

MINUTES
Town of Blowing Rock
Board of Commissioners
Regular Meeting-June 14, 2011

The Town of Blowing Rock Board of Commissioners met in regular session on Tuesday, June 14, 2011 at 5:00 p.m. The meeting took place in the Town Council Chambers at Town Hall located at 1036 Main Street, Blowing Rock. Present were Mayor J.B. Lawrence, Commissioners Albert Yount, Phillip Pickett, Tommy Klutz, Doug Matheson, and Jim Steele. Others in attendance were Town Manager Scott Hildebran, Town Attorney Allen Moseley, Town Engineer Doug Chapman, Planning Director Kevin Rothrock, Public Works Director Mike Wilcox, Police Chief Eric Brown, Emergency Services Director Kent Graham, Building Inspector Jesse Horner, Finance Director Nicole Norman, Parks & Recreation Director Jennifer Brown, and Town Clerk Sharon Greene.

CALL TO ORDER

Mayor Lawrence called the meeting to order at 5:00 p.m. and welcomed everyone.

APPROVAL OF MINUTES

A motion was made to approve the minutes for meetings held on May 10, 16, 17, 26 and June 1, 2011 by Commissioner Pickett, seconded by Commissioner Klutz. Unanimously approved.

PUBLIC HEARINGS

1. FY 2011-2012 Budget (Ordinance #2011-08)

Town Manager Hildebran remarked that the Recommended FY 2011-2012 Budget was presented to Council on May 10, 2011 and budget work sessions were held on May 16, 17, and 26, 2011.

Mr. Hildebran stated the budget totaled \$6,311,550 for all Town operations, capital improvements, and debt service requirements, a decrease of \$85,420 compared to last year's adopted budget of \$6,396,970. According to Mr. Hildebran, the Recommended Budget proposed changes in water/sewer fees, with an increase of \$1.00 per month in both water and sewer fees and a reduction in the water interconnections fee of \$2.00 per month, which would result in no net change. The tax rate would remain at \$0.28 per \$100.00 of the property value. Also proposed was a 1.0% cost of living adjustment for regular and full-time positions.

Commissioner Klutz suggested the fees for changes to existing services such as electrical service change, HVAC changes, water heater change out, etc. be discontinued. Mr. Hildebran pointed out the charges were minimal operational fees that kept the taxpayers from having to endure the costs.

Commissioner Steele asked if staff was looking into previously owned items for capital equipment replacements. Mr. Hildebran advised that staff did look into previously owned equipment that might be suitable.

Commissioner Yount mentioned that five (5) police cars were now equipped with mobile data terminals and inquired if the remaining police cars would also be equipped. Mr. Hildebran advised that grant funding was used to purchase the units and further funding would be pursued in order to equip the remaining cars.

With no further comments, Commissioner Klutz made a motion to close the public hearing, seconded by Commissioner Pickett. Unanimously approved.

Commissioner Pickett then made a motion to approve FY 2011-2012 Budget Ordinance #2011-08 as presented. The motion was seconded by Commissioner Klutz. Unanimously approved. **FY 2011-2012 Budget (Ord. #2011-08) – Exhibit A**

2. Appalachian Regional Healthcare – Annexation (Res #2011-06 & 07 & Ord #2011-09)

Planning Director Kevin Rothrock advised that Criterion Healthcare had submitted a petition for voluntary annexation for Council consideration on May 2, 2011, which initiated the satellite annexation process for Watauga Medical Center (ARHS) property located on Summit Meadows Lane located in the Town's ETJ. According to Mr. Rothrock, the applicant planned to connect to the Town's water and sewer system for future development of a post-acute care medical campus.

Since the boundaries of the property were not contiguous with the Town's corporate limits, the rules for satellite annexation would have to be followed. Mr. Rothrock reviewed the following five basic rules for satellite annexation in North Carolina pursuant to G.S. 160-A-58.1(b):

- 1) The nearest point on the proposed satellite corporate limits is not more than three (3) miles from the corporate limits of the Town of Blowing Rock;
- 2) No point on the proposed satellite corporate limits is closer to another municipality than to the Town of Blowing Rock;
- 3) The area described is so situated that the Town of Blowing Rock will be able to provide the same services within the proposed satellite corporate limits that it provides within the primary corporate limits;
- 4) No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation, and
- 5) The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, does not exceed 10% of the area within the primary corporate limits of the Town of Blowing Rock.

If approved, the annexation would become effective on June 30, 2011. A boundary map would be recorded with Watauga County Register of Deeds and the office of the North Carolina Secretary of State as well as the Watauga County Board of Elections.

Commissioner Klutz had questions regarding utility easements and surrounding property owners. Mayor Lawrence advised these details would be worked out during the CUP process. Mayor Lawrence called for public comments at this time. Mr. Jeff Eason asked if adjoining property owners could be annexed into the Town's corporate limits also. Mr. Rothrock stated adjoining properties could be annexed into the town; however, a separate petition for annexation would have to be filed.

With no further discussion, Commissioner Yount made a motion to close the public hearing, seconded by Commissioner Pickett. Unanimously approved.

Commissioner Yount then made a motion to approve Appalachian Regional Healthcare Annexation Res #2011-06 & 07 and Ord #2011-09 as presented. The motion was seconded by Commissioner Pickett. Unanimously approved. **Res. #2011-06 & 07 & Ord #2011-09 – Exhibit B, C & D**

3. Rezoning of Appalachian Regional Healthcare System Property (RZ #2011-01)

Planning Director Kevin Rothrock presented Council with a request from Criterion Healthcare for the rezoning of Watauga Medical Center (ARHS) property located off Summit Meadows Lane. The 43-acre unzoned property would be zoned Hospital Medical Complex (HMC) if the request received approval. Mr. Rothrock stated the applicant also submitted a petition for satellite annexation and with the annexation's approval, the proposed zoning designation of HMC would allow the future development of a post-acute care medical campus.

Mr. Rothrock further stated, according to the NC General Statutes, Town Council must evaluate whether a proposed zoning amendment is consistent or in general conformity with the Comprehensive Plan. He reviewed several policies that needed to be considered.

During their May 19th meeting, the Planning Board made a recommendation to approve the zoning change from unzoned property to HMC pending approval of the annexation by Council.

Mr. Rothrock advised that proper notification as required by NC General Statutes had been made.

Commissioner Pickett had questions regarding the safety of the bridge while accessing the property. ARHC Representative Tim Ford stated that other options for access to the property were being reviewed.

Commissioner Steele questioned if the Town's water/sewer treatment facilities were adequate for the addition of this project. Mr. Hildebran advised due to the latest technology being used in construction and renovations that the Town's daily average water consumption was less today than ten years ago. He also stated that it was his

understanding that the current hospital facility would close and that the new facilities would be more efficient in water use. As such, the Town's system should be adequate.

A motion was made by Commissioner Pickett to close the public hearing, seconded by Commissioner Klutz. Unanimously approved.

Commissioner Yount commented on the significant impact the hospital project would have on Blowing Rock's economy.

After brief discussion, Commissioner Yount made a motion to approve Rezoning of Appalachian Regional Healthcare System Property (RZ #2011-01) as presented, seconded by Commissioner Pickett. **Appalachian Regional Healthcare System Property (RZ #2011-01) – Exhibit E**

4. Amendment to Land Use Ordinance – Subdivisions (Ord #2011-10)

Planning Director Rothrock presented Council with a draft ordinance prepared by Town Consultant Michael Egan modifying the subdivision standards in the Land Use Ordinance.

Mr. Rothrock stated the revisions included (1) to make the administrator the executor for all final plats prior to recordation and (2) to require that architects and engineers certifying protection against defects are licensed or registered in North Carolina, as the case may be. He reiterated that Town Council would remain the final decision-maker for major subdivision plats, but the ordinance would be revised so that the administrator verifies all documentation on the final plat according to the Land Use Code and all requirements of the subdivision have been met prior to recording. The final plat would not come before Council prior to recording, but any new streets offered for public dedication would be reviewed by Council before acceptance.

During their May 19th meeting, the Planning Board recommended approval of the draft ordinance.

Commissioner Klutz voiced his discomfort with omitting Council and adding "Administrator" in Section 16-79 of the Land Use Code regarding the approval of major subdivision plats. Mr. Rothrock stated essentially it was handled the same way at the present time, but the revision was a formality that only pertained to subdivision regulations.

Commissioner Steele remarked the revision would make the ordinance more user-friendly for people who were going through the process. He stated that Council still maintained control and he felt confident with Town Staff's competency.

Commissioner Yount asked Town Attorney Moseley if he saw any problem with the change. Mr. Moseley replied that he did not foresee any problem with the revision and he also felt it would make the ordinance more customer-friendly.

Mayor Lawrence called for any public comments. Planning Board Chairman Jim West explained recommendations were made to Council by the Planning Board; but Council always had the final decision regarding CUP's etc. and that staff was available and capable of carrying out the administrative functions so that Council did not have to deal with minor details.

Commissioner Klutz commented that he would like for the ordinance to read "that the Board of Commissioners and Administrator shall approve or disapprove" in Section 16-79 of the Land Use Code. Mayor Lawrence reiterated that Council approved any changes through the CUP process.

Commissioner Steele made a motion to close the public hearing, seconded by Commissioner Klutz. Unanimously approved.

A motion was made by Commissioner Pickett to approve Ordinance #2011-10 as presented, seconded by Commissioner Steele. Town Manager Hildebran commented the revisions were to streamline the Land Use Code, not take authority from Council. Mayor Lawrence called for a vote on Mr. Pickett's motion for approval of Ordinance #2011-10. Unanimously approved. **Amendments to Land Use Code – Subdivisions (Ord #2011-10) – Exhibit F**

5. Village Shoppes CUP Amendment – Valet Parking (CUP #2011-03)

Planning Director Rothrock, Mr. Dan Phillips, and numerous other attendees were sworn to speak during the public hearing.

Mr. Rothrock stated a request had been submitted by Mr. Dan Phillips of Blowing Rock Valet, LLC for an amendment to the conditional use permit issued for Village Shoppes at 1132 Main Street. Mr. Rothrock advised that Mr. Phillips had received permission from the Village Shoppes Unit Owner's Association to utilize five (5) angled spaces on Main Street in front of the Village Shoppes for valet parking. He also advised the applicant had received permission from Blowing Rock School to utilize a portion of their parking area for parking cars. Mr. Rothrock stated, according to the original CUP approved in 1994, the angled spaces were dedicated to the Town for public use.

Mr. Rothrock gave the following analysis of the request:

- Condition No. 2 of the original CUP refers to six (6) existing parking spaces to be made diagonal and dedicated to the Town for public use. When the spaces were made diagonal and to meet Code and provide adequate alley access, the number of spaces was reduced to five (5).
- Valet drop off will be available for southbound Main Street traffic only. Likewise, the vehicle return from Morris Street will require the valet service to turn left onto Main Street and drive around the block via either Pine Street or Chestnut Street, through Wallingford, and then to Laurel Lane to make a right turn onto Main Street back to Village Shops.

- Blowing Rock Valet requests the use of the angled spaces for valet service Wednesday through Saturday from 10 am to 6 pm, when school is out of session. Valet service would not be available on holidays, special events, parades, or Art in the Park weekends.
- Blowing Rock Valet requests permission to display a portable sign to identify the valet service on Main Street.
- Blowing Rock Valet will use only the middle section of the Blowing Rock School parking lot for vehicle storage (24 spaces). BR School is available for public parking in the summer but is not a Town lot.
- NCGS 160A-301 gives towns authority to regulate and create parking.
- NCGS 160A-296 gives towns authority to regulate, develop and maintain streets and sidewalks.
- The CUP amendment will require a legal opinion from the Village Shoppes POA attorney that the Applicant has the legal authority to request the amendment on behalf of the Village Shoppes POA.
- Staff has been made aware of one owner within the Owners' Association that was not in favor of the valet service being requested.

Mr. Rothrock also stated that no conditional use permit or amendment to permits could be approved by Council unless each of the following findings were made:

- (1) The use or development is located, designed, and proposed to be operated so as to maintain or promote the public health, safety, and general welfare.
- (2) The use or development complies with all required regulations and standards of the Land Use Ordinance or with variances thereto, if any, and with all other applicable regulations.
- (3) The use or development is located, designed, and proposed to be operated so as to be compatible with the particular neighborhood in which it is to be located.
- (4) The use or development will not substantially injure the value of adjoining or abutting property.
- (5) The use or development conforms with the general plans for the physical development of the Town as embodied in this Ordinance, the Town of Blowing Rock Comprehensive Plan, and any other duly adopted plans of the Town.

Mr. Rothrock commented that Town Attorney Moseley may have further suggestions regarding the CUP request. Mr. Moseley stated, should the project receive approval, the permit and other documentation would need to be signed by the Condominium Owner's Association because they ultimately had control over the management/maintenance of the common area affected by the CUP request. He also suggested their Declaration of Condominium be amended if the request was approved before the CUP amendment was recorded.

Council had several questions regarding the parking spaces that were dedicated to the Town in 1994. Town Attorney Moseley advised the dedicated parking spaces could not be used for valet parking unless Council approved the request. He also stated that in 1994 the Town did not have a parking fund and parking for projects was frequently waived; however, the Village Shoppes had more parking than most other projects during that time. He also stated the spaces were dedicated to the Town as required by Council at that time.

Next to speak representing Mr. Dan Phillips of Blowing Rock Valet, LLC was Attorney Chelsea Garrett. (Commissioner Yount disclosed that Ms. Garrett had represented him recently in another matter, but he did not feel it would interfere with the request being heard). Ms. Garrett distributed a resolution from the POA to Council, stating the resolution authorized Mr. Phillips to request a minor amendment to the Village Shoppes CUP and all owners associated with the Village Shoppes were present at the meeting. Ms. Garrett commented that this property was unique due to the Village Shoppes owning approximately one half of the diagonal parking spaces located in front of their complex. She also commented no other businesses along Main Street owned the parking spaces in front of their businesses, therefore; she did not anticipate a similar request later. Ms. Garrett commented a business of this type would be mutually beneficial not only to her client, but to the Town, visitors/tourists, and other business owners. Ms. Garrett stated that Mr. Phillips did not plan to operate his valet business during Art-in-the-Park, special events, parades and holidays.

Applicant Dan Phillips remarked that a valet business during the months of May-October would be an added convenience to visitors who came to Blowing Rock. He further explained that he had spoken with Dr. Marty Hemric and Mr. Patrick Sukow regarding the use of 24 spaces at Blowing Rock School to store the cars utilizing the valet service. He commented that Dr. Hemric and Mr. Sukow were aware that the valet service was a "for profit" business.

Mr. Phillips stated that he planned to have one portable sign advertising the valet service and paid attendants positioned in the area to assist with parking. Mr. Phillips commented he was also negotiating with private property owners regarding the use of their property for car storage.

Commissioner Yount asked Mr. Phillips why he did not plan to operate his business on Art-in-the-Park days. Mr. Phillips advised that he didn't want to interfere with civic groups, churches, etc. who tried to raise money during these events.

Commissioner Matheson also questioned Mr. Phillips' plan to utilize Morris Street to bring cars back and forth instead of Chestnut Street. Mr. Phillips advised that residents on Chestnut Street were sensitive to a lot of traffic on their street.

Mr. Hanes Boren, a retail merchant in Blowing Rock, spoke in favor of Mr. Phillips' request stating this type of business would be a unique asset to other retail businesses in town due to the parking problems.

Ms. Linda Walker, resident/business owner, spoke against the request. Ms. Walker commented that she remembered the CUP process when the Village Shoppes was built and the parking spaces were dedicated to the Town in exchange for allowing the shops to be built closer to Main Street. She did not feel the Town should relinquish the public parking spaces due to the parking issue in town. Ms. Walker also felt the proposed area could cause safety issues.

Ms. Karen Herterich, resident/business owner, was in favor of the valet parking request. She stated that approximately 20 years prior, she had made a similar request to the Town but did not receive approval because Town Council at that time felt it would set precedence. Ms. Herterich stated the clientele who frequented her business were older women who would be willing to pay for valet parking and this type of business would be an asset to the community.

Ms. Sue Glenn, business owner, stated a valet parking service would be an enterprising service and she was aware of possibly one other business in town who privately owned public parking and the potential for setting precedence was her only concern.

Mr. Keith Tester, resident/business owner, also thought a valet service would be an enterprising business, but there were flaws that needed addressing. Mr. Tester thought having a valet business would accentuate the parking problem on Main Street by taking away the five (5) public spaces in front of the Village Shoppes as well as 24 spaces at Blowing Rock School. Mr. Tester explained that Main Street had a parking issue, but parking was not an issue off Main Street because of the new parking deck at the American Legion and the parking deck being constructed at the Blowing Rock Art and History Museum. Mr. Tester pointed out there was a problem with traffic trying to find a parking space and a valet service in front of the Village Shoppes would intensify the traffic problems.

Mr. Tester mentioned his business was located in the Watership Downs complex and there were 10-15 public parking spaces within their property. He urged Council to think seriously about the precedence that would be set if this request was approved. Mr. Tester also felt that his business as well as other businesses on Morris Street would be affected because there would be less foot traffic if the valet parking service was allowed.

Mr. John Heninger, President of the Village Shoppes Unit Owner's Association, advised there was a 4-1 vote in favor of Mr. Phillips' request during their association meeting. He expressed this type of business would bring potential buyers to the business community in Blowing Rock and a valet service would be an asset to the merchant community.

Ms. Karen Herterich spoke again urging Council to approve Mr. Phillips' request. She did not feel precedence would be set due to lack of volume of business making more than one valet service feasible.

Ms. Petina Detrich, business owner, spoke in favor of Mr. Phillips' request. Ms. Detrich stated that she owned businesses in Banner Elk and Blowing Rock and several of her Blowing Rock customers frequented her Banner Elk store due to the parking and traffic problems in Blowing Rock. She thought a valet service would help bring the business back to Blowing Rock.

Mr. Jim West commented there were several technical details that needed to be addressed before approval of the minor amendment to the CUP.

Ms. Garrett responded that Mr. Phillips was willing to discuss details regarding route, signage, etc. She expressed a valet service would not take spaces away, but would assist people in finding a parking space that they would have eventually found for themselves. Ms. Garrett expressed a valet service was a unique business with great potential.

Carol Dickinson, business owner, voiced the parking decks needed to be utilized and a valet service would be helpful to the handicapped. Ms. Dickinson thought there were details that needed to be worked out.

Ms. Sylvia Kiker, a resident of Morris Street, voiced her dismay with public parking being used to benefit one person. She also expressed the valet service would take away potential customers who would be walking from the parking lot at the school up Morris Street. She expressed further concerns with the congested intersection at Morris and Main Street especially during school hours.

Mr. John Aldridge, Chestnut Street resident, urged Council to work out all the logistics before approving the request because Mr. Phillips could sell the business later. He also remarked that everyone wanted to help the merchants in Blowing Rock, but he was not sure this was the best location for a valet service.

Mr. Gaines Kiker, a business owner on Morris Street, expressed that Morris Street businesses depend on the foot traffic on that street. He also reminded everyone that in order for him to build his business, he had to pay into the Town's parking fund and asked if the Town would be willing to return his money.

Ms. Kiker reiterated that during events and on weekends the school parking lot was always full and she did not think that any public parking should be taken away.

Concluding all public comments, a motion was made by Commissioner Klutz to close the public hearing, seconded by Commissioner Pickett. Unanimously approved.

Commissioner Klutz made a motion to deny the request for a minor amendment to CUP #2011-03. Commissioner Pickett seconded the motion. Commissioner Klutz commented that he had been on the Town Council for six (6) years and during that time one parking deck had been constructed and another was almost completed and other businesses had to build their own parking as well.

Commissioner Steele remarked that Council was elected to represent all the people in town. He stated the valet parking request was a seasonal business that he felt would benefit the elderly and also help the merchants during the present economic times. He stated although Council's job was not to keep merchants in business, they should not hinder them either. Mr. Steele remarked there were details that needed to be reviewed further, but he thought there was a way to make this request work.

Commissioner Pickett expressed the parking spaces were dedicated to the Town in 1994 at Council's request and he did not feel that the present Council should rescind what had been done previously. He thought everyone should be treated equally.

Commissioner Yount stated for the past four (4) years that he had served on Council, parking had always been an issue and two parking decks had been constructed to help alleviate the problem. Mr. Yount advised it was only 710 feet to the furthest parking structure from the Village Shoppes.

Commissioner Matheson stated he was not against the idea, but he felt that people wanted to park close to where they would be shopping. Commissioner Matheson felt the parking decks should be utilized.

Commissioner Klutz concluded the discussion stating, parking in Blowing Rock had evolved over the years. He pointed out that after the Hayes House was removed and a larger building (The Village Shoppes) was built on the property in question, Council at that time had required more parking and he did not want to go against that. Mr. Klutz continued by stating, merchants should be happy there were so many people driving around looking for a parking space. He also commented that when he was first elected he had submitted a parking plan that included valet parking which he thought should be either town-owned or by someone such as Mr. Phillips on his own property.

Mayor Lawrence called for a vote on Commissioner Klutz's motion to deny the request. For: Yount, Klutz, Pickett, & Matheson Against: Steele. Motion carried 4-1.

SPEAKERS FROM THE FLOOR

None

DEPARTMENTAL UPDATES

None

ADJOURN

With no further business to discuss, the meeting was adjourned at 7:30 p.m.

MAYOR _____
J.B. Lawrence

ATTEST _____
Sharon Greene, Town Clerk

ATTACHMENTS (June 14, 2011)

FY 2011-2012 Budget (Ord. #2011-08) – Exhibit A

Res. #2011-06 & 07 & Ord #2011-09 – Exhibit B, C & D

Appalachian Regional Healthcare System Property (RZ #2011-01) – Exhibit E

Amendments to Land Use Code – Subdivisions (Ord #2011-10) – Exhibit F