

**MOUNT AIRY, NORTH CAROLINA  
REGULAR MEETING MINUTES  
January 3, 2019**

**MEMBERS PRESENT: Mayor David L. Rowe, Commissioners Jim Armbrister, Shirley Brinkley, Dean Brown, and Steve Yokeley**

**MEMBER ABSENT: Commissioner Jon Cawley**

**APPROVAL OF AGENDA:**

**On motion by Commissioner Brown, seconded by Commissioner Yokeley and passed unanimously, the agenda was approved.**

**CONSENT AGENDA:**

**On motion by Commissioner Brown, seconded by Commissioner Brinkley and passed unanimously, the following item was approved by way of consent agenda:**

- **APPROVAL OF DECEMBER 20, 2018 REGULAR MEETING MINUTES**

(end of consent agenda)

**PUBLIC FORUM:**

Mayor Rowe: Next on the agenda is the public forum. This is an opportunity for anyone in the audience to address the board. Please come up to the podium, state your name, address, and whether or not you reside in the city limits. You will be given three minutes to make your comments and the City Clerk will ring the bell to signal when your three minutes are up. I ask that you state your thoughts, facts, and opinions in a respectful manner. This shall not include name calling or defamation of anyone's character. After the public forum is closed, all items on the agenda will be for board discussion only—the audience will not be recognized for comments. I now declare the public forum open.

**Mayor Rowe declared the public forum open.**

Mayor Rowe: All right, seeing no one who wishes to speak, I declare the public forum closed.

**Mayor Rowe declared the public forum closed.**

**ORDINANCE 2019-019-BUDGET ORDINANCE AMENDMENT REGARDING TARGET GRANT PROCEEDS:**

**On motion by Commissioner Brown, seconded by Commissioner Yokeley and passed unanimously, the following budget ordinance amendment was approved:**

**ORDINANCE NUMBER 2019-019  
BUDGET ORDINANCE AMENDMENT**

WHEREAS, the City of Mount Airy adopted the 2018-19 budget on June 18, 2018;  
and

WHEREAS, it is necessary to amend the budget ordinance in order to receive funding from Target for our youth soccer program; and

WHEREAS, General Statute 159-15 of the North Carolina Government Fiscal Control Act provides authority to amend a current municipal budget:

NOW, THEREFORE be it ordained that authorization is hereby given to make the following adjustments:

	Increase <u>(Decrease)</u>
<u>Section 1. General Fund Appropriations</u>	
Parks and Recreation	<u>1,000</u>
	<u>1,000</u>
<u>Section 2. General Fund Revenue Estimates</u>	
Donations	<u>1,000</u>
	<u>1,000</u>

Approved and adopted this the 3<sup>rd</sup> day of January, 2019.

**RESOLUTION 2019-035-APPROVING 2<sup>ND</sup> AMENDMENT TO LEASE AGREEMENT BETWEEN CITY OF MOUNT AIRY AND SURRY ARTS COUNCIL:**

**On motion by Commissioner Brown, seconded by Commissioner Brinkley and passed unanimously, the following resolution was approved:**

**RESOLUTION NUMBER 2019-035**

**RESOLUTION TO APPROVE SECOND AMENDMENT TO LEASE AGREEMENT BETWEEN CITY OF MOUNT AIRY AND SURRY ARTS COUNCIL**

WHEREAS, the City of Mount Airy and Surry Arts Council entered into a lease agreement in 2008 regarding the 1.82 acres located at 218 Rockford Street; and

WHEREAS, the lease was amended in 2013; and

WHEREAS, it is the desire of the parties to amend the lease again to extend the definition of the term "Real Property" to include the Andy Griffith Museum and Blackmon Amphitheater:

NOW, TEREFORE BE IT RESOLVED BY THE CITY OF MOUNT AIRY BOARD OF COMMISSIONERS MEETING IN OPEN SESSION THAT:

Section 1. The Board of Commissioners does hereby approve the 2<sup>nd</sup> amendment to the Lease Agreement between the City of Mount Airy and Surry Arts Council.

Section 2. The Board of Commissioners does hereby authorize the Mayor to execute said document per review and approval by the City Attorney.

Section 3. This resolution shall become effective upon approval.

Approved and adopted this the 3<sup>rd</sup> day of January, 2019.

**RESOLUTION 2019-036-RATIFYING FUNDING AND PROPERTY ACQUISITION STEPS PREVIOUSLY TAKEN BY THE AIRPORT AUTHORITY:**

**On motion by Commissioner Yokeley, seconded by Commissioner Brinkley and passed unanimously, the following resolution was approved:**

<b>NORTH CAROLINA</b>	}	
	}	
<b>SURRY COUNTY</b>	}	<b>RESOLUTION</b>

WHEREAS, the Mount Airy/Surry County Airport Authority (hereafter “Authority”) was established by that Contract and Agreement dated March 7, 1963 between Surry County, a North Carolina body politic and Corporate (hereafter “County”) and the City of Mount Airy, a North Carolina municipal corporation (hereafter “City”); and

WHEREAS, the County and City amended the Contract and Agreement on October 28, 1963 and again on December 18, 1995; and

WHEREAS, on March 18, 2010, the County and City terminated the original agreement and two amendments in order to establish a new legal framework for a new Airport Authority for the continuous and uninterrupted operation of the Mount Airy/Surry County Airport Authority; and

WHEREAS, the Authority acquired a number of real property parcels which were funded with state, federal, and County funds; and

WHEREAS, NCGS 63-56(f) limits the Authority’s acquisition to a monetary sum fixed by joint agreement of Authority members; and

WHEREAS, the County and City desire to ratify funding and property acquisition steps previously taken by the Authority.

NOW, THEREFORE based upon the foregoing, it is resolved that the County and City agree as follows:

1. The County and City ratify funding and property acquisition steps taken by previous boards.
2. The County and City ratify the acquisition of property described on Exhibit A attached hereto and incorporated herein by reference.

Approved and adopted this the 3<sup>rd</sup> day of January, 2019.

Exhibit "A"

Property acquired by the Mount Airy / Surry County Airport Authority

<u>Date</u>	<u>Document</u>	<u>Grantor</u>	<u>Book</u>	<u>Page</u>
1965	Option	R.L. & Pauline Brown	252	345
1965	Easement	D.S. & Lucy B. Cook	257	194
1965	Easement	D.C. & Lula M. Haymore	257	207
1965	Deed	D.C. & Lula M. Haymore	257	209
1965	Deed	Percy C. & R.M. Hundley	257	212
1965	Deed	Harael & Lucy J. Love	257	220
1966	Easement	R.L. & Pauline R. Brown	260	18
1966	Deed	R.L. & Pauline R. Brown	260	22
1966	Deed	D.S. & Lucy B. Cook	261	15
1966	Deed	D.C. & Lula M. Haymore	261	28
1966	Deed	Duke Power Company	262	53
1989	Easement	Mount Airy Surry County Airport Authority	478	1012
1991	Deed	Susie S. Cook & William M. Cook	504	1045
2000	Deed	Joe C. Haymore & Peggy C. Haymore	760	387
2006	Agreement	Mount Airy Surry County Airport Authority	1161	1029
2010	Deed	Kerry Wayne Smith & Angelia Brown Smith	1320	141
2010	Deed	Marco Armenta, et. al.	1345	668
2011	Deed	Billy Lee Brown, et. al.	1354	399
2011	Deed	Billy Lee Brown & Sylvia Jean Brown	1357	1091
2011	Deed	Billy Lee Brown & Sylvia Jean Brown	1357	1094
2011	Deed	Billy Lee Brown, et. al.	1358	1
2011	Deed	Billy Lee Brown, et. al.	1358	6
2012	Deed	Triple J Farm of Pilot Mountain, LLC, et. al.	1398	448
2012	Deed	John Wesley Hunter, II., et. al.	1398	452
2012	Deed	E. Dean Bray, Jr. and E D Bray, Jr.	1414	562
2012	Deed	William W. Cook, et. al.	1422	1086
2012	Easement	William W. Cook, et. al.	1423	197
2013	Deed	Roger Bill Cook & Cathy M. Cook	1437	219
2014	Deed	Philip Douglas Cook, et. al.	1483	661
2014	Deed	Philip Douglas Cook, et. al.	1485	704
2014	Deed	Karen Vanessa Heath, et. al.	1485	1076
2015	Deed	Bannertown Volunteer Fire Department, Inc.	1521	944
2015	Deed	Tonda R. Phillips and Tonda Phillips Hall	1526	389
2016	Deed	Holly Springs Baptist Church of Mount Airy, NC	1569	940
2016	Deed	Ida Mae Cotton and Ida Mae Roark	1579	914
2016	Deed	Estate of James Thomas Love	1580	87

**BOARD TO DISCUSS SHORT-TERM PROSPECTS FOR SPENCER'S REDEVELOPMENT-  
GENE REES:**

Gene Rees: As you know, we own some buildings in the Spencer's property for a public event venue. Jessica will be running this-I will be leasing it to her. Our request to the city, we need two things...first of all, we need no incentives from the city, but what we do need is access to parking. On the Spencer's site, there will have to be parking for whatever goes down there, whether it is a hotel, event center, the cube developed or some combination. In order for this facility to get opened, we have to have two types of parking. The long-term request would be for the city to provide, through the municipal parking program, to provide municipal parking that is convenient to this facility we are going to build but also convenient to whatever eventually becomes of the hotel property and whatever becomes of the cubed property. Again, it is a two part request...we asked for, in the short-term, access to the already paved parking lot down Franklin Street and we need some type of commitment from the city that for the long-range plan for Spencer's will be convenient parking provided through the municipal parking program to do the parking for this facility as well as the other facilities that become of Spencer's. If you have any questions, let me know.

Commissioner Armbrister: Once your development is underway and the other areas are developed, I understand the need for temporary parking...if your development is completed and in operation early, why would you not acquire enough land to have your own parking on your facility?

Gene Rees: I don't own the land. The city owns it.

Commissioner Armbrister: Can we not sell it to you?

Gene Rees: The land you have available is down Franklin Street and there is a house and the old bank building so we aren't connected to it.

Commissioner Armbrister: I have requested for a map to be put together about what was available and what wasn't. One of the things I haven't been able to ask yet is why, when we sell these blocks of buildings or whatever, why we aren't additionally selling the land for the parking. I know there are some buildings you are looking at the possibility of demoing to make some of that space available. One of the things I would be looking at would be the fact that the city to block these areas off to where land goes with the buildings to make it adequate to where you could have your own parking and the city not be responsible for building and maintenance of parking and public areas for the whole structure. I am looking at saving money for the city overall in that aspect. In what you are asking, it is extremely reasonable in what I see but just wanted to get an early note on the fact of something that is being looked at as far as transferring more property with these buildings.

Gene Rees: If we were, for example, to ask you to have the building between us and the hotel building...it wouldn't be reasonable to acquire a bigger building than what I am redeveloping to tear it down and build a parking lot dedicated to us. The hotel building will have to have close hand parking and it is has been customary downtown for the parking lots to be...for many years they were owned by the MSD and the last 15 or 20 years, that ownership switched over to the city. Most of those lots, with one exception, were paid for with MSD funds and now they are being maintained by the city. I think in our case, it isn't practical for us to have our own private parking lot. The city will have to be responsible for the entire development of Spencer's with the help of developers but all those developers, with the exception of the apartments, will be sharing parking. I am certain the hotel building will become something that will be a big tax payer for the city and downtown.

Jessica Cockerham: With what Gene was saying, for the 6,000 square feet that we have, from September to January of 2020, if I can open by September, I already have a tentative by word of mouth promise from 14 events that would bring about \$125,000 with only \$40,000 what I make is profit to me. The rest goes to catering, entertainment, photographers, and community. If I can do that in my little spot, what can we do for the rest of Spencer's.

Gene Rees: I am not asking for any type of fees or taxes or anything. The request I am making is the request for the city to do things that are customarily city responsibility. Downtown is one of those responsibilities. We are just requesting that the city thoughtfully begin to figure out where the parking is going to be on that site and that we not be blocked off from it.

Commissioner Armbrister: That is why I mentioned what I am looking at. I know we have to do this but we also have to know what we are going to do and what we are going to do about parking. We need to know how we are going to sell these parcels of land or buildings and that hasn't been determined as of yet. The reason I am saying it that way is the fact that I understand that you need answers but those answers might not be there until we get this stuff situated.

Gene Rees: From my standpoint, I need to wind this construction up this year. I will do one of two things-either a public event space or equipment storage and there is nothing good about equipment storage in a downtown. I do think the Commissioners have enough information on the Spencer's site and plans have been done about possible uses so I think you do have a fair amount of knowledge about what that site could become. What happens with that project will be a generational effect on our town. I think it is important to the community and I think someone needs to step up on Spencer's.

Commissioner Armbrister: I agree with the statement that it could be a generator for us. No piece of property is any less important than another.

Commissioner Brinkley: How many spots are you looking for?

Gene Rees: Probably around 75 spaces. Not dedicated parking spots but access to parking spots.

Commissioner Brinkley: I have been thinking hypothetically, this is Mount Airy....the only property we have available for these people to park is what we have right now and nothing else...why are those spots on Franklin Street and Willow Street coming from Moody's, why would those not be acceptable parking? I know everyone likes to drive to the front door and every business doesn't have their own designated parking spot. Why would that not work there?

Gene Rees: Moody's lot is a private lot.

Commissioner Brinkley: I was talking about the Franklin Street lot behind Main Street buildings.

Gene Rees: In the short-term, they will be.

Jessica Cockerham: Because I have done some research and looked into this and I hope I am correct on what I am quoting here that for a restaurant, for every four seats, you have to have a parking spot dedicated to that part of your restaurant. If you take that into consideration, that parking lot there not only services the back side of where Bear Creek Fudge is but you are looking at the two brand new restaurants that just opened on Franklin Street and the breweries on Market Street. Also, if you get into something like the Autumn Leaves Festival where I am hoping to be an addition to that, it is going to be bare minimum.

So if you were to look at that four seats in a restaurant, I can seat 250 so I will need roughly 65-75 minimum spaces.

Commissioner Brinkley: We are trying to become the city of good health with the greenway. It doesn't hurt for people to walk. We have a lot of parking areas downtown.

Jessica Cockerham: If you look right there on what we provided for you and I paid for all of these sketches out of my pocket, if you were to develop that into a municipal parking lot...and I am guessing eventually it will be no matter what happens with the rest of the Spencer's property because the cubed building and hotel will need parking...that lot right there works for me too. It is just looking at what we have now, I can't get an occupancy permit without parking and I don't think at this moment even with that municipal parking I could get an occupancy permit.

Commissioner Brinkley: Then you are looking at a spot somewhere for you to get that...what spot are you looking at?

Jessica Cockerham: I would love, short-term, for you to allow use of the parking lot that is down past the old National Bank-to allow access to that for the mean time. I am hoping that with the Spencer's redevelopment, there will eventually be parking closer by depending on what the Board decides they want to do.

Commissioner Brinkley: Would you accept it not being repaved for a while?

Jessica Cockerham: Absolutely, if we can get it striped and the barbed wire fencing to be removed so it looks good.

Mayor Rowe: Are you looking for the city to pay for the demolition of the "discount house"?

Gene Rees: I am not requesting that today. I think this will go back to what Bryan will talk about...beginning the process to determine which buildings on that site need to be removed and which ones need to stay and do that in conjunction with a site architect or structural engineer. My opinion is this Spencer's site will never get developed the way it looks now...the city is going to have to make decisions regardless. I think you would be better served, not for us but for the city, to make some determinations on what buildings need to go and what need to stay and with the ones that need to go, from there, decide if you want parking or Barbara's water feature and landscaping. Those are expenses the city is going to incur regardless but I think the opportunity to develop the Spencer's site is not an opportunity based on one big master developer. The city make decisions as to which buildings to stay, take care of the site work and the parking as is customary in downtown and then the buildings that are left will have value to them. Back to Jim's point, you will have an asset you can sell. My opinion, to have to divide property sales tax, rebates, or deferrals to developers I don't think will be necessary. Your investment can be the investment that is customary to cities, like water, sewer, parking, and landscaping. Other than that, I don't think you should have to do anything. You would have a site that is ready to be developed.

Commissioner Brinkley: Would the site you are talking about be available to all public parking?

Gene Rees: Yes. We don't need a parking lot for us-we would like for the city to put parking somewhere within shot range of this site.

Jessica Cockerham: I do ask that if you are going to grant use of that parking lot to us to let me know before the end of this month so we could have a commitment because everything I have is on hold until I can get that occupancy permit. I can't start making plans for the upcoming year until I have parking and an occupancy permit.

Commissioner Brinkley: How close to getting it all done do you need to have occupancy.

Jessica Cockerham: If you could take down those fences around the parking lot and put in some striping by June, I would be good to go.

Commissioner Brinkley: I would like to find out what it would cost to do that.

Commissioner Armbrister: Would that be public parking or exclusive parking to your site?

Jessica Cockerham: Public parking for everyone. I would probably ask that during the Autumn Leaves Festival, we maybe use it as a give back program like we do some of the other parking lots. Maybe let a couple of Boy Scout troops around the county to share it to make some funding.

Commissioner Brinkley: We also have to remember that if we open it up, we will have a place for anyone to park day and night...you will need lighting for safety purposes. It is more involved in just taking a fence down. We need prices to see what it will take to get it to a parking lot that is safe.

Barbara Jones: If that is the direction of the board, we can start looking at what it would take to get that lot into a safe condition.

Commissioner Brinkley: Or even a portion of the lot, you wouldn't need the whole thing...maybe half.

Jessica Cockerham: Seventy-five to 80 spots would be sufficient for me.

Gene Rees: We will be making a formal request the city to purchase a six-foot section on the northeast side of our building which currently has the enclosed stairwell for the "discount house" building. I don't have access in our building-we need a side access and depending on what happens to the "discount house" building, we will probably come back later with a request to buy a little bit of land from you to help with our site access. The access to the front of the building that Jessica wants to rent will not be on Willow Street, it will be on the north side of the building, so that requires some demolition somewhere so we can have access.

Commissioner Brown: I like this plan and I want to continue to work and head in that direction.

Barbara Jones: I will get with staff and we will try our best to have the information available at the next Board Meeting.

Commissioner Armbrister: I am curious about some things as far as required parking to apply for these permits...does it have to be dedicated parking or can it be existing public parking?

Andy Goodall: That building was once a part of the Spencer's property, so parking that would have been required for that building prior to being subdivided would have been on that property, not somewhere else. Property is not zoned B-1, which is the downtown business zoning, which exempts properties that have zero lot lines where buildings go right up to the lot line, there is no room for parking so it is exempted from having private parking that could be filled with the use of public parking lots. We have other businesses around that area that use the public parking lots but they do also have small areas in which they have their own. Whenever someone comes in and wants to propose a business, the first thing we do is calculate out how many parking spaces they need. In this case, 300 seats=75 parking spaces. Normally, on a green lot, you have an engineer draw up plans, you have your building, you have your 75 space parking lot, get the stamp on the zoning approval, and you move on to the building part of the project. We are there except there is no place for the 75 parking spaces. When the lot was subdivided, I don't think that it was something that was

missed because at the time, the whole point of the option on that building was just in case it needed to be developed for something with the condos. Nobody thought we would be talking about a 300-seat event center at the time. We need 75 parking spaces...where are they going to come from...we can either rewrite the ordinance, which I don't think is a good idea, or they can just use public parking. We aren't talking about five or six cars, we are talking about 75 cars.

Commissioner Brinkley: You were saying subdivided...are you saying that it is no longer classified as Spencer's since it has been subdivided?

Andy Goodall: It is on its own tax parcel now.

Commissioner Brinkley: Why would we need the super majority vote?

Hugh Campbell: The parking lot that is being discussed is sitting on property that has not been subdivided, which is city owned property. What Andy is talking about is Gene's building that has been subdivided and is privately owned.

Commissioner Armbrister: Are we committing that specifically for public parking?

Andy Goodall: That will be your decision whether or not you want to corner off an area for private parking for temporary/permanent use. If there is an agreement between the city and the property owner to use that for parking, then we can use that agreement as far as the need for the 75 spaces. The decision on whether or not you make it public or private is strictly up to the board.

Commissioner Armbrister: If someone comes beside it, where do they go to get there spaces...the same place?

Andy Goodall: Part of what Gene was saying was that the Spencer's property is in the MSD and the thought with the MSD is those things are provided to the public for those uses. Maybe that is where you can have a tweak in the ordinance-instead of saying it is tied to a specific zoning district, it is tied to that overlay. If it is in the MSD, it is exempt. The thing is at what point are we going to start allowing too many cars and not have enough parking, because we are getting there. There is a building there that is going to be redeveloped in the next year that will take that Franklin Street parking lot and max it out so the 75 spaces Gene needs, you won't get it there. Another option may be the lot on Virginia Street, which is a hike. We go on to the other side of the street, on Renfro Street, there is quite a bit of parking there but it is a hike.

Commissioner Armbrister: At this point, is there any parking available that would meet their needs without the city committing and having to do lighting and all this even if it looks like a temporary basis?

Andy Goodall: Their parcel that they are on right now, I think there might be room for maybe six or seven parking spaces.

Commissioner Armbrister: Do they not have enough spaces within reasonable walking distance? I am looking like across from Moody's.

Andy Goodall: Yes, but that is a public parking lot and doesn't qualify as required parking for their use.

Commissioner Brinkley: Suppose we agree to the 75 spaces on Franklin and suppose the rest of Spencer's gets developed and those parking spaces need to be taken away for more development of some kind. What happens to that parking section?

Andy Goodall: I highly doubt that the redevelopment of Spencer's property is going to end up reducing parking because if you are going to redevelop it and there is going to be more need for parking, the last thing you are going to do is reduce it.

Commissioner Armbrister: I am trying to keep from opening a can of worms here because it looks like we are trying to meet requirements of each individual fraction of this to do something. I want to know how that fraction merges in with what the long-term projects are.

Andy Goodall: I think that is why in the original design on that property was always a public parking lot because there are too many moving parts to try to say this is your section and this is their section. It is all just handled under one entity and everyone uses it.

Commissioner Armbrister: I will change my mind then, I think that will be a very reasonable thing right now.

**Commissioner Brinkley made a motion for staff to look at the available parking lot with a cost estimate to bring it up to a safe condition for public parking to be available at the next Board Meeting.**

**Commissioner Yokeley seconded it and it was approved unanimously.**

**BOARD TO DISCUSS LONG-TERM PROSPECTS FOR SPENCER'S REDEVELOPMENT-  
BRYAN GROTE:**

*Potential Culinary Training Space:*

Matthew Dolge, with Piedmont Triad Regional Council (PTRC): We serve 12 counties in the Triad. We have been engaged with this project for a while and a lot of our work in economic development is around downtown redevelopment, the resiliency projects to help people develop economies to make their communities successful. We learned very early about the Spencer's project. We appreciate the opportunity to work with you and try to come up with viable ideas that will be a positive for Mount Airy. A while ago, we were working with the ARC and they listed Surry County and Forsyth County as two areas that had been impacted by the downturn in the coal industry because of support businesses like Caterpillar and others...jobs have been lost in those two counties. That gave us an opportunity to get a grant to try to see what we might be able to do to help offset those negative impacts from coal. We thought the Spencer's project because what you are trying to do is a great opportunity and most people know Whitaker Park in Forsyth County, which is an area we are also working with to do this study. They gave us about \$90,000 and we applied to do a study on how we might help make a positive impact for long-term employment. One of the things we identified here is that there is a need in hospitality because of the drive for traveling tourism and the impact that has on the community and also restaurant workers. We took a chunk of that and brought some people in from Seattle who work nationally with people who are in hospitality training and they did a study for us on Mount Airy and whether or not it would be a good location to do training for people in food service and hospitality to feed into your tourism industry and also maybe be a support mechanism for some of the businesses like a nice hotel or event space. The study came back and they said they thought this would be a very feasible project for this community. Again, we had great contacts with the Mount Airy school system, Surry Community College, restaurants, and others for input on that study. What they are looking at is Providence Kitchens, which is something that they are doing in Winston-Salem now. They can extend their program up here. We would partner with them and do training up here and the hope would be they could get some contracts for large

productions. An example that we have talked to them about already is the Meals on Wheels program. They could bid on other contracts. They think that is very feasible. Our next step is to look at a location and that is what they are studying now. My preference has been to look at the Spencer's site. Our next piece is they are looking at what the cost would be to renovate and bring a piece of that facility to life for this training and food service initiative. I think for us, we have gotten great feedback so far. I think we could be a great piece of the Spencer's site. We also think this event center space is big plus for us. It is a non-profit that would be running it, but they will be generating revenue to pay for the training and having regular customers like in an event space would be important to them in making it financially viable.

Mayor Rowe: How much of the facility are you thinking about acquiring?

Matthew Dolge: I had the opportunity to go in and look around and looked at the cube building in the back. There is a space that could serve our uses there. It is after the second floor but it is ground level on the back side-it is the one story piece that juts out from the back. It has a loading dock area and it seems like a large enough area we could develop. It is also on the side that is close to the event center space.

Commissioner Brinkley: How many parking spots do you need?

Matthew Dolge: From the training perspective, they are only talking about having 10 or 15 people training at one time so it is a very low impact. I think the training traffic will be at different times than the event center traffic. The numbers of people will be relatively small.

Commissioner Brinkley: With as many colleges as we have with a lot of knowledge, why did you go to Seattle?

Matthew Dolge: Those folks do this type of specific thing. We won't be doing this on our own, Surry Community College will be an integral part with our arrangement with this.

Commissioner Brinkley: What size space are you looking at?

Matthew Dolge: I wish I could tell you. They are going to come do that study, which was covered by the grant.

Mayor Rowe: What is the timing on when you are going to do anything?

Matthew Dolge: Time is of the essence for us and I think these other pieces will have to come into place for it to make sense for us there. We could put this in the school system's building they mentioned but it isn't the size we need to do all components we are talking about. As we look more at the site and move forward and start talking with the city, what we look for is some type of match and allow us to go out and get funding for it.

Commissioner Brinkley: Would we have to go to the LGC for this?

Hugh Campbell: If we are borrowing, that would involve the LGC. I don't believe this would include approval by the LGC.

Matthew Dolge: What our goal would be is to not ask the city for any money. It is important to us because it shows buy-in for the community so we do need a match. We are open to whatever discussions the city would like to have, whether it be a gift of the building or a long-term lease option, etc.

*Potential Next Steps for Spencer's Property:*

Bryan Grote: While some of us were looking at the potential hotel/theater last year, we were also looking at potential next steps should that not work out. I was asked to come and summarize what we discussed during the course of last year. Momentum is key and I think that you have heard through Gene, Jessica, and Matthew, we already have some possibilities here. It is sort of a piecemeal fashion, not the big, great deal that had been worked on for a few years to redevelop several of those buildings costing \$35 million to \$40 million. It is time to reset and I think this is an opportunity to establish a more public process getting more public involvement, more transparency and that is what the prior effort lacked. That was the biggest concern we heard last year was-the lack of a process. Process matters...if you are going to get public acceptance of the ultimate decision, it has got to be viewed as a legitimate process. The landscape is different. We are talking about multiple development opportunities getting phased in over time and that requires some amount of planning and coordination. I do think it is important to take advantage of the near-term opportunities. You also have to be thinking about the larger campus and how these pieces will fit together. Parking is an excellent issue to get started on.

The first step is a more transparent, public process with greater public input. A major point we have focused on is the city should build from the large amount of work that has previously been done in the last 10-15 years in terms of planning and development potential. Another major point is the process should look at Mount Airy more broadly. We really can't neglect the community as a whole....they all have to fit. The near-term opportunities have to fit in with what the public wants for the Spencer's campus and that has to fit in to an overall development for the city. We had quite a bit of time to look at how other towns/communities in the state are trying to redevelop their old mills. A common approach is to establish a group of stakeholders or "task force" with the idea to leverage the existing information and existing expertise in your community. You don't have to start from scratch. You have a lot of existing materials and you have standing committees and appointed boards. You should also draw on the business community like the Chamber of Commerce. You also need to keep consulting with the County, city attorney, and financial advisor. This is how other communities have managed what is a very challenging process. We see job one of this task force is to distill out of this huge volume of work that has been done over many years and develop a short list of development opportunities that make sense. Then you have a public input process to let the public help prioritize the short list. Then you could think about hiring DFI or some other expert consultant to develop an action plan to achieve the highest and best use. It does make sense for the city to start with its own task force to develop a short list. I think if you go through this process, you are going to narrow the scope and cost of a future DFI or other consultant contract. A few things that are out there for a task force to review are the Vision Mount Airy Land Use Plan, Westside Development Master Plan, Spencer's Complex, Comprehensive Plan, etc. There were other projects in other communities that we looked at...DFI prepared a RFP for the City of Wilson for a mixed use development of the Cherry Hotel, Arnett Muldrow performed a market analysis for the Town of Rutherfordton for a business strategy, and DFI produced an RFP for Hendersonville for a hotel and event space for a commercial venture for an old hosiery mill. I don't think you will be surprised with what I came up with. Use a local volunteer committee/task force to identify your priorities and strategies. Usually, there is a focus on downtown revitalization but there is also a need to market and promote the entire community. We should take stock in your city property and other assets that could be monetized. Maybe you need a detailed market

analysis to determine what is called the true geography of the retail trade area and what the growth opportunities are in this community. Parking is always a challenge in the downtown area and needs to be carefully addressed in the plan. The need for a mid-tier plus hotel...I am thinking this is something like Dana Bryson was thinking of...that is a very commonly used incentives to encourage new industry and employment centers. Work with the community college to promote and provide vocational and trade education and training. Pursue activities and businesses for younger professionals. The younger generation wants more art, music, entertainment, and restaurants. Support programs for façade improvements, streetscapes, public spaces, expand the buy local campaign, support the farmer's market campaign, etc. You just happen to have a very large campus here involving almost two dozen buildings and now that it isn't all wrapped together in one big development, it is a bit challenging. It is really two problems-you need to respond quickly to the near-term opportunities as best as you can, but you need to keep trucking on the long-term vision also with your task force. We think that is a good way to go.

**Commissioner Brinkley:** I have listened to everything and if a three-year old and a twelve-year old were making a decision here, they would say there is nothing here for kids my age. Nothing has been said about families. Why aren't children thought about in these studies or plans? I would love to see more things for families.

**Bryan Grote:** I am not saying that they aren't. I am sure there is stuff in these plans for children but they didn't jump out at me. Some of the establishments in town are working hard to do things for families. That can be a priority you want reflected in what the task force does.

**Commissioner Armbrister:** One of my concentration points is the fact of how much we have got to sell there and identify so it is easily understood. We have what Gene is looking at, we have the potential of other property already being looked at in the Spencer's area. I have always said market and never stop. If the majority of the space is tentatively spoken for and proven to be able to back what they would like to do, then I don't know how deep we really need to go. How much would we have left to deal with if those who are looking right now can do what they want to do? It is hard for me to say to do anything right now until it is clear in my mind where we are now and what are we going to have left if those speaking to us now make good on it. What are we going to need in addition to that if they do make good on it? Were we not any further on than we were with potentials right now, I would say definitely move forward with what Mr. Grote is saying. Right now, I would like to talk further about it when we have more in front of us as far as information.

#### **REMARKS BY OFFICIALS:**

**Commissioner Brinkley:** Good meeting with a lot of information. Asked when they will need to make decisions.

**Mayor Rowe:** There are many different ways they could go. They will have to take some time to decipher all of them and recognize the potential and decide what is best for the city. The short answer would be the sooner the better.

**Commissioner Armbrister:** No comments.

**Commissioner Yokeley:** The board will need to make some decisions and do it quickly.

**Commissioner Brown:** Thanked those who gave presentations.  
Need to move forward.

**Barbara Jones:** No comments.

**Hugh Campbell:** No comments.

**Mayor Rowe:** The Spencer's property is a great asset. They need to move forward.

**CLOSED SESSION:**

**On motion by Commissioner Armbrister, seconded by Commissioner Brinkley and passed unanimously, the board entered into closed session pursuant to NCGS 143-318.11(a)(4) Economic Development.**

**OPEN SESSION:**

**On motion by Commissioner Brinkley, seconded by Commissioner Armbrister and passed unanimously, the board entered back into open session with the following:**

**Commissioner Brinkley made a motion to approve hiring a structural engineer for a cost of up to \$5,000 to evaluate the "Discount House" and the building connected to the "cubed" building. Commissioner Brown seconded it and it was approved unanimously.**

**ADJOURNMENT:**

**On motion by Commissioner Armbrister, seconded by Commissioner Brinkley and passed unanimously, the meeting was adjourned.**

**Approved and adopted this the 17<sup>th</sup> day of January, 2019.**

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David L. Rowe, Mayor

ATTEST:

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Melissa N. Brame, City Clerk