

MINUTES

Town of Blowing Rock

Board of Commissioners

Tuesday, May 9, 2006

The Town of Blowing Rock Board of Commissioners met in regular session on Tuesday, May 9, 2006 in the Town Hall Council Chambers. Present were Mayor J.B. Lawrence, Commissioners Bobby Ball, Keith Tester, Terry Lentz, Rita Wiseman and Tommy Klutz. Others in attendance were Town Manager Scott Hildebran, Town Engineer Doug Chapman, Town Attorney Allen Moseley, Planning Director Kevin Rothrock, Public Works Director Johnny Lentz, Police Chief Owen Tolbert, Building Inspector Jesse Horner, EMS Director Kent Graham, Parks & Recreation Assistant Director Jennifer Brown, and Town Clerk Sharon Greene.

Call to Order

Mayor Lawrence called the meeting to order at 7:00 p.m. and welcomed those in attendance.

Approval of Minutes

A motion to approve the minutes as written for the April 11, 2006 meeting was received from Commissioner Tester, seconded by Commissioner Ball. Unanimously approved.

Public Hearings

1. CUP #2003-07- Chetola Manor House - Major Amendment

The following people were sworn to speak during the public hearing: Planning Director Kevin Rothrock, Randy Jones and Kent Tarbutton.

Planning Director Kevin Rothrock presented a request to Council from Kent Tarbutton for a conditional use permit amendment. The amendment would be to enlarge the existing kitchen facilities at the Manor House Restaurant. The proposed 878 square foot addition would be on the west side of the existing restaurant. Mr. Rothrock stated that Mr. Tarbutton would like the option to license a Pizza Hut Express for carry out and delivery from the Manor House Restaurant. The subject property is zoned CB-PUD, Central Business-Planned Unit Development and is located in the WS-IV-PA water supply watershed.

According to the license agreement, the optional Pizza Hut Express would be marketed for Chetola residents and guest of the hotel. Pizza Hut delivery or carry-out would not be advertised to the general public. Based on discussions with Mr. Tarbutton, Mr. Rothrock stated that pizza would be available to the general public, but would not be advertised.

Mr. Rothrock informed Council that the Chetola Manor House, recreation center and hotel currently had 174 parking spaces, a surplus of 21 spaces over town requirements. The 878 square foot addition would require (9) additional spaces. Since there is a parking surplus of 21 spaces, no additional parking would be required.

The proposed addition would blend into the existing restaurant with materials matching those of the Manor House.

Commissioner Tester asked if this proposed request was one request of two parts, or two separate requests. Mr. Rothrock replied that it was one request of two parts. Commissioner Tester also asked if this property was in fact zoned CB-PUD, Central Business-Planned Unit Development and would the central business code apply. Mr. Rothrock stated that the underlying CB zoning would apply. Commissioner Tester submitted that Council could not approve a take-out restaurant, but could approve a restaurant expansion.

Mr. Tarbutton asked to address Council on the request. He stated that the Boone restaurant had the Pizza Hut franchise for the area, and that he could only get a license from them, which would mean that he could not do any advertising on his property or delivery from Chetola. Mr. Tarbutton also stated that his original intent was to enlarge the existing restaurant, but had received requests from his guests for take-out pizza since there was none in the Blowing Rock area. Mr. Tarbutton mentioned that in the last ten years, the existing restaurant had done take-out orders and even before he had acquired the business. He felt if there were problems with the code regarding this issue, the problems still existed. Tarbutton stated that he was only proposing a request to enlarge the existing kitchen, and would need to come to Council at a later date for the Pizza Hut Express request.

Commissioner Tester stated the Planning Board were currently reviewing the code regarding carry-out restaurants, and that the public hearing should be for the restaurant expansion request only.

Commissioner Ball asked when it was decided to change the request to a kitchen expansion only. Planning Director Rothrock stated it had always been a request for expansion. Commissioner Wiseman stated that she had been present at the last Planning & Zoning meeting when Mr. Tarbutton had presented his request and his request had been for a kitchen expansion only. Mr. Tarbutton stated that in the last two weeks, he had learned that Domino's Pizza was actually opening in the area.

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

Commissioner Wiseman entertained a motion to approve CUP #2003-07 with the following correction; that under Item #2 of the CUP, the last line stating the applicant was also authorized to option a license for a Pizza Hut delivery and carry-out service from the Manor House Restaurant be omitted. Commissioner Klutz seconded the motion. Unanimously approved. **CUP #2003-07 Chetola Manor House-Major Amendment Attached as Exhibit A**

2. CUP #2006-02 Hanna Family Trust @ Sunset Café

The following people were sworn to speak during the public hearing: Bill Dixon, Michael Trew, Andy Whatley, Annie Whatley, Pam Vines, Charles Hardin, Ginny Stevens, Karen Herterich, Beth Walreth, Jim Burgess, Bill Williamson, Sharon Moore, and Mr. and Mrs. Agapios Vrikkis.

Planning Director Rothrock stated he would like to clarify incorrect information sent by email from the Chamber of Commerce regarding this issue. He stated the starting date according to the construction schedule for storm water services for the proposed project was December 1, 2006.

Mr. Rothrock then presented Council with the project analysis, stating that Mr. Bill Dixon, architect for the Hanna Family Trust, was requesting a conditional use permit to build a two-story, three-level, mixed-use building at the former Sunset Café location at 1107 Main Street. The subject property is zoned CB, Central Business and is located in the WS-IV-PA water supply watershed.

The basement level and main level would each have 1772 square feet of office or retail space. The upper floor, also 1772 square feet, would contain a one (1)-bedroom apartment and a two (2)-bedroom apartment. The proposed project would be built on 0.095 acres.

Mr. Rothrock stated that the setbacks in the Central Business zoning district were 15 feet. The proposed building setback would be 24 feet from the back of the public sidewalk.

In the Central Business zoning district, side and rear setbacks are five (5) feet. The proposed building would meet the setback requirements.

According to plans the proposed building height would be 28 feet 7 inches from the sidewalk elevation to the highest point of the parapet wall. The Land Use Code specifies that the maximum building height is determined by the lesser of: a) 30 feet or, b) a 25% increase above the average existing heights of buildings within 100 feet. The average existing height of adjacent buildings within the 100 feet is 16.3 feet. Adding 25% would allow a building height of 20.4 feet. The Land Use Code also states that at least 2 stories shall be permitted. If at least 2 stories are permitted on the proposed building, the building is less than the allowed 30-foot maximum building height, and would comply with the ordinance standard.

The project is located in the WS-IV watershed area and may cover up to 70% of the site with impervious surfaces with a Special Intensity Allocation. The proposed project will require a net impervious area of 68% of the site.

Storm water detention would be provided for the site in an underground detention system that would discharge to Main Street in a new 18" pipe. The existing storm water system in Main Street would be upgraded from 12" to 18" from the Family Heirlooms property to Morris Street. In Morris Street, a new 18" pipe would be installed to connect to the existing drainage across from Watership Down.

Mr. Rothrock stated that the area between the building and the public sidewalk must be open space. Seventy-five percent of the open space must be planted green space. The site plan indicated that only approximately 55% of the open space will be green space; however, much of the area in front of the proposed building would be a public courtyard. A waiver request was also made to reduce the green space in front of the building to allow more public area.

Mr. Rothrock stated the two large maple trees at the rear of the lot would be removed during the construction process.

M. Rothrock also stated the proposed project required 21 standard parking spaces. The two apartments require a total of three (3) spaces. The retail space requires a total of 18 spaces. The applicant proposed to provide all of the required parking in a new satellite parking area at the Snips building site on Laurel Lane. This satellite parking area would be located within 400 feet of the proposed building and meets the ordinance standards. The side and rear buffers on the parking lot do not meet the 16-foot width required by the Lane Use Code. The property west of the parking lot is vacant, to the east is retail, and to the south is the Stone Pillar bed/breakfast, also owned by the Hanna family. The applicant requested a waiver to reduce the landscape buffer width to 6 feet on the east and west with opaque screening, and a width of 7 feet with a fence along the south boundary of the property. Storm water for the satellite parking lot would be collected and detained on-site and released to Laurel Lane in new 18" drainage pipe to the existing system on Wallingford Street.

Mr. Rothrock stated since the February Planning Board meeting, the Applicant had made a request to pay \$180,000 into the Parking Fund for the 18 spaces required on the Snips lot. The Applicant requested that Council adjust the number of paid spaces in accordance with the three required spaces located on the old Hanna House property.

The Planning Board recommended the request be approved with the following conditions:

1. That the building be moved forward two (2) feet toward Main Street to provide additional sidewalk space behind the building.
2. That the required green space in front of the building be reduced from 75% to 55% to provide additional public courtyard area.
3. That the project be allowed a Special Intensity Allocation with a net increase of 68% impervious surfaces.
4. That the parking lot buffer width be reduced from 16 feet to between 6 feet and 7 feet, if planted as an opaque buffer.

Commissioner Ball inquired about the Special Intensity Allocation. Mr. Rothrock stated that the town ordinance allowed projects located in the CB - Central Business, GB – General Business and the O/I – Office/Institutional District up to 70 percent impervious when storm water detention is provided. Mr. Rothrock said it had been customary to allow Special Intensity Allocations.

Commissioner Lentz had questions regarding the three (3) parking spaces located on the Snip's property, he asked if these spaces were for the public or only for the residents of the proposed apartments. Mr. Rothrock answered they were for the proposed residential apartments. Commissioner Lentz was concerned as to how this would be regulated should this property be sold or should a change in use occur. Mr. Rothrock stated it would be written in the CUP and would transfer with the property. Town Attorney Moseley concurred.

Commissioner Wiseman asked if the project were approved, would Council be approving the site plan for the Snip's property as well. Mr. Rothrock stated not with the addendum, all the items that pertained to the Snip's property could be struck from the CUP. Commissioner Wiseman asked if the property would remain the same except for the demolition of the existing building regarding the vegetation. Mr. Rothrock stated it would remain the same with the exception of cleaning up and improving the area.

Commissioner Klutz asked if the entrance would remain the same. Mr. Rothrock stated the only change to the entrance would be for safety purposes. He felt some of the vegetation might need to be removed for better visibility while exiting the parking lot.

Commissioner Wiseman stated since this area would be used as a staging area, would the applicant need to come back before Council for a permit to improve the lot. Mr. Rothrock stated the town would need to specify how the property was used for a staging area. Commissioner Tester expressed his concern regarding the impervious area, stating that he would like to see it evaluated before being used as a staging area, and afterwards to make sure the impervious area remained the same.

Commissioner Wiseman questioned the last paragraph of Item #6 of the CUP regarding the storm water generated by the satellite parking lot being detained on site and piped in a new drainage pipe to the existing storm drainage system. She inquired if the impervious area would be affected. Mr. Rothrock stated this was only temporary, the applicant had to have a place to store materials and with the Snip's building being torn down the impervious area would actually decrease.

Next item discussed was the garbage collection for the four retail shops and two apartments, Commissioner Tester stated he had not seen anything that addressed garbage collection in the CUP. Mr. Rothrock stated he understood it be collected the same as other businesses located on Main Street.

Commissioner Wiseman inquired about the parking spaces on Main Street that would be fenced off during the construction process. Mr. Rothrock stated he understood that it would be only during working hours, not the entire time of construction.

The time frame for the utility construction was also discussed. Commissioner Wiseman asked if this would take as long as two to three weeks or longer for this to be completed. Mr. Bill Dixon, Architect for the project, stated that it would take approximately that amount of time for completion. Commissioner Tester stated in looking at the construction schedule the utility construction was scheduled to begin on Thanksgiving weekend until Christmas, and asked if this could be postponed until January. Mr. Dixon agreed with the schedule change.

Commissioner Lentz asked about the two parking spaces that were to be blocked, and if they would be used for storage of materials. Mr. Rothrock stated they would not be used for materials, but for deliveries only. Commissioner Wiseman stated without the spaces being blocked off all the time during

construction, she did not see how this could possibly work, with visitors and residents parking there when available. Mr. Dixon stated that delivery times were to be scheduled during the early morning hours.

Mr. Tony diSanti, representative for the Hanna Family Trust spoke regarding the project, saying the original plan was approved in 2004. He stated the building design would remain the same with one exception. He stated that it was recommended that the building be moved back to extend the courtyard area and make it more useful with his client agreeing to the change. Mr. diSanti also stated the parking issue for the proposed project was the reason for the delay in bringing the project back before Council. Mr. diSanti stated that Mr. Hanna had concluded it would best to pay the \$180,000 to the Town parking fund for the required parking. He also stated that the three spaces for the residential portion would remain on the Snip's property.

Mrs. Annie Whatley, owner of the Village Café located east of the Hanna property, voiced her concerns regarding the proposed project. She stated that this project had been a part of their lives since 2003 and she would like to see it settled. Mrs. Whatley stated the project had been approved in 2004 with the exception of some parking issues and construction was supposed to begin in November of that year. She stated that for various reasons the applicant was unable to obtain easements, which delayed the project once again. Mrs. Whatley stated that her business was seasonal and she did not know how a project of this size could be built without causing several problems for the Town residents and business owners. She also voiced her dissatisfaction over the large Maple trees being removed from the property.

Mr. Andy Whatley spoke of concerns he had regarding the lack of green space in front of the proposed building. He stated the town land use codes encouraged green space and park-like settings in town

and he felt the proposed concrete courtyard was not in keeping with the land use code. Mr. Whatley further stated that parking spaces within the downtown area would be much more valuable than money being paid to a parking fund. He felt that most people would not be inclined to park at the other end of town, especially in inclement weather.

Mrs. Ginny Stevens, a resident of Laurel Lane, stated she was concerned about the loading and unloading of materials along the sidewalk and the parking spaces being blocked, as well as having safety concerns. She felt more safety procedures should be discussed with regard to the project. Mrs. Stevens also voiced her dissatisfaction with the removal of the Maple trees and the fact that the project had used 68% of their pervious area. Flooding was another issue of concern for Mrs. Stevens. She felt that downtown would have major problems with flooding in the future. Mrs. Stevens also expressed the residents of the proposed apartments would not utilize the designated parking area located across the street, but would probably park along Main Street. Mrs. Stevens also talked about the garbage issue stating with multiple units, there would be a multitude of garbage. She also wanted to know where the construction dumpsters would be located. She felt there were a number of items that needed further review before moving forward with the CUP.

Local business owner Jim Burgess voiced his concerns regarding the lack of adequate parking on Main Street, stating this was a continuous problem throughout the year. Mr. Burgess stated that merchants parked along Main Street, which was against the parking ordinance. Mr. Burgess was also concerned as to where the construction workers were going to park. He felt it was unlikely that they park in the Snip's lot and run back and forth between the construction site and the designated parking area when they needed to get supplies.

Chamber of Commerce representative Pam Vines spoke regarding the time frame in which the project would be under construction. Mrs. Vines stated she respected the applicant's rights with being able to develop their property, but felt that construction should be started at the correct time, not during the Blowing Rock's seasonal peak.

Commissioner Lentz asked when a good time to start would be, with Blowing Rock's seasonal weather, he stated it would be difficult to pour concrete or dig footers in January. He also stated there were many steps during a construction project that could not be done in the wintertime.

Mrs. Vines reiterated her concerns for merchants along Main Street and how the proposed construction project would affect their business.

Mr. Andy Whatley approached Council with further concerns. He stated he had not heard of any provisions for loading and unloading zones and felt that allowances had to be made. Mr. Whatley stated that the Hanna property and the Snip's property were raw land and should be required to have loading and unloading zones. He also shared his concerns regarding run-off from the project. He felt that drainage issues should be taken care of before construction started without waiting until the scheduled time in December. He felt that adjacent properties would have flooding problems due to the delay in the drainage installation.

Commissioner Tester stated that storm water management and run-off were two different issues; with the storm water management being done after the building was constructed, and the applicant being obligated to control run-off during the construction process. Mr. Tester asked the applicant to speak

regarding these issues. Mr. Michael Trew, Project Engineer assured everyone that run-off from the project would be controlled with temporary erosion ditches going to temporary sediment basins.

Annie Whatley spoke of two projects that had been built in Blowing Rock during the off-season without interrupting the surrounding businesses excessively. The projects were SouthMarke and the Village Shoppes. Mrs. Whatley felt with planning and staging the project could be done in the off-season.

Commissioner Lentz stated in those situations, things were slightly different, with both projects being located on a side street. Mayor Lawrence reminded everyone that a situation, such as the Hanna project, had been done previously when the four units beside Kilwin's were built. Mayor Lawrence stated he didn't recall any major problems with their construction.

Karen Herterich owner of Southmarke spoke of the disruption they experienced when Storie Street Grill was under construction. She stated the week previous to Memorial Day of that year the sidewalk from Morris Street down to SouthMarke was impassible, which affected their business tremendously. Mrs. Herterich felt this project could be done during the off-season also.

Chamber of Commerce Director Charles Hardin approached Council with an apology in reference to an email sent to area merchants regarding the project's starting date, he stated that the time line for the utility portion and the construction of the project were reversed. Mr. Hardin reminded everyone that downtown merchants had approximately six months to make it in Blowing Rock and while he was not against the project, he expressed his concerns for members of the Chamber of Commerce and how they would be affected by this project. Mr. Hardin complimented the project, but felt a solution regarding the utility portion and the effect on area merchants should be addressed further.

Beth Walrath, manager of the Six Pence Pub, stressed to Council that July was not the time to start construction on Main Street. She felt that the impact on parking would be greatly affected by the construction.

Mr. Agapios Vrikkas, owner of Final Touches located on Morris Street spoke of his concerns regarding the present water problems on Morris Street. He felt this project would add to the problems when the storm water was directed towards Morris Street.

Mr. Michael Trew, Project Engineer asked Council for permission to change the construction schedule slightly to allow them to install pipes during the construction of Gaines Kiker's business on Morris Street, so the road would only be disturbed once.

Mayor Lawrence asked if this improvement would alleviate some of the surface water on Morris Street. Town Engineer Doug Chapman stated that the situation should improve with the installation of new catch basins along Morris Street. Mr. Chapman also stated with the new 30-inch line being installed on Morris Street, improvements being made during the Gaines Kiker project, along with some anticipated paving work, the water problems on Morris Street should improve. He also thought the storm water system upgrades made by the Town late last year on Garden Circle helped the water situation on Morris Street.

Mrs. Herterich asked what could be done if traffic problems, safety issues and complaints from merchants, as well as visitors arose after the project met all the CUP credentials and construction

began. Mayor Lawrence stated if problems should arise, they would be dealt with as they developed and with the aid of a logistic plan Council would address the problems.

Mr. diSanti stated his client had complied with the Town on any recommended changes Council had regarding this project. Mr. diSanit continued on to say the Hanna family were merchants on Main Street also. Mr. diSanti expressed that the Hanna family had shown their spirit of cooperation towards the town, in making sure the project was done correctly and would be an attractive addition to Main Street.

Commissioner Lentz asked about the timeline for the project and asked project architect Bill Dixon if he had a realistic time in which he felt the project could be completed. Mr. Dixon responded that seven (7) months seemed to be a reasonable time frame. Commissioner Lentz inquired if a penalty clause would be written into the contract should construction not go as anticipated. Mr. Dixon assured Council that provisions would be made.

Mr. Bill Williamson, owner of Kilwin's, voiced his concerns over the parking situation and felt the construction workers should not be allowed to park on Main Street. He felt that two-hour parking should be enforced each day. He also asked that the sidewalk remain open during construction.

Mrs. Annie Whatley spoke regarding the economic impact during construction and problems with noise, as well as the impact this would have on outdoor dining at the Village Café. Commissioner Klutz asked if it would be possible to utilize the alleyway in back for the concrete trucks, etc. Mrs. Whatley stated in the beginning of the project that has been discussed, but she felt over the course of time, they had had been misled by the applicant and this would not be a feasible solution.

Mr. Whatley stated the alleyway was a very small area and if used during construction it would become even more congested than it was already and would be too disruptive to the neighborhood.

Commissioner Tester commented that he had not heard anyone during the course of the meeting, say they were against the project. Commissioner Tester said that some good issues had been raised and they should be worked into the logistics plan and then reviewed by all department heads before construction could begin.

Mr. Rothrock stated the logistic plan for the project would be reviewed and brought back before Council for final approval.

Commissioner Ball asked who would be responsible for any damage to the median on Laurel Lane as the trucks were exiting the Snip's parking lot. Planning Director Rothrock stated the applicant would be responsible for any repairs needed before they could receive their Certificate of Occupancy.

Commissioner Ball inquired if Mrs. Whatley had been included in the planning process regarding the buffer between the proposed project and the Village Café. Mrs. Whatley replied that in the beginning it had been discussed, but she was not clear on what would be planted. Mr. Rothrock stated there would be a variety of evergreen shrubs planted in the four-foot planned buffer. He also said code required they had to be at least 18 inches in height, but Council could require more. Commissioner Ball stated she felt the code requirements would not be adequate in this situation.

Mrs. Ginny Stevens said she would like to address Commissioner Tester's comment regarding that he had not heard anyone state they did not want the project to be built. Mrs. Stevens stated there were

people in the community that were not in favor of the project, but they understood the owner had a right to utilize his property. In Mrs. Steven's opinion, the property would be best utilized as a park, and expressed her desire to approach the Hannas' regarding a donation of the property to the Town. Mrs. Stevens also commented any person with landlocked property such as this should not be allowed to inconvenience the community in this manner.

Mrs. Sharon Moore, manager of the Martin House on Main Street, expressed her concerns for the merchants in Blowing Rock and the obstacles they were facing this season with high gas prices and road construction of the 321 By-pass. Mrs. Moore felt this would create a serious disruption on Main Street as well.

Mr. Whatley addressed Commissioner Tester's comment, stating there were several people in town that were opposed to the project due to the disruptions and the fact that the Hanna's had several vacant properties in town. In his opinion as long as the project met town codes, he felt the applicant should be able to build. Mr. Whatley stated the green space was going to be reduced from 75% to 48% and the pervious area went from 36% to 68% and he felt the building was too large for the lot based on town codes.

Mr. Rothrock replied to Mr. Whatley's comments stating most all lots in town are over 70% impervious.

At this point, Commissioner Wiseman made a motion to close the public hearing, seconded by Commissioner Ball. Unanimously approved.

A motion to table the project until the applicant wrote a construction logistics plan addressing issues brought forth and reviewed with staff, was made by Commissioner Tester, seconded by Commissioner Ball.

Commissioner Tester explained that in listening to all the discussion, there were many issues that had not been addressed in the logistics plan, and staff had not reviewed the plan; he felt the project could not be approved with all these unsolved issues. He also stated that it was his understanding from the beginning, that Council was supposed to approve the logistics plan.

Commissioner Wiseman asked if the project could be approved with the stipulation that the logistics plan come back to Council after all the issues had been factored into it and signed off by staff and department heads. Town Manager Hildebran stated that was what happened in the beginning with the first permit, but had not been followed through with by the applicant.

Commissioner Tester stated he did not feel this would be a logical solution since the applicant could not put much effort into the project without the logistics plan in place. He felt it was pertinent that a logistics plan be in place that addressed all the issues raised tonight.

Mayor Lawrence stated a motion had been given and called of a vote. In favor of the motion were Tester & Ball, against the motion were Lentz, Wiseman & Klutz. Motion failed 2-3.

A second motion was received from Commissioner Tester to approve the project subject to the following:

- 1) Accept waivers
 - a. to reduce green space percentage in front of building from 75% to 48% (Approved Finding of Fact 5-0)
 - b. to allow a Special Intensity Allocation of 68% net impervious.
- 2) Replace Item #10 with parking in-lieu fund substitute language.
- 3) Require Snips property staging area to be restored once project is completed to original condition or better.
- 4) Logistics Plan must be approved by Town Department Heads and Town Council prior to any construction.(No public hearing required)
- 5) Storm water utilities construction can not begin prior to January 1, 2007(work to align with Gaines Kiker project, if possible)
- 6) Consider local businesses adjacent to property in development of revised Logistic Schedule to minimize impact.
- 7) Add language about solid waste pick-up by detailing specific collection times and receptacle removal
- 8) Include performance bond of 125% for construction costs of storm water/detention utilities and landscaping
- 9) Require a designated loading/unloading space on Snips property
- 10) Require parking in-lieu fee (\$180,000) must be paid up-front

Mayor Lawrence requested that Council vote on the following Findings of Fact:

- For the request to reduce the green space percentage be reduced from 75% to 48% in front of the building:
 - a) The project would not materially endanger public health or safety – Aye-all
 - b) That it will not substantially injure adjoining or abutting property values – Aye-all
 - c) That it is in harmony with surrounding area in which it is located – Aye-all
 - d) That it general conformity with Master Plan or other plans officially adopted by the Board – Aye-all
 - e) That it will be in substantial conformity with the intent to regulations contained in this article – Aye-all

The waiver was approved unanimously.

Commissioner Tester’s motion received a second from Commissioner Wiseman. Unanimously approved. **CUP #2006-02 Hanna Family Trust @ Sunset Café Attached as Exhibit B**

New Business

1. Blowing Rock Appearance Advisory Commission-Fountain Request

The Blowing Rock Appearance Advisory Commission (BRAAC) presented Council with a proposal to install a fountain in Mayview Lake located in Broyhill Park. The fountain would provide aesthetic and water quality benefits. BRAAC would be responsible for the cost of the fountain, installation, and future maintenance.

BRAAC Chairperson Virginia Jones provided information to Council regarding the fountain by showing various photographs and specifications. She stated that BRAAC could currently handle the cost of approximately \$7,500 for the purchase and installation of a tri-tier fountain. Ms. Jones stated that a tri-tier fountain was favored over the others due to aesthetics.

Commissioner Tester inquired if the cost of maintenance included the cost for electricity to light the fountain which according to calculations, could be as much as \$150 per month or more.

Ms. Jones stated that BRAAC would like for the town to absorb the electrical power costs if possible. She also stated the fountain lights would not be running all the time, but would be put on a timer.

Public Works Director, Johnny Lentz asked who would be maintaining the fountain after installation. Ms. Jones stated that a quarterly maintenance contract would be acquired through the installer and that she would also like to learn how to maintain it.

Commissioner Ball asked if the model that was preferred by BRAAC would be in scale with the lake and park area. Ms. Jones stated that the main body of the lake was 1 ½ acres and that the supplier had access to topographic maps of the area and according to them a two-tier or tri-tier fountain would be the best for this area.

Commissioner Lentz made a motion to accept BRAAC's proposal for a fountain in Mayview Lake, stating that he felt it would be an asset to the lake. He also stated that BRAAC should choose between a two-tier or three-tier fountain. Commissioner Wiseman seconded the motion. Unanimously approved.

After some discussion regarding electrical power for the fountain, Council decided that it would be more cost effective for the fountain to be purchased by BRAAC through the Town.

3. Blowing Rock Art and History Museum-Mural on Capel Rug Building Request

Planning Director Rothrock presented Council with a request from the Blowing Rock Art & History Museum (BRAHM) for permission to allow the painting of a mural on the northwest building wall of the Capel Rug Building. The proposed mural would be 20' x 20' and would feature a mountain landscape along with Blowing Rock's artistic heritage. The proposed mural would be in conjunction with BRAHM's summer project "Art and History in the Making".

Council discussed several concerns they had regarding the proposed mural. Mrs. Joanne Mitchell a representative of BRAHM spoke regarding the mural. She stated that BRAHM wanted to provide a unique gift to the Town and raise public awareness of art in Blowing Rock. She also felt it would attract people that enjoyed art to the community. Mrs. Mitchell stated the mural would not be permanent work of art, but it would be difficult to know the anticipated life of the mural.

Several photographs were given to Council to review of murals in other towns that had been done.

Mayor Lawrence spoke in favor of the mural. While Commissioner Lentz stated he felt Blowing Rock did not need to be like other places and he was not in favor of a mural of any kind.

Commissioner Ball disagreed with Commissioner Lentz stating a mural would be appropriate for Blowing Rock and she felt it would be a lovely addition.

Commissioner Klutz stated that he agreed with Commissioner Lentz and that he did not like for Blowing Rock to be compared with other areas and he was not in favor of a mural.

Commissioner Wiseman entertained a motion to accept BRAHM's proposal for a mural to be painted on the Capel Rug building, seconded by Commissioner Ball. Commissioner Tester stated that Council should decide upon the final rendering of artwork to be displayed, and this should be added to the original motion for consideration. Commissioner Wiseman agreed. In favor of the motion were Wiseman, Ball & Tester. Against were Lentz & Klutz. Motion carried 3-2.

4. Resolution #2006-06 – NC Rural Center Water 2030 Initiative Support

Town Manager Hildebran presented Council with Resolution #2006-06 supporting a 2006 Clean Water Bond for their consideration. Mr. Hildebran stated that High Country Council of Governments had been asked by the NC Rural Center to contact several towns and counties in the region regarding a State bond bill for water, sewer, and stormwater projects. The Rural Center conducted a study that concluded that water, sewer and stormwater infrastructure statewide needs \$7 billion in improvements, and recommended that the General Assembly pass a \$1 billion bond to partially fund these improvements.

According to Mr. Hildebran the Rural Center requested that local governments pass a resolution supporting a bill that would create the \$1 billion bond referendum.

Upon a motion received by Commissioner Wiseman, seconded by Commissioner Ball, Resolution #2006-06 was accepted as written. Unanimously approved. **Resolution #2006-06 – NC Rural Center Water 2030 Initiative Support Attached as Exhibit C**

Speakers from the Floor

None

Departmental Reports

Town Manager Hildebran presented Council with the proposed 2006/07 Budget for their review. Mr. Hildebran stated that the FY 2006-2007 Recommended Budget totaled \$5,671,795 for all town operations, capital improvements, and debt service requirements, for a increase of 10.78% over last year's adopted budget of \$5,119,695.

Mr. Hildebran advised that the total property tax base (excluding vehicles) was estimated at \$1,004,200,200 which is higher than FY 2005-2006 budget base of \$787,000,000.

The recommended tax rate is 28.0 ¢ per \$100 of the valuation, which represents an overall decrease from the current property tax rate of 29.5¢. This rate provides approximately \$2,727,400 in property tax revenue based on expected collection rate of 97.0%. The Recommended FY 2006-2007 budget sets aside .0375 cents of the proposed 28.0¢ General Fund tax rate revenue towards future capital improvements, such as the new Emergency Services Building and other designated capital projects.

Mr. Hildebran advised Council that State Law require the inclusion of a revenue-neutral tax rate in the budget immediately following the completion of a general appraisal of real property to provide its citizens with comparative information. The revenue-neutral rate is defined as the rate that is estimated to produce revenue for the next fiscal year equal to the revenue for the current fiscal year if no reappraisal has occurred. The rate is then adjusted by a growth factor equal to the average annual percent increase in the tax base due to improvements since the last general reappraisal.

The FY 2006-2007 Recommended Budget for the General Fund totals \$4,299,265 or 14.24% more than FY 2005-2006 Adopted Budget of \$3,763,345.

Mr. Hildebran also advised Council that the first annual budget workshop had been scheduled for Thursday, May 11th from 4-6 p.m. **FY 2006-2007 Recommended Budget Attached as Exhibit D**

Adjournment

There being not further business to discuss, the meeting was adjourned at 10:30 p.m.

MAYOR _____

J.B. Lawrence

Attest: _____

Sharon H. Greene, CMC