MINUTES – REGULAR MEETING
BOONE TOWN COUNCIL
FEBRUARY 12, 2025

CALL TO ORDER

A regular meeting of the Boone Town Council was called to order at 9:00 a.m. on Wednesday, February 12, 2025, at the Town Council Chambers located at 1500 Blowing Rock Road in Boone. Mayor Tim Futrelle presided. Council members present included Mayor Pro-Tem Dalton George, Todd Carter, Virginia Roseman, Edie Tugman, and Eric Plaag. Staff present included Town Manager Amy Davis, Town Clerk Nicole Harmon-Church, Public Works Director Todd Moody, Public Works Deputy Director Justin Stines, Planning Director Jane Shook, Planning Deputy Director Brandon Wise, Grants Coordinator Laney Wise, Interim Police Chief Daniel Duckworth, Downtown Boone Development Coordinator Lane Moody (remote), Finance Director Guy Miller (remote), Cultural Resources Director Mark Freed (remote), and Sustainability and Special Projects Coordinator George Santucci. Town Attorney Allison Meade was also in attendance.

MOMENT OF SILENCE

ANNOUNCEMENTS

Mayor Pro-Tem George announced the following board vacancies:

BOARD OF ADJUSTMENT
Two regular positions, three alternate positions

DOWNTOWN BOONE DEVELOPMENT ASSOCIATION
One Council-appointed position

HISTORIC PRESERVATION COMMISSION
Two regular positions

HUMAN RELATIONS COMMISSION
Six regular positions

PLANNING COMMISSION
One student position

SUSTAINABILITY COMMITTEE
One student position

TENTATIVE AGENDA ADOPTION

Upon a motion by Council member Carter, seconded by Council member Tugman, Council voted unanimously to approve the agenda as presented.

APPROVAL OF PROCLAMATIONS AND RESOLUTIONS

Upon a motion by Council member Plaag, seconded by Council member Roseman, Council voted unanimously to approve the following proclamations and resolutions:

1. Proclamation – Black History Month
2. Resolution - Improved Boone Government & Investments in Community Meetings
3. Resolution - Rural Downtown Economic Development Grant Program (Howard Street)
4. Resolution – National Fair Housing Month

Council member Carter read the Black History Month proclamation into record:

In Honor of Black History Month

WHEREAS, The Town of Boone takes pride in joining other North Carolina Municipalities in recognizing February as Black History Month; and

WHEREAS, in 1976, Black History Month was adopted to honor the importance of Black history in our Country; and

WHEREAS, since 1976, every American president has designated February as Black History Month and endorsed a specific theme; and

WHEREAS, The Town of Boone is home to Junaluska, one of the oldest historically Black communities in the Appalachian mountains; and

WHEREAS, Black Boone residents have consistently advocated and persevered, taking leadership roles in many vital organizations, leading the Town in elected office, and continuing to build and preserve the important Junaluska community; and

WHEREAS, Black Boone residents have contributed greatly to the development of not only our Town, but our State and Country, culturally, spiritually, economically, and beyond; and

WHEREAS, Black families have deep roots in Appalachia, contributing to our strong and unique cultural fabric that many Boone residents take great pride in; and

WHEREAS, Boone is a better Town today as a result of the contributions of Black residents; and

WHEREAS, this proclamation and this month give the Town the opportunity to celebrate the Black members of our community and encourage all residents to become more knowledgeable about the importance of Black Heritage and Boone's history; and

NOW, THEREFORE, I, Tim Futrelle, mayor of the Town of Boone, do hereby proclaim February 2025 as Black History Month for the Town of Boone.

This the 12th day of February 2025.

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Tim Futrelle, Mayor

ATTEST:

__________________________(SEAL)
Nicole Harmon-Church, Clerk

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Mayor Pro-Tem George thanked Grants Coordinator Laney Wise for finding grant funding for the proposed upgrades to Council Chambers. Ms. Wise clarified that funding had not yet been received but that a grant had been found and that she would work toward securing funding. She also noted that funding had been secured via the NC Commerce Rural Downtown Economic Development Grant Program to assist with underground utility costs on the Howard Street project.

Council member Carter then read the National Fair Housing Month resolution into record, and it was noted that this document was a requirement of CDBG funding received by the Town for Public Utilities projects:

RESOLUTION SUPPORTING
NATIONAL FAIR HOUSING MONTH

WHEREAS, April marks the anniversary of the Fair Housing Act of 1968, which sought to eliminate discrimination in housing opportunities and to affirmatively further housing choices for all Americans; and

WHEREAS, the Town of Boone desires that all its citizens be afforded the opportunity to attain a decent, safe, and sound living environment; and

WHEREAS, individuals in the State of North Carolina have the right to choose where to live without discrimination based on race, color, religion, age, sex, national origin, handicapped status, or familial status; and

WHEREAS, the State of North Carolina enacted the North Carolina State Fair Housing Act in 1983;

NOW, THEREFORE, BE IT RESOLVED, that the Town of Boone does hereby join in the national celebration by proclaiming April 2025 as Fair Housing Month.

Adopted by the Boone Town Council on the ______ day of ______, 2025.

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Mayor Town Clerk

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Mayor Futrelle entered the meeting at 9:15 a.m.

PUBLIC COMMENT

David Jackson of the Boone Area Chamber of Commerce gave a brief update on the business projection report from 2024. He highlighted a concerning trend, noting that 65% of businesses failed to meet their revenue expectations for November. This issue was emphasized as a key point of discussion, with a strong recommendation to increase communication efforts to help address these challenges. Specifically, Mr. Jackson asked that Council continue reinforcing key information, including updates about Howard Street, parking changes, and the ongoing SDF discussion. He encouraged proactive discussion, whether directly or through the Chamber. Mr. Jackson finished by asking Council members to keep these factors in mind as decisions were made during the meeting to ensure they supported businesses as effectively as possible.

REQUESTED APPEARANCES

BILL DIXON, APPALACHIAN ARCHITECTURE

Bill Dixon of Appalachian Architecture provided an update on the state-awarded grant funding for improvements to the Horn in the West facility. He indicated a survey was completed in August, and a working group has been meeting monthly on the second Thursday of the month to discuss the project. In October, a walkthrough was conducted to discuss existing issues. Since then, outreach has been made to the North Carolina State Historic Preservation Office (NCSHPO), and an electrical engineer was engaged, with a report received this week. In January, a phone conference was held with the NCSHPO Asheville office.

Mr. Dixon stated that concerns were raised regarding the role of the Historic Preservation Commission (HPC). While the HPC has been requested to provide feedback, it was noted that they could not offer guidance since Horn was not currently in the HPC's scope. Council member Plaag stated that Council has expressed interest in giving Horn in the West a local historic designation and found it unreasonable that the Town board had said they could not provide advice. Planning Director Jane Shook clarified that the HPC was empowered to research historic properties and should be able to offer feedback but was concerned that doing so might be premature. Attorney Meade agreed that the initial consultation should be with planning staff before moving forward with the HPC.

Council member Plaag expressed frustration over the delays, stating the need to move forward. Attorney Meade noted that without a full report, it would not be appropriate for the HPC to discuss recommendations with Mr. Dixon. Council member Plaag suggested setting up a separate meeting with himself and Mr. Dixon and asked for available dates.

Mr. Dixon continued with his update and announced planned improvements for the Horn project, including parking lot upgrades, a new restroom building, accessibility enhancements, improved lighting and safety, electrical system improvements, and a tree removal plan. He noted that additional funding is urgently needed. Council member Roseman expressed excitement about this first step but emphasized that more funding would be required.

Council member Plaag inquired about the status of the lot release from FEMA. Manager Davis confirmed that FEMA has released the lot, and DEQ has been deactivated, meaning there were no impediments. Public Works Director Moody stated that a contractor would be used for the paving of the lot, and AM confirmed that the project was currently going through the proper bidding process.

MARRENA GREER, SOUTHERN APPALACHIAN HISTORICAL ASSOCIATION

Marrena Greer, with the Southern Appalachian Historical Association, presented a plan to place a sign celebrating the 250th anniversary of the United States, which was gifted to them by the Daughters of the American Revolution. Council member Plaag urged Ms. Greer to place the sign as close to the pathway as possible for visibility purposes and asked that SAHA be thoughtful about placement so that the sign did not interfere with the feeling of the site. Ms. Greer agreed with this request. Council member Roseman suggested the sign be placed as close to the entrance of the WPA section as possible to ensure high visibility. It was the consensus of Council to allow Ms. Greer and SAHA to move forward with this request.

WORK SESSION

WORK SESSION ITEM - EXECUTIVE ORDER 14168 "DEFENDING WOMEN"

Council member Plaag presented and read Section 1B of the memo dated January 29, 2025 from the United States Office of Personnel Management circulated to Heads and Acting Heads of Departments and Agencies.

"b. Review all agency programs, contracts, and grants, and terminate any that

promote or inculcate gender ideology."

Council member Plaag believed the issuance of this memo raised concerns about the potential impact on the Town's Howard Street project loan and other grants. He believed the primary concern to be that funding could be at risk if a rogue employee decided that certain projects seemed to fall under diversity-related criteria. While he believed there to be a distinction between loans, such as the Howard Street project, and grants, there was a belief circulating that federal agencies may look for areas to cut funding. Council member Plaag believed the Town needed to be prepared for potential challenges.

Manager Davis shared an email from Josh Carswell, a USDA representative, stating that he has never seen funding recalled and that there was no indication of concern at this time. Additionally, Manager Davis noted that she had contacted federal lobbyist Brad Edwards, who will be conducting inquiries, as would the Town's state lobbyists. She indicated that updates would be shared as soon as more information became available. Attorney Meade suggested contacting the North Carolina League of Municipalities (NCLM) for further guidance, emphasizing that major litigation had already been filed to seek an injunction against the executive order. She pointed out that the NCLM was well-equipped to handle such issues and could potentially connect the Town with an attorney if needed. Attorney Meade also noted that she was unaware of any language in current contracts or ordinances beyond federal legal requirements, aside from the HRC's role.

Mayor Pro-Tem George expressed appreciation for lobbyist Brad Edwards' guidance moving forward. Council member Carter acknowledged Council member Plaag's concerns and stated that the situation was professionally overwhelming to him. He acknowledged that, while there has been no precedent for this in the past 20 years, things could change rapidly. Council member Tugman inquired how quickly the Town could break ground on affected projects. Manager Davis responded that an agenda item related to this would be coming up and confirmed that no funding has been spent yet.

Council member Roseman asked if a letter of support could be drafted. Council member Plaag supported crafting a resolution but emphasized the need for the document to be carefully worded to ensure relevance as the situation evolved. Given the fast-changing landscape, he felt the resolution must be broad enough to remain effective. Mayor Pro-Tem George expressed some conflict, noting the importance of including the public in this conversation.

Council member Plaag volunteered to draft the resolution and welcomed the participation of another member. Council member Roseman also volunteered to assist. Mayor Futrelle suggested leaving room in the resolution for any findings from his conversations with NCLM. Manager Davis confirmed that lobbyists would also be consulted. Council members reached a consensus to direct Council Member Roseman and Council Member Plaag to begin drafting a resolution that appropriately addressed concerns with Executive Order 14168 concerning relevant Town projects and funding, with follow-up discussions at the second meeting in February.

WORK SESSION ITEM – INCLUSIONARY ZONING

Attorney Meade suggested tabling the discussion for now, noting that progress has been made in reviewing affordable housing strategies from Raleigh, Chapel Hill, Manteo, and Davidson. She said that each municipality had taken a different approach to the matter, with Chapel Hill and Davidson having longstanding programs that required developers to create and maintain a certain number of affordable units. Attorney Meade noted that the legal strength of mandatory inclusionary housing requirements has evolved over time. Raleigh's voluntary approach, however, appeared to be the most viable option for Boone, in her opinion. Raleigh's model included a Transit Area Overlay District, where properties near rapid transit hubs were allowed more density, and a Frequent Transit Area, where developments along routes with 15-minute service intervals receive additional density bonuses—the new regulations allowed for increased flexibility in intensifying development to encourage affordability.

Attorney Meade emphasized that affordable housing initiatives required significant planning and ongoing resources. Someone must be responsible for qualifying applicants, supervising rentals and sales, and enforcing restrictions on sales and rentals.

Mayor Pro-Tem George asked whether the Housing Coordinator position would appropriately manage these responsibilities. Attorney Meade responded that careful parameters would be developed to ensure proper oversight and administration of any future affordable housing program. She will continue her research and bring it back to the Council at a later date.

Mayor Futrelle declared a break at 10:45 a.m. Council reconvened at 10:58 a.m.

ADOPTION OF ITEMS ON CONSENT AGENDA:

Mayor Pro-Tem George thanked Grants Coordinator Laney Wise and Sustainability and Special Projects Coordinator George Santucci for their work securing grants. Council members Roseman and Plaag agreed. Regarding the Legal Settlement on the Chen property, Council Member Plaag stated that Attorney Meade had indicated that she had personally walked the property, that the fence was intact, and that the bamboo had been trimmed back. Upon a motion by Mayor Pro-Tem George, seconded by Council Member Plaag, Council voted unanimously to approve the following items on the consent agenda:

1. Budget Amendments
2. Re-encumbrance of funds
3. Contract – CivicBrand
4. Grant Application – Renovating Boone's Community Gathering Space
5. Letter of Support – Municipal Infrastructure Fund Grant

6. Notice of Settlement of Legal Claim
7. Minutes
    a. January 8, 2025 Regular Town Council Meeting
    b. January 22, 2025 Regular Town Council Meeting

CONSIDERATION TO ACCEPT STREET INFRASTRUCTURE – CHEEK AVENUE

Public Works Deputy Director Justin Stines presented a request from Pinnacle Storage for the Town to accept the newly named Cheek Avenue near New Market Center. Mayor Pro-Tem George began the discussion by stating that members of the Cheek family felt discouraged and preferred the road be named Norman Cheek Boulevard to honor Mr. Cheek's family's wishes. Council Member Plaag questioned why this name was not considered. Council Member Roseman explained that the initial reasoning was to maintain consistency with other roads in the area named after families by using only the last name. She noted that the intent was to ensure the name represented the entire Cheek family rather than a single individual. Council member Plaag noted that streets named after families in Columbia, South Carolina, often included historical markers to provide context. Mayor Futrelle reaffirmed his support for keeping the road name as Cheek Avenue. Council Member Plaag acknowledged a lack of detailed knowledge about Mr. Cheek and suggested that fully understanding Mr. Cheek's history would be important before making any changes to the name. Council Member Roseman reaffirmed her decision to keep the road name Cheek Avenue but supported adding a historical plaque to recognize the family's contributions. Council Member Tugman stated that if the Cheek family had granted the right-of-way to the Town, it might have changed her perspective on the naming decision. It was the consensus of the Council that the name should remain Cheek Avenue and to direct staff to explore the possibility of installing a historical plaque after researching Mr. Cheek's contributions to ensure historical accuracy.

CONSIDERATION OF PARKING COMMITTEE RECOMMENDATIONS

Council Member Plaag presented recent meeting minutes and recommendations of the Council/staff parking committee. Mayor Futrelle noted that discussions regarding the county parking deck had always focused on coordination and mutual benefits. He indicated that the County had agreed that the deck would serve as a shared space after hours.

Mayor Pro-Tem George mentioned that the minutes were informative and highlighted the importance of sustainability incentives, noting that Congress previously provided tax breaks for such initiatives. Regarding the County partnership, he announced that a legal document was being created to formalize the agreement. Additionally, Mayor Pro-Tem George stated that the County had agreed to implement a kiosk system for the parking deck on Saturdays and hire a parking officer to monitor the parking area near the Greenway.

Council Member Roseman suggested implementing 25-cent increment increases was in the community's best interest. Mayor Pro-Tem George also suggested metering some spaces at Jaycee Park to prevent walk-off parking.

Council Member Plaag made a motion to approve the parking plan as written, with the understanding that the rate increase will be voted on separately. Council Member Tugman seconded the motion, which carried unanimously.

Council Member Roseman then made a motion to increase parking costs to $1.25, with $.25 increment increases in successive years applied through FY 2029 to reach an hourly rate of $2.00 per hour. Mayor Pro-Tem George seconded the motion, but failed.

VOTE:	Aye:	Roseman, George
	Nay:	Carter, Plaag, Tugman

Council Member Plaag then made a follow-up motion to increase parking rates to $1.50 per hour in FY 26, then an additional $0.25 per hour in FY 27 and FY 28. Council member Tugman seconded the motion, which carried.

VOTE:	Aye:	Plaag, Tugman, Carter
	Nay:	Roseman, George

DISCUSSION AND POTENTIAL ACTION REGARDING THE ESTABLISHMENT OF A BIRD SANCTUARY

Discussion began with Council Member Plaag indicating his support for the Clayton structure included in the samples. At the same time, Council Member Roseman expressed support for the migrant and year-round bird piece in the St. James sample. It was the consensus of Council for Attorney Meade to bring a draft document back to Council on the Consent Agenda at a later date.

Mayor Futrelle declared a break at 12:00 p.m. Council reconvened at 1:04 p.m.

DISCUSSION AND ACTION REGARDING HOWARD STREET FINANCING

Manager Davis began by providing an update on the Howard Street project, explaining that the General Assembly’s funding has now made it subject to a yellow book audit. She indicated that a review of the project revealed that a significant portion of the project cost was water/sewer-related. She indicated there was $21 million available in the water/sewer fund, which could be used for self-financing the project over the 450-day construction period. Manager Davis noted that this approach could help avoid $721,000 in interest costs. Council Member Tugman inquired if using these funds would be a cause for concern in the current political climate. Still, Manager Davis assured that, as a loan, she did not believe the new regulations were worrisome. Further information was expected from Federal Lobbyist Brad Edwards the following day, and Manager Davis stated the matter could be revisited if his report was negative. She confirmed they had permission from the LGC and written confirmation from the USDA stating no objections to this funding model.

Council Member Plaag asked whether the funding would only cover water and sewer on Howard Street. Manager Davis clarified that the interim loan was $9.7 million, supplemented by a $300,000 ARC grant and a $1.38 million General Assembly/DEQ grant, covering the entire water/sewer project. Additionally, $4 million was from the general fund, leaving a remaining $529,000. She explained that the Town had already collected $400,000 from room occupancy tax revenue and expected to generate a surplus. She added that a capital project fund would be established, with transfers from the water/sewer fund to support it.

Council Member Tugman inquired about discussions with the Tourism Development Authority regarding occupancy tax and volunteer accommodations related to hurricane relief. Manager Davis believed the only relevant tax was sales tax and noted encountering a similar situation when the Standard had to house college students in hotels. Attorney Meade clarified that North Carolina did not exempt nonprofits from paying occupancy tax. Council Member Carter added that the tax must be paid and filed quarterly for state reimbursement, but he was uncertain if it applied to room occupancy. Council Member Plaag referenced a Coates' Cannon's post, which confirmed nonprofits were not exempt from the tax. Manager Davis mentioned that if individuals stayed in a room for over 90 days, it might qualify as a long-term rental, which Attorney Meade suggested should be further investigated.

Council Member Plaag then raised concerns about the potential risk if the Department of Agriculture failed to fulfill its commitments. Manager Davis indicated a preference for securing financing on a completed project through a bank placement or interim construction financing rather than seeking permanent financing immediately, as interim financing was more challenging to secure, came at a premium rate, and was more challenging to collateralize.

Council Member Carter made a motion to approve the interim financing for Howard Street as recommended, which Council Member Roseman seconded. The motion passed unanimously.

REQUEST FOR DIRECTION REGARDING THE BOLICK PROPERTY

Manager Davis expressed concerns about how to proceed with the sale of the property, emphasizing that, in her view, there was no way to move forward without selling it. She reminded members that a conservation easement of 30.286 acres was granted in 2021 and went on to reference a social media post from the Hellbender Rugby Team, disputing that the Town had been completely transparent and that the sale had been openly discussed at a previous meeting. Council Member Carter noted that several people had contacted him, expressing strong objections, but he reassured them that this discussion had not been held in secrecy. Manager Davis clarified that no portion of the property was suitable for the team's needs, and no large retailers had approached the Town about the site.

Attorney Meade explained that the conserved area was under a perpetual easement as a floodplain to the river, designated for hiking and birdwatching, with no recreational fields permitted, and agreed that a rugby field was not a viable option. She added that the property was also not eligible for a Low-Income Housing Tax Credit (LIHTC) project, and while the Town was interested in affordable housing, this site was not ideal. Council Member Plaag asked if the appraisal considered the conservation easement and was included in the listing. Manager Davis responded that the conservation easement was accounted for in advance. Additionally, she added that Real Estate Appraiser Mike Sweeting had accounted in the appraisal for part of the property being retained for a fourth fire station. Council Member Plaag inquired about the value of the remainder of the property if the Town retained the conservation easement and the fire station parcel. Manager Davis answered that further discussions with Mr. Sweeting might be needed.

Mayor Pro-Tem George emphasized that preserving the land for public use would be a positive outcome and expressed disappointment at potentially losing this opportunity. Attorney Meade stated that maintaining access to the conservation easement was appropriate. Mayor Futrelle was disappointed that the rugby team did not present the situation accurately and hoped they could find suitable land for their sport. Council Member Carter reiterated the Council's interest in carving out space for Fire Station Four while keeping the conservation easement intact. Attorney Meade pointed out that providing access to the land for passive use might require additional work and noted that a park facility could not be located within the easement and that parking and access would also be necessary. Manager Davis warned that such considerations could reduce the property's value. Sustainability and Special Project Manager mentioned that the conservation easement permitted a pedestrian bridge from Brookshire to the Bolick property, eliminating the need for parking on the Bolick property. Mayor Pro-Tem reached out to Commissioner Eggers to suggest that the County purchase the property to expand Brookshire but was told there were no funds available.

Council reached a consensus to gather more information, explore carving out land for the fire station, and contact a surveyor for further review as necessary.

DISCUSSION AND DIRECTION REGARDING BLOWING ROCK ROAD MSD

Regarding the proposed Blowing Rock Road Municipal Service District (MSD), Manager Davis indicated that more detailed information would be presented at the budget retreat, including the most recent property valuation map. Council Member Roseman noted that her employer, Publix, had requested she abstain from votes affecting them, but Attorney Meade clarified that such a request was inappropriate under the statutory obligation for council members to vote accept in cases of direct financial conflict, and noted that abstentions counted as affirmative votes. Manager Davis stated that the taxable total of the proposed district was estimated at $304,571,210, generating approximately $30,000 per $0.01 in tax revenue. However, she indicated that the Town lacked the funds to finance an engineering report, as outlined in an email from the UNC School of Government's Kara Millonzi. Attorney Meade advised that before adopting the MSD, the Council must develop a plan for how funds would be used, with Manager Davis stating that the initial goal would be to finance engineering costs. Attorney Meade stressed the importance of carefully wording this to meet statutory requirements. Mayor Pro-Tem George highlighted the need for stormwater improvements, streetscaping, and utility upgrades. Mayor Pro-Tem George went on to express interest in stormwater work, multimodal infrastructure, and streetscape enhancements. Manager Davis mentioned that MSD funding could support revitalization projects in urban areas, offering a broader scope of potential improvements. Council Member Carter voiced concern about adding financial burdens to struggling small businesses and suggested refining the approach to minimize impacts on businesses like Makoto's and Coyote Kitchen. It was the consensus of Council to hold further discussion during the upcoming budget retreat.

FOLLOW-UP DISCUSSION OF PROPOSAL TO REQUIRE POSTING OF FLOOD HAZARD WARNING SIGNS

The discussion then moved to flood hazard signs. Attorney Meade stated that signage could easily be incorporated into new developments. For existing areas, she noted that Public Works staff has been in contact with the Department of Transportation (DOT) and is awaiting their approval to install appropriate signage. Attorney Meade indicated that Town streets could be addressed as the budget allowed, leaving approximately a dozen private streets unaccounted for. She noted that police power should be sufficient for towing in flood-prone areas and recommended incorporating supportive language in the ordinance.

Once the updated flood mapping is complete, appropriate Town staff will assess the private streets and report back to the Council for direction. Attorney Meade believed that some private property owners might be willing to accept signs and allow the town to handle installation under an encroachment agreement, which was preferred as a solution. If that approach is unsuccessful, a public hearing may be necessary to justify the need for signage. Council Member Plaag requested data on past flood-related incidents, including the number of boat rescues and displaced propane tanks. Council Member Roseman inquired whether the mall could delineate flood lines, but Attorney Meade noted that flooding could still occur unpredictably even if such lines were drawn. Instead, she suggested a more generalized flood hazard sign may be the best approach.

DISCUSSION OF POSSIBLE APPROACHES TO AIDING SMALL BUSINESSES AND/OR START-UP BUSINESSES

The discussion then shifted to support for small businesses. Attorney Meade explained that while local governments had broad statutory authority, constitutional law prevented them from offering direct startup grants to businesses. Local governments could provide aid to individuals but not businesses, with economic incentives being a narrow exception permitted by the Supreme Court in cases involving interstate competition. The only viable carveouts Attorney Meade identified involved seeking state Main Street Solutions program small business development funds in partnership with the Downtown Business Development Association (DBDA), or offering real estate development grants, such as façade grants, through programs like Main Street. Attorney Meade stated that staff would conduct additional research and follow up with further details.

Mayor Pro-Tem George, having worked with local business owner Seth Norris on the issue, suggested an alternative approach that would benefit all businesses. He proposed asking Representative Ray Pickett to introduce a staggered collection system targeted at commercial properties of a certain square footage, preventing advantages for big box stores. He noted that if a business failed, the Town would lose some funds, but the financial loss would be minor compared to reducing fees for all businesses. Other members saw a delayed collection system as a reasonable approach.

Attorney Meade clarified that current statutes prevented the Town from collecting fees over time. Mayor Pro-Tem George noted that Representative Pickett was interested in finding a solution, proposing a local bill allowing businesses to pay 25% of their System Development Fees in the first year, 25% in the second year, and 50% in the third year. Council Member Plaag agreed with the idea, stating that this type of local bill was appropriate. He also expressed hope that any new business taking over a failed business's space would be responsible for the remaining payments. Mayor Pro-Tem George believed that in such cases, the Town would simply lose the money. Attorney Meade pointed out that while SDF fees technically were owed by property owners, the cost was typically passed along to renters through lease agreements. Council Member Plaag emphasized the importance of ensuring new owners covered unpaid balances. Public Works Director Todd Moody noted that staff does not currently record fees owed in the county title records, which Attorney Meade stated would need to change.

Manager Davis informed the Council that lobbyists had been in close communication with Representative Pickett and asked if she should allow them to continue those conversations. Mayor Pro-Tem George expressed support for this approach. Attorney Meade stated that a draft proposal would be prepared for review in March. Mayor Pro-Tem George approved sending a letter of support and expressed trust in Attorney Meade's work. Attorney Meade reiterated that any plan would need to be structured lawfully and could not be formally committed to at this stage but would be revisited later in the month or in March. Manager Davis confirmed that the lobbyists would coordinate with Ms. Meade on the matter.

PROPOSED POLICIES REGARDING PUBLIC COMMENT, REQUESTED APPEARANCES, AND EMAIL COMMUNICATIONS

Attorney Meade presented draft policies and noted a small typo to be changed to read "Once your time has expired" on the handout. Upon a motion by Council Member

Tugman, seconded by Council Member Plaag, Council voted unanimously to approve the policy as amended.

CONSIDERATION OF AMENDMENTS TO TOWN CODE RELATED TO INFORMATION OF BOARD SUBCOMMITTEES AND WORKING GROUPS

Council Member Plaag made a motion to adopt the policy as presented. Mayor Pro-Tem George seconded the motion. Council Member Carter noted a small typo to change "any" to "and" on Number 5 of page 121. Council Member Plaag and Mayor Pro-Tem George accepted this amendment, and the motion was carried unanimously.

APPOINTMENT TO THE HUMAN RELATIONS COMMISSION

Council Member Carter nominated Drew Finley to serve on the Human Relations Commission. Hearing no further nominations, Mayor Futrelle called for a vote.

VOTE: Aye: All
Nay: None

Drew's term will expire on February 12, 2028.

MAYOR'S UPDATE

1. Will be working with the North Carolina League of Municipalities regarding the proposed DEI resolution.
2. Meeting on Monday with the High Country Council of Governments.

BOARD LIAISON REPORTS

Council Member Carter

1. AppalCart recently made a request to Public Works staff for a loading zone on Burrell Street. He noted that the bus shelters used were expensive, and their mechanism for replacement was currently lacking.
2. The Human Relations Commission plans to meet on February 19, but members will not vote due to a lack of quorum.

Council Member Roseman

1. Southern Appalachian Historical Association will use the cabins for an abbreviated summer series.
2. Watauga County Parks and Recreation Board meets tonight.
3. The Historic Preservation Commission has concluded its work on the Stoneman's Raid piece. Quasi-judicial meetings will resume in March.

Mayor Pro-Tem George

1. Announced two new sustainability-focused interns.

2. Announced upcoming events, including Earth First Friday and Filmfest in April.
3. The ABC Board needs to collaborate with the Police Department Social Worker in an attempt to acquire grant funding.

Council Member Plaag

1. The Cultural Resources Advisory Board is currently looking for nominations for the 1872 Award and asked for clarification on whether someone who has previously won the award could win a second time. He believed the intention was to honor a long record of contributions and not to be competitive. Mayor Pro-Tem George likened the award to the Longleaf Pine Award and did not believe it should be awarded to the same person/organization more than once.
2. CRAB members discussed the history of Kraut/Boone Creek. He stated that he told the board they could recommend to Council to direct the Historic Preservation Commission to do a historical marker. Council Member Plaag believed this to be an appropriate request and noted that a formal request was made at the most recent meeting.
3. Discussions regarding Boonerang were also held at the recent CRAB meeting, with an international celebration to be added on Sunday as part of a $10,000 grant from Q' Pasa Appalachia to gain participation from the immigrant community who might be working on the other days of the festival.
4. Updates were given on various items during the regular Downtown Boone Development Association meeting, and action was taken to approve a letter of support for Howard Street funding.
5. During the annual DBDA budget retreat, members agreed to allocate funds to the High Country Jazz Festival, reviewed the board's strategic plan, and dropped funding for the Town and Gown attendance due to its high cost. Events discussed included a new Culinary Week downtown, BuskerFest, and OctoberFest.
6. Long-time Downtown Post Office employee Robin Hodges recently announced her retirement.

Upon a motion by Mayor Pro-Tem George, seconded by Council Member Roseman, Council voted unanimously to enter into closed session at 2:35 p.m. pursuant to:

1. N.C. Gen. Stat.§ 143-318.11(a)(1), to review, approve and seal closed session minutes from Council's prior closed session(s).
2. N.C. Gen. Stat.§ 143-318.11(a)(3), to consult with the Town Attorney in order to preserve the attorney-client privilege between the attorney and the Town

Council and obtain legal advice, consider and/or give instructions to the attorney concerning one or more potential legal matters.

Upon a motion by Council Member Plaag, seconded by Mayor Pro-Tem George, Council voted unanimously to exit closed session at 2:55 p.m.

Upon a motion by Mayor Pro-Tem George, seconded by Council Member Roseman, Council voted unanimously to adjourn the meeting at approximately 2:55 p.m.

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Tim Futrelle, Mayor

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Nicole Harmon-Church, Clerk