Charlie Sellers**

The landscaping they do not want to put in place, where would that be?

# **Kevin Rothrock**

Right between the parking spaces and the building.

#### **Charlie Sellers**

Thank you.

#### **Kevin Rothrock**

So in summary of the applicants proposed conditions that is one of the reasons for conditional zoning, roof pitch allowed at 3 and 12 instead of 6 and 12, solar panels, ultimately approved by staff. Council adopted an ordinance, we amended that a couple of months ago that it would be staff approval, but you are reviewing the project at this time anyway. Landscaping emitted from the air between the parking lot in the building a waiver of the sidewalk requirement because our code requires sidewalks along the

public street. But they would like to postpone that until such sidewalks are built in the area. And then the town would require them to at that time to construct sidewalks. The town used to do that on 321 when it was just two laned and that was very common in approving projects out there. And then finally a request to allow up to 3,000 gallons of water of usage per day. There was a neighborhood meeting back in June, June 29th when the applicants shared their vision for the property and answering questions at that time. Planning Board met July 21st. And they recommended approval at the proposed conditional rezoning and the project conditions. I provided an ordinance for you in your packet and Exhibit A which is a map of the property, Exhibit B the list of conditions. Council Member Harwood provided a letter for the project with lists of conditions, neighbor letters, a petition was included. And then the site and grading plans and everything else. I think you receive from Hilari an and email from Dr. Davis today an updated letter. I think what I provided you was his original letter. I think he was the petitioner and had other members of the Edmisten Road community sign on. But then this letter was emailed today, I think you received that by email. I know you might have some questions for me, I'd be glad to answer and then if I can't, I know that the project team can do that.

#### Pete Gherini

Kevin, have you had any feedback from the DOT as to which way they might be leaning in terms of Edmisten or Hwy 321?

#### **Kevin Rothrock**

Nothing on 321 I think some of the emails that are reviewed there was some concern with that stretch from the driveway this way as you know that slope comes down to the ditch almost no ditch on the corner of Edmisten. So what they typically like to see is a clear area as you are looking back up the road to be able to pull out. So how that's done and the engineer will can address that we don't know

#### Pete Gherini

Are there any traffic counts available for Edmisten?

#### **Kevin Rothrock**

There might be, I don't know how recent they are.

#### **Charlie Sellers**

So DOT will make sure that there's good visual approach and departure at both locations so there's no visual issue?

#### **Kevin Rothrock**

Yes, they approved the driveway permit and so the full design plans, they review those and before they allow construction DOT is responsible for that.

#### **Doug Matheson**

Kevin I know we talked, was there any consideration given to making a turn lane from the egress all the way down to 321?

#### **Kevin Rothrock**

You mean here?

# **Doug Matheson**

Right.

# **Kevin Rothrock**

No

# **Doug Matheson**

There's not a lane coming all the way down from that driveway to the red light to make that a little easier on the back up as you get right there?

#### **Kevin Rothrock**

I hadn't discussed that at all.

# **Charlie Sellers**

Is that a DOT issue?

# **Doug Matheson**

They would have to talk to DOT but it also be with them.

# **Kevin Rothrock**

I haven't but the applicant may be able to address that.

# **Albert Yount**

So we will be voting for the project with four waivers am I understanding that right?

# **Kevin Rothrock**

Five conditions; roof pitch, solar panels. Oh ok solar panels. Yes, this was written and requested before you changed the ordinance, but it's still a condition. That's part of what they were asking. Yes, sir.

#### **Albert Yount**

So you're now the solar man.

#### **Kevin Rothrock**

I'm the solar guy. Yes, sir.

# **Albert Yount**

That's what will be voted on. We don't have to identify each five. I mean we just vote for the project. There included?

# **Kevin Rothrock**

You're approving an ordinance.

#### **Charlie Sellers**

Where you can remove a requirement okay.

#### **Kevin Rothrock**

If you since they propose these conditions, if you they have to agree if you're going to change a condition because they proposed it. That's what about conditional zoning, the applicant has to agree.

#### Albert Yount

Okay.

#### **Kevin Rothrock**

But you are approving an ordinance that establishes a specific zoning district for that.

#### **Charlie Sellers**

Council continue with the Public Hearing?

# **Doug Matheson**

I'll make a motion we open the public hearing.

#### **Melissa Pickett**

Second.

#### **Charlie Sellers**

Moving right along. Now, if you would like to speak, I'd ask that you come up to the podium. Give your name and your address. If there's questions that you have for Kevin Rothrock or the developers that's fine. We will have them come up as well and answer your question at the podium. So if you would like to speak, Mr. Gryder would you like to come up and speak sir? I am sorry Mr. Gryder, we're gonna do the we're going to do the presentation from the developers first. Okay.

#### Jeff Walker

Thank you, Kevin. My name is Jeff Walker, 424 Creekstone. Dr. Banner Elk. First of all, thank you, Mayor Sellers and Council Members for your time this evening. Back in 2008, my friend Todd and myself founded Blowing Rock Brewing Company. And it was several years before we built our distribution to the point where we could open the Blowing Rock Ale House in 2013. Some of you will recall that that was the first I think manufacturing purpose property within the Town of Blowing Rock at least for some time, I don't know if it forever, but so this all brings back fond memories. In 2014, our brand grew and we built a production brewery in Hickory and that's where we do our canning for statewide distribution. We're 100% locally owned and operated. So that means we're not part of Anheuser Busch or, or anything like that. We don't we don't intend to be ever. And we take pride in that we're 100% North Carolina owned and we're community residents. We employ over 70 people combination, mostly here in the high country, but also in Catawba. And as of today, we're in about 1,000 accounts statewide. And that includes 150, Harris Teeter's and the Lowes Foods stores, Publix, etc. And it's taken as you can imagine, it's we've had to work really hard at achieving that level of

distribution in our state. But by virtue of us succeeding on that level, we now today have what we call a destination brand. And so the Blowing Rock identity is very clear and present around the state in this kind for our beer brand. And we found that that brings a lot of people to back to the map because it brings a lot of people to Blowing Rock as a destination because we are really in kind of a almost like a travel and tourism type industry a lot like the the wine industry is in the in the wineries in Napa Valley and what have you. And I think, you know, I think we all know probably about the destination appeal of the craft brewing business in North Carolina. So we've even since we've opened in 2013, we've seen lots of younger people coming to Blowing Rock and families and we have to remember that the 20 somethings turn into 30 somethings and then they're pushing strollers up Sunset and Main Street so they'll come and stop and see us and do some shopping or whatever. And then go back home to wherever they might live and buy our products in the stores. We also have a terrific local following here, both in Blowing Rock and in Watauga in general. We're very much a friends and family oriented brands. So we're not the types who like to, you know, do late night hours and you know, it's about camaraderie, you know, the term Pub is actually public house and it's where people used to get together and share their thoughts or views or you know, friends or neighbors or what have you. And so we're we're very much in that tradition of being friends and family oriented. One thing I'd like to point out despite being in the industry that we're in, and, you know, we've been here in Blowing Rock since 2013, we opened in June of 2013. And, just for the record, we've never had any type of let's just say alcohol related issue ever since we've opened in 2013. And I think that speaks, and that's, you know, in an industry that's fairly well regulated. And, and so, I'm fairly certain the local police here would, would agree with that, too. And so, you know, I really credit our business model in our business ethic, with that record of performance, it's not the easiest thing to achieve, but that's just the way we run our business, it's also the way that we will pursue this new opportunity, you know, with our plans here. I'm very proud of our business and what we've created over the past 10 or 12 years. And I look forward to talking more with you about it tonight. Adrian, are you going to, actually, Devin you're going to take us through some of the site planning, right, on the location, right. And the site is obviously on the corner of Edmisten and HWY 321. This is what I think is either officially known or commonly known as the ETJ. Is that right, and so we've pretty much laid out our site plan so that we can achieve our brewing needs as well as having an on premise taproom, so to speak, and, but in so doing, we've needed to utilize pretty much every square inch of the land there that's accessible. Because even though it's a four acre piece of land, it's very rocky and hilly. So Devin's done a terrific job, and he'll take you through that site plan.

# **Devin Staley**

Thank you, Jeff. Mayor, Council Members I appreciate the opportunity to be here. I'm thankful for Jeff and his ownership team, for allowing us to be a part of the project. As Jeff said, my name is Devin Staley, with Blue Ridge Engineering out of North Wilkesboro. I'll try to hook to our site plan here. Kevin did a great job sharing with you and explain the site plan. I'll try to address some of the questions that have already been asked regarding the site plan. So as it was mentioned by Jeff, this is a is a challenging site topographically Yes, it's about four acres, but there's really only somewhere around three quarters of an acre. I would say that's you know developable land there on the corner Edmisten and Blowing Rock Road. So we've situated the site, given the setbacks, the challenges of laying the site out with the setbacks, and had the building, you know, toward the back left, there will be some retaining walls that are incorporated into the building at the back wall of the building, the majority of the retaining walls on the property will be incorporated into the building. As far as access goes, we are

proposing a two way access on 321. It'll be right in right out access just because of the center median that's existing there today. And then an exit only as was mentioned on Edmisten Road exit only would allow folks that are there to leave exit get to the stoplight and make a left turn to get back toward Boone to the north without having to go south on 321 make a U turn to head back that direction. So it does provide better access out of the site better egress out of the site to have that additional driveway. Now as was mentioned the DOT. We will be required to submit driveway permits for each driveway to NC DOT. And part of that process. They evaluate the sight distance which was already mentioned, the storm drainage and how we're going to handle the drainage to keep water from flowing out of our driveways onto DOT roads. And then also the grading and the profile of the driveway to make sure that the driveways aren't too steep. So in that process, we'll submit our plans they'll include profiles sight distances, DOT commonly ask us to meet on site to evaluate the actual site distance when there are concerns with sight distance. There has been some concerns risks with distance on Edmisten, I think that would be toward the West, and we have some options there with providing adequate type distance. It may be some grading, it may be some movement within the right of way. And I will be working through all that with DOT as we go through that process. And I would imagine that will probably occur, we'll start making those amendments probably soon. Storm water was mentioned, so our stormwater will be handled underground with underground attention, and it'll be in this area under these parking spaces, and will connect to the existing storm drain system that's owned by DOT that goes under Edmisten Road. And that'll be something else that there'll be involved interviewing is our short drainage of how we're discharging since it is discharging to them. Kevin mentioned access, so we are able to provide access in and out of the sight even with our truck traffic through the driveway on 321. In the event that we aren't able to get approval of the driveway, I think that will take us to Adrian and the building. But I'll be glad to answer any questions that you might have this time.

#### Pete Gherini

Can you go back to the sitemap please? Where do you plan on drilling the wells?

# **Devin Staley**

Will most likely be up in this area. And this is the right of way line. So will be 20 so feet off the right of way.

#### Pete Gherini

So you don't have any idea of the how much water capacity until you drill. Right?

# **Devin Staley**

Correct.

# **Pete Gherini**

Thank you.

#### **Doug Matheson**

I will go back to my question that I asked earlier, and if there had been any consideration about a right turn lane, coming out the egress. And also it's been brought my attention by some people that have

mentioned wouldn't it be safer if you had an ingress egress there? Also consider trying to do a u turn that red light and come down and turn so quickly back into your business.

# **Devin Staley**

Yeah, so for the first part of your question, and another you're talking about another turning lane here?

# **Doug Matheson**

Correct.

# **Devin Staley**

Typically, additional lanes are warranted with numbers of trips and trips that are generated. And I would say it's not likely that DOT would require that because this is not a trip generating use. So that would be DOT's decision and discretion but you know, just based on my experience, I don't see that likely. The second part with an ingress here. Again, just based on my experience, the long distance from signal to that runway. So if someone comes in turns and then has to stop on Edmisten to make a left in then they're potentially blocking traffic back to the signal. So that would be DOT's concern about an ingress there.

# **Doug Matheson**

Okay, I just had people that are worried about so many U-turns there especially if you have got deliveries there coming in also. Any trucks would have to do a U-turn up there also to come back. And that's not always right there either down to your driveway.

# **Devin Staley**

Yeah, we've done some auto turn movements on a large truck traffic, and truck drivers won't be able to make the U turn, they'll have to route around so that they're coming South on 321 to get to the site. Smaller delivery trucks, you know, could possibly make that turn. Well, you're using the term water well. And if we're able to furnish you Blowing Rock water are you committed to using that? That would be a question for Jeff? And really the Town. I would have to let them answer that question.

#### **Albert Yount**

Okay, well.

# **Devin Staley**

That's a business question. Well. There is going to be a desail lane going into the main entrance. Well, if DOT requires that I would not anticipate they would just because of the signal and the number of trips, this is actually a very low trip generating use.

# **David Harwood**

So its their call.

# **Shane Fox**

it would be

# **Devin Staley**

Well, I guess I am asking Jeff.

#### Jeff Walker

I think you're still here. You know, I think this is something that kind of, I'll say came out of left field, sort of felt like but, we had to do quite a bit of research on our water needs, as well as just practical experience with drilling wells in the area, I actually started to like the idea of, you know, having an Artesian water source. But I didn't like it so much that, that, you know, the town water alternative didn't sound like a better alternative. So I think it just depends on the timing of how well this shakes out, you know, obviously, I'm not privy to where that all stands. But our hope is that is that the town will succeed in enabling connections, you know, there for us. The timing of that, and when that occurs, and how much maybe we have into the design and the infrastructure, you know, if it's a couple of weeks, you know, I think that's great news. If it's a couple of years, not so not so good. Right. So, so we're going to be prepared for, you know, either alternative, I think, but we think the Town of Blowing Rock has very good water. We're very proud of the freshwater sources here. So that would be our favored alternative.

# **Devin Staley**

That wasn't the question, the question is, if we're able to furnish you water, in your timeframe, are you going to use our water?

#### Jeff Walker

Assuming we don't already have a lot of invested into the infrastructure? I would say yes.

#### **Charlie Sellers**

If we know in a month, we can say, yes, you can have water.

#### Jeff Walker

Okay. Well, then you've got a deal. Yes, yeah. I think I think as long as we know that, you know, that is it's no longer a contingency. I don't think I'd want to bet my business on, you know, another towns. And you know, I might want to just see how the agreement reads. I hope that wouldn't be too much to ask. But, but, you know, we've got a substantial investment here. That's not just in the bricks and mortar, but in our brand, statewide, and I have a responsibility to our full organization, our employees to make sure we were remain viable for a good long time. So it's a bit but it's a it's a good question. And I am glad it sounds like we're that close. So thank you.

# **Doug Matheson**

I'll ask the Town Manager this. So in other words, if he didn't if he annexed he doesn't have to hook on water if we have water running by them. So given circumstances, the waters hesitate at all parties were in agreement with allowing use of water sources in different parts. And we annexed the typical response to the water is used. Think of the annexation application would be within the next 60 days. And so there'll be a lot

#### **Kevin Rothrock**

The annexation application there's an agreement with the utilities. There have been times where Blowing Rock Conference Center had an adequate well, but they annexed. It's we don't we didn't know it from pursue one through the application, I'd like to turn it over. Until we know everything about emphasis.

#### **Shane Fox**

The annexation process will allow for that to be determined at that point.

#### **Charlie Sellers**

Continue with your presentation.

#### **Adrian Tate**

Good evening ladies and gentlemen, my name is Adrian Tate. I'm a resident of Boone. And I work at Sketch line Architecture here in Blowing Rock. So I'll be brief with my comments. Just to show you a little bit about the extra the building how we tried to create a design that was reminiscent of Blowing Rock, but also had its own new flavor to it as well. So you can see from the conceptual renderings here, we've got a combination of natural materials that Kevin mentioned earlier, including wood siding, stone, timbers, and the extra building, we're using a lot of class to daylight, that space to the interior. And so this will be a feature as you're driving by and when you're entering the parking lot, you might actually be able to see some of that brewing equipment on the interior. And many of you might be familiar with this, as you drive down I40, you can see the Red Oak Brewery and you know some of their equipment as you go by. And then this largest thing here in this area is really where the tap house will be. So there's a relatively small tap house in here. And that will connect here to some of these outdoor spaces that you see as well for guests, seating, and so on. Kevin mentioned as well landscaping on the site. So this is the view really from the intersection of 321 As you look up toward the building. So you can see this is kind of a modest level of growth in bushes and plantings there in the front, even just a couple more trees in the building would almost be hidden behind that landscaping. So it just kind of tucks into the back of that site there has been discussed already, we're kind of walking around the constraints of that site. So there's a front of the building. And you can see plenty of sequences here on this side. And this is a loading dock kind of hidden over here on the left hand side. And again, lots of windows are really like that interior production space. Some of the materials that we're looking at right now kind of a combination of wood, some architectural paneling, and then some board battens in the misuse of these timbers and brackets across that that upper loft area. And that was this sort of the flavor of the tasting room ultimately that we're going for, for that interior space. Questions or comments about the building itself

# **Devin Staley**

Is a little bullet tank. What is that exactly?

#### **Adrian Tate**

That's actually the grain silo. Receiving grain, Jeff correct me if I'm wrong, receiving grain is really best on outdoors. And so that's, you know, periodically we'll get grain deliveries this piece of equipment here, right on the sidewalk. You've probably seen them in other breweries if you've been to them.

#### **Charlie Sellers**

Council, good so far? Thank you, sir.

#### Jeff Walker

I think one thing we looked at early on was the town's comprehensive plan. And you all know it a lot better than I do. But I did read through the whole thing and I was very impressed with the document, the forward thinking nature of the document, and I think it's one of the reasons why the Town of Blowing Rock remains so prosperous and vital today. So we've identified a few areas where we feel that our power project aligns with the town's comprehensive plan. Here and I think Economic Development and Tourism that's not to be understated, I think we can have a just a terrific effect on that type of I love Tracy, here, I don't see him but Tracy with the TDA. But, but, you know, our industry is is a great draw for people, you know, within a two to three hour radius. And so, in that way, I think we aligned very well with the town's vision and so, Mr. Yount, I just wanted to re-address your question, because it was a very specific question, but the answer is yes, as long as we can get through all the gray area in this thing, then I think, you know, our intent would be yes, we very much like to connect and I appreciate everything that the town has done to make that possible. You know, just given how this kind of came up so much more clear and concise answer for you there that you deserved. Thank you

# **Doug Matheson**

Could you turn back just for a second. I wanted to look at your hours of operation.

#### Jeff Walker

So we're not a late night place, you know, we're I don't think any of Todd and myself have any interest in being in that kind of business so others can do that they do much better than we would anyway and so you know, we're very much an afternoon lunchtime afternoon or evening establishment there and we have to also remember that the primary purpose of this facility is you know, I think what we would call is beer processing or production and so that's the primary and then but you know, our everybody likes to go and experience in brewery tours and taste the beers that kind of thing food pairings and so the tap room aspect is a supporting role, which is more of a retail purpose there and that you know, that's bound to produce tax revenue on close to \$2 million in sales, their sales tax revenue, which I think is something to consider as well.

# **Doug Matheson**

So would you mainly do your food pairings from inside there?

#### Jeff Walker

We'll have a small food offering here we you know, we want to what we do at our Ale House because we already do that at the Ale House. So you know, but we will have a, you know, a menu that pairs well with the with the beers that we produce. Happy to answer any other questions, too.

#### **Charlie Sellers**

Good. Okay. Thank you, Mr. Walker. And Mr. Gryder you have my apologies, I didn't follow my notes like I should so sorry about jumping ahead of the game. Just state your name and your address

#### Jeff Walker

Thank you.

# Roy Gryder

My name is Roy Gryder I live at 972 Edmisten Road and my address may very well give you an idea of what I plan to say. I come before the Council requesting that the permission to build a beer joint in my neighborhood be denied. Had the experience first time I ever originated or even signed a petition. I did and I assume that you gentlemen and lady all received a copy of it. I was very careful and I've only approached people who live on Edmisten Road with our own property on Edmisten Road. It had to be a neighborhood thing. I could have gotten a lot of names a lot of people other areas but I chose not to for the simple reason that I wanted it localized to our neighborhood. It was an interesting experience. I had at least two people who acknowledged being beer drinkers gladly sign my petition. Beer drinkers don't want a beer joint in their neighborhood either. I oppose this cause of the damage every alcohol does to mankind. A study I found recently and I should have sent it to you. A study by the Bill and Melinda Gates Foundation pointing out the amount of damage that beer drinking does and they concentrated on males from the age of 15-39. And I don't remember the exact amount but it was in ounces per week. That would be acceptable without doing harm. And I apologize once again for not having gotten a copy to you. I could we could spend the night talking about this. The amount of studies that have been done against that showing the harm of alcoholic beverage, the number of people that have suffered from it. I will mentioned some of the things that Ben asked me is I was one of the men discussing this one has been discussed traffic on Edmisten Road when skiing is in session at the end of their daily sessions, it's not unusual for traffic to be backed up beyond my home. I'm half mile off 321. The traffic question has certainly not been settled. And it is a matter of great concern to a lot of people in my neighborhood. That question was asked me, What do you know about increasing property crime, when a beer outlet is established? Well, I don't know anything about up or down. But it is something that is a matter of concern to my neighbors. People also asked me for that property values that I talked to the gentleman in the tax office, he said we have no way of knowing what effect it would have on property values. But he pretty much led me to believe that there would be a definite impact. I think it's something that should be explored before this facility is allowed. So I come to you on behalf of my neighbors. I speak to them I know I speak for them because they have very, very adamantly opposed to this operation. And I respectfully request that you not allow this situation to occur.

# **Charlie Sellers**

Thank you, Mr. Gryder. And thanks for everything you did for your community. I am sure that your neighbors are very pleased. Right. Moving right along. Do we have someone else that would like to speak? Okay. I have a letter here was received from Dr. John Davis.. Mayor Sellers read the letter. Anyone else like to speak? Council motion to close the Public Hearing?

#### Pete Gherini

So moved.

#### **Charlie Sellers**

We have a motion? Do I have a Second?

#### **Melissa Pickett**

Second.

#### **Charlie Sellers**

Public Hearing is now closed. Okay, Council, what are your thoughts?

#### Pete Gherini

I'd like to have Shane outline the economic benefits that we've talked about that would improve to the Town both to water sewer. So could you go through those numbers and please

#### **Shane Fox**

Be happy to be glad to, couple questions. \$2 million, okay to use for sales, is that sufficient, so on \$2 million. Sales tax statewide is about \$135,000. Locally, that would be about \$40,000. There is a difference, obviously, in what's collected in what distributed that state level school system etc. And what stays locally within the sales tax on 2 million would be \$135,000 a year with about 40,000 of that span. Property taxes, I'm not sure if we have an estimate of a build out, but I can say for every \$1 million in value at our current rate is about \$4,000 in property taxes. So if it's a \$5 million building, that'd be about \$20,000. In Town property taxes, not including county taxes, there's about \$3,200 per million dollars. So hypothetically, a \$5 million building would be about \$15,000 in property taxes. So about \$35,000 or so per year with that, if we were using 5 million as a number, and then from a water standpoint, it was mentioned within the request a potential use of 3,000 gallons a day. With that usage that would put them within our top 10 water uses. As long as we're selling them water, they're utilizing our water system. And again, that would be somewhere in the neighborhood of about\$ 15,000 or so a year in water sales to that.

#### **Charlie Sellers**

Council how would you like go forward?

#### Pete Gherini

I would like to make a motion to approve.

#### **Charlie Sellers**

Okay, we have a motion to approve. Now this motion to approve the conditions and the waivers they requested.

#### Pete Gherini

Yes.

# **Charlie Sellers**

Okay. Do we have a second?

# **Melissa Pickett**

I'll second.

#### **Charlie Sellers**

Do we have any further discussion.

# **Doug Matheson**

Before voting, I want to say one thing, your won't find a better person out here than the man that just spoke. I commend you for coming in and here and everything that you stand for and everything you said tonight.

#### ΑII

Unanimously approved.

#### **Charlie Sellers**

Okay. So It passes. Thank you, gentlemen. We wish you the best and in success and just please, please be careful. Mr. Gryder, thank you, sir. Thank you very much. All right. Moving right along, ladies and gentlemen. Okay under the regular agenda, Ice House lease. I think we need to put this into rest ladies and gentlemen, one way or another.

#### **Shane Fox**

Evening Mayor and Council. So our ice house, the Town owns is located at 140 Maple Street. We have a leased now for a number of years the current lease expires 12-31-22. So the end of this calendar year, little timeline here that kind of goes back to the beginning. So on August the 15th, the Town did began soliciting bids for the lease of the ice house with a deadline of September 2nd 2022. That was our first deadline. At that point, we received two bids, in which we presented that the 9-13 Council meeting. After discussion, the Council decided to rebid the Ice House lease, which we started on Friday, September the 16th. We closed the second bid process on Friday, September 30th. Receiving again two bits, the exact same two bids. They did change somewhat. And we're here tonight to discuss those two bids and the details of the difference. These two are not any order other than the order they were received. So the first bid that was received by Studio M, which is a hair salon with some retail products that are being sold, was received on Friday the 30th at 9:58am. It's a proposal. The proposal states it has an open year round business Monday through Friday 10 to 6, Saturday 9 to 1, it has a three year lease is what's been requested up for up to five years with options to renew after that, at \$1,100 per month. The second bid that was received is from Take Heart doing business as Deeply Rooted. So retail store slash nonprofit design studio was received on the same day Friday the 30th. At 1:44pm. We had a 2pm deadline proposal is to be open year round Monday through Saturday 10 to 6 with a three year lease term that's requested at \$1,251 a month for the first year, \$1,276 a month for the second year, no third year term, or amount was given within that. So just to recap what we discussed last month. As part of the proposal and the evaluation criteria, we did list several things and not just monthly rent, compatibility of the proposed use in the downtown, history of the business consistency of the proposed business and operation hours with even the hours getting preference, number of months of operation began with year round preference, the type of business with retail getting practice and then the proposed lease rate. So tonight I'm here asking for direction and action to move forward. If you recall last month, we did discuss NC General Statute 160 A 272. That does require public hearings and whatever decision that's made tonight, we would need to have direction of

exactly what lease terms that you all are sitting on and accepting. They would have a 30 day period in which on November the 8th would allow back here at our next meeting and have a public hearing and formally adopt the lease in which you all take action tonight. So I'd be glad to answer any questions. Just wanted to kind of do the recap there for those that weren't here last month and then give an update on the details of the proposals that we did receive.

#### **David Harwood**

To clarify Take Heart is asking for two years?

#### **Shane Fox**

Take Heart is asking for three years but only two years were listed with amounts. So the proposal is asking for three years. Studio M is also asking for a three year lease up to five. So either three years or longer with the renewal option.

#### **Albert Yount**

Now your answer to David's question, say that again.

### **Shane Fox**

So the two bids are very similar. Both are asking for multi year leases, both are asking for three year lease terms. So one just proposed a different amount for year one and year two did not give a proposal for year three, my assumption is year three would be either determined by you all or it will be the same as year two. The first bid simply has a standard lease amount for all three years.

# **Albert Yount**

And the second doesn't?

#### Shane Fox

The second has two lease amount one for year one and one for year two, an increase of \$25. These are again, just based on the proposals that we received. So, again, staff is asking for direction to move forward for us to be able to publicly advertise those lease terms are with the tenant that's being proposed to have a public hearing next month.

#### **Charlie Sellers**

Council?

# Pete Gherini

I'll move that we approve Studio M.

# **Albert Yount**

Second.

# **Charlie Sellers**

Any further discussion?

# Pete Gherini

With the terms that were outlined in the proposal.

#### ΑII

So your motion is to you're in agreement with the terms that they presented?

#### Pete Gherini

Right.

# **Charlie Sellers**

And you agree with that second?

#### **Albert Yount**

Yes

#### **Charlie Sellers**

Okay. Any further discussion?

#### **David Harwood**

Yeah, I'd like to discuss it. I'm gonna kind of reiterate what I said last meeting was that these are both very fine businesses. And I think it's incumbent upon us to look at this for what's best for the taxpayers and what's best for the town and when I do that Take Heart over those three year periods is a difference of \$6,036 in rent rates \$6,000 more for Take Heart than Studio M. The second point that I would make is that we did ask for a preference toward a retail business and although Studio M does have retail products, I think that it would be more categorized as a service business. So in my opinion, Take Heart seems to be the better choice.

### **Charlie Sellers**

Thank you David. Any comments Melissa? We move forward? Okay. We have a motion we have a first and we have a second.

# **Devin Staley**

Repeat the vote.

#### Hilari Hubner

Pete made a motion to accept Studio M with the terms outlined in her contract.

# **Albert Yount**

Yes

#### **David Harwood**

No

#### **Melissa Pickett**

No

# **Doug Matheson**

Yes

#### Pete Gherini

Yes

#### ΑII

Okay all right. So tentatively it is agreed upon to accept Studio M. Of course that will come up for public hearing on November 8.

#### **Shane Fox**

Correct

#### **Charlie Sellers**

At which time the public will be able to voice their opinion.

#### **Shane Fox**

So we will do a typical public hearing, so we will announce it starting tomorrow. The Clerk will put that out for the public that the town intends to enter into a three year lease agreement with Studio M. Give the rate, the terms when it begins when the ends and allow the public to have a chance to participate next month during that public hearing.

# ΑII

All right, we had a change on our regular agenda that would be adding the capital equipment and police cars, chippers, etc. Shane?

#### **Shane Fox**

Yes, sir. Thank you, Mayor and Council. Thank you for adding this tonight. Unfortunately, we did try twice to bid this process. That's why we had a delay. So every year, as part of the annual budget process, we do present to Town Council and you did approved this year. We're our additions, you then our capital equipment, our vehicles. And our person that we plan on moving forward with during the 20-23 year, we typically do an installment loan of either three years or four years to help fund that it helps smooth out the payments over a three or four year period from a debt service standpoint. We would normally send out bids to our area banks this year, like a lot of in the last few years we've sent those bids were solicited bids from those banks. This year, we have nine banks that we contacted. Unfortunately, after two attempts, soliciting bids, we only received one bid from First Citizens Bank, it was 4.5 to 3% interest rate over a three year term. No other banks responded, We did talk with a number of banks. Short staffing was a concern that they had putting together proposals for servicing the debt. Along simply just not fitting in within some maybe their current loan criteria. So this is the lowest number of bids, that we've had in a number of years. Unfortunately, if you recall last year, we didn't receive, I think half a dozen responses. And our lowest rate was 1.2%. So this is obviously indication that the market has changed substantially in the last year. So our recommendation after two

attempts to move forward with the one bid that we did receive, which was from First Citizens Bank, four year lease term \$660,000 over that four year period at 4.53%. Again, what we're asking for tonight is not approval of the purchase of this equipment. You've already done that as part of the budget process. This is approval of the financing, a resolution was provided to you earlier today. And I do have that as well. It could read faster that it's necessary to read the details of that resolution. It simply states the terms that are presented here in front of you. And it's asking for action tonight to approve that.

#### **Charlie Sellers**

I guess, it's up to you all now.

# **Doug Matheson**

What do you think might be the reason that we only received one bid?

#### **Shane Fox**

I can't speak for every bank, but the ones that we've spoken with that normally would have been did have a couple that had staffing concerns with simply putting together the response for servicing the loan. There were some concerns there we were told. Others simply said that we had fit within their current portfolio what they were looking for. So it's unusual. We've not had this issue, nothing that the town has changed or done differently on our behalf. I don't have a great answer.

# **Doug Matheson**

I hope there's not a trend on this because stuff like we do on a regular basis.

#### **Shane Fox**

Absolutely. It's annual that's correct.

# Doug Matheson

So you know I hate to see that we're only going to have maybe one bank every year to choose from or maybe no banks in this area. Did we put it within a certain distance?

#### **Shane Fox**

We did, so all of your major banks BB&T, First Citizens all the major banks that have regional approaches we bid. Of course with our local banks here. Highlands, United Community. So when I say our local banks, I mean our local branches, that is how we approach that from soliciting bids.

# **Devin Staley**

Motion to accept the resolution and proceed.

# **Charlie Sellers**

Council how do you vote?

# **Melissa Pickett**

Second.

# ΑII

All in favor.

#### **Charlie Sellers**

Moving on to officials reports and comments. Well, as Mayor, I would like to extend my deepest thoughts and prayers for those people in Florida and North Carolina that sustained so much damage, of course loss of life. And so I know that they're in our hearts and our prayers, and I just wish them the best moving forward. I hope they can rebuild and get back to where they need to be. You know, I've seen small things happen in our community and our community jumps to the plate and everyone bonds together. And that's what makes us one. And that's what makes us a special place to live. I thank our citizens for those that have assisted with issues that have taken place and thank you so much. That's really all I have.

#### **Albert Yount**

Just ask the manager if he knows the powerlines signal, at Green Hill Road and 321.

#### **Shane Fox**

The mayor would like to.

#### ΑII

They're going to have the signal, the polls are supposed to be in a week to two weeks, and then they're going to install on the first or second week of November. That's the timeline DOT set, I think this year.

#### **Albert Yount**

Additionally, I have discussed this with Shane but I'm not sure the public knows about all the missing speed limit signs. Can you have identify the problem?

#### **Shane Fox**

So the DOT, has made us aware that some of our signs that have been placed up over the last few years aren't in current compliance with the signage at the state level. So we're soon to be replacing those. They've been replaced by DOT we just need to install the replacement signs.

#### **David Harwood**

I don't have any comments.

# **Melissa Pickett**

I'm good.

#### **Doug Matheson**

I just like to offer my condolences to the family of Jerry Absher. Jerry worked here for the Town for many, many years. One of the best caretakers that we ever had down there to cemetery. He passed away today and also like to send to Mayor Joe Gibbons in Lenoir over he had quadruple bypass surgery. They rushed him to hospital Saturday.

#### Pete Gherini

Just a short shout out to Melissa and I for coming up on one year anniversary. Serving on the Council. Secondly, a number of us went to the candidate forum last week. Charlie was there Shane was there Melissa was there, Doug was there. A lot of discussion about housing which I thought was good. There was somebody from the board down there. Larry Turnbow who made the comment but he was in touch with a number of people up here in Blowing Rock as to working on it. Well, it wasn't me wasn't Doug wasn't Melissa. So I'm not sure If that was two of you, so that leaves two. But I will assure you that when I get seated in January on the Economic Development Commission, that I'll certainly look into all the options on housing and report back to you so we can have a better understanding of what's going on. Thank you.

#### Shane Fox

Thank you, Mayor and Council, few updates, the TDA audit is complete. And the draft of the audit is within staffs hands to review. So that's good news. The town audit is in process and should be complete, hopefully later this month. So that is a new audit firm working diligently through that process. So far, no issues with them just a lot of information to work through. But that process is well underway. Our Oak Street work that you approved just last month, should be completed either tomorrow or the next day should be in the next couple days that works completed. So that's based on my report, that is what I'm being told. Town did have a good meeting with the new division engineer at DOT last week. So town has met with him and discussed upcoming projects, most notably the Main Street project and what that will entail, along with some other potential options the Town may have working with DOT from taking over some DOT streets, etc. And so that conversation went really well. Tomorrow, we do have our local third graders at Blowing Rock Elementary School coming at 12 o'clock to meet with town staff and find out what we do. And we may have a fire truck or police car for them to wonder through as part of that process. So all department heads will be available tomorrow at lunchtime to meet with our third graders as they're learning some civics lessons and how the world works. So we're excited about that. And other than that, I'll save everything else for closed session

#### **Charlie Sellers**

Ladies and gentlemen, we're going to take a 10 minute break then we're going to be going into closed session and there might be a decision of some sort once we come out of closed session. Not for me to say for sure, but so you are welcome to come back after we conclude closed session. Thank you for coming this evening. Thanks.

MAYOR	_ ATTEST
Charlie Sellers	Hilari Hubner, Town Cler

# **ATTACHMENTS:**

Budget Amendment #2022-13 – Attachment A
Tax Release - #2022-1 – Attachment B
Blowing Rock Ale House – Attachment C



# Town of Blowing Rock 1036 Main Street \* Post Office Box 47 \* Blowing Rock, North Carolina 28605

To: Mr. Shane Fox, Mayor Sellers, and Members of Town Council

From: Nicole Norman, Finance Officer

Subject: Budget Amendment Ordinance to Account for Various Items

(Ordinance #2022-14)

Date: November 9, 2022

Enclosed please find a Budget Amendment Ordinance for the fiscal year 2022-2023 for your consideration.

# Section 1 (General Capital Projects Fund) allocates funding as follows:

 Allocates donated funds (\$1,500) from St. Mary's Church. This allocation has been directed towards a rifle purchase by the Police department.

# Section 2 (General Capital Projects Fund) allocates funding as follows:

- Allocates bench donations from Kirkpatrick (\$500) and Maples (\$500) towards the purchase of Memorial Benches.

Please let me know if you need further details on the proposed amendment.

#### 2022-2023 Budget Amendment Ordinance 2022-14

Be it ordained by the Town Council of the Town of Blowing Rock, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2022:

Section 1. To amend the General Fund, the appropriations are to be changed as follows:

Hilari Hubner, Town Clerk

Acct. No. 10-10-4310-033  This will result in a	Police Materials/Supplies net increase of \$1,500. in the appropriations of	Current Appropriation \$ 25,000  the General Fund. As a res	Decrease \$ - \$ -	Increase \$ 1,500 \$ 1,500 Pe increased.	Proposed Appropriation \$ 26,500
			a,		
Acct. No. 10-00-3400-358	Donations	Current Appropriation \$ -	Decrease	\$ 1,500 \$ 1,500	Proposed Appropriation \$ 1,500
Section 2. To amen	d the General Fund, the appropriations are to b	e changed as follows: Current			Proposed
Acct. No. 20-80-5000-458	Memorial Park Bench Maint./Repair/Purchase	Appropriation \$ 8,495	Decrease	Increase   \$ 1,000   \$ 1,000	Appropriation \$ 9,495
This will result in a	net increase of \$1,000 in the appropriations of t	the ARPA Fund. As a result	, the following revenue will be i	ncreased.	
Acct. No. 20-80-3400-005	Memorial Park Tree/Bench Donations	Current Appropriation \$ 19,635	Decrease	Increase   \$ 1,000   \$ 1,000	Proposed Appropriation \$ 20,635
Section 3. Copies of this budget amendment shall be furnished to the Clerk to the Town Council and to the Finance Officer for their implementation.					
Adopted this 9th day of November, 2022.					
Attested by:		Charles Sellers, Mayor			



**Assessment Release** 

\$184,200

# TOWNOFBLOWINGROCK

1036 Main Street • Post Office Box 47 • Blowing Rock, NC 28605

# Release Request No: 2022-02

# I Hereby Request Release of Tax Under G.S. 105-381 for the Following Year(s):

Interest

Total

\$681.54

**Tax Year** 

2022

**Tax Release** 

\$681.54

to the Watauga County Boa	Watauga County the homed ard to dispute the value re-asm \$944,200 to \$760,000 (diff	ssigned to their property.	
Approved By:	Date:		



# **TOWNOFBLOWINGROCK**

1036 Main Street • Post Office Box 47 • Blowing Rock, NC 28605

# Release Request No: 2022-3

# I Hereby Request Release of Tax Under G.S. 105-381 for the Following Year(s):

Assessment Release	Tax Release	Interest	Total	Tax Year
\$1,553,650	\$5,748.50		\$5,748.50	2022
\$1,014,013	\$3,751.85		\$3,751.85	2022
\$136,950	\$506.71		\$506.71	2022
\$206,862	\$765.39		\$765.39	2022
\$1,060,570	\$3,924.11		\$3,924.11	2022
\$381,100	\$1,410.07		\$1,410.07	2022
\$436,750	\$1,615.97		\$1,615.97	2022

Reason for Releases: Each year tax releases come up from time to time due to various factors, incorrect billing values, no longer to be billed (personal property) or clerical errors. Above are the current tax releases were billed for the incorrect values and request your approval.				
Approved By:	_Date:			



# TOWN OF BLOWING ROCK

1036 Main Street  $\bullet$  Post Office Box 47  $\bullet$  Blowing Rock, NC 28605

# Tax Refund Request No. 2021-02

Refund Request pursuant to NC General Statute 105-381 For Year 2022

Year	Value Amt. Released	I Int/Penalties	Total Refund
2022	\$1,553,650	\$0	\$5,748.50
Specific Reas	son for Refund: Per Wata	auga County – Billed the full	amount and this is a split
property that	t should only be billed 50		property owner paid the full
amount and	is due back a refund.		
Person Rece	iving Refund: MTC3 Ven	tures LLC (Parcel 28076447	24000)
Che	eck No.	Check Amt. \$	Date Pd
		<u> </u>	
Cou	uncil Meeting Date:		
Ар	proved By	Tax Collector	

# Staff Report - Presentation Agenda Item

To: Mayor Charlie Sellers and the Blowing Rock Town Council

From: Shane Fox, Town Manager

**Subject: Underground Utilities** 

Date: November 9, 2022

**Information:** The Blowing Rock Chamber Taskforce Group and Doug Chapman with McGill will provide a high level update on the work that has been performed to date on the bid-ready documents that the Town Council approved in March 2022.

No Town Council action is requested at this time. Once bids have been received the Town Council will have the opportunity to review the bid results and discuss potential next steps. This is expected during the January 2023 timeframe.

# Attachments:

- **1.** McGill Design Proposal Contract
- 2. Blue Ridge Energy Cost invoice for design work



March 1, 2022

Mr. Shane Fox, Town Manager Town of Blowing Rock 1036 Main Street Blowing Rock, North Carolina 28605

Re:

**Engineering Services Proposal Downtown Underground Utilities** Blowing Rock, North Carolina

Dear Mr. Fox:

We are pleased to submit this proposal to provide professional engineering services for the above referenced project. This proposal outlines the scope of services for the project and defines the terms of the agreement between McGill Associates, P.A. (McGill) and the Town of Blowing Rock (Town). We appreciate the opportunity to work with you on this project.

# PROJECT UNDERSTANDING

We understand that the Town would like to relocate the above ground aerial utilities (electric, cable, and telephone) along Main Street. This project will coincide with the water and sewer utilities being replaced along Main Street. We understand that the individual utilities will be providing design for the underground utilities to include location, number, size and type of conduits to be installed within the Main Street water and sewer project. McGill will take the designs provided by the utility companies, coordinate with the utilities, and produce a combined set of biddable drawings for construction. The intent of this portion of the project is to include the installation of conduits (as specified by the individual utilities) with trenching and restoration for later installation of wiring, equipment, and connections to customer services (which will be provided by each utility).

# **SCOPE OF SERVICES**

We will provide bid documents and bidding assistance, to include the following:

#### **Bid Documents**

- 1. Discussions with Town's designated representatives regarding specific project objectives.
- 2. McGill will incorporate the design drawings from the electric, cable, and telephone companies to produce a complete set of construction drawings.

Shane Fox, Town Manager February 28, 2022 Page 2 of 3

- 3. Preparation of construction documents (drawings, and any required Division 1 through 33 specifications for improvements along Main Street.
- 4. During the bid document phase, we will provide two submittals (one preliminary and one final) of construction documents for review by the Town of Blowing Rock and their utility partners.
- 5. Incorporate the approved bid documents into the overall Main Street project manual for solicitation of formal bids.
- 6. Assist with the formal bidding procedure to coordinate questions and answers with the utilities and prospective bidders.

# **CLIENT RESPONSIBILITIES**

The following items will be the responsibility of Town of Blowing Rock (and/or utility partners):

- 1. The Town will provide design of underground utility design for layout of equipment and conduit needs for all proposed facilities, which will ultimately be provided by each utility company.
- 2. Town shall provide written comments back within two weeks of submission for each submittal (preliminary and final), if no comments are necessary, please state that in writing as well.

We shall be entitled to rely upon the accuracy and completeness of all information provided by Town of Blowing Rock and its utility partners.

# **EXCLUSIONS/CLARIFICATIONS**

Our Scope of Basic Services includes only services to bidding. Construction phase services or value engineering are not included in the scope.

# <u>FEES</u>

We will provide the services for the bid documents described in this proposal for a lump sum fee of \$50,000. Invoices will be provided monthly as work progresses, with payment terms of Net 30 days.

# OTHER ADDITIONAL SERVICES

Any item not contained in Project Understanding, Scope of Services or any item outlined in Exclusions/Clarifications will be deemed as other additional services. If requested by the Town of Blowing Rock, we will provide other additional services per our Standard Fee Schedule.

Thank you for the opportunity to work with you on this project. If you have any questions concerning this proposal or any element of our work, please do not hesitate to contact me. If the

Shane Fox, Town Manager February 28, 2022 Page 3 of 3

above is acceptable to you, please sign the acceptance line below and return a copy to our office as your notice to proceed.

Sincerely,
DOUGLAS CHAPMAN, PE Hickory Office Manager
Enclosure: Standard Fee Schedule Consulting Services Agreement
CC: Nick Huffman, PE, McGill
ACCEPTANCE: This proposal is accepted this, the day of 2022.
TOWN OF BLOWING ROCK
Shane Fox, Town Manager
"This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act."
Nicole Norman, Finance Director Date





P. 828-758-2383

F. 828-758-2699

Name & Address

**Deliver To** 

**Invoice Date:** 

Mar 02, 2022

BLOWING ROCK TOWN OF

Invoice Number:

51285705

Blowing Rock Town Council PO Box 47 Blowing Rock, NC 28605-0047

Account Number:

294734

Sold By:

114

Part		Quantity	Unit		Extended
Number Description			Price		Cost
	Main Street Overhead to Underground	1	\$66,781.25	EA	\$66,781.25

Terms: Net 30

**Invoice Total:** 

\$66,781.25

**Notes:** Placing three-phase & single-phase electric facilities underground on Main St in Blowing Rock and retiring existing overhead electric facilities.

Job # 787898.

BLUE RIDGE ELECTRIC MEMBERSHIP CORPORATION • BLUE RIDGE ENERGIES, LLC



# Cost Estimate Invoice

Blue Ridge Electric Membership Corporation DBA Blue Ridge Energy Corporate Office 1216 Blowing Rock Blvd. PO Box 112 Lenoir, NC 28645

Date: 3/2/2022 Location: 100 Cooperative Way. Lenoir, NC 28645 Prepared By: Mike High Prepared for: Name: Town of Blowing Rock Address: 1036 Main Street, P.O. Box 47 Blowing Rock, NC 28605 Account # 107.2000 Phone: 828-759-8928 Job Number: **787898 Job Description:** Placing three-phase and single-phase electric facilities underground Project Estimate: \$1,335,625.00 on Main Street in Blowing Rock and retiring existing overhead electric facilities. The cost breakdown is attached. Engineering Fee (5%) to be invoiced (#51285705) \$66,781.25 Tax %: Conditions resulting in additional expense to the cooperative shall be paid to the cooperative by the owner/developer. Amount Remaining: \$1,268,843.75 Blue Ridge Energy Phone Numbers Acct. # 107.20 - Non Refundable Alleghany: 336-372-4646 336-246-7138 Ashe: Caldwell: 828-754-9071 Acct. # 235.10 - Refundable Watauga: 828-264-8894 Wilkes: 336-838-1655 Cost estimate is guaranteed for 90 days from date above ONLY and must be paid before the job is scheduled. These costs are for Blue Ridge Energy facilities only and do not include any cost for relocation of telephone or cable television facilities. Remit payment to: Blue Ridge Electric Membership Corporation Check # DBA Blue Ridge Energy PO Box 112 Cash

Lenoir, NC 28645

# **Blowing Rock Underground Plan**

(11-08-2021)

PME	6	50000	\$300,000.00
SW Cab	6	5000	\$30,000.00
Secondary Pedestals	8	1500	\$12,000.00
Three Phase Pad	6	15000	\$90,000.00
Single Phase Pad	8	3500	\$28,000.00
1000URD	7845	25	\$196,125.00
1/0URD	13530	10	\$135,300.00
Secondary	1140	10	\$11,400.00
Conduit	30780	10	\$307,800.00
Retirement			\$100,000.00
Contingencies			\$125,000.00
BRE Estimate			\$1,335,625.00
Engineering Fee (5%)			\$66,781.25

#### **MEMORANDUM**

To: Mayor Charlie Sellers and Blowing Rock Board of Commissioners

From: Kevin Rothrock, Planning Director

Subject: Short-term rental permitting – draft ordinance

Date: October 10, 2022

A NC Court of Appeals case in early 2022 decided that the NC General Statutes prohibits communities from requiring permits or registrations for short-term rental uses. Involved in this case was the City of Wilmington, NC which had a permitting requirement to register short-term rentals in the city and also required a lottery for those property owners who wished to rent their property. The lottery process was to limit the number of short-term rentals by a distance requirement. Both of these processes were deemed invalid by the NC Court of Appeals.

In response, our Town Attorney recommends we cease registration for short-term rentals and remove that language from the Land Use Code. However, we can require a zoning permit where a change in use takes place. For example, if home had been used by exclusively by the homeowner or rented long term, a zoning permit will be required to change to short-term rental. The draft ordinance will still require the regulations about smoke/carbon monoxide detectors and 911 address postings.

This draft ordinance went to Town Council in May but was tabled for some additional language and considerations. The draft ordinance was forwarded to Planning Board and then to a subcommittee. The subcommittee responded back to the full Planning Board in October and recommended the attached draft ordinance which requires a zoning permit when there is a change in use to a short-term rental and eliminates subsection (g) dealing with permit revocation. The Land Use Ordinance still has a Section dealing with permit revocation if it is needed. The Planning Board recommends approval of the attached draft ordinance.

#### **Attachments:**

- 1. Ord 2022-07 with proposed highlighted/added/deleted language.
- 2. A "clean" version of the draft ordinance showing how the final version of the ordinance would read if approved as submitted
- 3. Draft Short-Term Rental FAQs and STR Map to be included on Town website

### Proposed/Highlighted draft ordinance:

**Section 16-10.12. Short-Term Rentals.** The Board finds that short-term rentals (STRs) are an appropriate use given the residential/resort character of Blowing Rock's planning jurisdiction, provided that specific controls are in place to regulate parking, trash, noise, tenant safety, and other related effects thereby protecting neighborhood property values, and the health, safety, and the general welfare of Town citizens and visitors.

Short-term rentals are defined as the rental, lease, or offer to make available, any attached or detached residential dwelling unit, or portion thereof, by way of a rental agreement, lease, license, or any other means, (whether oral or written) for compensation or consideration, for a duration that is less than 28 consecutive days. The following standards shall apply to all short-term rentals with the Town's planning jurisdiction:

- a) A zoning permit must be initially obtained for <u>a change in use for</u> each dwelling unit that is to be rented for a period of less than 28 days. The zoning permit for short-term rental must be renewed annually through the Planning and Inspections office by paying any required fee and requesting an inspection. The permit is not valid until a satisfactory inspection is completed.
- b) A local contact person or management company <u>contact information</u> must be <u>clearly posted</u> on the interior of the dwelling unit, <u>listed</u> and <u>the person/company shall be</u> available to respond to complaints or emergencies within two (2) hours.
- c) Sufficient off-street parking must be provided for each bedroom to be rented. The parking space must meet the minimum dimensional requirements in Section 16-20.6. Short-term rental units that exist on July 1, 2018, are grandfathered with respect to parking, but each bedroom added after this date requires an additional parking space.
- d) Adequate trash and recycling containers must be provided. If collection containers are kept in an enclosure bin, the bin must meet minimum design standards defined in the Town Code (ex. Placed within 6 to 12 feet of the edge of the street, opaque screening at least four feet high, etc.).
- e) The dwelling unit must be equipped with operable smoke detectors and carbon monoxide detectors consistent with the NC Building Code.
- f) The 911 address must be posted on the front of the house or dwelling unit with 3.5-inch reflective numbers (6-inch reflective number if commercial or multi-family) or on the property according to Section 7-17 of the Town Code. The 911 address must be clearly posted on the interior of the dwelling unit to notify tenants in case of emergency.
- g) Permits may be revoked upon repeated substantiated complaints resulting in a Notice of Violations of the Town Code related to noise, trash, pets, parking, etc. If the Town receives three (3) complaints within one (1) year that lead to violations of the Town Code, the permit may be revoked for a period of one (1) year, consistent with Section 16-7.5 of the Land Use Ordinance.

**16-10.12.1.** In addition to those areas zoned to allow short-term rentals (CB, TC, GB, OI), there are other areas where short-term rentals are permissible including Chetola Resort and Royals

Oaks Condominiums (Overlay District). There are other properties that were previously operating short-term rentals or had permitted vested rights through Watauga or Caldwell County prior to being annexed or added to the Extraterritorial Jurisdiction. These properties have a legal nonconforming status that provides the opportunity for short-term rental. Each property owner that applies for a zoning permit for short-term rental use in areas not permitted by right or listed herein must provide historical documentation that the nonconformity has been legally obtained or a vested right has been legally established under NCGS 160D-108.

#### **Proposed Clean Version of Ordinance:**

**Section 16-10.12. Short-Term Rentals.** The Board finds that short-term rentals (STRs) are an appropriate use given the residential/resort character of Blowing Rock's planning jurisdiction, provided that specific controls are in place to regulate parking, trash, noise, tenant safety, and other related effects thereby protecting neighborhood property values, and the health, safety, and the general welfare of Town citizens and visitors.

Short-term rentals are defined as the rental, lease, or offer to make available, any attached or detached residential dwelling unit, or portion thereof, by way of a rental agreement, lease, license, or any other means, (whether oral or written) for compensation or consideration, for a duration that is less than 28 consecutive days. The following standards shall apply to all short-term rentals with the Town's planning jurisdiction:

- a) A zoning permit must be initially obtained for a change in use for each dwelling unit that is to be rented for a period of less than 28 days. The permit is not valid until a satisfactory inspection is completed.
- b) A local contact person or management company contact information must be clearly posted on the interior of the dwelling unit, and the person/company shall be available to respond to complaints or emergencies within two (2) hours.
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- f) The 911 address must be posted on the front of the house or dwelling unit with 3.5-inch reflective numbers (6-inch reflective number if commercial or multi-family) or on the property according to Section 7-17 of the Town Code. The 911 address must be clearly posted on the interior of the dwelling unit to notify tenants in case of emergency.

**16-10.12.1.** In addition to those areas zoned to allow short-term rentals (CB, TC, GB, OI), there are other areas where short-term rentals are permissible including Chetola Resort and Royals Oaks Condominiums (Overlay District). There are other properties that were previously operating short-term rentals or had permitted vested rights through Watauga or Caldwell County prior to being annexed or added to the Extraterritorial Jurisdiction. These properties have a legal nonconforming status that provides the opportunity for short-term rental. Each property owner that applies for a zoning permit for short-term rental use in areas not permitted by right or listed herein must provide historical documentation that the nonconformity has been legally obtained or a vested right has been legally established under NCGS 160D-108.

## AN ORDINANCE AMENDMENT TO REVISE THE PERMITTING PROCESS OF SHORT-TERM RENTALS IN THE PLANNING AND ZONING JURISDICTION OF THE TOWN OF BLOWING ROCK, NORTH CAROLINA

WHEREAS, the Land Use Code was amended in 2018 to clarify the definition of short-term rentals and establish a permitting process for regulating lawful short-term rentals in the Blowing Rock Town Limits and Extraterritorial Jurisdiction; and

WHEREAS, the NC General Statutes specify that local governments are prohibited from requiring registrations for rental properties, but can require a zoning permit for a change in use; and

WHEREAS, the NC Court of Appeals recently ruled that a permitting process for short-term rentals in the City of Wilmington are invalid and inconsistent with the NC General Statutes; and

WHEREAS, the Planning Board and Board of Commissioners agree that this ordinance amendment is consistent with the 2014 Comprehensive Plan Update, and helps to promote the health, safety, and general welfare of the citizens of the Town of Blowing Rock.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Town of Blowing Rock, North Carolina, that:

Section 1. Section 16-10.12 of the Land Use Code of the Town of Blowing Rock is hereby amended to read as set forth herein.

"Section 16-10.12. Short-Term Rentals. The Board finds that short-term rentals (STRs) are an appropriate use given the residential/resort character of Blowing Rock's planning jurisdiction, provided that specific controls are in place to regulate parking, trash, noise, tenant safety, and other related effects thereby protecting neighborhood property values, and the health, safety, and the general welfare of Town citizens and visitors.

Short-term rentals are defined as the rental, lease, or offer to make available, any attached or detached residential dwelling unit, or portion thereof, by way of a rental agreement, lease, license, or any other means, (whether oral or written) for compensation or consideration, for a duration that is less than 28 consecutive days. The following standards shall apply to all short-term rentals with the Town's planning jurisdiction:

- a) A zoning permit must be initially obtained for a change in use for each dwelling unit that is to be rented for a period of less than 28 days. The zoning permit for short-term rental must be renewed annually through the Planning and Inspections office by paying any required fee and requesting an inspection.
  The permit is not valid until a satisfactory inspection is completed.
- b) A local contact person or management company contact information must be clearly posted on the interior of the dwelling unit, listed and the person/company shall be available to respond to complaints or emergencies within two (2) hours.
- c) Sufficient off-street parking must be provided for each bedroom to be rented. The parking space must meet the minimum dimensional requirements in Section 16-20.6. Short-term rental units that exist on July 1, 2018, are grandfathered with respect to parking, but each bedroom added after this date requires an additional parking space.

- d) Adequate trash and recycling containers must be provided. If collection containers are kept in an enclosure bin, the bin must meet minimum design standards defined in the Town Code (ex. Placed within 6 to 12 feet of the edge of the street, opaque screening at least four feet high, etc.).
- e) The dwelling unit must be equipped with operable smoke detectors and carbon monoxide detectors consistent with the NC Building Code.
- The 911 address must be posted on the front of the house or dwelling unit with 3.5-inch reflective numbers (6-inch reflective number if commercial or multi-family) or on the property according to Section 7-17 of the Town Code. The 911 address must be clearly posted on the interior of the dwelling unit to notify tenants in case of emergency.
- g) Permits may be revoked upon repeated substantiated complaints resulting in a Notice of Violations of the Town Code related to noise, trash, pets, parking, etc. If the Town receives three (3) complaints within one (1) year that lead to violations of the Town Code, the permit may be revoked for a period of one (1) year, consistent with Section 16-7.5 of the Land Use Ordinance.
  - 16-10.12.1. In addition to those areas zoned to allow short-term rentals (CB, TC, GB, OI), there are other areas where short-term rentals are permissible including Chetola Resort and Royals Oaks Condominiums (Overlay District). There are other properties that were previously operating short-term rentals or had permitted vested rights through Watauga or Caldwell County prior to being annexed or added to the Extraterritorial Jurisdiction. These properties have a legal nonconforming status that provides the opportunity for short-term rental. Each property owner that applies for a zoning permit for short-term rental use in areas not permitted by right or listed herein must provide historical documentation that the nonconformity has been legally obtained or a vested right has been legally established under NCGS 160D-108."

Section 2. Severability; Conflict of Laws. If this ordinance or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given separate effect and to that end, the provisions of this ordinance are declared to be severable. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

Section 3. Effective Date. This ordinance shall be effective upon being signed by the Mayor and Town Clerk.

Adopted this the day of	, 2022.						
	TOWN OF BLOWING ROCK						
	Charlie Sellers, Mayor						
ATTEST:							
Hilari H. Hubner, Town Clerk							

#### **Short-Term Rentals FAQs**

# 1) What is considered a short-term rental (STR)?

**Short-Term Rental.** The rental, lease, or offer to make available, any attached or detached residential dwelling unit, or portion thereof, by way of a rental agreement, lease, license, or any other means, (whether oral or written) for compensation or consideration, for a duration that is less than 28 consecutive days.

#### 2) Where are short-term rentals allowed?

Short term rentals are allowed in the following zoning districts: GB, O-I, CB, and TC. Short-term rentals are also allowed at Chetola Resort and the Royal Oaks Condominiums. A map is provided on the Town's website at this link:

# 3) Is a permit required for short-term rental use?

A zoning permit is required to change use categories from single-family to short-term rental to verify that STR use is allowed in the particular zoning district and that parking and other requirements are met.

In areas where short-term rental is already allowed, like Chetola Resort condominiums, a permit is not required.

# 4) What is the penalty for renting short-term in areas where it is not permitted?

A civil penalty of \$500.00 per day can be enforced for illegal short-term rentals.

# 5) What general requirements are there for short-term rental properties?

- An off-street parking space for each bedroom with dimensions of 9 feet by 18 feet.
- A posted 911 address
- Smoke detectors and carbon monoxide detectors to meet NC Building Code
- A local contact person or management company available to respond to complaints or emergencies within 2 hours

# 6) Does the short-term rental ordinance prevent family from using your home?

No. The Owner's family members are allowed to use the home on occasions but not for exchange of compensation or other consideration.

# 7) Are STR owners required to pay occupancy taxes to the Town of Blowing Rock?

Yes. STR owners are required to submit to the Town a 6% occupancy tax on rentals of any period less than 90 days. Payments must be made by the 20<sup>th</sup> of each month following the month of collection.

### 8) How do I file a complaint about a legally permitted short-term rental?

If the complaint is in reference to on-street parking, at-large pets, loose garbage, noise, or parties, please call the Blowing Rock Police at 828-295-5210.

# 9) How do I file a complaint about a suspected illegal short-term rental?

Please call the Planning and Inspections Office at 828-295-5240.

# 10) If I want to purchase a property where short-term rentals are permitted, do I need to obtain a new permit?

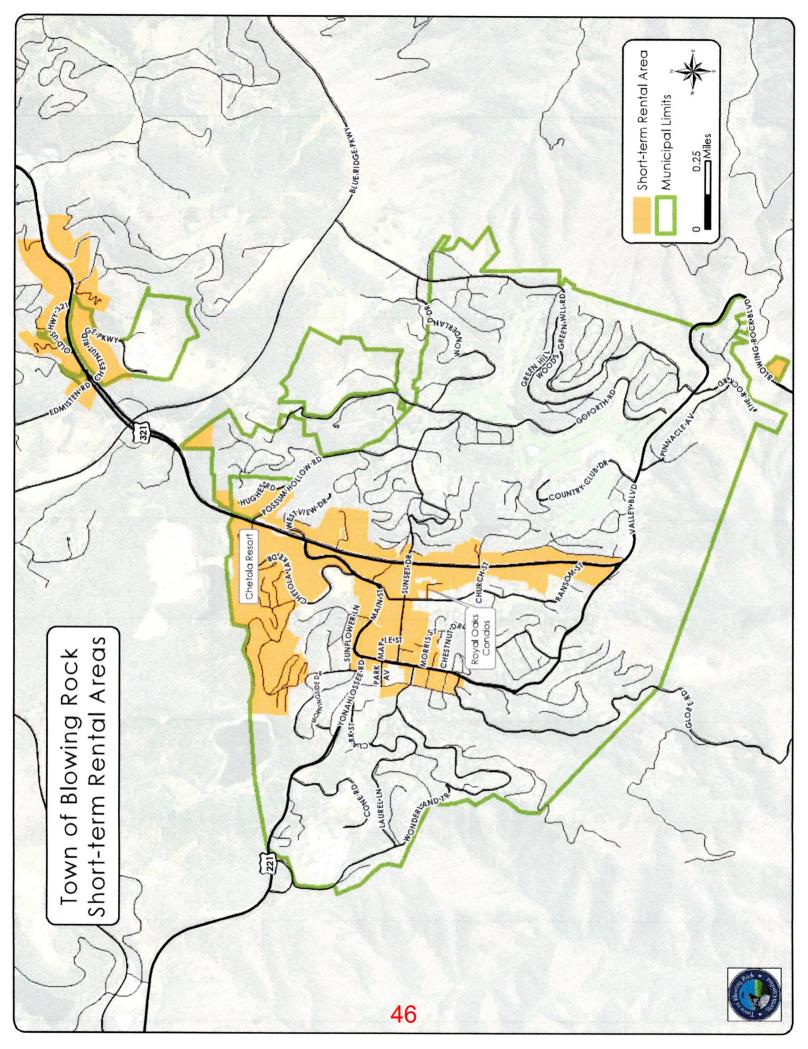
No. The approval transfers to the new property owner but some changes may be needed related to emergency contact numbers.

### 11) Does my permit for short-term rental expire?

A valid permit does not expire and the short-term rental use may be continued indefinitely as long as the terms and conditions of the permit are maintained. In rare instances, a permit can be revoked if the permit recipient fails to maintain the property consistent with the submitted plans, permit conditions, or requirements of the Land Use Code.

# 12) What happens if someone fails to comply with the rules applicable to short-term rentals?

The permit recipient can receive a civil penalty of up to \$500 and/or the permit can be revoked.



### Staff Report –Regular Agenda

To: Mayor Charlie Sellers and the Blowing Rock Town Council

From: Shane Fox, Town Manager

Subject: Ice House request for bid and results

Date: November 9, 2022

**Information:** The Town of Blowing Rock owns the historic Icehouse located at 140 Maple Street. On October 11, 2022 the Town Council voted 3-2 to move forward with leasing the Icehouse to Studio M Salon, Inc. for a three year lease term at a rate of \$1,100, the first year, \$1,133 the second year, and \$1,167 the third year. The Town Council must hold a Public Hearing in accordance with NCGS 160A-272 to gather any public input on the terms of the lease and formally vote to accept the terms of the lease.

The public hearing is in accordance with NCGS 160A-272.

#### Attachments:

- 2<sup>nd</sup> 2022 Ice House Bid Document Town
- Studio M Bid
- Proposed Lease with Studio M Salon, Inc.
- NCGS 160A 272



# Town of Blowing Rock

1036 Main Street ★ Post Office Box 47 ★ Blowing Rock, North Carolina 28605

# REQUEST FOR PROPOSALS FOR USE OF HISTORIC ICE HOUSE TOWN OF BLOWING ROCK, NORTH CAROLINA

# **Background:**

The Town of Blowing Rock (hereinafter "Town") owns the historic Ice House located at 140 Maple Street. The Town of Blowing Rock is interested in soliciting bids for lease of the Ice House. The current tenant has occupied a retail business at the location for the past several years.

#### Lease Period:

The Town is flexible regarding the lease term selected, but is seeking a lease agreement of at least one year and up to three years in length with the possible option to renew after the agreed upon term. The proposal should include a draft lease agreement including the proposed lease terms and notice of cancellation. Based on the RFP review and approval process, the building is expected to be ready for occupancy on or after December 31, 2022. Start date will be determined between the Town and the lessee.

# Type of Business:

The Town is seeking proposals from interested parties desiring to utilize the historic Ice House building for retail/office/administrative purposes to operate during normal business hours (minimum 10 a.m. to 5 p.m., Monday through Friday during May-November season). Preference may be given to retail/office/administrative uses that are in operation throughout the entire year and those that operate on Saturdays and have extended hours of operation beyond 5:00 p.m.

The proposed uses must be allowed within the Central Business zoning district and require only a zoning permit for administrative approval.

# **Proposals Guidelines:**

Proposals must include:

- Business name, address and contact information
- The type of business and hours of operation
- Number of employees
- Business history
- A proposed lease amount as part of a draft lease agreement. Note that proposed contract terms and conditions will be negotiated upon selection of winning bidder for this RFP. Terms may include monthly lease rate, parking designation, hours of operation, signage, utility fees, public use of restroom facilities, etc. Please note that the tenant will be responsible for all utility costs associated with the building.

# **Proposal Evaluation Criteria:**

The following criteria will be considered when evaluating proposals:

- Compatibility of proposed use with downtown business environment
- History of business
- Consistency of proposed business operational hours with a preference given to those that offer operating hours into the evening (i.e. after 5:00 p.m.)
- Number of months of operation with a preference given to year-round operation
- Type of business with a preference given to retail
- Proposed lease rate

#### **Submittal Process:**

Written responses to this RFP are due by 2:00 PM on Friday, September 30, 2022 by email to: <a href="mailto:sfox@tobr,us">sfox@tobr,us</a>

RFPs may also be hand-delivered to: Town Hall 1036 Main Street Blowing Rock, NC 28605

Questions may be directed by phone to Shane Fox at 828-295-5200.

Submittals will be evaluated by Town Staff and will then be submitted to the Blowing Rock Town Council for their review, consideration, and approval. Current scheduling will allow Town Council to discuss a potential lease agreement on October 11, 2022, with a public hearing scheduled for the following month on November 8, 2022, with the building being available for occupancy on or after December 31, 2022.



# PROPOSAL



ADDRESS 304 Sunset Drive

304 Sunset Drive Blowing Rock, NC 28605 WEB:

studiomsalonbr.com

# HEY THERE! I'M MARIA



I first started out in this industry in 2008, as a licensed cosmetologist. I knew this was my passion and some day I wanted to own a salon of my own. In 2010 I opened Studio M Salon on Main Street and instantly knew this is where I wanted to be and the community I wanted to serve.

I currently live here in the village of Blowing Rock and enjoying walking to work everyday. I have participated in the Blowing Rock Leadership Program in 2015, have volunteered for the Blowing Rock Historical Society, am a current member of the Blowing Rock Chamber, and I am deepley vested in our community.



Studio M Salon opened its doors in October of 2010, and I am proud to say after almost 12 years the business continues to thrive. I've needed larger locations in the past to accommodate additional stylists. At this time in my business I want to switch gears and have a more intimate space with my clientele that I can give a better one on one experience. That is why I know the Historic Ice House would be the perfect location for the new vision of my business. I love Appalachian history, but especially our local history and want to enhance and bring attention to the Historic Ice House.

STUDIOMSALONBR.COM

# **OBJECTIVES**

- O1 Studio M Salon would like to lease the historic Ice House for a minimum of 3 years up to 5 years with option to renew every 5 years at a monthly lease payment of \$1100.
- O2 Studio M Salon would operate as a hair salon with retail products pertaing to haircare, makeup, and tools for haircare.
- The salon would be open all year with the days and hours of Monday through Friday of 10:00 am to 6:00 pm and Saturdays from 9:00 am to 1:00 pm. There would be one to two stylists working on alternating days with one receptionist/assistant.
- On a monthly basis I have an average of 135-150 clients a month and the salon is open year round weather permitting. Clients come from surrounding counties such as, Avery, Caldwell, and Mitchell along with many seasonal clients as well from various states.
- One shampoo bowl would be installed and hooked to the existing plumbing with little interuption to any surrounding areas. Upon leaving the premises at the end of the lease Studio M Salon will leave the Historical Ice House as it was found at the first of the lease.

I take pride and professionalism in the spaces I lease making them aesthetically pleasing and comfortable. It's important to me that the residents of Blowing Rock have a salon they can conveniently visit for their haircare needs within the village. Thank you in advance for your time and consideration and for the opportunity.

STUDIOMSALONBR.COM

#### LEASE AGREEMENT

#### **COUNTY OF WATAUGA**

THIS LEASE AGREEMENT made and entered into this 9th day of November, 2022 by and between TOWN OF BLOWING ROCK, a North Carolina Municipal Corporation of Watauga County, North Carolina (hereinafter referred to as "Landlord"); and Studio M Salon, Inc. (Maria Roberts- Owner) a North Carolina Corporation, a citizen and resident of Watauga County, North Carolina (hereinafter referred to as "Tenant").

# WITNESSETH:

- l. <u>Premises</u>. That for and in consideration of the mutual covenants and agreements contained herein and subject to the terms and conditions hereinafter set forth, Landlord does hereby demise and lease unto the Tenant and the Tenant does hereby lease from Landlord those certain premises described as the property known as the Historic Ice House Building located at 140 Maple Street, in the Town of Blowing Rock, hereinafter called "Demised Premises".
- 2. <u>Acceptance of Property and Conditions of Lease Agreement</u>. Neither Landlord nor its agents have made any representations with respect to the Demised Premises except as expressly set forth herein and no rights, easements, or leases are acquired by the Tenant by implication or otherwise except as expressly set forth in the provisions of this lease. Tenant acknowledges that Landlord has completed certain renovations and improvements to the Demised Premises, and Tenant, by taking possession of the Demised Premises, agrees to accept the same in its "as is" condition.
- 3. Term and Rent. The term of this lease shall be for three (3) years, commencing on January 1, 2023, and ending on December 31, 2025, both dates inclusive, unless sooner terminated as herein provided. During the term of the lease, beginning on January 1, 2023, and continuing on the 1st day of each month thereafter, Tenant shall pay Landlord rent in monthly payments of One Thousand One Hundred Dollars and 00/100 (\$1,100.00), the first year, One Thousand One Hundred and Thirty Three Dollars and 00/100 (\$1,133.00), the second year, and One Thousand One Hundred and Sixty Seven Dollars and 00/100 (\$1,167.00) the third year. The rent shall be paid to Landlord at P.O. Box 47, Blowing Rock, North Carolina 28605, or at such other place as Landlord shall designate to the Tenant. At the conclusion of the term, December 31, 2025, the lease shall not be extended without due process and approval of the Blowing Rock Town Council in a public meeting, unless the proposed future lease terms are one year or less, then the lease can be negotiated by the Town Manager at the discretion of the Town Council, per NCGS 160A-272 (b).
- 4. <u>Taxes</u>. During the term of this lease, Tenant shall not be responsible for paying any real property taxes imposed on the Demised Premises. Tenant shall pay any personal property taxes imposed on the contents located in the building on the Demised Premises.

5. <u>Insurance</u>. The Tenant shall obtain a public liability insurance policy for the minimum coverage of \$500,000.00 bodily injury and property damage liability (combined single limit), \$500,000.00 each occurrence and \$1,000,000.00 aggregate. Landlord shall be named as an additional insured on said policy and shall be furnished with a copy of same.

Landlord shall not be liable to Tenant for any business interruption or any loss or damage to property or injury to or death of persons occurring in the Demised Premises, or in any manner growing out of or connected with the Tenant's use and occupation of the Demised Premises, or the condition thereof, whether or not caused by the negligence or other fault of the Landlord or its agents, employees, sub-tenants, licensees, or assigns. This release shall apply to the extent that such business interruption, loss, or damage to property or injury to or death of persons is covered by insurance, regardless of whether such insurance is payable to or protects Landlord or Tenant, or both. Nothing herein shall be construed to impose any other or greater liability upon Landlord than what would have existed in the absence of this provision. The applicable insurance policies of the Tenant shall contain a clause to the effect that this release shall not affect the right of the insured to recover under such policies. The release in favor of the Landlord contained herein is in addition to, and not in substitution for or in diminution of, the hold harmless and indemnification provisions hereof.

Landlord shall maintain a hazard insurance policy on the building in which the Demised Premises are located for an amount no less than the estimated replacement cost of the building. Tenant shall maintain insurance for the contents located in the building on the Demised Premises and owned by Tenant.

- 6. Repairs. Tenant shall, at the Tenant's expense, make all necessary repairs and replacements to the interior of the Demised Premises, and Landlord, at Landlord's expense, shall make all necessary repairs and replacements to the exterior of the Demised Premises. Further, any repairs or replacements which must be made as a result of Tenant's negligence shall be made at Tenant's expense, and upon default on the part of Tenant in paying for such repairs or replacements, Landlord shall be entitled to add the cost of such repairs or replacements to the Tenant's account and the expense thereof shall constitute and be collectible as additional rent. All repairs and replacements shall be in quality and class at least equal to the original work, and Landlord shall have the right to select the contractors who perform the work associated with the repairs or replacements.
- 7. <u>Use of Property</u>. The Tenant shall use the Demised Premises for the specific purpose of operating a hair salon. The hours of operation are to be Monday Friday from 10:00 AM to 6:00 PM and Saturday from 9:00 AM to 1:00 PM.
- 8. <u>Improvement of the Property</u>. No alteration or addition to the improvements on the Demised Premises shall be made by the Tenant without the written consent of Landlord. Any alteration, addition or improvement made by the Tenant after such consent shall have been given, and any fixtures installed as a part thereof, shall at

Landlord's option become the property of the Landlord upon the expiration or other sooner termination of this lease; provided, however, that Landlord shall have the right to require the Tenant to remove such fixtures at the Tenant's cost upon such termination of this lease.

The Tenant shall have the right to construct, erect, place, paint, maintain and control on the Demised Premises any sign or signs which may be necessary in the conduct of its business and it shall have the right to remove the sign or signs at the expiration or earlier termination of this lease, provided, that upon the removal of said sign or signs, the said building shall be put in the same condition it was in at the time of the placing or painting of said sign, as far as is reasonably possible. Provided, that Tenant's right to erect, place, paint, maintain and control a sign or signs on the Demised Premises shall be subject to and conditioned upon Landlord's prior written approval with respect to the number of signs, dimensions, color, and materials used with respect to said signage.

- 9. <u>Utilities</u>. Tenant shall pay all utility charges, including, but not limited to, gas, electricity, light, heat, water, sewer, power and telephone or other communication service used, rendered, or supplied upon or in connection with the Demised Premises and shall indemnify Landlord against any liability or damages on such account.
- 10. <u>Assignment and Subletting</u>. The Tenant shall not assign this lease or sublet any part of the Demised Premises without the prior written consent of Landlord.
- ll. <u>Surrender of the Demised Premises</u>. At the expiration of the lease term, the Tenant shall surrender the Demised Premises in as good condition as they were in at the beginning of the term, reasonable use and wear and damages by the elements excepted.
- 12. <u>Damage or Destruction by Fire</u>. In the event that the Demised Premises shall be damaged or destroyed by fire, the elements or other casualty during the lease term, then in that event either the Landlord or the Tenant shall have the right to cancel and terminate this lease with the rents to be adjusted as of the date said lease is terminated. Upon such termination, neither party shall have any rights against or obligations to the other party.
- 13. Condemnation. If the whole of the Demised Premises shall be condemned and taken by any governmental authority or other entity having a power of eminent domain, then this lease shall immediately terminate, and the Tenant shall have no interest in any damages and/or monies paid by virtue of such condemnation.

  In the event of a partial appropriation or condemnation of the Demised Premises that does not materially affect the Tenant's use thereof, the Tenant shall continue in possession of the unappropriated part of the Demised Premises under the terms and conditions hereof except that in such case if the Tenant actually loses the use of part of the Demised Premises, the Tenant shall be entitled to an equitable reduction in rent payable hereunder. In the event such partial appropriation or condemnation

materially affects the Tenant's use of the Demised Premises, the Tenant may, at its option, terminate this lease and Landlord shall refund the Tenant any unearned rental existing at the time of said termination. However, the Tenant shall have no interest in any damages and/or monies paid by virtue of such condemnation.

Notwithstanding the foregoing, Tenant shall be entitled to a separate award made to Tenant for loss of business, moving expense or the taking of Tenant's fixtures or equipment if a separate award for such items is made.

- 14. Indemnity and Attorney's Fees. The Tenant shall indemnify and save Landlord harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Demised Premises, or the occupancy or use by the Tenant of the Demised Premises or any part thereof, or occasioned wholly or in part by any act or omission of the Tenant, its agents, employees or invitees. In case Landlord shall, without fault on its part, be made a party to any litigation instituted against the Tenant by reason of the Tenant's use or occupancy of the Demised Premises, then the Tenant shall protect and hold Landlord harmless and shall pay all costs, expenses and reasonable attorney's fees that may be incurred or paid by Landlord in such litigation. In addition, Tenant shall pay all costs, expenses and reasonable attorneys' fees that may be incurred or paid by Landlord in enforcing the covenants and agreements of the Tenant contained in this lease.
- 15. <u>Damages</u>. If the Demised Premises shall be deserted or vacated, or if proceedings are commenced against the Tenant in any court under a bankruptcy act or for the appointment of a trustee or receiver of the Tenant's property either before or after the commencement of the lease term, or if there shall be a default in the payment of rent or any part thereof for more than five (5) days after said rent is due, or if there shall be default in the performance of any other covenant, agreement, condition, rule or regulation herein contained or hereafter established on the part of the Tenant for more than twenty (20) days after written notice of such default by Landlord, this lease (if Landlord so elects) shall thereupon become null and void, and Landlord shall have the right to re-enter or repossess the Demised Premises, either by force, summary proceedings, surrender or otherwise, and dispossess and remove therefrom the Tenant, or other occupants thereof, and their effects, without being liable to any prosecution therefor. In such case, Landlord may, at its option, relet the Demised Premises or any part thereof, as the agent of the Tenant, and the Tenant shall pay Landlord the difference between the rent hereby reserved and agreed to be paid by the Tenant for the portion of the term remaining at the time of re-entry or repossession and the amount, if any, received or to be received under such reletting for such portion of the term. The Tenant waives and shall waive all right to trial by jury in any summary proceeding hereafter instituted by Landlord against the Tenant in respect of the Demised Premises.
- 16. <u>Quiet Enjoyment</u>. Landlord covenants that if and so long as Tenant pays the basic rent and performs all of the terms, covenants, and conditions of this lease on

Tenant's part to be performed, Tenant shall peaceably and quietly have, hold and enjoy the Demised Premises for the term of this lease, but always subject to the provisions of the lease.

17. <u>Notice</u>. All notices, consents, requests, instructions or other communications provided for herein shall be deemed validly given, made and served if in writing and either delivered personally or sent by certified or registered mail, postage prepaid and, pending the designation of another address, addressed as follows:

If to Tenant: Studio M Salon, Inc

If to Landlord: The Town of Blowing Rock

P.O. Box 47

Blowing Rock, NC 28605

Any such notices, consents, requests, instructions, or other communications sent by certified or registered mail shall for the purposes of this lease be considered received one (1) day after it is deposited in the United States Mail, postage pre-paid.

- 18. <u>Time of the Essence</u>. For all periods set forth in this Lease time shall be of the essence.
- 21. <u>Miscellaneous</u>. All rights and liabilities herein given to or imposed upon either of the parties hereto shall extend to the heirs, executors, administrators, and assigns of such parties. Unless the context expressly or impliedly requires or indicates a contrary meaning, whenever used in this lease, a noun or pronoun in any gender shall include the remaining genders, the singular shall include the plural and the plural shall include the singular. The law of the State of North Carolina shall control this lease.

IN WITNESS WHEREOF, Landlord and Tenant have caused this instrument to be duly executed and sealed the day and year first above written.

	LANDLORD:	
	TOWN OF BLOWING ROCK A North Carolina Municipal Corpor	ation
	By: Shane Fox, Town Manager	(SEAL)
	TENANT:	
	Studio M Salon, Inc A North Carolina Corporation	
	By: Maria Roberts, Owner	(SEAL)
STATE OF		
I,, a Nota that, Land acknowledged the execution of the forest		hereby certify e this day and
WITNESS my hand and official se	eal this the day of, 20	22.
	Notary Public	
My commission expires:		
NOTARIAL SEAL:		

STATE OF COUNTY OF	
<del></del>	
I,, a Notary Public that Maria Roberts, Owner of Studio M Salon, I personally appeared before me this day and ack instrument on behalf of the company.	•
WITNESS my hand and official seal this th	e day of, 2022
	Notary Public
My commission expires:	
NOTARIAL SEAL:	

## § 160A-272. Lease or rental of property.

- (a) Any property owned by a city may be leased or rented for such terms and upon such conditions as the council may determine, but not for longer than 10 years (except as otherwise provided in subsection (b1) of this section) and only if the council determines that the property will not be needed by the city for the term of the lease. In determining the term of a proposed lease, periods that may be added to the original term by options to renew or extend shall be included.
- (a1) Property may be rented or leased only pursuant to a resolution of the council authorizing the execution of the lease or rental agreement adopted at a regular council meeting upon 30 days' public notice. Notice shall be given by publication describing the property to be leased or rented, stating the annual rental or lease payments, and announcing the council's intent to authorize the lease or rental at its next regular meeting.
- (b) No public notice as required by subsection (a1) of this section need be given for resolutions authorizing leases or rentals for terms of one year or less, and the council may delegate to the city manager or some other city administrative officer authority to lease or rent city property for terms of one year or less.
- (b1) Leases for terms of more than 10 years shall be treated as a sale of property and may be executed by following any of the procedures authorized for sale of real property.
- (c) Notwithstanding subsection (b1) of this section, the council may approve a lease without treating that lease as a sale of property for any of the following reasons:
  - (1) For the siting and operation of a renewable energy facility, as that term is defined in G.S. 62-133.8(a)(7), for a term up to 25 years.
  - (2) For the siting and operation of a tower, as that term is defined in G.S. 146-29.2(a)(7), for communication purposes for a term up to 25 years.
  - (3) For the operation and use of components of a wired or wireless network, for a term up to 25 years; provided, however, that the lease is entered into with a private broadband provider or a cooperative in connection with a grant agreement pursuant to G.S. 143B-1373 and is for a discrete and specific project located in an unserved area of an economically distressed county seeking to provide broadband service to homes, businesses, and community anchor points not currently served.
- (d) Notwithstanding subsection (a) of this section, any lease by a city of any duration for components of a wired or wireless network shall be entered into on a competitively neutral and nondiscriminatory basis and made available to similarly situated providers on comparable terms and conditions and shall not be used to subsidize the provision of competitive service. (1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, s. 26; 2009-149, ss. 2, 3; 2010-57, s. 2; 2010-63, s. 2(b); 2011-150, s. 1; 2014-120, s. 34; 2015-246, s. 9; 2018-5, s. 37.1(c).)

# Regular Agenda - Staff Report

To: Mayor Charlie Sellers and the Blowing Rock Town Council

From: Shane Fox, Town Manager

**Subject: 2023 Winter Retreat** 

Date: November 9, 2022

#### Information:

The Town of Blowing Rock typically holds a three-day long retreat during the month of January or February to set priorities for the upcoming year(s). Last year the retreat was held at the American Legion Building on February 14<sup>th</sup>- 16<sup>th</sup>, 2021.

# Request:

To discuss the retreat location and the retreat dates. Town staff would like to recommend the dates of January 30, 31, and February 1<sup>st</sup>, to be held at the location of the Council's choice.

#### **MEMORANDUM**

TO: Mayor Sellers and Blowing Rock Board of Commissioners

FROM: Kevin Rothrock, Planning Director

SUBJECT: Downtown Development Standards Review and Consideration

DATE: November 1, 2022

#### **BACKGROUND**

At the August 2018 Planning Board meeting, an ad hoc subcommittee was formed to study the current development standards for Central Business and Town Center. Over the next several months, the subcommittee consisting of Pete Gherini, Mike Page, Wes Carter and David Harwood, met to discuss the development standards in downtown. The group also invited Sue Glenn as she had compiled substantial research on building heights and floor area ratios (FARs) in the downtown.

The group walked Main Street to visually comprehend the existing conditions of building heights, setbacks, sidewalk widths, mass, landscaping, design, etc. The walk proved to be beneficial to more closely understand the relationship of buildings along both sides of Main Street and to conclude that east and west Main Street have a different character and development pattern.

A draft ordinance was submitted to the Planning Board in December 2018 and was recommended for approval to Town Council. In February of 2019, Council tabled discussion on the draft ordinance in favor of having a wider and more involved public process.

At the 2022 Winter Retreat, Council asked the Planning Board to review and address these ideas and create a public involvement strategy to gain feedback from citizens.

#### **CURRENT REQUEST**

At the October 2022 meeting, the Planning Board established a subcommittee to review this downtown development information and prepare a public involvement strategy. The subcommittee members are Bill Carter, Pete Page, Cat Perry, and Tom Barrett. The Planning Board is asking for a member or two from Council to participate along with a couple large community members to serve on the subcommittee. This process will likely take several months to evaluate the existing built conditions, current Land Use Ordinance, and develop a public process to involve residents, and property and business owners.

#### **MEMO**

TO:

Mayor Charlie Sellers and Blowing Rock Town Council

FROM:

Kevin Rothrock, Planning Director

SUBJECT:

**Use Table Amendment Consideration** 

DATE:

October 31, 2022

The highlighted and circled section of the Table of Permissible Uses shown below needs some modifications in my opinion.

One and Two-Family construction in NC is exempt from local jurisdiction architectural design standards. Also duplex construction is still subject to other provisions of the Land Use Ordinance including landscaping, watershed, and storm water detention. Duplex construction is currently allowed in these districts through Special Use Permit. I am of the opinion that this should be evaluated to consider allowing these uses through a zoning permit.

Single-family with an accessory apartment is also permitted in these non-residential zoning districts with a Special Use Permit. This should be evaluated to allow these uses with a zoning permit. If Council would agree to allow the Planning Board to study this issue of permissible uses, we will be glad to in the coming months.

### Table of Permissible Uses

Uses Description	R-A	R-15	R-105	R-10D	R-10M	R-65	R-6M	R-MH	СВ	TC	GB	OI	нмс	HSG	PG
1.000 Residential													Accesses 1		
1.100 Single-family reside	ences		Andria de la compansión de		-									<del>7. * * * * * * * * * * * * * * * * * * *</del>	-
1.110 Other than mobile homes	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z		
1.120 Manufactured								Z							
1.130 Single family residence with accessory apartment	Z		Z	Z	Z	Z	Z		S	S	S	S	S	1	
1.200 Two-family residen	ces														
<b>1.210</b> Duplex				S	S		S		S	S	5	S	Z		
<b>1.220</b> Two-family conversion				S	S		S		S	S	S	S	Z		
1.230 Townhouses				S	S		S		S	S	S	S	S		