

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

All

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.

All

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?

All

All unanimously in favor.

Albert Yount

So moved.

Charlie Sellers

Do I have a second?

David Harwood

Second.

All

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.

All

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.

All

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 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 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, you 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.

All

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 bids, 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.

All

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

All

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.

All

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.

All

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.

All

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, 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 _____

Charlie Sellers

ATTEST _____

Hilari Hubner, Town Clerk

ATTACHMENTS:

Budget Amendment #2022-13 – Attachment A

Tax Release - #2022-1 – Attachment B

Blowing Rock Ale House – Attachment C