

**MOUNT AIRY, NORTH CAROLINA
REGULAR MEETING MINUTES
August 5, 2021**

MEMBERS PRESENT: Mayor Pro Tempore Marie Wood, Commissioners Jon Cawley, Tom Koch, and Steve Yokeley

MEMBER ABSENT: Mayor Ronald M. Niland

APPROVAL OF AGENDA:

Commissioner Yokeley made a motion to approve the agenda and it was approved unanimously.

CONSENT AGENDA:

Commissioner Yokeley made a motion to approve the following items under Consent Agenda and it was approved unanimously:

- **APPROVAL OF JUNE 17, 2021 AND JULY 1, 2021 REGULAR MEETING MINUTES:** _____
- **RESOLUTION 2022-009-CONTRACT WITH HOLLOWAY GROUP, INC.:** _____

RESOLUTION NUMBER 2022-009

RESOLUTION APPROVING CONTRACT WITH HOLLOWAY GROUP, INC.

WHEREAS, Holloway Group, Inc. is a firm headed by former legislator, Bryan Holloway who has many years of political experience; and

WHEREAS, Holloway Group, Inc. assists with acquiring funds to help with various projects for the City of Mount Airy; and

WHEREAS, Holloway Group, Inc. has the connections to legislators and budgetary knowledge to assist with the acquiring of said funds; and

WHEREAS, the contract between the City of Mount Airy and Holloway Group, Inc. shall be for a two-year period at \$3,000/month for a total contract price of \$36,000/year:

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 approve the contract between the City of Mount Airy and Holloway Group, Inc. for a two-year period at a total contract price of \$3,000/month (\$36,000/year).

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

Section 3. This resolution shall become effective upon approval.

Approved and adopted this the 5th day of August, 2021.

- **ORDINANCE 2022-006-BUDGET ORDINANCE AMENDMENT FOR HOLLOWAY GROUP, INC.:**

**ORDINANCE # 2022-006
BUDGET ORDINANCE AMENDMENT**

WHEREAS the City of Mount Airy adopted the 2021-22 budget on June 7, 2021;

AND WHEREAS it is necessary to amend the budget ordinance in order to provide for an increase in funding for the agreement with The Holloway Group;

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 (Decrease)
Section 1. <u>General Fund Appropriations</u>	
Legislative	24,000
	24,000
 Section 2. <u>General Fund Revenue Estimates</u>	
Appropriation of Fund Balance	24,000
	24,000

Adopted this 5th day of August, 2021

- **RESOLUTION 2022-010-SETTING PUBLIC HEARING REGARDING AMENDMENT TO AUTUMN LEAVES FESTIVAL ORDINANCE—CHAPTER 9-SECTION 9-82:**

RESOLUTION NUMBER 2022-010

RESOLUTION SETTING PUBLIC HEARING REGARDING AUTUMN LEAVES FESTIVAL ORDINANCE AMENDMENT

WHEREAS, the Mount Airy Chamber of Commerce has requested an amendment to the City of Mount Airy Code of Ordinances pertaining to the Autumn Leaves Festival; and

WHEREAS, the requested amendment is as follows (in bold):

Section 9-82. Festival Area Designated for Chamber of Commerce.

- a) **The Mount Airy Chamber of Commerce is authorized to utilize all public property, streets, sidewalks, and City-owned parking lots to set up crafts and other booths or**

activities in the following boundaries hereafter referred to as the "festival area," which is defined and limited as follows:

- (1) On Main Street, south from Independence Boulevard to Pine Street, inclusive of Independence and exclusive of Pine Street.
- (2) East on all streets in the Central Business District from Main Street to Renfro Street, exclusive of Renfro St.
- (3) West on all streets from Main Street to Market Street, excluding Market Street.
- (4) From Independence Blvd., North to Rawley Ave., exclusive of Rawley Ave.**

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

- Section 1. A Public Hearing be held on Thursday, August 19, 2021 at 6:00 pm to hear public comment on the above mentioned item.
- Section 2. 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 5th day of August, 2021.

- **ORDINANCE 2022-003-PROJECT ORDINANCE FOR TEXWIPE BUILDING REUSE GRANT:**
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**ORDINANCE # 2022-003
PROJECT ORDINANCE
FOR
TEXWIPE BUILDING REUSE GRANT PROJECT**

WHEREAS the City of Mount Airy has received a grant award from the North Carolina Department of Commerce, to be used in a building reuse and restoration project;

BE IT ORDAINED by the Board of Commissioners of the City of Mount Airy, North Carolina, that this grant is hereby accepted, authorization for execution of the grant agreement is hereby given, and that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following project ordinance is hereby adopted:

Section 1

The project authorized is for the expenditure of funds awarded under the North Carolina Department of Commerce as follows:

Award Number: 2021-050-3201-2587
Amount: \$45,000
North Carolina Department of Commerce
Building Reuse and Restoration Grants Program

Section 2

The officers of this unit are hereby directed to proceed with the project within the terms of the award documents and the budget contained herein.

Section 3

The following amounts are appropriated for the project:

Economic and physical development	<u>\$ 47,250</u>
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Section 4

The following revenues are anticipated to be available to complete this project:

Grant proceeds	45,000
Transfer from General Fund	1,125
Contribution from Surry County	<u>1,125</u>
	<u>47,250</u>

Section 5

The Finance Officer is hereby directed to maintain within the Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and state regulations.

Section 6

Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7

Copies of this project ordinance shall be furnished to the Clerk to the Governing Board, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this 5TH day of August, 2021

- **ORDINANCE 2022-004-BUDGET ORDINANCE AMENDMENT FOR CITY MATCH FOR TEXWIPE BUILDING REUSE GRANT:**

**ORDINANCE # 2022-004
BUDGET ORDINANCE AMENDMENT**

WHEREAS the City of Mount Airy adopted the 2021-22 budget on June 7, 2021;

AND WHEREAS it is necessary to amend the budget ordinance in order to provide matching funds for a grant received from the NC Department of Commerce, Rural Economic Development Building Reuse 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 (Decrease)
Section 1. <u>General Fund Appropriations</u>	
Transfer to Grant Projects Fund	1,125
	<u>1,125</u>
Section 2. <u>General Fund Revenue Estimates</u>	
Appropriation of Fund Balance	1,125
	<u>1,125</u>

Adopted this 5th day of August, 2021

• **ORDINANCE 2022-005-PROJECT ORDINANCE FOR TEXWIPE ONE NC GRANT:**

**ORDINANCE # 2022-005
PROJECT ORDINANCE
FOR
2020 ONE NC FUND GRANT PROJECT - TEXWIPE**

WHEREAS the City of Mount Airy has been awarded a grant for Illinois Tool Works, Inc. DBA ITW Texwipe under the NC Department of Commerce, One North Carolina Fund; and

BE IT ORDAINED by the Board of Commissioners of the City of Mount Airy, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following project ordinance is hereby adopted:

Section 1

The project authorized is for the receipt and subsequent disbursement of funds received under the One North Carolina Fund Local Government Grant Agreement for the Texwipe project:

Section 2

The officers of this unit are hereby directed to proceed with the project within the terms of the award documents and the budget contained herein.

Section 3

The following amounts are appropriated for the project:

Economic and Physical Development	\$ <u>75,000</u>
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Section 4

The following revenues are anticipated to be available to complete this project:

Grant Proceeds	\$ <u>75,000</u>
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Section 5

The Finance Officer is hereby directed to maintain within the Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal regulations.

Section 6

Copies of this project ordinance shall be furnished to the Clerk to the Governing Board, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this 5th day of August, 2021

(end of consent agenda)

SPECIAL PRESENTATION:

a) Economic Development Vision Committee:

Commissioner Cawley thanked the members of the committee and introduced Will Pfitzner and Jay Lara. Will and Jay reviewed the short-term and long-term action plans for economic development in Mount Airy.

Jay Lara introduced the economic analysis (**SWOT**):

- ~Strengths: Location; low cost of living; infrastructure; existing programs; community
- ~Weaknesses: Businesses/job opportunities; workforce development; social media presence
- ~Opportunities: Property inventory awareness and utilization; incentive programs; targeted workforce development
- ~Threats: Housing; financial resources

Short-Term Action Plans:

Utilize Inventory: Industrial Parks and Housing

Provide Incentives: Businesses and Education

Mount Airy Industrial Parks:

Westwood Industrial Park has Mount Airy's largest industrial tract (103 acres available)

Piedmont Triad West Corporate Park has 13.56 acres available

The Committee suggests the City identify future locations and acquire new land joining current land in the industrial parks.

Incentives:

Business incentives-believe in the growth of our small businesses, employment, social responsibility

Education incentives-encourage workforce education and scholarships

Long-term Action Plans:

Create a City Appointed Economic Development Committee

- ~Awareness: Identify economic success and action plan(s) for Mount Airy
- ~Collaboration: Involve community extensively and work with existing groups
- ~Transparency: Get serious about social media
- ~Quality of Life: Listen and lead with sustainability
- ~Happiness: Happiness must become our North Star for economic growth

Summary:

We must seriously address economic development in the City of Mount Airy from a grass roots perspective of our community members.

- 1) Optimize use of industrial real estate and housing inventory
- 2) Provide incentives for business and educational growth
- 3) Create a city appointed economic development committee

PUBLIC HEARINGS:

a) Board to Hear Public Comment Regarding Spencer's Mill Development Agreement:

Bryan Grote gave a brief overview of the proposed Development Agreement.

City's Obligations Prior to Closing:

1. Willow Street Infrastructure-City shall submit its advertisement to contract for bids to perform Willow Street infrastructure within 30 days following the date of this agreement.
2. Dumpster Pad Approval-City and Developer shall mutually agree on a location for a dumpster pad for the Developer's sole and absolute use for improvements to the Sparger Building and Dye House. City (at its sole cost and expense) agrees to take all reasonable measures to procure the dumpster pad location within the area of the access and utility easement.
3. Following closing, City shall continue to honor and act at all times during the Term in a manner consistent with its pledge commitments regarding protected areas as set forth in the option. City shall limit any future development of the Cube Building to those permitted uses as set forth on Exhibit J. City shall have the right to demolish some or all of the Cube Building at any time at the City's sole discretion.
4. The parties agree to work jointly to finalize the Site Plan, including but not limited to, the coordinated elements of the Lower Plaza, Pocket Park, landscaping, public greenspaces, public art, and other elements of design.

City's Obligations After Closing:

1. Lower Plaza-City is responsible for grading Lot 7 and any portion of Lot 3 that will be included in the lower plaza. City will finish to subgrade and install any necessary utilities (meaning the site is ready for concrete and other above ground improvements to be completed by the Developer). Should the Developer deem the removal of the concrete slabs necessary for the development and such removal is feasible, the City shall cause such removal so long as the City concurs with such feasibility and the costs associated are within the City's project budget. If it isn't within the City's project budget, the City and Developer will meet further to discuss available options.
2. Pocket Park-City is responsible for design, construction and completion of the Pocket Park including the retaining wall. City will retain the title to the pocket park and will be responsible for all future repairs, maintenance, upkeep and replacement of the pocket park including the retaining wall. (City and Developer agree to revisit the cost responsibility and technical feasibility of installing a water feature in the pocket park and/or the lower plaza prior to financial close and exercise of the option)
3. Parking-City shall construct the parking lot on Lots 9 and 10 creating not less than 100 parking spaces for the hotel guests and staff. The parking lot will be constructed according to City standards. City will retain ownership of the entire parking lot subject to the parking lot lease and agreement. City shall transfer fee simple title of the parking lot to Developer at the third closing, subject to the terms and upon the conditions set forth in Exhibit H including the City's reservation of approximately 25 spaces in the parking lot adjacent to Franklin Street for public parking.
4. City will be responsible for installation of all roadways, curb and gutter and other improvements along Willow and Franklin Streets according to the site plan. City will be responsible for streetscape improvements and installation of the dumpster pad.

5. Any preliminary site plans including elevations and plans of future public facilities outside the boundaries of the site plan, such improvements are solely for illustrative purposes and shall not be construed as binding commitments by the City.
6. City is responsible for all infrastructure elements required to support the project with general construction items to include storm drainage improvements, any necessary sewer and water improvements, hotel drives, parking associated with lots 9 and 10, underground electrical conduits, and all landscaping on the property except the lower plaza.
7. Water service shall be provided by constructing private water service lines from Willow Street and/or Franklin Street to the boundary of Lots 3 and 8 and shall meet all city requirements. Unless otherwise agreed, Developer (at its cost) shall be responsible for procuring the labor and materials for the installation of private service lines, meters, vault and related infrastructure for water utilities serving the Sparger Building and Dye House from the right-of-way/public utility easement to the subject property lines of said structure.
8. Sewer service shall be provided according to the Willow Street infrastructure plan by extending lines to the boundary of lots 3 and 8 and shall meet city requirements and installed pursuant to any additional requirements in the development agreement.
9. City will install granite curbs, brick striping sidewalks and decorative lighting along Willow Street.
10. City will install concrete curbs and sidewalks within the parking areas of Lots 9 and 10 and will continue to install decorative lighting throughout the hotel-controlled property.
11. Oak Street Access-City will install curbs, sidewalks, lighting and a roadway sufficient for vehicular access, including utility service and emergency vehicles. The Oak Street extension should include a landscaped pedestrian corridor linking Main Street to the hotel, market center, and other elements of the property; therefore, the city may (at its expense) procure cost estimates for an alternative package to include brick striping sidewalks, decorative lighting, enhanced landscaping and similar amenities within the Oak Street extension of Lot 9. These alternatives could be included if approved by the Developer and the City determines such enhancements are technically feasible, practical, in harmony with the development, and within the city's project budget.
12. Franklin Street Access-City shall construct not less than two points of entry from Franklin Street to the property for vehicular access including utility service and emergency vehicles. The Franklin Street Access (including the sidewalks and landscaping) will be constructed by City according to the site plans and the plans and specifications.
13. Specific Improvements-In addition to the roadway, parking areas, and sidewalks detailed above, the City shall be responsible for any traffic signal system improvements and signage that the City deems advisable.

City is responsible for the completion of the foregoing City improvements, including being solely responsible for the cost. The City shall use commercially good faith efforts to complete the City improvements in conformity with the development schedule, prior to the time Developer will seek certificates of occupancy for the project.

Mayor Pro Tempore Wood thanked Mr. Grote and declared the public hearing open.

Joe Zalescik, 1541 West Devon Drive (city resident): In favor of the Development Agreement. The developer has a strong track record and he feels that this project is good for the future of Mount Airy. The city also has the ability to repurchase the property should the project fail.

Carolyn Shoat, Manager of the Spencer's Mill Apartments: In favor of the Development Agreement. Mentioned that the Spencer's Mill Apartments are fully occupied with a waiting list of 35 applicants. The downtown area is vibrant, thriving, and booming. Mount Airy is unique and she looks forward to the future.

Randy Collins, Mount Airy Chamber of Commerce President and CEO: In favor of the Development Agreement. This project will provide a hotel, retail shops, and event space- which are needed in Mount Airy. He thanked the developer, Board of Commissioners, and others for this public/private partnership. This project will have long-term economic return.

With no further speakers, Mayor Pro Tempore Wood declared the public hearing closed.

PUBLIC FORUM:

Mayor Pro Tempore Wood declared the public forum open.

Larry Johnson, Surry County Commissioner: Applauds the City Board for their vision. The County Board supports the Spencer's Mill Project, which is the biggest economic development booster and will be set in history. He appreciates what the City Board is doing.

With no further speakers, Mayor Pro Tempore Wood declared the public forum closed.

REMARKS BY OFFICIALS:

Commissioner Cawley: Very encouraged by the Economic Development Vision Committee presentation and hopes the board will act on appointing an Economic Development Committee. Excited about the proposed Spencer's Mill project. Great to live in a city where others want to visit.

Commissioner Koch: Mount Airy has come a long way. It is a great place to live and the future looks bright for the community.

Commissioner Yokeley: Thanked everyone in the audience for attending. Thanked the Vision Committee members for their presentation. Excited about the future of Mount Airy. He also thanked those involved with working on the Spencer's Mill project.

Barbara Jones: Recognized Taylor Jones, son of Susan Jones, Personnel Director who is in the audience. He is working on obtaining Eagle Scout rank.

Hugh Campbell: No comments.

Mayor Pro Tempore Wood: Thanked those in attendance. Thanked Larry Johnson for attending and for the support of the County. Great to have the County partner with the City. Thanked MAD, Inc. members as well as Charlie Vaughn, Andy Goodall, and Mitch Williams for their work on the Spencer's Mill project. Thanked all City employees for their hard work.

RECESS:

Commissioner Koch made a motion to recess to August 10, 2021 at 5:30 pm for Vision Committee Roundtable Meeting (Location-Mount Airy Museum of Regional History 3rd Floor) and it was approved unanimously.

Approved and adopted this the 2nd day of September, 2021.

Ronald M. Niland, Mayor

ATTEST:

Melissa N. Brame, City Clerk