

**MOUNT AIRY, NORTH CAROLINA
REGULAR MEETING MINUTES
March 7, 2019**

MEMBERS PRESENT: Mayor David L. Rowe, Commissioners Jim Armbrister, Dean Brown, Jon Cawley, and Steve Yokeley

MEMBER ABSENT: Commissioner Shirley Brinkley

APPROVAL OF AMENDED AGENDA:

On motion by Commissioner Cawley, seconded by Commissioner Armbrister and passed unanimously, the amended agenda was approved unanimously with the following amendment: New Business-Item 9c moved to Special Presentations-Item 4a.

CONSENT AGENDA:

On motion by Commissioner Yokeley, seconded by Commissioner Brown and passed unanimously, the following items were approved by way of consent agenda:

- **APPROVAL OF FEBRUARY 21, 2019 REGULAR MEETING MINUTES**
- **RESOLUTION 2019-051-SETTING PUBLIC HEARING FOR REZONING REQUEST FOR PROPERTY LOCATED AT 852 NORTH FRANKLIN ROAD:**

RESOLUTION NUMBER 2019-051

RESOLUTION SETTING A PUBLIC HEARING

WHEREAS, the City of Mount Airy has received a request from Steven Quesinberry to rezone a 1.13 acre parcel located at 852 North Franklin Road from B-3 (Neighborhood Business) to R-20 (Residential); and

WHEREAS, the Tax Identification Number for this property is 5011-16-72-6812; and

WHEREAS, the Planning Board of the City of Mount Airy has recommended approval of the request to the Board of Commissioners:

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

- Section 1. That a public hearing be scheduled for Thursday, March 21, 2019 at 7:00 pm to hear public comment on the above mentioned request.
- Section 2. That notice of the public hearing shall be published in the Mount Airy News, a newspaper having general circulation in the City of Mount Airy, at least ten (10) days prior to the date of the public hearing.

Section 3. This resolution shall become effective upon approval.

Approved and adopted this the 7th day of March, 2019.

(end of consent agenda)

SPECIAL PRESENTATIONS:

a) Structural Evaluation of Spencer's Mill Property: Wayne Moore, Moore & Associates:

Wayne Moore: We evaluated four buildings within the Spencer's complex-the discount house, built around 1955; the maintenance building, constructed around 1978; the JC Penny building, built in 1978; and the finishing room, also built in 1978.

Observed damage:

Discount House building: Long-term active roof leakage along east and south walls; damage (settlement) of concrete slab on grade and possibly of footings; damage (rot and collapse) of elevated timber decking and framing; corrosion of structural steel joists, beams, and columns; corrosion of metal roof decking and structural steel roof purlins and columns.

Maintenance building: Little to no roof leakage; no major damage to structural elements; only minor surface scale and rusting observed.

JC Penny building: Significant active long-term roof leakage over the majority of the structure; extensive damage to elevated floor slabs and metal floor decking; extensive damage to elevated structural steel joists, beams, and columns; extensive damage to lateral and longitudinal bracing and connections/connectors; extensive damage to metal roof decking and structural steel roof purlins, beams, and columns.

Finishing room building: Significant active long-term roof leakage over the majority of the structure; extensive damage to elevated metal floor decking; extensive damage to elevated structural steel joists, beams, and columns; extensive damage to lateral and longitudinal bracing and connections/connectors; extensive damage to metal roof decking and structural steel roof purlins, beams, and columns; damage to masonry sheer/bearing walls caused by differential settlement of footings.

Conclusions/Recommendations:

Discount House building: Damage along east and south walls is significant; large areas of floor and roof decking as well as joists, beams, and columns would require replacement or repair; damaged connections/connectors would need to be replaced or repaired; damaged slabs on grade and footings would need to be repaired; the cost to replace or repair damaged structural elements may exceed the value of the structure; the remainder of the structure may need to be modified to meet the current 2018 North Carolina Building Code (2015 International Building Code and ASCE/SEI 7-10); recommend demolition/removal of the building.

Access to damaged areas should be prohibited via OSHA-compliant barricading/placarding

Maintenance building: Damage to structural elements is minimal and can be repaired; costs of repairs should not exceed the value of the building; building should not have to be updated to the 2018 NCBC; building may remain and be utilized.

Access to building should be controlled via OSHA-compliant barricading/placarding

JC Penny building: Extensive damage is located throughout the building; capacity of all structural elements has been severely degraded; lateral and longitudinal stability of the building has been severely degraded; connections/connectors have been severely degraded and are in the process of failing; building should be demolished and removed as soon as possible.

Access to building should be strictly prohibited via OSHA-compliant barricading/placarding

Finishing Room building: Extensive damage is located throughout the building; capacity of all structural elements has been severely degraded; lateral and longitudinal stability of the building has been severely degraded; connections/connectors have been severely degraded; differential settlement has/is occurring and has resulted in cracking of masonry sheer/bearing walls; building should be demolished and removed as soon as possible.

Access to building should be strictly prohibited via OSHA-compliant barricading/placarding

The buildings/areas that were excluded from the structural assessment:

Reynolds Building; Buick Building; Ararat Building; Dye Room; Greige Cloth Storage; Knitting Area (above Greige Cloth Storage); Yarn Room Areas.

Commissioner Yokeley asked if the buildings were demolished, what would happen to the adjacent buildings.

Wayne Moore stated they observed they were independent and constructed at different points in time and didn't seem to be interlocked.

Mayor Rowe asked about the proposed future hotel building.

Wayne Moore stated he didn't access the building but did briefly look at it. Visually, it is a good structure and looks ok. He would recommend doing an analysis on the building to be certain.

b) Site Plan for Spencer's Mill Property: Matthew Sprouse, Site Work Studios/Lizzie Morrison:

Lizzie Morrison: On behalf of the Mount Airy Downtown, Inc. Board of Directors, thank you for the opportunity to provide a site plan for Spencer's Mill. We recommend the plan to be used as a guide for the redevelopment of Spencer's Mill. It is important that the history of this property becomes a functioning part of the community once again so the citizens can take pride in our shared history. We have to make the site safe-make sure to create proper fire and emergency vehicle access on this site. We need to make the site functional to provide adequate access to the buildings and maximize opportunities for further development on the site. We need to make the site a community space-farmer's market, greenway connector, future community garden opportunities, and educational components that benefit everyone. We need to make the site add to the tax base to relieve the burden on the taxpayers of Mount Airy and make the greatest economic impact especially for small businesses. To summarize, the site we are proposing would be safe, functional, full of beauty, and will add to the tax base.

Matthew Sprouse, Principal PLA for Site Work Studios: Mr. Sprouse reviewed renderings of the proposed site plan. The small yellow circle on the aerial map is a 2.5 minute walk to the downtown area. The larger yellow circle is a five minute walk. In terms of that context, this site is completely walkable to most sites downtown. The buildings in red (JC Penny building, Discount House building, Finishing Room building, and Maintenance building) are the buildings we are proposing to be removed. The Cube, Cube Annex, Old Bank building, Spencer's Mill building, and Barrel building are part of the site plan. The first thing I noticed is that Willow Street is a speedway so traffic calming should be a focus. Traffic calming would include narrowing the streets and widening the sidewalks as well as adding safer crosswalks. The red arrows are new traffic patterns. There are four reasons for looking at bringing access (city streets/city right-of-way) to this property: 1-better fire apparatus access; 2-911 addressing opportunities; 3-Knitting back together that urban fabric; 4-Public right-of-way access. We see a lot of opportunity on Franklin Street for housing opportunities. We see the opportunity for 24 town homes, which will improve/increase safety in the area. We see parking opportunities-you have public parking along Dixie Street and Franklin Street. You have private parking around the site and private parking for the apartments. Stormwater is an increasing issue. This is an opportunity to educate the public and we have included a couple of stormwater features in the site plan. There is potential for an outdoor market on this site. We have fire lane and pedestrian access included in the plan. We also included the greenway connectivity. Mount Airy has one of the best greenways I have seen in North Carolina. We have included parking in the site plan as well. On the Spencer's site, we have included 230 spaces and in the adjacent city-owned property, we included another 190 spaces.

PUBLIC FORUM:

Mayor Rowe: 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.

Paul Eich, 124 Plantation Place Lane (city resident): My name is Paul Eich and I do live in the city limits. I have a couple of concerns as a citizen and as a follow up to last month's meetings and the budget workshop. One of the items to be discussed later today is to schedule a public hearing on this finance plan that Mr. Carter, the consultant came up with. I see absolutely no reason as a citizen to borrow \$2.15 million with 3.29% interest to pay for this infrastructure. This is a waste of \$70,000 in interest in the first year and a waste of more in the following years. Once it is fully established, I think that is a choice of the Commissioners, whether we finance that or to pay from our fund balance, but initially, this makes no sense. You have \$20 million in cash sitting there-make the payments once that infrastructure occurs and once it is built out, then finance it and then start paying interest. I also have concerns about the continued spending by the Board. Last month, you had a

presentation by the Surry Arts Council about building a new museum and at that time, they said no funds will be needed from the city, we just want to use the land. We will do like we have done in the past, we will build the building, give it to the city and then the city forever will maintain it. No funds were needed because she was asked what happens if you don't raise enough money and the answer was we will scale it back. Yet, two weeks later, you unanimously approved \$100,000 for that building. Why? That counts as my money and I am concerned about it. If it was the right thing to do, we should have talked about two weeks before if it was such a great plan. If it changed that much in two weeks, you should have said let's think about this. Thank you for listening.

John Pritchard, 128 Ridgecrest Drive (city resident): Good evening. I am John Pritchard and I live on Ridgecrest Drive here in town. I also sat in on the planning session as Mr. Eich did and two or three others. In just the last two or three years, our portion of the total budget for personnel has grown from around 61% to 73% and since the budget is larger, the increase is even more. The number of full-time people hasn't changed. The state average is only 58%. We spend much more than that average for personnel. We take in far more than per capita for revenue than most any other town in the state. Our expenditures are much higher also, that is the problem. We have more revenue than others so why do we spend so much more for the same services of other cities. What was talked in the work session was charging fees or raising taxes. Our revenue is already high, our revenue is not the problem-spending is our problem. We have been told by some we are going broke and that isn't true.

Mayor Rowe: Anyone else? All right, seeing no one else who wishes to address the board, I declare the public forum closed.

Mayor Rowe declared the public forum closed.

RESOLUTION 2019-052-SETTING PUBLIC HEARING FOR AND AUTHORIZING NEGOTIATION OF INSTALLMENT FINANCING CONTRACT FOR SPENCER'S PHASE I INFRASTRUCTURE PROJECT:

Pam Stone: Most of the highlights were hit by Doug during the work session. We received three bids and BB&T came in with the lowest interest.

Commissioner Armbrister stated he agrees with Paul's recommendation to use fund balance.

Commissioner Yokeley stated until we make a decision on what to do with capital projects and what to do about the fund balance and how to use it, I think we need to go with what our financial advisor recommends.

Commissioner Yokeley made a motion to approve resolution 2019-052. Commissioner Cawley seconded it and it was approved by a three to one vote (Commissioner Brinkley was absent):

Vote Aye: Commissioners Yokeley, Cawley, and Brown

Vote Nay: Commissioner Armbrister

RESOLUTION NUMBER 2019-052

RESOLUTION OF THE CITY OF MOUNT AIRY, NORTH CAROLINA AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO

WHEREAS, the City of Mount Airy, North Carolina (the “*City*”) is a municipal corporation validly existing under the Constitution, statutes and laws of the State (the “*State*”); and

WHEREAS, the City has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts in order to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the purchase price;

WHEREAS, the Board of Commissioners of the City hereby determines that it is in the best interest of the City to (1) enter into an installment financing contract (the “*Contract*”) with a Branch Banking and Trust Company (the “*Bank*”) in order to pay the capital costs of infrastructure improvements for Phase I of the Spencer Mill Redevelopment Project, including storm drainage improvements, city street improvements, sidewalk improvements and parking lot improvements (the “*Projects*”) and (2) in order to provide security for the City’s obligations under the Contract, grant to the Bank a security interest in such portion of the Projects as the Bank may require; and

WHEREAS, the City hereby determines that the Projects are essential to the City’s proper, efficient and economic operation and to the general health and welfare of its inhabitants; that the Projects will provide an essential use and will permit the City to carry out public functions that it is authorized by law to perform; and that entering into the Contract is necessary and expedient for the City by virtue of the findings presented herein; and

WHEREAS, the City hereby determines that the Contract allows the City to purchase the Projects and take title thereto at a favorable interest rate currently available in the financial marketplace and on terms advantageous to the City; and

WHEREAS, the City hereby determines that the estimated cost of financing the Projects is an amount not to exceed \$2,150,000 and that such cost of the Projects exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances and non-voted bonds that could be issued by the City in the current fiscal year pursuant to Article V, Section 4 of the Constitution of the State; and

WHEREAS, although the cost of financing the Projects pursuant to the Contract is expected to exceed the cost of financing the Projects pursuant to a bond financing for the same undertaking, the City hereby determines that the cost of financing the Projects pursuant to the Contract and the obligations of the City thereunder are preferable to a general obligation bond financing or revenue bond financing for several reasons, including but not limited to the following: (1) the cost of a special election necessary to approve a general obligation bond financing, as required by the laws of the State, would result in the expenditure of significant funds; (2) the time required for a general obligation bond election would cause an unnecessary delay which would thereby decrease the financial benefits of acquiring and constructing the Projects; and (3) insufficient revenues are produced by the Projects so as to permit a revenue bond financing; and

WHEREAS, the City has determined and hereby determines that the estimated cost of financing the Projects pursuant to the Contract reasonably compares with an estimate of similar costs under a bond financing for the same undertaking as a result of the findings delineated in the above preambles; and

WHEREAS, the City does not anticipate a future property tax increase to pay installment payments falling due under the Contract; and

WHEREAS, Parker Poe Adams & Bernstein LLP, as special counsel (“*Special Counsel*”), will render an opinion to the effect that entering into the Contract and the transactions contemplated thereby are authorized by law; and

WHEREAS, no deficiency judgment may be rendered against the City in any action for its breach of the Contract, and the taxing power of the City is not and may not be pledged in any way directly or indirectly or contingently to secure any moneys due under the Contract; and

WHEREAS, the City is not in default under any of its debt service obligations; and

WHEREAS, the City’s budget process and Annual Budget Ordinance are in compliance with the Local Government Budget and Fiscal Control Act, and external auditors have determined that the City has conformed with generally accepted accounting principles as applied to governmental units in preparing its Annual Budget ordinance; and

WHEREAS, past audit reports of the City indicate that its debt management and contract obligation payment policies have been carried out in strict compliance with the law, and the City has not been censured by the North Carolina Local Government Commission (the “*LGC*”), external auditors or any other regulatory agencies in connection with such debt management and contract obligation payment policies; and

WHEREAS, a public hearing on the Contract after publication of a notice with respect to such public hearing must be held and approval of the LGC with respect to entering the Contract must be received; and

WHEREAS, the City hereby determines that all findings, conclusions and determinations of the City in this Resolution are subject to modification or affirmation after all interested parties have been afforded the opportunity to present their comments at a public hearing regarding the execution and delivery of the Contract and the Project to be financed thereby;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF MOUNT AIRY, NORTH CAROLINA, AS FOLLOWS:

Section 1. ***Authorization to Negotiate the Contract.*** That the Mayor, the City Manager and the Finance Director, with advice from the City Attorney and Special Counsel, to proceed and negotiate on behalf of the City for the financing of the Projects for a principal amount not to exceed \$2,150,000 under the Contract to be entered into in accordance with the provisions of Section 160A-20 of the General Statutes of North Carolina and to provide in connection with the Contract, as security for the City’s obligations thereunder, a security interest in such portions of the Projects as may be required by the Bank providing the funds to the City under the Contract.

Section 2. ***Application to LGC.*** That the Finance Director or her designee is hereby directed to file with the LGC an application for its approval of the Contract and all relevant transactions contemplated thereby on a form prescribed by the LGC and to state in such application such facts and to attach thereto such exhibits regarding the City and its financial condition as may be required by the LGC.

Section 3. **Direction to Retain Special Counsel.** That the City Manager and the Finance Director, with advice from the City Attorney, have been authorized and directed to retain the assistance of Parker Poe Adams & Bernstein LLP, as special counsel, and DEC Associates Inc., as financial advisor. The City Manager and the Finance Director are hereby authorized to retain the assistance of other professionals as they deem necessary and desirable to carry out the intention of this Resolution.

Section 4. **Public Hearing.** That a public hearing (the “Public Hearing”) shall be conducted by the Board of Commissioners on March 21, 2019 at or about 7:00 p.m. concerning the Contract, the proposed Projects and any other transactions contemplated therein and associated therewith. The City Clerk is hereby directed to cause a notice of the Public Hearing to be published once in a qualified newspaper of general circulation within the City no fewer than 10 days prior to the Public Hearing.

Section 5. **Repealer.** That all motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 6. **Effective Date.** That this Resolution is effective on the date of its adoption.

Approved and adopted this the 7th day of March, 2019.

RESOLUTION 2019-053-AWARDING 2019 STREET RESURFACING PROJECT:

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

RESOLUTION NUMBER 2019-053

RESOLUTION AWARDING CONTRACT FOR 2019 STREET RESURFACING PROJECT

WHEREAS, bids were received for the 2019 Street Resurfacing Project on February 20, 2019 and are as follows:

<u>Contractor</u>	<u>City</u>	<u>Bid</u>
Sowers Construction Company	Mount Airy, NC	\$293,525.00
Carl Rose & Sons	Elkin, NC	\$313,264.50
Tri-County Paving	Jefferson, NC	\$364,500.00

WHEREAS, said project is “year three” of a multi-year plan and includes the placing of approximately 3,225 tons of asphalt on the following streets: Welch Road, Mountain View Road, Fairlane Drive, Main Drive, Thomas Lane, Grove Lane, Stewart Drive, North Ridge Street, and Brooklen Avenue; and

WHEREAS, it is staff recommendation to award the project contract to Sowers Construction Company for \$293,525.00 with a total budget approval of \$320,000.00 to allow for overruns or contingencies; and

WHEREAS, said funds are budgeted in the current fiscal year’s budget and work should be completed by the end of June, 2019:

NOW, THEREFORE 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 award the contract for the 2019 Street Resurfacing Project to Sowers Construction Company for \$293,525.00 with a total budget approval of \$320,000.00 to allow for overruns or contingencies.

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

Section 3. This resolution shall become effective upon approval.

Approved and adopted this the 7th day of March, 2019.

RESOLUTION 2019-054-ADOPTION OF CDBG FAIR HOUSING PLAN:

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

RESOLUTION 2019-054

RESOLUTION TO ADOPT CDBG FAIR HOUSING PLAN

WHEREAS, the City of Mount Airy was awarded a CDBG grant for replacement of sewer lines in the Maple Street/Merritt Street area; and

WHEREAS, it is necessary to adopt a City of Mount Airy Fair Housing Report for said grant project; and

WHEREAS, it is staff recommendation to adopt the City of Mount Airy Fair Housing Report:

NOW, THEREFORE 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 adopt the City of Mount Airy Fair Housing Report as presented.

Section 2. This resolution shall become effective upon approval.

Approved and adopted this the 7th day of March, 2019.

RESOLUTION 2019-055-BOARD DISCUSSION OF HOUSE BILL 91 AND CONSIDERATION OF RESOLUTION IN SUPPORT OF CURRENT ABC CONTROL SYSTEM FOR THE SALE OF LIQUOR:

Betty Hamm reviewed House Bill 91 regarding the merging of ABC systems located in a county with two or more ABC systems. She urged the Board to contact the Legislators and express opposition to the bill.

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

RESOLUTION NUMBER 2019-055

RESOLUTION IN SUPPORT OF THE CURRENT ABC CONTROL SYSTEM FOR THE SALE OF LIQUOR

WHEREAS, the citizens of the City of Mount Airy voted to permit the sale of liquor through the establishment of an ABC Board, which is a part of the North Carolina's control system for the sale of spirituous liquors; and

WHEREAS, North Carolina is a "control" state and private retail liquor stores are prohibited; and

WHEREAS, the General Assembly's nonpartisan Program Evaluation Division (PED) was directed to examine whether other systems for alcohol beverage control, including privatized systems, are appropriate for North Carolina, specifically to include the State of Washington, which recently changed its beverage control system from state government control of wholesale and retail control of spirituous liquor to a licensure model; and

WHEREAS, the PED Report, "Changing How North Carolina Controls Liquor Sales Has Operational, Regulatory, and Financial Ramifications", released on February 11, 2019, (1) did not recommend privatization; (2) found that among the southeastern states, NC collects the most revenue per gallon, has the lowest outlet density, and has the second lowest per capita consumption; and (3) the PED expects retail liquor consumption to increase by 20% with privatization; and

WHEREAS, for fiscal year ending 2018, local ABC boards distributed \$430,635,861.00; County-City Distributions \$80 million; State General Fund \$323 million; Local Alcohol Education/Treatment \$13 million; Local Law Enforcement \$8.8 million; Rehabilitation Services \$5 million; Operation of ABC Commission/Warehouse \$17.7 million; and

WHEREAS, North Carolina is unique as it allows communities to vote to establish local ABC boards for the sale of liquor in their communities, with liquor profits distributed back to those communities, thereby reducing the need to increase local property taxes; and

WHEREAS, the citizens of the City of Mount Airy, in voting to permit the operation of ABC stores, did not vote to allow spirits to be sold in private retail liquor stores and did not vote to allow spirits to be sold in retail outlets where beer and wine are sold; and

WHEREAS, no State funds are spent to distribute or sell liquor, as the state and local operation of the ABC system is receipt supported; and

WHEREAS, of the 50 states, North Carolina ranks 44th lowest in consumption per capita and 7th highest in revenue per capita and NC's ABC system accomplishes both revenue and public health, welfare, and safety objectives; and

WHEREAS, when Washington State privatized its liquor system, the number of retail outlets increased from 328 to over 1,400; hours of sale/week increased from 73 to 140 hours; and Washington State received only \$30.75 million from auctioning off the rights to apply for retail spirits permits at 167 stores; and

WHEREAS, privatization will result in a marked increase in the number of outlets, longer hours of sale, greater advertising and more promotion, and significantly more consumption; and the 9,000 outlets in NC that sell beer/wine off-premises could be permitted to sell liquor in a privatized system; and

WHEREAS, local revenue from ABC stores operations is important to the City of Mount Airy; and

WHEREAS, local control over the sale of liquor is an important function:

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

Section 1. The City of Mount Airy desires to retain North Carolina's current control system for the sale of liquor and believes that privatization of liquor will lead to many adverse effects.

Section 2. This resolution shall become effective upon approval.

Approved and adopted this the 7th day of March, 2019.

BOARD CONSIDERATION OF TRANSPARENCY AND MAILING EXPLAINATION FOR ELIMINATING THE ETJ TO ALL CITY PROPERTY OWNERS AND REGISTERED VOTERS:

Commissioner Yokeley: There has been a lot of discussion lately about transparency and I think this is a chance to be transparent. This board passed the elimination of the ETJ and did so without the support of the Planning Board's recommendation. To me, there wasn't really much discussion about why this was being done and one thing that was mentioned as a reason to eliminate the ETJ was it isn't necessary, then at the very next meeting, this board passed an ordinance to rezone and annex property in the ETJ. I am confused about what this board is considering and why the board thinks this is important. I would like to hear some of the board members talk about why they think this is important and how we can be transparent and get this information to the citizens of Mount Airy. There will be a public hearing but the notices of the public hearing don't go to the citizens, it only goes to the

residents of the ETJ. People it protects are the ones that own property on the edges of the city. I, for one, am directly across the street from the ETJ and when I bought property in the city, I thought I was going to be protected by the zoning laws of the city. Now that the ETJ is eliminated, that responsibility will fall on the county. I would just like the board to decide how we will let the citizens of Mount Airy know about the elimination of the ETJ.

Commissioner Cawley: You want the city to be able to control a mile outside city limits because some people chose not to live in the city when we can no longer forcibly annex people. We have had ample time to set the precedence that we want. We have done it, not to the extent that some of you want. People who don't want to live in the city have every right not to be encumbered by a city ordinance.

Commissioner Yokeley: This ordinance has been in effect for quite a while. Other than you and two ETJ residents, we haven't heard anybody complain about being in the ETJ. The ETJ protects the citizens in Mount Airy. It also protects the people who live in the ETJ against unwanted things adjacent to their properties. We don't represent the residents in the ETJ, we represent the citizens of Mount Airy. If you want to change the ETJ laws, then talk with the State Legislature. Let's not set precedence in the State of eliminating the ETJ.

Commissioner Cawley: We voted on it.

Commissioner Yokeley: You made a decision but we need to inform the citizens of Mount Airy how your decision affects them.

Commissioner Armbrister: You are right, we do represent the Mount Airy citizens and not the ETJ residents. We have control but they have no voice or representation. To me, that is unconstitutional. I haven't heard anyone say to keep the ETJ. All I see is the need for power and control.

Commissioner Brown: It is an antique thing and no longer serves a purpose. Those people aren't going to build hog lots or chicken houses in their back yard anymore. Things have changed and people aren't living the same lifestyle as they did 10-20 years ago. We don't need the ETJ anymore. We can do something different, but not that.

Commissioner Yokeley: It isn't a competition. Are you going to explain why you made this decision to the citizens who use the ETJ to protect themselves? This affects those on the edge of the city a lot.

Mayor Rowe: Have we talked with the County about this?

Barbara Jones: City staff has met with the County regarding the start of the process. Andy has sent you a timeline of when things should happen. The directives/motion was to begin the process of the elimination of the ETJ. We did that by meeting with the County. Part of the process will include a public hearing.

Commissioner Yokeley: How will people in the city limits be notified of the public hearing?

Barbara Jones: We will send letters to all ETJ residents. As we advertise for the public hearing, we will advertise as we do for all public hearings-advertise in the Mount Airy News, place the notice on the City's website and social media sites.

Commissioner Armbrister: As a compromise, maybe we could we put the information about the public hearing in the water bills to still have transparency and notification.

Commissioner Yokeley made a motion for city staff to mail notification of the public hearing regarding elimination of the ETJ to all city property owners and registered voters. This motion died due to a lack of second.

REMARKS BY OFFICIALS:

Jim Armbrister: No comments.

Steve Yokeley: He and Commissioner Brown attended the city departmental tours last week. There are a lot of needs that aren't being met that need to be considered during the budget process. It was great conversation with the city employees.

Went on the trip to Raleigh with the Chamber of Commerce and others to meet with State Legislators. Thinks it is important to have face to face conversation with the Legislators to get something done. If the board wants a food and beverage tax or ¼ cent sales tax, we need to talk with the State Legislators.

Dean Brown: Good meeting with good suggestions. The Board doesn't always agree on things, but is open to suggestions. Thanked everyone for their attendance.

Jon Cawley: Talking about transparency, Mr. Sprouse presented his material based on what someone told him to consider. When he voted the other day to allow the downtown group to spend their money to do that, he was very excited but was surprised today that a parcel that has never been a part of Spencer's was included in the site plan. Wants to know why it was included in the site plan when it is not a part of Spencer's.

Hugh Campbell mentioned that is correct. That property was acquired with a swap with Moody's Funeral Home. This lot was swapped for the Dixie Street lot behind Moody's.

Lizzie Morrison stated the plan is flexible. In talking about this, it made sense in looking at the property but you don't have to do anything in the plan-it is a guide. In her mind, she thought it was originally included in the Spencer's property.

Barbara Jones: No comments.

Hugh Campbell: No comments.

Mayor Rowe: Thanked everyone for attendance. Thanked MAD for the site plan.

CLOSED SESSION:

On motion by Commissioner Yokeley, seconded by Commissioner Brown and passed unanimously, the board entered into closed session pursuant to NCGS 143-318.11(a)(4) to discuss matters relating to economic development.

OPEN SESSION:

On motion by Commissioner Cawley, seconded by Commissioner Armbrister and passed unanimously, the board entered back into open session.

ADJOURNMENT:

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

Approved and adopted this the 21st day of March, 2019.

David L. Rowe, Mayor

ATTEST:

Melissa N. Brame, City Clerk