**MINUTES OF THE REGULAR MEETING**

**OF THE REIDSVILLE CITY COUNCIL**

**HELD TUESDAY, NOVEMBER 14, 2023 AT 6:00 P.M.**

**REIDSVILLE CITY HALL, COUNCIL CHAMBERS**

*This meeting was livestreamed on the City of Reidsville’s YouTube Channel.*

**CITY COUNCIL MEMBERS PRESENT:** Mayor Donald L. Gorham

 Mayor Pro Tem Harry L. Brown

 Councilwoman Barbara J. DeJournette

 Councilman James K. Festerman

 Councilman William Hairston

 Councilmember Terresia Scoble

 Councilwoman Sherri G. Walker

**COUNCIL MEMBERS ABSENT:** NONE

**CITY STAFF PRESENT:** Summer Woodard, City Manager

Angela G. Stadler, City Clerk

William F. McLeod, City Attorney

Chris Phillips, Assistant City Manager

Josh Beck, Public Works Director

Judy Yarbrough, City Marketer

Jason Hardin, Planning & Community Development Director

**CALL TO ORDER.**

Mayor Gorham called the meeting to order.

**INVOCATION BY MINISTER GEORGE GUNN, ASSOCIATE PASTOR OF ELM GROVE BAPTIST CHURCH, 1302 HIGHWAY 29 BUSINESS, REIDSVILLE.**

Minister George Gunn, Associate Pastor of Elm Grove Baptist Church in Reidsville, provided the invocation.

**PLEDGE OF ALLEGIANCE.**

Mayor Gorham and Council members led in the Pledge of Allegiance.

**RECOGNITIONS.**

**SURPRISE PRESENTATION TO COUNCILMAN JAMES K. FESTERMAN**

Mayor Gorham noted that Councilman Festerman had said he “smelled a rat” but it wasn’t a rat although something very special was going to happen tonight. Mayor Gorham then called upon Representative Reece Pyrtle Jr. who was on hand to provide Councilman Festerman with a Proclamation from his office and a flag that flew above the State Capitol on May 5, 2023.

**County Commissioners say a few words.**

Before he spoke, Rep. Pyrtle called upon Rockingham County Commissioners Kevin Berger, Don Powell and Charlie Hall to say a few words.

Commissioner Berger thanked Councilman Festerman on behalf of the County Commissioners for his years of service and said he hoped he enjoyed his retirement. Commissioner Powell told Councilman Festerman that 25-30 years ago, he would have thought they would both be in this position, did he? He spoke of the first time he met Chief Festerman when he, Powell, was in grade school and his class was touring the police station where Festerman was either a lieutenant or a captain. He said he has gotten to know him very well since that time. Commissioner Powell said Councilman Festerman had done a fabulous job for the City of Reidsville, both on Council and as Police Chief. He said he appreciated Festerman’s dedication and service to the City and wished him well in the future. Commissioner Hall said he got to know Festerman during their time on the Salvation Army board, and he said the Councilman truly cares about the community. He added how much they appreciate his heart and his concern for the community, thanking Festerman for his service.

Rep. Pyrtle first apologized to Councilman Festerman because he was going to read something that says his full name. He said this is a little awkward for him because he has never called him anything other than Chief. Rep. Pyrtle gave greetings on behalf of the North Carolina General Assembly and congratulations from Senator Phil Berger, who unfortunately couldn’t be here tonight but wanted to express his appreciation to Councilman Festerman not only for what he has done for Reidsville and Rockingham County but also for the State of North Carolina.

Rep. Pyrtle then read the following Representative Statement, which stated:

North Carolina

House of Representatives

Certificate of

Acknowledgment and Congratulations

Whereas, James Festerman started as an officer with Reidsville Police Department in 1963; and

Whereas, James Festerman rose through the ranks of the department, becoming Reidsville Chief of Police in 1983, serving until his retirement in 1997 ; and

Whereas, James Festerman graduated from the FBI National Academy in 1977, and went on to serve multiple State Law Enforcement associations; and

Whereas, James Festerman led the Reidsville Police Department with integrity, candor, and dedication to the citizens under his watch; and

Whereas, James Festerman continued to serve his community by becoming Mayor of Reidsville, serving from 2005 until 2013, later becoming a Town Councilman from 2015-2023; and

Whereas, James Festerman has been recognized for his distinguished service with the honor of the Order of the Long Leaf Pine, and his combined experience amounts to over 60 years of service to his community; and

Whereas, James Festerman enjoyed a long relationship with his late wife Priscilla, and enjoys spending time with his son Todd, daughter Michelle, as well as his four grandchildren; and

Now, therefore, this first day of October,

In the Year Two Thousand and Twenty-Three, Representative A. Reece Pyrtle, Jr. extends his sincere congratulations and appreciation to

James Klenner Festerman

on this, the occasion of his retirement from the Town of Reidsville.

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Representative A. Reece Pyrtle, Jr.

 District #65, Rockingham County

Another certificate for Councilman Festerman stated when the flag was flown over the capital. On a personal note, Rep. Pyrtle told Chief Festerman he had known him for probably 30-plus years. He said that he appreciated not only their professional working relationship as colleagues and law enforcement officials but even more so their personal relationship. Rep. Pyrtle said a lot of his success, Chief Festerman had a part in, and he thanked him.

Councilman Hairston came down and thanked Councilman Festerman for meeting him at the Reidsville YMCA and convincing him to get involved with the Police Department, sending him to the FBI National Academy and influencing him to run for City Council. Councilman Hairston also added that his son being in federal law enforcement today was because of Chief. He thanked Chief for always being there as a friend.

Councilman Festerman then provided some remarks, talking about this special night and how he was blown away by tonight’s presentation. He said he is rarely short of words. He thanked his beautiful family, his girlfriend and the people who mean so much to him for attending. He thanked his family for their support even when he missed ballgames and other things that they did. He noted that the love of his life, Priscilla, his wife of some 50 years, passed away 10 years ago and how lucky he was to meet his current girlfriend, Vicky, some three years later. He then told the story of how his daughter and girlfriend met when he was being sworn in eight years ago. Councilman Festerman said family means a lot to him, as does the City of Reidsville. He said the City has given him more than he has given the City. He discussed how much he enjoyed working with the current Council and was excited about the new Council members coming in, creating a fine addition to the Council. He asked his family to stand up, and Chief Festerman introduced his children, grandchildren and future son-in-law. He spoke of his beginnings, including that he was raised by good Christian, God-fearing parents. He pointed out that he saw friends in the audience from Rocky Mount and Eden, among other places. He said he loves all of them. He asked for God to continue to bless the City as He has in the past.

Councilman Festerman pointed out retired City Manager Kelly Almond, and the friendship they had developed for the past 35-40 years. Almond told Councilman Festerman that he was one of the greatest blessings in his life. He then told Mayor Gorham it’s time to get to work, isn’t it? Chief Festerman said he has worked with seven City Managers, and he has told every single one of them that maybe, one day we’d get a good one. He said he thinks we have a good one.

Before going back to the dais, pictures were taken of Councilman Festerman and his family. Mayor Gorham asked everyone in the audience to repeat after him, “Thank you James Festerman for 60 years of public service to the City of Reidsville, the City that he loves.”

**APPROVAL OF CONSENT AGENDA.**

Mayor Gorham noted the addition of the fourth item dealing with CDBG-Infrastructure compliance plans. He asked if anyone wanted any item pulled, and none were offered.

**Councilman Festerman made the motion, seconded by Councilwoman DeJournette and unanimously approved by Council in a 7-0 vote, to approve the Consent Agenda.**

**CONSENT AGENDA ITEM NO. 1 - APPROVAL OF OCTOBER 10, 2023 REGULAR MEETING MINUTES.**

With the approval of the Consent Agenda in a 7-0 vote, the Council approved the October 10, 2023 Regular Meeting Minutes.

**CONSENT AGENDA ITEM NO. 2 - APPROVAL OF COUNCILMAN WILLIAM HAIRSTON AS DELEGATE TO NATIONAL LEAGUE OF CITIES' CITY SUMMIT 2023.**

With the approval of the Consent Agenda in a 7-0 vote, the Council approved naming Councilman Hairston as the City’s delegate to the National League of Cities’ City Summit.

**CONSENT AGENDA ITEM NO. 3 - APPROVAL OF CLOSED SESSION MINUTES.**

With the approval of the Consent Agenda in a 7-0 vote, the Council approved the set of closed session minutes from 2023.

**CONSENT AGENDA ITEM NO. 4 - APPROVAL OF RESOLUTION TO ADOPT UPDATED COMPLIANCE PLANS FOR CDBG-INFRASTRUCTURE PROJECT.**

With the approval of the Consent Agenda in a 7-0 vote, the Council approved the following Resolution and updated Compliance Plans for the CDBG-Infrastructure project. (*A COPY OF THE RESOLUTION TO ADOPT UPDATED CDBG COMPLIANCE PLANS AND THE UPDATED SECTION 504 SELF-EVALUATION SURVEY AND GRIEVANCE PROCEDURE, SECTION 3 PLAN, EQUAL OPPORTUNITY POLICY AND PLAN, PROCUREMENT POLICY AND PLAN AND LANGUAGE ACCESS PLAN ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES*.)

*- End of Consent Agenda -*

**PUBLIC HEARINGS:**

**CONSIDERATION OF CONDITIONAL REZONING REQUEST TO REZONE A VACANT PARCEL LOCATED OFF SOUTH PARK DRIVE, SPECIFICALLY ROCKINGHAM COUNTY TAX PARCEL #173833, FROM RESIDENTIAL-20 (R-20) TO CONDITIONAL ZONING RESIDENTIAL-12 (CZ R-12). BELMONT ESTATES, LLC SUBMITTED THE PETITION (DOCKET NO. CZ 2023-02). *THE PLANNING BOARD VOTED TO RECOMMEND DENIAL OF THE APPLICATION, BUT THE REQUEST AUTOMATICALLY GOES BEFORE CITY COUNCIL FOR CONSIDERATION.***

Planning & Community Development Director Jason Hardin reviewed his October 11th memo, which follows:

**M E M O R A N D U M**

**TO:** The Honorable Mayor Gorham, Members of the Reidsville City Council, and Summer Woodard, City Manager

 **FROM:** Jason Hardin, Planning & Community Development Director

 **DATE:** October 11, 2023

 **RE:**  Docket No. CZ 2023-02

Belmont Estates, LLC is petitioning to rezone a vacant parcel located off South Park Drive (Rockingham County Tax Parcel #173833) from Residential-20 (R-20) to Conditional Zoning Residential-12 (CZ R-12). This undeveloped parcel encompasses an area of 44.09 acres.

A Conditional Zoning request amends the zoning map with site specific conditions incorporated into the amendment. This allows the developer to place voluntary conditions on the land with the intent of restricting allowable uses within the new zoning district. The applicant gets to choose which of the allowable uses for the district, in this case R-12, that they would like to impose upon the land. The applicant has voluntarily agreed to limit conditions of use of the land to **Townhomes only** and providing a connection to the existing City of Reidsville Jaycee Park Greenway as a development condition. No other use conditions have been requested by the applicant, and all other development standards for the R-12 zoning district shall apply.

The applicant has provided a conditional zoning master plan, as required by the Ordinance. The Planning and Community Development Director is authorized to approve minor changes to the site-specific vesting plan. However, major changes must go before Planning Board for recommendation and the City Council for approval. Approval of this rezoning request and the attached concept plan does not imply construction approval and only vests the right to the requested permitted and development standards to be allowed in the Conditional Zoning district. All other construction approvals required by law must be issued prior to the commencement of any construction.

This proposed conditional rezoning aligns with Goal #3 of the Reidsville Land Development Plan, to expand housing. This includes expanding the housing stock and providing a variety of housing options that are attractive and affordable to people of all income levels. This property is located in Growth Management Area #3 of the Land Development Plan, which is to be primarily for residential development. The proposed conditional rezoning is in line with the surrounding land use. The rezoning is consistent with the City’s Land Development Plan and is reasonable and in the public interest of the community based on the information provided in this report.

The Planning Staff recommend the proposed conditional rezoning application be approved.

**Planning Board Recommendation:**

The Planning Board unanimously recommended the text amendment be denied.

**DRAFT MOTIONS TO APPOVE/DENY**

Below are suggested motions to either approve or deny the proposed zoning map amendment depending on the position Council wishes to take on the case.

**APPROVE**

“I make a motion to **APPROVE** the proposed rezoning for the specified parcel to the requested zoning district based upon the **CONSISTENTENCY AND REASONABLENESS DETERMINATION** statements that are included in the Council agenda packet, submitted during the rezoning presentation and as may be amended, incorporated into the motion, to be included in the minutes.”

**DENY**

“I make a motion to **DENY** the proposed rezoning for the specified parcel to the requested zoning district based upon the **CONSISTENTENCY AND REASONABLENESS DETERMINATION** statements that are included in the Council agenda packet, submitted during the rezoning presentation and as may be amended, incorporated into the motion, to be included in the minutes.” *(END OF MEMO)*

As he reviewed his report and noted that the Planning Board had unanimously recommended the conditional rezoning application be denied, Hardin stated that board’s decision was based on issues with the site design, including two entryways onto South Park, traffic concerns and lack of single-level units. He said that these are not what one would call land use concerns but are more construction-oriented concerns. No issues were brought up, he stated, as far as land use issues with townhomes and that sort of thing. Another issue that came up during the Planning Board meeting that he wanted to address was his personal qualifications to speak on these types of matters. To start with, Hardin noted that he is the City’s planning director so the Council trusts him to make recommendations on projects and that they comply with the plans that Council has adopted. He said he is also certified from the University of Cornell in commercial real estate development and has completed the University of Oklahoma’s Economic Development Academy, which had real estate development components. Therefore, his qualifications are relevant on real estate matters, he stated.

Hardin then gave history of the zoning of the property, which was previously zoned Conditional Use R-12 in 2006 and was rezoned back to R-20 in 2021. The planned 2006 project did include townhomes so that precedent was kind of set there to allow some townhomes in this area, he explained. He stressed that townhomes are not apartments or units located on single lots operated by a rental management company. Townhomes are bought and sold individually, and you own the land under your townhome, he said, adding it is not a rental unit or an apartment complex. Regarding the prices of housing, Hardin cited the State Fair Housing Act incorporated in North Carolina General Statute 41A that it is unlawful for land use decisions to deny proposed development based on the cost to buy; therefore, Council cannot make by law a decision based on the cost of townhomes being less than those of a purchased single-family home. Basically, it is saying that you can’t deny projects based off of them being a lower cost, he said.

As far as the traffic concerns, staff has required the developer to provide a traffic impact analysis or TIA of the current traffic counts of South Park Drive. He said it is well below its 10,500-vehicle per day capacity, which is consistent with the traffic count numbers from the Thoroughfare Plan done back in 2001. Hardin said it is also consistent with the latest numbers that the Police Department got when they were addressing citizens’ concerns regarding speeding on South Park Drive; therefore, we have no reason to believe that these findings are anything but consistent with our own data as was presented.

Townhomes, the Planning & Community Development Director noted, are the new starter homes and are workforce housing. Incomes have not kept up with inflation for the workforce or those on Social Security, meaning that what you could by 20 years ago as a starter home, you’re going to pay for a townhome now, he said. The cost of that single family home you paid $250,000-$300,000 for 30 years ago, you're going to pay a half million more so town homes are the new starter homes considering where we are with inflation. Looking at environmental concerns, there is a floodplain on the Eastern portion of this lot, and the developer has proposed to not encroach into that area so they are preserving that open space in their plan. So, it is going to wipe out the entire forested area there, leaving some forested open space on the Eastern portion of the lot, he continued. As he said before the Planning Board, there is a finite amount of developed land in Reidsville, and many of the large parcels on the outskirts of the City do not have access to water or sewer. This increases the cost to extend infrastructure into economic development and leads the City into what we call infrastructure debt to extend water and sewer to these parcels that are far out. If you keep things inside low density but increase density on the outskirts, it's not what you call sustainable development and once the finite amount of land with the City boundaries is exhausted, you are at the mercy of voluntary annexation, Hardin continued.

From a long-term planning perspective, the City’s best option for future growth would be increasing the density and growing inward as opposed to relying on large parcels on the outskirts, he stressed again. This project aligns with Goal #3 of the Reidsville Land Development Plan to expand housing. This includes expanding the housing stock and providing a variety of housing options that are attractive and affordable to people of all income levels. He noted that this was a directive that Council gave staff in the LDP so that is what they operate off of when making recommendations.

The directives that Council gives them in the plan, Hardin said, they interpret them as well as they can. The proposed development will provide what has been designated as missing middle housing, which he said goes back to what he said about townhomes being in the starter range of homes. The property is located in Growth Management Area #3 of the Land Development Plan, which is primarily to be used for residential development. The proposed conditional rezoning is in line with the surrounding land use as residential development for the reasons he previously stated. The rezoning is consistent with the City’s LDP and is reasonable and in in the public interest. Planning staff recommends the proposed conditional rezoning application be approved. He said he would be glad to answer any questions.

Councilmember Scoble noted that at the Planning Board meeting, one of the biggest concerns was traffic. She noted that he gave them the traffic figures from 2001. She asked if both of these traffic counts were taken on the same days of the week and at the same times of day because that might make a lot of difference on that count. Hardin indicated that he didn’t know and would have to review the information again, but that the location was somewhere on South Park near Freeway Drive.

With no other questions from Council, Mayor Gorham opened the public hearing at 6:34 p.m.

Mr. Andrew Wallace, representing Belmont Estates, LLC, which is the developer and owner of Belmont Towns Development, came forward. He noted that there are three stories here, the story of Reidsville, the story of this neighborhood over one to two generations, and then his story, adding he was part of this since 2006. He described the project, talked about the neighborhood concerns and described the economic impact and benefit that this project. He also stated that he had a traffic consultant and engineer with him as well to dive deeper into some of these questions. Mr. Tim Shaw with Hagan Engineering is the lead engineer or engineer of record for site plan development and stormwater runoff, roads and infrastructure within the development. This group should be able to answer any questions.

Mr. Wallace then provided a PowerPoint presentation on the project. (*A COPY OF THE PRESENTATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES*.) He pointed out that this property is one of the larger pieces of land in Reidsville. He introduced several people on his team, including, in addition to Shaw with Hagan Engineering, which has done a fair amount of work in Reidsville as well in the City of Greensboro, and Chase Smith with Ramey Kemp & Associates, the traffic consultant

Mr. Wallace noted that at the Planning Board, there were questions about our contractors. While we have not signed contracts, we’ve been working with them in the development process, including the site contractor, Cable Enterprises based out of Brown Summit. The builder is D.R. Horton Homes although we haven’t signed a final contract with them, he said. He said he knew the builder was doing some other work here in Reidsville but they are one of the largest home builders if not the largest in the United States. Mr. Wallace said they feel like they’ve got a good strong financial team, etc.

Mr. Wallace then detailed his history with the project, which began on February 14, 2006 when he formed a partnership with a couple of people from the Reidsville area and two others. He said they did get a conditional zoning approval in 2006 for R-12, which was for multi-family development and single-family homes. They developed construction drawings, he added.

In the fall of 2008, Mr. Wallace noted that there was a significant downtown in the economy, and the project got mothballed for a while. He also stated that they lost some partners in the project, assigning the interest to himself and one other gentleman, who opted to sign his interest over to him a couple of years ago. He said he had reformed a partnership with another developer that brought in D.R. Horton. While the other partner and he decided to part ways, the partnership with D.R. Horton Homes remains. He discussed the decision to seek the conditional rezoning because they wanted to take the density up to approximately 200 homes. That was when they decided to come before the Planning Board for the rezoning to allow them to go from the original 141 homes up to 200. He pointed out that the property is zoned for, he thought, 400-plus homes under the R-12 zoning, but they were capping the count at 200 based on the density. He showed the style of home that D.R. Horton is proposing, which he described as a four-plex although there is also a six-plex version. He said there could be a mixture of both styles.

Mr. Wallace said that they would next discuss how they were going to address the City’s Land Development Plan, which Jason Hardin has already touched on. He said they would also address some of the neighbors’ questions and concerns that they heard at the Planning Board meeting. He said he also wanted to share with them their perceived financial impact on the community, which he felt will bring a real benefit to the City, the neighborhood and the project itself.

As Jason Hardin had previously mentioned, this project falls in line with Goal #3 of the City’s Land Development Plan, which is to increase overall housing stock and expanding housing options by focusing on developing more high-end multi-family housing and senior housing. He added that he is aware of four development projects going on in the City of Reidsville right now with one more possible right down the street, an apartment complex, which may not have been brought to them yet. The apartment complex has probably got 250-275 units while the project off of Liberty Road is slated to have 450 single-family homes by D.R. Horton, which could fulfill that product mix. There is another project in Sherwood Glen, a single-family home development. Mr. Wallace said it is really tough for a developer to integrate single-family and multi-family unless there is a large parcel of land. Since this property is 44 acres, he said he felt like it really kind of lent itself to the townhome-specific development. He said they knew there was an interest in single-family townhomes, but they felt like that need is being taken care of over on Liberty Road, including the demand for senior living on a single level.

Councilman Festerman asked Mr. Wallace to elaborate more on the single-level and whether that was his plans? Mr. Wallace responded in the negative, stating that was what was happening on Liberty Road. It doesn’t affect your plans, the Councilman asked, and the developer agreed. Mr. Wallace continued with the PowerPoint presentation and the elements of the City’s Land Development Plan and how this project applied. Chase would discuss the transit issues, he said, and regarding the goal of active living and recreation, like Jason Hardin had said, their development has a proposed 11 acres on the eastern side for a conservation easement along the trail and creek area. He added the possibility of connecting to the greenway trail that already exists around Jaycee Park.

Mr. Wallace then turned the presentation over to Tim Shaw with Hagan Engineering, who would discuss stormwater and layout of the homes, etc.

Mr. Shaw gave a quick overview of the plan with the development encompassing 194 total units and is a combination of four-plex and six-plex townhomes. There are three different stormwater detention devices on the project, which will be designed to accommodate Reidsville’s stormwater management design manual. He discussed the need to slow down water from any potential storm events to prevent any kind of downstream flooding. He said they also have to analyze and ensure it can handle even the worst case flood event scenario. Mr. Shaw briefly discussed the proposed Environmental Conservation Area, which is all wetlands and flood area, that they are purposely leaving untouched in an attempt 1) to preserve wildlife in that area and 2) to prevent any kind of development constraints that can impact the development. Additionally there will be trails at the end of the cul-de-sac that will be able to connect to the park, he added.

During the Planning Board meeting, a few main concerns were brought up that he’d like to address, Mr. Shaw said, so that everyone will understand how they came up with the design. The stormwater concerns have been discussed as he noted stormwater will be managed by the use of three different ponds on site that are necessary in order to get the necessary permits and approval by the City, he continued. Also, because of environmental concerns, they will be providing the conservation easement, which will prevent them from ever developing in that area. He stressed that their development is only 25% impervious so it is a very environmentally conscious plan and an attempt not to have a strong downstream impact and create an environment that isn’t going to stir up the existing area.

Mr. Shaw said that people were also concerned that for those driving on South Park this might be an eyesore, but their response is that they are trying to provide a very high level product that’s going to look good and be a good thing that will make the community proud. But, he said, additionally there is a required 60-foot setback off of South Park Drive so they can’t build within that area and secondly, we will be providing a street buffer as required by the City. Multiple access points off of South Park Drive was brought up as a traffic concern, but this requirement was brought to us by Fire and Emergency Services as part of the Public Works review. This was done in case if there is an accident, etc. on one drive then emergency vehicles could access the development. Both of these access points are needed to meet City requirements, the engineer stressed. As Chase will discuss, we do not believe there is a traffic concern associated with that, Mr. Shaw said. Density is a main concern because obviously you don’t want to bring too much traffic onto that road but technically, with that zoning you can have a much higher density of units with a plain rezoning. With a conditional rezoning, you know that we are restricting ourselves to townhomes and to 194 units that can’t be changed without any sort of rezoning again. Lastly he talked about how they are going to maintain this product in the future to make sure it looks good. He said there will be an HOA, which will be established later after these units are built and that can be part of this rezoning.

Councilman Festerman asked at what point in time is an HOA established? Mr. Wallace said he thought that, as they submit the plans initially for the design review, those HOA documents have to be submitted along with it so it’s part of the design plan review process. Planning & Community Development Director Hardin said that with their final plat they submit to the City after we approve the site plan, they would submit their HOA bylaws at the time of project completion. Councilman Festerman asked if the City approves the HOA bylaws? Hardin said no, the City does not approve these bylaws but they are just submitted along with the final plat.

Councilmember Scoble asked how the HOA is managed? Mr. Hardin said typically HOAs are managed by a board that’s elected and in his neighborhood, they contract with a property management company and homeowners submit their architectural requests. He said it is probably a little different with townhomes.

Traffic consultant Chase Smith with Ramey Kemp & Associates then came forward, noting they had conducted a traffic impact analysis. Following a question from Councilman Festerman, Mr. Smith provided his background, noting he had been with his current company since January of 2014. He talked of Ramey Kemp’s specialties are traffic impact analyses, roadway design and signal design, etc. He also has a civil engineering degree from NC State. He indicated he has been working on traffic impact analyses exclusively and completed the analysis for this development, adding he had coordinated with the City and Jason Hardin and submitted the information for its review.

Mr. Smith first discussed what a traffic impact analysis (TIA) does. He said the City kind of tells them what they want them to look at in terms of a study area for the project and they go out and collect traffic counts during the peak hours of the day, which are typically weekdays (Tuesdays, Wednesdays, Thursdays). These period periods are typically considered 7-9 a.m. and 4-6 p.m. to include those going to school and coming back from work, etc. He said that traffic data is used to project to a future year using a growth rate for the surrounding area. In this case, they used a rate of 5% in order to be conservative. There were a couple of reasons for that, part of which was the low volume that they found on South Park, but they also wanted to “beef it up” a little bit to get a good idea of what kind of impact this development would have. He discussed the process in further detail and referenced the table found on his slide in the PowerPoint presentation. Based on the industry standard, it is anticipated that 194 units will generate a little under 1,500 trips a day and a little under 100 trips in the morning and just over 100 in the afternoon. He talked of their use of a nationally recognized software that helps with this. He added that they recognize there will be some delays that will happen during those peak times, especially in the morning with the schools on both end of the project. However, he said they don’t anticipate that this project will add a great deal to that. He said he did add a table for the daily traffic volumes, noting that they did some daily data collection on South Park as well as right along the front edge of the property because that is where the majority of the traffic obviously is going to be condensed with those two access . Mr. Smith noted that currently, the two-way traffic volume there is about 2,600 vehicles per day. The standard for a typical two-lane cross section based on NCDOT planning standards is somewhere around 8-10,000 vehicles based on an equation of how many driveways are on the roadway, the speed, etc. The lowest number they have there for 10-foot lanes is somewhere around 8,500-9,000 vehicles per day. With the 2,600 vehicles per day that are on there now, with the additional traffic that is anticipated, the road will still be well below capacity, he concluded.

Councilman Festerman said he is not sure he fully understood, but he asked what is the current traffic count now? Mr. Smith said the current traffic along South Park Drive in front of this site is 2,600 vehicles total per 24-hour period. This project will add about 1,500 or so, which is 750 in and 750 out over the course of a 24-hour period, the traffic consultant explained.

Mr. Wallace then came back up to discuss the economic impact of this project as outlined on the PowerPoint slides. He cited their development cost, much of which would occur in 2024, is approximately $5 million and housing construction estimated at roughly $31 million that will take place over the next couple of years, probably three phases. He then discussed tax rates, etc. and the cost of parcels, noting that the typical price for a townhome would be in the $250,000 range. He talked in greater detail about how these sale prices were determined. Also, on top of the immediate construction impact of employment of construction workers, the developer talked of how these workers will be eating at local restaurants, staying in local hotels, etc.

In summary, Mr. Wallace said he thinks this project helps fulfill the City’s Land Development Plan that was established in 2022. He said these townhomes will be fairly affordable for most people and will enhance the quality of life in the community and support growth for the City of Reidsville. He again stressed the area of the property to be protected for conservation and how this property would increase the source of funding for Community Development by an increase in property tax revenues and employment. He noted that these increased property tax revenues might be used for school expansion, for traffic signals, water and sewer extensions, etc. He again noted that D.R. Horton will be the builder although they have not yet signed the contract, but they have collaborated together and their density model is based on their units.

Councilmember Scoble asked if Mr. Wallace could tell them of any developments D.R. Horton has done in Greensboro or Winston-Salem? The developer replied that he couldn’t name specific ones, but he knew D.R. Horton had done quite a few and had worked in Raleigh and Durham. He said he is positive they have done some in Greensboro, but he can’t personally name them. The Councilmember said that driving through Greensboro, there is building going on everywhere, especially apartments and houses. He said they could certainly try and get Council a list. Last year D.R. Horton built some 82,000 homes throughout the United States, mostly in metropolitan areas, he said.

Councilwoman DeJournette asked what is the daily traffic count that South Park Drive was built to handle? Mr. Smith referred back to the table they had discussed earlier, which is right around 8,500 vehicles per day as the minimum. Again, this is based on NCDOT planning standards for a typical two-lane road, which is anywhere between 8,500 to 12,000 vehicles daily.

Councilman Festerman asked if this development would include any sidewalks in the area? Mr. Wallace said there would be sidewalks at least on one side of the road. Councilman Festerman then asked about street lights and whether that was the City’s obligation? The developer said they would put in any required street lighting or sidewalks. D.R. Horton developments are mandated to have sidewalks on at least one side of the street, Mr. Wallace added. He also noted that they would meet the City’s requirements for trees and shrubbery buffers, etc.

Councilwoman DeJournette asked if they had done a study lately to determine the interest in buying such homes? Mr. Wallace said D.R. Horton has done a market analysis, and they would not be pushing him, as the developer, to move to 200 units from 141 unless they felt the demand was there. Two years ago they were looking in the 215 range, and right now it’s been pumped up to around 250, he said. Councilmembers Festerman and Scoble asked about the square footage and parking for these units (approximately 1470 square feet, three bed, two bath and all with a single-car garage), and Mr. Wallace discussed what the townhomes will include. He said each unit is designed for two cars with one outside but no parking on the street.

Councilman Festerman asked what would the width be of the streets inside the development? Mr. Shaw said the streets are 34 feet wide.

With no one else speaking for the project, Mayor Gorham asked if there was anyone who wished to speak against?

Ms. Diane Parnell of 220 Woodland Drive, Reidsville, came forward. She said she has lived here 52 years and loves this town. She said she had previously worked for local realtor Theresa McCollum and was able to speak to her recently. Noting that due to their age, they were looking to downsize, especially because they didn’t want to continue to look after three acres. However, she said she wouldn’t be looking for a townhome. She also discussed the traffic already on South Park and questioned the salability of such townhomes, especially with the single-family houses already planned on Liberty Road.

Mr. Cliff Barbee of 901 Country Club Drive, Reidsville, came forward. He said he was confused because at the Planning Board meeting, he thought the target market for these homes were seniors and retirees. He questioned how a multi-level townhome is attractive to a senior? He also asked if D.R. Horton, the builder, has done a market analysis whether a developer has read the analysis. He said this is a general question. He also commented that D.R. Horton has done significant development in North Carolina.

Ms. Shirley McMichael of 1838 South Park Drive, Reidsville, then came forward, noting she lived directly across from the property in question. First, she congratulated Councilman Festerman on all of his accomplishments. Then she said at the first meeting, they asked for an environmental impact study that was never forthcoming. They also asked for the developer’s credentials and portfolio, she stated. When you’re talking about a $50 million project with 200 houses at $250,000, you would need to see some success in other developments similar to that. Ms. McMichael said Reidsville hasn’t sold 200 homes in five years. She talked about the 400 homes planned off McCoy Road that have to be sold. She added that the traffic study is null and void because it doesn’t account for those 400 houses being built with the two exits on McCoy. Some people will turn right and left onto Freeway Drive, but the majority of them are going to come straight down South Park. She said that study doesn’t even look at that, and regarding the environmental impact study, she noted that there are three different species of owls over there that she knows of and at least two different kinds of hawks, songbirds, etc. She said she knows that people don’t care about that in development, but it is a part of our ecosystem and something we need to think about. Ms. McMichael said she wasn’t going to talk about the schools because she had already talked about that, but she is concerned about the infrastructure and the salability of these homes because they had asked in the other meeting why they were building two-story townhomes because older people want their bedrooms downstairs. Two-level homes limits the people that can buy those houses, she stressed. Again, the infrastructure has to be there, she said, and we don’t have the restaurants to eat in, a reason she said that people were leaving Reidsville.

Ms. McMichael said there is a lot to think about. She said she knows the developer has held onto this land for 18 years although she thought it was for sale back in April of 2023 for $1.3 million, at least that was what it was listed for on realtor.com. She added that D.R. Horton has done a development in Summerfield, somewhere between 150 and the Church Street area so you can see that they can put a development up in about six months.

Mr. Mike McCollum of 1311 Freeway Drive, an area realtor, came forward. A Reidsville native, he said he has been selling real estate in Reidsville and Rockingham County for the past 26 years. He said he pulled some data just today about property values in Reidsville and said there is good news. He asked if anyone knew how many homes sold in the Reidsville City limits for over $400,000 in 2021? He answered, two. He asked the same question for 2022? Again, the answer was two. Between $400,000 and $1 million in 2023, the number of houses sold or under contract is 18, he continued. He discussed these sales in greater detail. He said things are improving, but he said there are two homes that almost border this property which are listed at $899,000 currently under contract. One is separated by one parcel and is listed for $525,000 and then less than a quarter mile from this designated site, there are two properties that have sold in the last three months for $625,000 and the other for $501,000. He asked what do you think happens when you put $250,000 homes in the middle of your best real estate in town? It is going to pull down the values of what’s around it, Mr. McCollum said. He said from the data he pulled just today, inside the City limits during 2023, the number of homes he thought were going to be around $300,000 but came in between $250,000 to $325,000. Fourteen homes have sold inside the City in that price range in 2021-2022. So, you are going to build 200 homes and if they get 100% of the market share of that price range, it will take 10 years, he said. If they get 50% it will take 20 years. Mr. McCollum expressed concerns that in the $250,000 price range and below, a corporate rental company may come in and buy these homes. By the year 2030, these companies want to own 50-60% of the moderately priced homes so they will get sold, but when you look at the tax records, the tax check will be coming from places like Texas, Florida or Montana, he continued. They will not be homeowners from Reidsville, he stressed. Mr. McCollum expressed concerns that with planned apartments nearby behind the Food Lion/Middle School and these townhomes, most of them may end up being rental properties. He said Reidsville is in great need of townhomes for seniors, noting that we market the City as a retirement destination, but we don’t have the needed homes. He said that some of the property being developed on Liberty Road is in the watershed and discussed lot sizes and density of that development. He asked for a show of hands of people who would like to have 200 townhomes built across the street and only one person raised their hand.

Mr. John Harris of 1210 South Park Drive, Reidsville, came forward. He noted that there had been a good, lengthy meeting with all of the homeowners and people in the community affected by this, and everything was hashed out. The Planning Board voted against it. He stated that he was concerned about the project but was even more concerned with finding out that it was a D.R. Horton project. He said they are not known for anything high end from what he has always heard in the construction industry. He added that while sitting here, he went to consumeraffairs.com and checked home reviews, and D.R. Horton has a 1.3 Star builder out of more than 1,500 reviews, which he stressed is worth noting. He also talked about traffic backing up in front of his house twice a day past his driveway, saying he didn’t know about the traffic study but he knows about real life on South Park Drive.

With no one else coming forward, Mayor Gorham closed the public hearing at 7:19 p.m.

Councilmember Scoble, citing the wealth of information the Council had just received and didn’t have before, said she did not think it’s fair to ask Council to make a decision right now. She said she would make the motion to delay the decision until after the holidays and in January because she would like more time to read every page of the information given. She said we have heard from the community but she thinks it is only fair to hear from the developer and then make our decision.

**Councilmember Scoble then made the motion, seconded by Councilwoman Walker, to table this issue until January.** Councilwoman Walker said she would second the motion based on all the information received tonight and the last month. It is a life changing situation for some citizens, and she thinks Council needs to put more time into this to find the best solution and make the best decision, she said.

Councilman Festerman concurred with the comments made and encouraged the developer, if this should pass, to reach out to the residents of the surrounding area to make sure they understand what he plans to do. He said he would also offer this room if necessary for any future meetings, adding that the residents should also reach out to the developer for a two-way conversation.

**The motion passed in a 7-0 vote.**

Councilman Festerman asked for a specific date that this would be discussed? It was noted that the January Council meeting is January 9th and Councilmember Scoble had stated in her motion the January meeting. Councilmember Scoble said she would feel better about it because as a City Councilmember, she was not sure if any decision made tonight would be the right one. She again said she needed time to think about it and take in all of this information. Both Councilmember Scoble and Councilman Festerman thanked everyone for coming out tonight for this issue.

**Point of Order.**

Prior to the next item being considered, Councilman Festerman asked to be excused since he had so many family members and friends who had traveled so far tonight for his surprise recognition.

With the approval of Council, he left the meeting at approximately 7:23 p.m. after thanking them all for their understanding.

**CONSIDERATION OF A TEXT AMENDMENT TO AMEND ARTICLE II, SECTION 1: DEFINITIONS, ARTICLE V, SECTION 2. TABLE OF PERMITTED USES, AND ARTICLE V. SECTION 3: NOTES TO THE TABLE OF PERMITTED USES TO REPEAL "GAME ROOM" AS A PERMITTED USE AND REPLACE IT WITH "ELECTRONIC GAMING OPERATION". THE PERMITTED USE "ELECTRONIC GAMING OPERATION" SHALL BE ALLOWED BY RIGHT IN THE HIGHWAY BUSINESS (HB) ZONING DISTRICT WITH DEVELOPMENT STANDARDS. STAFF SUBMITTED THE PETITION (T 2023-11).**

Planning & Community Development Director Jason Hardin reviewed his October 11th memo, which follows:

**M E M O R A N D U M**

 **TO:** The Honorable Mayor Gorham, Members of the Reidsville City Council, and Summer Woodard, City Manager

**FROM:** Jason Hardin, Planning & Community Development Director

 **DATE:** October 11, 2023

 **RE:** Text Amendment T 2023-11

Staff is petitioning to amend Article II, Section 1: “Definitions”, Article V, Section 2, “Table of Permitted Uses” and Article V, Section 3: “Notes to the Table of Permitted Uses” to repeal “Game Room” as a permitted use, and replace it with “Electronic Gaming Operation”. The permitted use “Electronic Gaming Operation” shall be allowed by right in the Highway Business (HB) Zoning District with development standards.

Currently, the permitted use, “Game Room,” is defined as: A commercial enterprise located in a room or rooms equipped with electronic, video, mechanical games and the like, the principal use of which is for playing such games and not for playing pool, and allows “Game Rooms” to be permitted in the General Business, Neighborhood Business, Highway Business and Industrial-1 zoning districts. The proposed text amendment removes “Game Rooms” as a permitted use and distinguishes “Electronic Gaming Operation” as a new permitted use. The definition for “Electronic Gaming Operation” shall read as follows: “Any establishment deemed legal by the State of North Carolina, featuring one or more stand-alone electronic gaming machines, including but not limited to: computers, gaming terminals, tables and the like, that operate with or without gaming software to conduct or facilitate NFT gaming and/or gaming that is otherwise considered to be of a skill-based nature and legal in the State of North Carolina.”

 This text amendment is consistent with the Reidsville Land Development Plan under Goal #2 “A Strong Local Economy.” Goal #2 is met by working to provide an expanded variety of businesses and entertainment opportunities to the City, that will assist in generating further development interest and economic growth throughout Reidsville as a whole.

The planning staff recommend adoption of the proposed text amendment.

**Planning Board Recommendation:**

The Planning Board unanimously recommended the text amendment be approved. *(END OF MEMO)*

As he presented his report, Hardin discussed NFT gaming and how that is popping up around town and around the Triad. Instead of a cash prize, winners get a token. He mentioned a monkey picture that was going around the Internet that sold for some $100,000. He added that the Courts have not yet ruled that this is a sweepstakes or not. Once the ruling comes down, we will automatically apply it, he said. Hardin read aloud the definition for an Electronic Gaming Operation and the development standards.

Councilmember Scoble said this sounds like Council had talked about this before, in reference to poker machines. She asked if this was going to be a duplicate of that? Hardin said it was hard to say, but he has consulted with the Police Department. Again, he noted they have not been able to get the determination of whether it is considered a sweepstakes. That is why it is being called a game room at this point, he said, saying we will have to let the courts decide.

Mayor Gorham asked if this is not a way for us to keep them in a certain section? Hardin said it is putting it with your more intense uses in Highway Business. He added that the City is allowing it by right so we are not zoning it out. Again, he said we are just putting it in a section where there are more intense uses.

Councilmember Scoble questioned whether we had gotten anyone asking about putting them here? Hardin replied, about 6-7, many of which are in General Business. If Council approves this, those in General Business would be considered nonconforming, he explained. They would be allowed to operate until the Courts no longer allows them or if they shut down for six months, whatever replaces them in that unit must be conforming, he said. He said it is on the business to prove they are conforming. Councilmember Scoble asked Hardin to go over the zoning areas one more time, which he did.

Councilwoman DeJournette asked if this generates any income for Reidsville? Hardin said not beyond use of the building, such as property taxes.

Mayor Gorham opened the public hearing at approximately 7:31 p.m. by asking if anyone wished to speak for or against the text amendment? No one came forward, and the public hearing was closed at approximately 7:32 p.m.

**Mayor Pro Tem Brown made the motion, seconded by Councilman Hairston and unanimously approved by Council in a 6-0 vote, to approve Text Amendment T 2023-11.**

The Text Amendment as approved follows:

**Amendment 2023-11**

**AMENDING THE CITY OF REIDSVILLE ZONING ORDINANCE**

**AN ORDINANCE AMENDING**

**ARTICLE II, SECTION 1; ARTICLE V, SECTION 2 AND SECTION 3**

**OF THE CITY OF REIDSVILLE ZONING ORDINANCE**

**BE IT ORDAINED** by the City Council of the City of Reidsville, North Carolina, that the Zoning Ordinance of the City of Reidsville be amended as follows:

**Part I.** AmendArticle II, Section 1 “Definitions” and Article V, Section 2 “Table of Permitted Uses” to remove the permitted use “Game Room”.

**Part II.** Amend Article II, Section 1 “Definitions” and Article V, Section 2 “Table of Permitted Uses” to define “Electronic Gaming Operation” and add it as a permit use in the Highway Business (HB) zoning district.

**Electronic Gaming Operation** – Any establishment deemed legal by the State of North Carolina, featuring one or more stand-alone electronic gaming machines, including but not limited to: computers, gaming terminals, tables and the like, that operate with or without gaming software to conduct or facilitate NFT gaming and/or gaming that is otherwise considered to be of a skill-based nature.





**Part III.** Amend Article V, Section 2 “Notes to the Table of Permitted Uses” to add Note 43 Electronic Gaming Operation.

**NOTE 43 ELECTRONIC GAMING OPERATION**

**Electronic Gaming Operations shall comply with the following standards:**

1. An Electronic Gaming Operation shall not be permitted if located within 300-feet of any of the following:
	1. An existing school;
	2. Daycare facility;
	3. Community/youth/senior center;
	4. Public park or playground;
	5. Hospital or medical facility;
	6. Religious institution or place of worship.
	7. any residentially zoned lot boundary
2. The front entrance of an Electronic Gaming Operation shall be oriented to face a public street.
3. Forty percent (40%) of the front of the building or any side visible from a street or right of way shall be glass so that clear unobstructed view of the interior can occur from the street.
4. No curtains, screens, window tint, blinds, partitions, signs or other obstructions shall obstruct view to the entrance of the building or room where gaming machines or computer terminals are stationed to provide a clear and unobstructed view into the establishment.
5. No alcoholic beverages shall be served on the premises of any Electronic Gaming Operation.
6. No flashing signs or lighting shall be allowed on the premises of any Electronic Gaming Operation. No signage shall indicate sweepstakes. All other signage shall meet the requirements as set forth in Article VII – Signs of the Reidsville Zoning Ordinance.
7. Electronic Gaming Operations shall be limited to have no more than fifteen (15) computers/gaming terminals. Any Electronic Gaming Operation shall be conducted completely within an enclosed structure.
8. No machines or devices that have been deemed to be unlawful by the State of North Carolina shall be a part of any Electronic Gaming Operation.
9. Electronic Gaming Operations shall nothave cash prizes or digital currency payouts.
10. Electronic Gaming Operations shall not operate between the hours of 11pm and 7am.
11. Electronic Gaming Operations shall not be permitted as an accessory use.

**ADOPTED** this the \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2023 by the City Council of the City of Reidsville, North Carolina.

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **DONALD L. GORHAM, MAYOR, REIDSVILLE, N.C.**

**/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Angela G. Stadler, City Clerk**

**CONSIDERATION OF A TEXT AMENDMENT TO AMEND ARTICLE V, SECTION 2, TABLE OF PERMITTED USES" TO REMOVE THE SPECIAL USE PERMIT REQUIREMENT FOR DWELLINGS PERMITTED IN COMMERCIAL DISTRICTS IN THE GENERAL BUSINESS (GB) AND HIGHWAY BUSINESS (HB) ZONING DISTRICTS AND TO AMEND ARTICLE V, SECTION 3: "SPECIAL USES" TO REPEAL THE SPECIAL USE PERMIT STANDARDS FOR DWELLINGS PERMITTED IN COMMERCIAL DISTRICTS. STAFF SUBMITTED THE PETITION (T 2023-12).**

Planning & Community Development Director Jason Hardin reviewed his October 11th memo, along with the Staff Analysis and Recommendations from the Staff Report, both of which follow:

**M E M O R A N D U M**

**TO:** The Honorable Mayor Gorham, Members of the Reidsville City Council, and Summer Woodard, City Manager

**FROM:** Jason Hardin, Planning & Community Development Director

 **DATE:** October 11, 2023

 **RE:** Text Amendment T 2023-12

Staff is petitioning to amend Article V, Section 2 “Table of Permitted Uses” to remove the special use permit requirement for Dwellings Permitted in Commercial Districts in the General Business (GB) and Highway Business (HB) zoning districts, and to amend Article V, Section 3: “Special Uses” to repeal the Special Use Permit standards for Dwellings Permitted in Commercial Districts. Staff is also petitioning to amend Article V, Section 3: “Notes to the Table of Permitted Uses” to add Note 44 which shall provide new standards for Dwellings Permitted in Commercial Districts.

This text amendment request is consistent with the Reidsville Land Development Plan under Goal #3 Expanded Housing. There is a considerable need for new housing in Reidsville. This text amendment aligns with Goal #3 by providing flexibility in development regulation, and assistance in addressing the need for a more varied housing stock. By allowing Dwellings Permitted in Commercial Districts as a use allowed by right in the General Business (GB) and Highway Business (HB) zoning districts, we are able to insure an expanded housing stock that is accessible to people of all income levels and that is attractive to both developers and residents.

The planning staff recommend adoption of the proposed text amendment.

**Planning Board Recommendation:**

The Planning Board unanimously recommended the text amendment be approved. *(END OF MEMO)*

**ANALYSIS & RECCOMENDATION:** This text amendment request consists of three parts. Part One (1) will amend Article V, Section 2 “Table of Permitted Uses” to remove the special use permit requirement for Dwellings Permitted in Commercial Districts in the General Business (GB) and Highway Business (HB) zoning districts. Instead this use will be allowed by right in GB and HB. Part Two (2) will repeal the Special Use Permit standards for Dwellings Permitted in Commercial Districts. In removing the Special Use Permit requirement for Dwellings Permitted in Commercial Districts, the Special Use standards are no longer applicable. Part Three (3) will amend Article V, Section 3: “Notes to the Table of Permitted Uses” to add Note 44 which shall provide new standards for Dwellings Permitted in Commercial Districts. This note will define the new use standards for Dwellings Permitted in Commercial Districts. The amended standards shall allow the following residential uses: apartments, condominiums, townhouses and two-family detached dwellings. These amended standards shall also remove the requirement for a site plan submittal, and will require all Dwellings Permitted in Commercial Districts to comply with the development standards of the R-6 District as well as any applicable off-street parking requirements per use type.

Currently the Reidsville Zoning Ordinance allows Dwellings Permitted in Commercial Districts as a permitted use in the General Business (GB) and Highway Business (HB) zoning districts with a Special Use Permit. The current Special Use Permit standards for Dwellings Permitted in Commercial Districts are as follows: residential uses may include apartments, condominiums, townhomes and single family detached dwellings, all development is required to meet the development standards of the R-12 zoning district, and that a site plan of the proposed development shall be submitted at a scale of not less than one (1) inch to one hundred (100) feet. The plan shall show location of the residential use(s) and all other structures within two hundred (200) feet. Also, all easements or rights-of-way adjoining or intersecting the property must be shown.

The primary purpose of a Special Use Permit is to ensure the specific land uses that comply with local zoning regulations. These permits are required when the proposed use of a property is not specifically listed as a use permitted by right in the Table of Permitted Uses. Special Use Permits allow a parcel of land or property to be used in a manner that deviates from normally accepted uses within that district, and it is for this reason that special use standards exist. Within the City of Reidsville’s business districts, commercial and residential uses are not inherently incompatible, and the intent of the Reidsville Zoning Ordinance is not to explicitly keep such uses separate. By removing the Special Use Permit requirement for Dwellings Permitted in Commercial Districts, mixed use development and walkability is further encouraged.

This text amendment request is consistent with the Reidsville Land Development Plan under Goal #3 Expanded Housing. There is a considerable need for new housing in Reidsville. This text amendment aligns with Goal #3 by providing flexibility in development regulation, and assistance in addressing the need for a more varied housing stock. By allowing Dwellings Permitted in Commercial Districts as a use allowed by right in the General Business (GB) and Highway Business (HB) zoning districts, we are able to insure an expanded housing stock that is accessible to people of all income levels and that is attractive to both developers and residents.

The Planning Staff recommend adoption of the proposed text amendment. (*END OF THE STAFF REPORT*)

In making the staff report, Hardin explained that in General Business and Highway Business, you would have mixed use development by right and would not need a special use permit. He said it is required to have a mixed use or commercial element to it unless staff exempts that requirement.

Hardin said what the City is seeing now is that in shopping center and commercial developments some mixed use components. He talked of seeing such uses in Greensboro and that they offer higher density as part of the commercial use. It also cuts some red tape for developers, which is also good to, he added.

As he discussed the goal for expanded housing in Reidsville, Hardin said he pulled our vacancy rate, which is at 2%. That is not good, he said, with a healthy vacancy rate being around 5%, meaning you have a good amount of housing to buy. At 2%, it is very hard to find housing, he stated.

Following Hardin’s presentation, Mayor Gorham asked if Hardin could tell them, right off the top of his head, how much housing stock the City has available? The Mayor also asked if a substantial amount of cosmetic improvements would be required? The Planning & Community Development Director said he would have to go back and look at the City’s Land Development Plan, which includes a study done in the early 2000s on Reidsville’s housing stock. That study found that there was a significant amount of older, dilapidated housing in the northern part of the City in desperate need of rehab. He said that was one of the priorities in the LDP, and some of that is being done through our CDBG grant. As these homes continue to degrade, we will need some other housing options to attract redevelopment, he said. Census data shows that the bulk of our housing was built around the early 1900s. The latest big subdivision development, some 50 lots or more, was Carter Ridge with Phase 3 completed in the early 2000s. He said we have a shortage of large scale housing development although we do have some in the works but are waiting on the plans.

Hardin said he thinks this is a great amendment and is very progressive that turns our commercial districts into mixed use districts, allowing housing as a part of commercial development and doing it by right. The R-6 standard allows for higher density while conforming with commercial use.

City Manager Summer Woodard asked Hardin to elaborate more. She said staff has been trying to attempt to get rid of some of the red tape and make things more business friendly. The Planning Board has taken this on and has been looking at it as well, she added. She asked him to provide some examples how this does this, adding that while this still puts parameters on it, over the years we have tended to put special use requirements on things that are already permitted. Manager Woodard stressed that while it doesn’t completely remove all the red tape, it takes off that one layer so you don’t have a conglomerate of us not being business friendly.

Hardin said that, in his experience, special use requirements act as a kind of deterrent. He said they are necessary sometimes to make sure procedures are followed for issues that, in yesteryear, were more controversial or might need more development regulation. He said he doesn’t think that is the case anymore. You can achieve the same end with development standards, he stressed. They have to meet that standard but not come up all the way to Council, still building quality development. They may say it’s going to take three months, and I may or may not get this approval, he said, so this eliminates the uncertainty and makes the City more attractive to businesses. Eliminating uncertainty is one of the things they are looking at with the UDO (Unified Development Ordinance). They are going to be able to read it and have a menu of options, eliminating the unknowns and making it easier to understand. Having that in your code is very helpful, Hardin stated. It is a significant step and puts us a little ahead of other places in Rockingham County, he added, more on par with Greensboro, etc.

Manager Woodard thanked Hardin, and she added how things had changed with COVID, bringing a different entrepreneurial mindset from people who are looking at different uses with residential and in commercial districts. This is in line with some of the direction staff has been tasked with, she said. She said they were trying to look at ways to monitor growth to make sure it is the kind of growth our constituents want along with the Council’s prerogatives while also trying to ease some of the restrictions where we are more business friendly. Hardin agreed but added that staff can also include those extra requirements where it is felt they need to go before Council.

Councilmember Scoble, noting that our City being a retirement community has been discussed several times tonight, said she thought this was great with such businesses in a residential community. It also makes it a walkable community, she said.

Mayor Gorham opened the public hearing at 7:43 p.m. by asking if anyone wished to speak for or against the text amendment? No one came forward, and the public hearing was closed at 7:44 p.m.

**Councilmember Scoble then made the motion, seconded by Councilwoman DeJournette and unanimously approved by Council in a 6-0 vote, to approve Text Amendment T 2023-12.**

The Text Amendment as approved follows:

**Amendment 2023-12**

**AMENDING THE CITY OF REIDSVILLE ZONING ORDINANCE**

**AN ORDINANCE AMENDING**

**ARTICLE V, SECTION 2 AND SECTION 3**

**OF THE CITY OF REIDSVILLE ZONING ORDINANCE**

**BE IT ORDAINED** by the City Council of the City of Reidsville, North Carolina, that the Zoning Ordinance of the City of Reidsville be amended as follows:

**Part I.** AmendArticle V, Section 3: “Special Uses” to repeal the Special Use Permit standards for Dwellings Permitted in Commercial Districts.

**Part II.** Amend Article V, Section 2 “Table of Permitted Uses” to remove the special use permit requirement for Dwellings Permitted in Commercial Districts in the General Business (GB) and Highway Business (HB) zoning districts.

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**Part III.** Amend Article V, Section 2 “Notes to the Table of Permitted Uses” to add Note 44 Dwellings Permitted in Commercial Districts.

**NOTE 44 Dwellings Permitted in Commercial Districts**

1. Residential Uses allowed include: Apartments, Condominiums, Townhouses and Two-Family Detached Dwellings.
2. Dwellings Permitted in Commercial Districts shall comply with the development standards for the R-6 District and applicable off-street parking requirements per use type.
3. Mixed Use Component Requirement: Dwellings permitted under this use type shall be part of an overall mixed-use development, or structure, including commercial use(s). This requirement may be exempted at the discretion of the Director.

**ADOPTED** this the \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2023 by the City Council of the City of Reidsville, North Carolina.

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **DONALD L. GORHAM, MAYOR, REIDSVILLE, N.C.**

**/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Angela G. Stadler, City Clerk**

**CONSIDERATION OF APPROVAL OF THE CONVEYANCE OF REAL PROPERTY LOCATED AT 129 EAST MOREHEAD STREET (PARCEL NO. 182011) TO MACKIN PROPERTY INVESTMENTS LTD TO ESTABLISH A MULTI-FAMILY RESIDENTIAL REDEVELOPMENT OF A FORMER MULTI-STORY WAREHOUSE AND PROFESSIONAL OFFICES/INCUBATOR SPACE IN AN EXISTING METAL BUILDING. THE PROJECT INCLUDES CREATION OF A PUBLIC PARKING LOT ON CITY-OWNED PARCEL NO. 182009.**

Before turning this item over to City Marketer Judy Yarbrough, City Manager Woodard said she wanted to give a “shout out” to Yarbrough and Assistant City Manager Chris Phillips, who have done an exceptional job working with Mac Williams to look at projects to revitalize our downtown area. This has been a directive of Council for staff to look at residential use in our downtown buildings and also provide incubator space, and this is a step forward in that, she said. She turned it over to City Marketer Yarbrough to review the proposal.

Yarbrough then reviewed her memo, which follows:

**MEMORANDUM**

**To:** Summer Woodard, City Manager

**From:** Judy Yarbrough, Director of Marketing

**Re:** Public Hearing for Conveyance of Real Property, 129 E. Morehead St.

The City of Reidsville will hold a public hearing on November 14, 2023 at the regularly scheduled Council meeting to consider the conveyance of real property owned by the City to Mackin Property Investments LTD (Developer) for the purpose of redevelopment.

The City and the Developer are ready to enter into an Economic Incentive Agreement (EIA) attached to this memo. Once the Council approves the EIA, it is anticipated that the next step is for the developer to begin construction on the office building, turning the structure into small business incubator space. The Developer will next move to create studio apartments in the warehouse space. The EIA lays out benchmark timeframes, which the developer must meet throughout the redevelopment project.

In addition, the developer has agreed to pave the parking lot behind the office section, and it will be used for public parking. *(END OF MEMO)*

The City Marketer said that Mackin is interested in 129 E. Morehead Street, also known as the former Adams Electric Building. She noted the Council has been given the Economic Incentive Agreement and the requirements, which the company does meet. They are interested in turning the office building into incubator space for small businesses and the four-story brick building into studio one-bedroom apartments. It is a great project in the Depot District and, as you all know, we have a fantastic Depot District Plan, she continued. For people who might not know, this area is across the railroad tracks on the east side back behind Scales and Market Streets, Yarbrough said. This is a warehouse district with a lot of empty buildings, she added. Yarbrough said this project would take that property and turn it into a viable business and provide downtown living, which is something we are definitely looking for.

Yarbrough said that Assistant City Manager/Finance Director Chris Phillips has gone over the company’s financial statements, and he can speak on that. As far as the incentive agreement itself, the City would not be investing anything, they would be making the entire investment. We would also be getting a public parking lot out of this project, which would help the Depot District as well. It will create jobs with the incubator space and with the property itself for the studio apartments, Yarbrough noted. The tax value of the property is valued at about $152,000, she said, and the parking lot is going to cost about $100,000 or more so you should get back your investment or your money in taxes. She discussed the timeframes, noting that they have up to five years to complete the project although they expect to be finished in 36 months. If everything doesn’t pan out as expected, the property would be reconveyed back to the City, she explained.

Councilwoman DeJournette stated that she felt like the due diligence was done with this, and it is an excellent project for a property that has been vacant for quite some time. Yarbrough agreed, saying it will also put the property back on the tax rolls. Councilman Hairston said it will be an enhancement to the area and great to see this historical building turned into something that is going to be very useful for jobs and very attractive. Yarbrough said the Depot District Plan has two capstone buildings so this is the beginning of that plan and then also the Lawsonville School project, which we are working on now. These will really help that whole area, she stressed. Mayor Gorham said it will bring that area back to life. Yarbrough agreed. Councilmember Scoble said she hoped this will spur a lot of interest in people coming to the area. Pro Tem Brown said “good job”.

Mayor Gorham opened the public hearing at 7:50 p.m. He asked if anyone wished to speak for the project?

Leniece Lane of 365 North Washington Street, Rutherfordton, NC, came forward to speak on behalf of the developer and as part of Mackin. Having been working with Judy since 2018, she said she really consider many of you friends and Reidsville as kind of her second home. She noted that she is very excited to do this project, adding they completed a similar project in Rutherfordton with a historic garage. Their idea, she stated, is not to come into small communities and tear down and redevelop new but to bring new amenities and assets through renovation of historic assets. This helps you keep the character that makes your town so great and offers you amenities that are attracting different people from urban areas into these small towns where they don’t feel like they are making a sacrifice of giving those up by coming to a community like Reidsville. She said they know the benefits of a small town, coming from Rutherfordton which is about fourth the size of Reidsville. She said she knew the difference that this kind of incubator co-work space has made in her town. She discussed the project in Rutherfordton in more depth, adding that walking into the space makes many people say it’s like they are in downtown Asheville or downtown Charlotte. It has brought new energy to her community, and they hope to do the same here, Ms. Lane noted. She introduced Andy Mackin, owner of Mackin Investments, and gave a brief history of their collaboration. He is from a small town in Ireland. Mr. Mackin noted that they have been working with Judy on the property, and he very much has a conservationist mindset, bringing properties back to life so that they can live on for generations and generations. He thanked everyone for this opportunity.

Councilman Hairston wished them well on the project.

With no one else speaking for or against, Mayor Gorham closed the public hearing at 7:54 p.m.

Councilwoman Walker asked Ms. Lane about details of the Rutherfordton project, asking whether they had people move into the building there. She noted that they have had as many locals as tourists take part because they offer daily and weekly rates, which she discussed in greater detail, along with ways people were taking advantage of the space.

**Councilwoman DeJournette made the motion, seconded by Councilman Hairston and unanimously approved by Council in a 6-0 vote, to move forward with it. *(A COPY OF THE ECONOMIC INCENTIVE AGREEMENT IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)***

* *End of Public Hearings -*

Mayor Gorham called for a short five-minute break.

**SPECIAL PROJECTS:**

**CONSIDERATION OF ENGINEERING FIRM AND CONTRACT APPROVAL FOR FORREST DRIVE PUMP STATION PROJECT WITH ACCOMPANYING BUDGET ORDINANCE AMENDMENT.**

Public Works Director Josh Beck reviewed his November 1st memo, which follows:

**MEMORANDUM**

**TO:** Summer Woodard, City Manager

**FROM:** Josh Beck, Public Works Director

**RE:** Forrest Drive Pump Station Improvements – Engineering Proposals and Contract Authorization

**DATE:** November 1, 2023

The Engineering Division prepared a scope of work for an engineering firm to evaluate the Forrest Drive Pump Station capacity as well as how it will need to be sized with proposed developments in neighborhoods that contribute flow to this pump station. This existing pump station is located at the east end of Forrest Drive, which branches off of McCoy Road in the southwest side of Reidsville.

A Request for Qualifications for Engineering Services was requested from these four qualified engineering firms:

1. Stimmel & Associates
2. Hazen & Sawyer
3. Davis, Martin & Powell (DMP)
4. Arcadis

Both Stimmel & Associates as well as Hazen & Sawyer have a heavy backlog of work so they declined the opportunity to work on this project. However, we did receive proposals back from both DMP as well as Arcadis.

Based on the two proposals received, the Engineering Division (Steve Moran, PE, City Engineer and Richard Vaughn, Civil Engineer) and myself selected DMP to be the engineer on this project. Attached is DMP’s proposal to do this work. Note costs for the construction phase of the project are not included with this proposal and will be determined at a later time.

The following costs are listed for the following tasks in DMP’s proposal:

 Preliminary Design $32,800

 Final Design and Permitting $65,000

 Bidding Assistance $5,000

 Total = $102,800

Due to DMP’s experience in the municipal engineering field and past history, we feel the firm will do a good job and request authorization to enter into a professional services agreement with DMP to do this Forrest Drive Pump Station evaluation and design. *(END OF MEMO)*

Beck noted that the Forrest Drive Pump Station has been talked about a number of times. He noted that substantial growth is expected to the southwest corner of Reidsville, and to facilitate this growth, this small pump station needs to be upgraded. It also has a pretty small basin, he added. The Public Works Director said the force main will meet the capacity needed, but the pump station itself doesn’t meet the necessary standards.

The Public Works Director stressed that this proposal/cost is only for the design of the pump station. Later they would come back to request funding to upgrade the pump station, he said. Beck discussed the RFQ process as outlined in his memo. He said the firm of Davis, Martin & Powell was selected.

Assistant City Manager of Administration/Finance Director Chris Phillips came forward, but he just noted that Council would need to approve the accompanying Budget Ordinance Amendment along with the contract with DMP.

**Councilmember Scoble made the motion, seconded by Councilman Hairston and unanimously approved by Council in a 6-0 vote, to approve Budget Ordinance Amendment No. 7.**

The Budget Ordinance Amendment No. 7 as approved follows:

# BUDGET ORDINANCE AMENDMENT NO. 7

 **WHEREAS,** the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 13, 2023 which established revenues and authorized expenditures for fiscal year 2023-2024; and

 **WHEREAS,** since the time of the adoption of said ordinance, it has become necessary to make certain changes in the City's budget to appropriate funds for Forrest Drive Pump Station design services;

 **NOW, THEREFORE, BE IT ORDAINED,** by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 13, 2023 is hereby amended as follows;

**Section 1.** That revenue account number 62-3991-0000, Sewer Fund Reserves, be increased by $103,000.00;

**Section 2.** That expense account number 62-7133-1911, Sewer Distribution Contracted Services, be increased by $103,000.00.

This the 14th day of November, 2023.

 /s/ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Donald L. Gorham

 Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Angela G. Stadler, CMC/NCCMC

City Clerk

**Councilwoman Scoble then made the motion, seconded by Mayor Pro Tem Brown and unanimously approved by Council in a 6-0 vote, to approve the contract. *(THE CONTRACT AS APPROVED IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)***

**CONSIDERATION OF RESOLUTION TO SUBMIT LEAD SERVICE LINE INVENTORY GRANT APPLICATION.**

Public Works Director Josh Beck reviewed his November 1st memo, which follows:

**MEMORANDUM**

**TO: Summer Woodard, City Manager**

**FROM: Josh Beck, Public Works Director**

**RE:** **Lead Service Line Inventory Grant Application to North Carolina**

**DATE: November 1, 2023**

The City of Reidsville along with all water distribution systems throughout the United States has been directed by the EPA to complete a lead service line inventory of all taps by October 2024. This is a significant undertaking, and Public Works simply doesn’t have the staff or time to perform this request without additional support. To assist, we reached out to several large local municipalities, and they have all contracted with an engineering firm, Black and Veatch, to assess all of their records and complete these tasks to comply with the mandate.

Black and Veatch has estimated the project to cost upwards of $150,000.00. The Public Works Department has identified a possible grant opportunity with the State of North Carolina to fund at least a partial amount of this cost. A requirement of the State is that City Council must pass a resolution with the intent to request either a state loan and/or grant assistance. Furthermore, the resolution will name Blake Slaughter, WTP Superintendent, as an authorized representative of the City of Reidsville to complete and submit the grant application on our behalf.

We request that City Council approve the attached resolution so that we can submit the grant application before the December 1, 2023 deadline for a possible February 20, 2024 award date. *(END OF MEMO)*

The Public Works Director stressed this is an interesting project. He said as Council knows, it has always been Public Works’ responsibility only within the right of way, but this request is kind of odd because EPA is asking cities to evaluate the service behind the meter and into the home. He reminded everyone of the Flint, Michigan issue several years ago, and said that this stems from that particular situation all across the United States. He talked of the need to get this application in before all the available funding runs out and to meet the December 1st application deadline. He said a little more than $10 million is available in North Carolina. October 2024 is the deadline to submit this information submitted to EPA, he added. He added that the engineering firm would be working closely with Haywood Cloud and Jason Hardin in Community Development to actually go through a lot of the plumbing records and home construction building permits to understand when houses were built, etc. He noted that there may have to be some excavation at some point down the road. If it is determined there is a concern in an area, they can notify the residents that they have a lead service line, which poses a significant health issue.

He added that the Resolution helps us understand that there is a potential cost of this and names Water Treatment Plant Superintendent Blake Slaughter as the authorized applicant to submit on the City’s behalf.

Councilmember Scoble asked if staff could meet the December 1st deadline? Beck replied in the affirmative, noting the application is ready, and they only need to include and download the Resolution once approved.

Councilwoman Walker asked whether as part of the application, we will be asking for $150,000? He said yes, as part of the application, since this is one of the questions asked. He said that was why there was delay because this $150,000 is an estimation by the firm. She asked if this is a “first come, first served” situation? He replied in the affirmative, noting that $23 million was sent out in the previous submission, and they are anticipating $10 million in this next submission. He added that they thinks the State got about $40 million for this. It is possible more monies could be requested if available, he indicated.

**Councilwoman DeJournette made the motion, seconded by Councilwoman Walker and unanimously approved by Council in a 6-0 vote, to proceed as soon as possible.**

The Resolution as approved follows:

**RESOLUTION BY GOVERNING BODY OF APPLICANT**

**WHEREAS,** The City of Reidsville has need for and intends to construct, plan for, or conduct a study in a project described as Lead Service Line Inventory, and

**WHEREAS,** The City of Reidsville intends to request State loan and/or grant assistance for the project,

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF REIDSVILLE:**

That the City of Reidsville, the **Applicant**, will arrange financing for all remaining costs of the project if approved for a State loan and/or grant award.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That the **Applicant** will adopt and place into effect, on or before completion of the project, a schedule of fees and charges and other available funds, which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the Governing Body of the **Applicant** agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the City of Reidsville to make a scheduled repayment of the loan, to withhold from the City of Reidsville any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

That William Blake Slaughter, Water Treatment Plant Superintendent, the **Authorized Representative**, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a loan and/or grant to aid in the study of or construction of the project described above.

That the **Authorized Representative** is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, ordinances, and funding conditions applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the 14th day of November in Reidsville, North Carolina.

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Donald L. Gorham, Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC/NCCMC, City Clerk

#### **FORM FOR CERTIFICATION BY THE RECORDING OFFICER**

The undersigned duly qualified and acting City Clerk of the City of Reidsville does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the City Council duly held on the ­­­\_\_14th\_\_ day of \_\_\_\_November\_\_\_\_\_, 2023\_\_; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_.

(Signature of Recording Officer)

(Title of Recording Officer)

**BUDGETARY ITEMS:**

**CONSIDERATION OF CAPITAL PURCHASES UTILIZING PRIOR YEAR EXCESS BUDGETARY FUNDS AND ACCOMPANYING BUDGET ORDINANCE AMENDMENT.**

In making the staff report, Assistant City Manager of Administration/Finance Director Chris Phillips reviewed his November 3rd memo, which follows:

**MEMORANDUM – 2023-2024 CAPITAL**

**To: Summer Woodard, City Manager**

**From: Chris Phillips, Asst. City Manager/Finance Director**

**Date: November 3, 2023**

During the budget preparation process for the 2023-2024 fiscal year, capital requests were removed because there were anticipated 2022-2023 excesses that could be used to meet these needs. The listing below of Capital items, totaling $1,011,700, was included in the budget book to be considered. Since the beginning of the current fiscal year, there have been four additional needs identified totaling $153,700. These are also included on the listing, bringing the total capital requests to $1,165,400.



The City’s carryover process was used to identify departmental savings to bring forward from the previous year that will fund $600,000 of these purchases; the remaining $565,400 needed will be provided by appropriating fund balance. The total fund balance is projected to decrease with completion of the 6/30/23 audit, but available fund balance will increase. The attached Budget Ordinance Amendment will need to be approved for that funding.

Please have the City Council consider approving this BOA at their November 14, 2023 meeting so that the capital requests can be completed.

Thank you and let me know if any further information is needed. *(END OF MEMO)*

Phillips told Council they are all aware that when we worked on the current year’s budget, capital requests were taken out to balance the budget. He said we also felt like in the final quarter of the 2022-2023 year, we were going to have some excess revenue and departmental savings. So now that we are finalizing the audit, working with the auditors daily trying to get everything wrapped up, we are actually ready to discuss getting those capital items. You remember in the budget, the memo in your packet, the capital items we felt like we were ready to consider when the dust settled was $1,011,700. He said we looked at it two ways. The savings at the department level were the dollars that people did not spend. Our departments are trying to be conservative and save dollars in case something breaks in the last few days. So those dollars are not spent and we do a carryover process to bring those dollars forward, he continued. We had some pretty decent savings in the last fiscal year, especially in our street department, which spent a ton of time on the Streetscape Project downtown. They did a great job but that was funded through the American Rescue Plan monies. They saved some dollars in their department that we were able to bring forward to look at some of our capital needs and, of course, some of those are street department needs as well with some of those savings able to go to that department.

About $600,000 will be brought forward to go towards capital items, Phillips explained, leaving some more dollars that need to be found to be able to do all the capital items. That came through excess revenues so when we ended the fiscal year, sales tax came in better than we thought. The big one was investment earnings, which were at an all-time low for an extended period of time, but have finally started creeping up. That happened in the last fiscal year so, the last few months, we were able to earn some decent dollars on money we had in the bank. Between those two revenue sources, there was money there that was not approved in the budget, which is what we are looking at using now through the budget ordinance.

In the meantime between the time when the budget was adopted and me talking to you now, a couple of items came up that we want to include on the capital list. One of them is a totaled SUV for the Police Department, which would need to have insurance and it would cost 26,000 to replace it. We also need a vehicle for the Fire Chief, he said, since the vehicle, which was near the end of life to begin with, was taken out by a freak tree accident, along with the Fire Chief’s personal vehicle. He also discussed the incinerator and scales on the list of additional items.

Phillips concluded his report by asking for Council to consider the Budget Ordinance Amendment for approval tonight.

**Councilman Hairston made the motion, seconded by Councilwoman DeJournette and unanimously approved by Council in a 6-0 vote, to approve the Budget Ordinance Amendment.**

Budget Ordinance Amendment No. 8 as approved follows:

# BUDGET ORDINANCE AMENDMENT NO. 8

 **WHEREAS,** the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 13, 2023 which established revenues and authorized expenditures for fiscal year 2023-2024; and

 **WHEREAS,** since the time of the adoption of said ordinance, it has become necessary to make certain changes in the City's budget to appropriate funds for Capital purchases;

 **NOW, THEREFORE, BE IT ORDAINED,** by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 13, 2023 is hereby amended as follows;

**Section 1.** That revenue account number 10-3991-0000, Fund Balance, be increased by $565,400.00;

**Section 2.** That expense account number 10-4510-5500, Street Capital, be increased by $192,000.00; that expense account number 10-4710-5500, Sanitation Capital, be increased by $304,000.00; that expense account number 10-4510-5800, Sanitation Capital Improvements, be increased by $69,400.00.

This the 14th day of November, 2023.

 /s/ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Donald L. Gorham

 Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC/NCCMC

 City Clerk

**CONSIDERATION OF EMPLOYEE PERFORMANCE BONUSES AND ACCOMPANYING BUDGET ORDINANCE AMENDMENT.**

In making the staff report, Assistant City Manager of Administration/Finance Director Chris Phillips reviewed his November 2nd memo, which follows:

**MEMORANDUM – 2023 EMPLOYEE PERFORMANCE BONUSES**

**To: Summer Woodard, City Manager**

**From: Chris Phillips, Asst. City Manager/Finance Director**

**Date: November 2, 2023**

In December 2022, all City employees were evaluated using a new system and forms composed by a cross-section group of supervisors. The system was well received and will be improved going forward from employee feedback. It is the hope that this process will provide information for future merit increases or performance bonuses that will recognize the top performers.

For the current year, management has had several discussions about how to reward employees for their performance. The last year was a busy one for all, with the Sesquicentennial celebration, major projects, and having to work short in several departments. The recommendation is to recognize all full-time employees with the same amount this year, a bonus of $1,150. The $150 is on purpose for our 150th birthday and will also serve to increase the bonus so that employees will net closer to $1,000. Likewise, we value the work performance of our part-time employees as well and would like to provide a bonus of $575, which equals one half of the full-time bonus.

These bonuses have an estimated cost of $305,000. The 2022-2023 fiscal year ended with an addition to unappropriated fund balance due to revenues in excess of budget and conservative spending from departments. It is recommended to use General Fund Balance and Enterprise Fund Reserves to pay these bonuses. The attached Budget Ordinance Amendment will appropriate those funds and will also create any needed transfers of funds from the General Fund to the other funds that house employees.

Please have the City Council consider these performance bonuses at their November 14, 2023 meeting to be paid the first full week of December (Eligible employees will be based on those employees on the books as of the November 17th pay date.)

Thank you for this opportunity and let me know if any further information is needed. (*END OF MEMO*)

As he reviewed the details of his memo, Phillips stressed that we feel like employees are doing a good job. A lot of additional projects have been added to their workload, and many departments have been working short staffed not so much because of vacancies as much as some folks have been in training, etc. and others having to make up the difference. It has truly been a team effort, he said. He added that we felt like this year we wanted to give the same bonus to everyone here at the end of the year and since we have the dollars available, we are proposing to give all of our full-time employees a $1,150 bonus (the $150 in honor of the Sesquicentennial which will help offset retirement/taxes) and half of that, $575, for our part-time employees, some of which have been with us for many years.

He noted that he had amended his original memo to Council to reflect the disbursement across not only the General Fund but also the Water & Sewer Funds.

There was a brief discussion on current vacancies in some of the City departments. Phillips detailed those openings but said our openings are relatively low at the current time. Councilman Hairston said he is seeing the good work our employees are doing and our citizens are seeing it and customer service continues to get better. He said he was glad we are able to do something for them this year. Councilwoman Walker said, here in our 150th year, our staff which is our most valuable asset has gone far beyond what was asked of them. She gave specific examples over the year from the Sesquicentennial events. She said she couldn’t be prouder.

**Councilwoman Walker made the motion, seconded by Councilmember Scoble and unanimously approved by Council in a 6-0 vote, to give the employee bonuses.**

The corresponding Budget Ordinance Amendment as approved follows:

# BUDGET ORDINANCE AMENDMENT NO. 9

 **WHEREAS,** the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 13, 2023 which established revenues and authorized expenditures for fiscal year 2023-2024; and

 **WHEREAS,** since the time of the adoption of said ordinance, it has become necessary to make certain changes in the City's budget to appropriate funds for Employee Performance Bonuses;

 **NOW, THEREFORE, BE IT ORDAINED,** by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 13, 2023 is hereby amended as follows;

**Section 1.** That revenue account number 10-3991-0000, Appropriated Fund Balance, be increased by $253,600.00; that revenue account number 11-3986-0000, Transfer from General Fund, be increased by $36,500.00; that revenue account number 61-3991-0000, Water Fund Reserves, be increased by $22,900.00; that revenue account number 62-3991-0000, Sewer Fund Reserves, be increased by $28,500.00; that revenue account number 80-3984-0000, Transfer from General Fund, be increased by $5,700.00;

**Section 2.** That expense account number 10-4930-9800, Transfer to Parks and Recreation, be increased by $36,500.00; that expense account number 10-4930-9805, Transfer to Garage, be increased by $5,700.00; that payroll and benefit expense accounts be increased as shown in the attached chart: General Fund by $211,400; Parks and Recreation by $36,500.00; Water Fund by $22,900.00; Sewer Fund by 28,500.00; and the Garage Fund by $5,700.00;

This the 14th day of November, 2023.

 /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Donald L. Gorham

 Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC/NCCMC

 City Clerk

**CONSIDERATION OF PURCHASE OF PROPERTY LOCATED AT 333 IRVIN STREET ADJACENT TO PENN HOUSE AND ACCOMPANYING BUDGET ORDINANCE AMENDMENT.**

In making the staff report, City Attorney Bill McLeod Jr. reviewed his November 6th memo, which follows:

***M E M O R A N D U M***

**TO:** Summer Woodard, City Manager

**FROM:** William F. McLeod Jr., City Attorney

**SUBJ:** Purchase of 333 Irvin Street

**DATE:** November 6, 2023

I have had several phone conversations with Scott Cook, owner of 333 Irvin Street, which is the property adjacent to the Penn House. Mr. Cook has agreed to sell the property, which includes a former residence that last served as a beauty shop, to the City for $40,000. Once the purchase and accompanying Budget Ordinance Amendment are approved by Council, I will prepare the sales contract between Mr. Cook and the City. Mr. Cook has also requested that he will have 90 days from the closing date to remove all of his personal property from the property.

I am requesting that the Council approve a Budget Ordinance Amendment for $40,500, which will cover the purchase price as well as the closing costs associated with the purchase. Please let me know if you have any questions. *(END OF MEMO)*

Councilmember Scoble asked about closing costs? The City Attorney replied that closing costs will be “next to nothing”; therefore, he has estimated $500 to cover any additional costs.

City Attorney McLeod also added that the seller has requested 90 days to remove his personal belongings from the property. It was noted that today Council was being asked to approve the purchase of the property and Budget Ordinance Amendment No. 10. Mayor Gorham said this purchase should greatly enhance the Penn House.

**Councilmember Scoble made the motion, seconded by Mayor Pro Tem Brown and unanimously approved by Council in a 6-0 vote, to approve Budget Ordinance Amendment No. 10.**

The Budget Ordinance Amendment as approved follows:

# BUDGET ORDINANCE AMENDMENT NO. 10

 **WHEREAS,** the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 13, 2023 which established revenues and authorized expenditures for fiscal year 2023-2024; and

 **WHEREAS,** since the time of the adoption of said ordinance, it has become necessary to make certain changes in the City's budget for the purchase of property;

 **NOW, THEREFORE, BE IT ORDAINED,** by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 13, 2023 is hereby amended as follows;

**Section 1.** That revenue account number 10-3991-0000, Fund Balance, be increased by $40,500.00;

**Section 2.** That expense account number 10-4110-5900, Capital - Land, be increased by $40,500.00.

This the 14th day of November, 2023.

 /s/ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Donald L. Gorham

 Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC/NCCMC

 City Clerk

**CONSIDERATION OF AGREEMENT WITH CRANFILL SUMNER, LLP, AND ACCOMPANYING BUDGET ORDINANCE AMENDMENT.**

In making the staff report, City Manager Summer Woodard reviewed her October 30th memo, which follows:

**Date: October 30, 2023**

**To: Mayor Donald Gorham**

 **City Council Members**

**From: Summer Woodard, City Manager**

**Subject: Contracted Legal Services with Cranfill Sumner\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

The City of Reidsville entered into an engagement agreement with Cranfill Sumner, LLP in January 29, 2020. The City of Reidsville feels it is in the best interest of the City to move to a monthly retainer agreement for services with Cranfill Sumner LLP. This proposal is a flat fee engagement in the amount of $62,000 each month for legal services. This agreement would have an effective date of November 1, 2023.

If you have any questions, please feel free to contact me. *(END OF MEMO)*

**Councilwoman Walker made the motion “so moved,” seconded by Councilwoman DeJournette and unanimously approved by Council in a 6-0 vote, to approve the agreement and Budget Ordinance Amendment No. 11.**

The Budget Ordinance Amendment as approved follows:

# BUDGET ORDINANCE AMENDMENT NO. 11

 **WHEREAS,** the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 13, 2023 which established revenues and authorized expenditures for fiscal year 2023-2024; and

 **WHEREAS,** since the time of the adoption of said ordinance, it has become necessary to make certain changes in the City's budget to appropriate funds for legal services;

 **NOW, THEREFORE, BE IT ORDAINED,** by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 13, 2023 is hereby amended as follows;

**Section 1.** That revenue account number 62-3991-0000, Sewer Fund Reserves, be increased by $500,000.00;

**Section 2.** That expense account number 62-4120-4400, Sewer Contracted Services, be increased by $500,000.00.

This the 14th day of November, 2023.

 /s/ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Donald L. Gorham

 Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC/NCCMC

 City Clerk

**OTHER ITEMS:**

**CONSIDERATION OF ADOPTION OF STATE HOLIDAY SCHEDULE FOR 2024.**

In making the staff report, City Manager Summer Woodard reviewed her October 31st memo, which follows:

**Date: October 31, 2023**

**To: Mayor Donald Gorham**

 **City Council Members**

**From: Summer Woodard, City Manager**

**Subject: City of Reidsville Holiday Schedule 2024\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

The City of Reidsville follows the North Carolina State Holiday Schedule. Please see below Holiday Schedule for 2024. I have also attached a copy of the North Carolina Holiday schedule. If you have any questions, please let me know.

Monday, January 1st - **New Year’s Day**

Monday, January 15th - **Martin Luther King Jr. Birthday**

Friday, March 29th - **Good Friday**

Monday, May 27th - **Memorial Day**

Thursday, July 4th - **Independence Day**

Monday, September 2nd - **Labor Day**

Monday, November 11th - **Veteran’s Day**

Thursday and Friday, November 28th and 29th - **Thanksgiving**

Tuesday, Wednesday and Thursday, December 24th, 25th, and 26th – **Christmas**

*(END OF MEMO)*

After reviewing the State Holiday Schedule, Manager Woodard pointed out that the City had added a floating holiday for any holidays not reflected on the State schedule as well as the annual personal holiday.

**Councilwoman DeJournette made the motion, seconded by Councilman Hairston and unanimously approved by Council in a 6-0 vote, to approve the schedule.**

**CONSIDERATION OF MEMORANDUM OF UNDERSTANDINGS FOR MAIN STREET ADVISORY BOARD.**

In making the staff report, City Marketer Judy Yarbrough reviewed her memo, which follows:

**MEMORANDUM**

**To:** Summer Woodard, City Manager

**From:** Judy Yarbrough, Director of Marketing

**Re:** Memorandum of Understanding - Main Street Advisory Board

This MOU is designed to give a clear understanding of the role of the Main Street Advisory Board, which the RDC is currently serving as and has for many years. The NC Main Street Program has guidelines for the Main Streets to follow. This MOU will serve as an agreement between the Reidsville Downtown Corporation and the City of Reidsville and outlines what the role of each organization is. It outlines that the Main Street Advisory Board is a City Board and because of that, the board should follow the guidelines of other City Boards. The RDC would recommend new members, and Council would approve. This in no way affects the RDC Board itself nor its current members. It also has a contract time that Council can set. Staff is recommending a five-year contract. This allows either party to terminate or renew the agreement. The intent of this MOU is to bring the advisory board, not RDC, into the guidelines of Main Street and the City Boards. It is in no way intended to sever ties with the RDC. It is simply an agreement between the two organizations and gives the Main Street Board clear definition of their role for Main Street. *(END OF MEMO)*

As she discussed the MOU, she reminded Council that the RDC is technically a nonprofit organization, which serves in an advisory capacity for the Main Street program. She said we are required by the NC Main Street program to have an employee who works 40 hours of the week, which is Robin Yount, who serves as our Main Street & Market Square Manager. The State Main Street recommends this kind of MOU when you have a separate nonprofit serving as your board. The MOU outlines what their responsibilities are and what our responsibilities are. She noted that the Main Street program is supposed to operate as a four-point system, outlining what that is. Honestly their meetings are not supposed to vary from that if you are looking at doing at project, it needs to lie within the four-point system. If you want to do a project that lies outside the four-point system, that could become an RDC project, she continued. Again, Main Street does advise us to put this together, Yarbrough explained, but she said the one thing about this particular agreement, typically this would be with a City board, and since the RDC is not technically a City board because they do not follow City guidelines as other boards do, with this agreement, like you approve the Main Street Champion, you would approve the new board members. This would be for the Main Street Advisory Board, she said, adding that if the RDC wanted another member that wasn’t on the Main Street Advisory Board, they could, but this streamlines the Main Street Advisory Board itself, which is what we have been working toward.

Councilmember Scoble said that the Main Street Advisory Board is part of RDC? Yarbrough replied it is but it is separate, which she acknowledged is very confusing. She said it has been confusing for several years, which is why we are trying to streamline it so that there is a clear understanding of what everyone’s role is and that is outlined in this MOU.

Councilmember Scoble asked how this will change the way they are operating now? And she asked when new board members come on is when they will come before us? Yarbrough said, “correct”, adding that there will be recommendations just like there is now, but they will be approved by City Council. Yarbrough stated again, this will be in line with what all the other City boards do.

Councilmember Scoble asked if the requirements of the other City boards would also be required of these board members? Yarbrough responded that one thing they did not specifically address in this MOU, and Council can make any changes it wants, she added, was that they had to be residents of the City of Reidsville. It was noted that it depends on the board whether members are required to be City residents. Yarbrough said the Main Street program thinks the Advisory Board members should be members of the MSD (Municipal Service District). In reality it is very hard to get members from the MSD because they are business owners and property owners who need to be at their businesses. Right now only three of the 12 members are part of the MSD, she added. We need to up that some, she said, and that’s what we are trying to do.

Yarbrough also said that events are great, the City does great events, but we are trying to make the board to understand they don’t have to concentrate on events. Rather they should be concentrating on the downtown buildings, creating the database, etc. and more focused on what the Main Street program is really designed to do, she continued. The Main Street Advisory Board is different from the RDC, Yarbrough stressed. Both have 12 members each, but again, she said this process will bring the Advisory Board more in line with the other City boards.

City board and commission membership numbers were discussed. City Manager Woodard stated that the membership totals vary from board to board. She said Liz Parham with the NC Main Street program did an exceptional job, along with Sherry Adams, at the RDC retreat last year talking about this. She said it is paramount that these rules and guidelines be established so it is not so confusing and also helps our Main Street Director know what the rules and expectations are. Noting these are City tax dollars generated by the MSD, the City Manager said it is crucial that we are complying with the Main Street guidelines. She stressed this is not an attempt to realign the board or decrease their numbers, but it is establishing the MOU between the City Council and the Main Street program since the RDC is serving in that role.

Councilmember Scoble agreed it is important for those members to be vested in our downtown, but it would be hard to find 12. Yarbrough said they are taking it one step at a time, but staff does plan to recommend to the RDC board that they look at their bylaws and perhaps reduce that number if that is their pleasure.

**Councilmember Scoble made the motion, seconded by Councilwoman Walker and unanimously approved by Council in a 6-0 vote, to approve the Memorandum of Understanding.**

The Memorandum of Understanding as approved follows:

**MEMORANDUM OF UNDERSTANDING**

**City of Reidsville Agreement**

THIS MEMORANDUM OF UNDERSTANDING (the “Agreement”) is entered into on the \_\_\_\_ day of \_\_\_\_\_\_, 2024, by and between the following parties (the “Parties”):

The Parties are the City of Reidsville, hereinafter referred to as “City”, 230 W. Morehead St and the Reidsville Downton Corporation, hereinafter referred to as “Nonprofit”.

PURPOSE OF THE MOU

The Purposes of this Memorandum of Understanding are the following:

1. Express the Parties’ mutual understanding regarding roles and responsibilities of managing the Main Street program and serving as the Main Street Advisory Board.
2. Express the Parties’ mutual understanding regarding priority activities, tasks, and decisions to be achieved in managing the Main Street program.
3. Express the Parties’ mutual intention to work in good faith to further the redevelopment of downtown, to spur economic development in the context of historic preservation, in accordance with Main Street America™ as administered by NC Department of Commerce, NC Main Street & Rural Planning Center.

PRIORITY GOALS AND TASKS

The Parties have identified the following as priority goals and tasks for the redevelopment of downtown through the management of their Main Street program:

* 1. Develop a strategic economic development plan to guide redevelopment.
	2. Implement the strategic plan through the Main Street America™ Four-Point Approach to downtown revitalization.
	3. Create a positive image for downtown that spurs investment, business and residential development, jobs and volunteerism.
	4. Identify and convey practical, valuable, and implemental tools for downtown economic development.

WITNESSETH

Each party will appoint a person to serve as the official contact and coordinate the activities of each party in carrying out this MOU. The initial appointees are:

*List contact persons with address, telephone, and email information*:

That for and in consideration of the mutual promises and conditions set forth below, the City and the Reidsville Downtown Corporation agree to the following roles and responsibilities:

* 1. Duties of the City: The City agrees to: Partner with the Nonprofit and provide resources and information that may be pertinent in carrying out its charge.
	2. Provide a monthly report to the Nonprofit on the City’s downtown revitalization activities.
	3. Utilize the Main Street® philosophy to partner with the Nonprofit in the development of a strategic economic development plan for downtown and an implementation workplan based on the Main Street America™ Four Point Approach® to Downtown Revitalization that includes: Economic Vitality, Design, Promotion and Organization, for downtown Reidsville, in order to enhance and preserve its status as a North Carolina Main Street community.
		1. Economic Vitality
			1. Review current zoning, codes, licensing and any other applicable municipal regulatory requirements or processes in order to facilitate economic development in the downtown business district in accordance with best practices for historic preservation.
			2. Partner with the Nonprofit to develop and implement incentives to spur investment, business and residential development and to create jobs.
			3. Provide mapping, market and demographic data to develop a market driven economic development plan.
			4. In partnership with the Nonprofit, measure the impact of the Main Street program.

 Design

In partnership with the Nonprofit, establish or manage a National Register District of Historic Places and historic resources with best practices.

* + - 1. Maintain and improve the public property and public space of downtown to promote a *Clean and Safe* environment.

 Promotion

* + - 1. Assist with and facilitate the logistics of basic city services. (permits, street closings, police protection, garbage collection, etc.) as they relate to the events held in downtown.
			2. The City will work with the non-profit on promotions of events and recruitment of businesses.
			3. The City will maintain the RDC/Downtown web page as it pertains to the main street advisory board.

 Organization

* + - 1. The Main Street/Market Square Manager is a city employee and is managed by the City not the advisory board.
			2. The City will handle personnel issues with the full support of the city human resources personnel and if needed, by the city attorney.
			3. The City will annually review the performance of the Main Street

Manager in accordance to city human resources policy.

* + - 1. The City will Direct employee to attend all Main Street training as required in annual agreement

 v: The City Council will approve all Main Street Advisory Board Members

1. Duties of the Nonprofit: The Nonprofit agrees to:
2. Bring the resources of the City, the Nonprofit and the downtown community together, with the understanding that the Nonprofit’s role is serve as the Main Street Advisory Board.
3. Partner with the City to meet the annual requirements as outlined in the NC Main Street Annual Agreement.
4. Partner with the City and provide resources and information that may be pertinent in carrying out its charge.
5. Utilize the Main Street® philosophy to partner with the City in the development of a strategic economic development plan for downtown and an implementation workplan based on the Main Street America™ Four Point Approach® to Downtown Revitalization that includes: Economic Vitality, Design, Promotion and Organization, for downtown Reidsville, in order to enhance and preserve its status as a North Carolina Main Street community.
6. NC Main Street and Main Street America artwork must appear on the Main Street web pages and can be used in other media as well as stipulated in the brand guidelines. Artwork will be provided by NC Main Street upon receipt of the signed MOU between NC Main Street and local Main Street program.
	1. Economic Vitality
		1. Create and maintain a comprehensive **downtown property** inventory database including building images, owner contact information, building condition, past-current-potential uses, etc.
		2. Create and maintain a comprehensive **downtown business** and use inventory database including business owner contact information, goods and services and hours of operation, etc.
		3. Partner with the City to develop and implement incentives to spur investment, business and residential development and to create jobs.
		4. Partner with the City to develop and conduct survey of downtown stakeholders to determine what would better facilitate business development in downtown.
		5. Create a business retention, expansion and recruitment program.
		6. In partnership with the City, measure the impact of the Main Street program and maintain impact and tax base data to demonstrate benchmarks.
	2. Design
		1. In partnership with the City, develop design guidelines for downtown, and promote the value of, and educate property owners on, appropriate design improvements for a historic downtown business district.
		2. Provide aid and resources to business and property owners during any type of business disruptions.
		3. Assist City as needed with public physical improvement projects.
		4. Provide façade improvement assistance to downtown business and property owners through the NC Main Street & Rural Planning Center.
	3. Promotion
		1. Work with downtown stakeholders to develop and implement retail promotion activities.
		2. Develop and manage downtown events to take place in downtown Reidsville. These events must fall under the four point program.
		3. Promote downtown as a mixed-use center of activity.
	4. Organization
		1. Maintain a viable Nonprofit in accordance to the organization’s articles of incorporation as filed with the Secretary of State.
		2. Maintain a viable organization composed of the main stakeholders for the downtown community or if the district has a Municipal Service District (MSD) an organization composed of stakeholders within the MSD Maintain a Board of Directors in accordance with the Nonprofit bylaws.
		3. Partner with the City to ensure the completion of the annual program assessment in accordance with the NC Main Street Annual Agreement.
		4. Partner with the City to ensure the completion of the annual program statistics in accordance with the NC Main Street Annual Agreement.
		5. Develop and coordinate opportunities to spur volunteerism for downtown and to become involved in the downtown revitalization efforts.
		6. The Chair must attend the Annual NC Main Street Meeting in accordance with the NC Main Street Annual Agreement.
7. Amendments: This Agreement may be amended, in writing, by mutual agreement of the City and the Nonprofit.
8. Termination: The term of this MOU is for a period of (**insert length of MOU, usually 1-5 years**) from the effective date of this agreement and may be extended upon written mutual agreement. It shall be reviewed at least (insert how often, usually annually) to ensure that it is fulfilling its purpose and to make any necessary revisions. Either organization may terminate this MOU upon ninety (90) days written notice without penalties or liabilities.
9. Non-Discrimination: In matters of employment, provision of services and contracting, the Nonprofit agrees to act without regard to race, color, sex, religion, age, national origin, sexual orientation or handicapped status.
10. IN WITNESS WHEREOF, the parties hereunto cause this agreement to be executed in their respective names.

**NONPROFIT**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

SIGNATURE TITLE

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ATTEST TITLE

**CITY OF \_\_\_\_\_\_\_\_\_\_\_**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ASSISTANT/DEPUTY/CITY MANAGER

ATTEST BY CITY CLERK:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ TOWN SEAL

CITY CLERK

CITY CLERK attests date this the \_\_\_day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_.

Approved as to Form and Authorization

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CITY ATTORNEY

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

FINANCE DIRECTOR

**BOARDS & COMMISSIONS:**

City Manager Woodard distributed the ballots for the November appointments to the City’s Boards & Commissions.

**PUBLIC COMMENTS.**

**Concerns on Country Club Drive.**

Mr. Cliff Barbee of 901 Country Club Drive came forward noting that he and his neighbors have expressed their concerns to the City about the boardinghouse at 909 Country Club. He said, for the record, his neighborhood is strongly opposed to the continued operation of the boardinghouse and the disregard by the owners of the City’s authority to enforce the R-20 zoning ordinance. He said among their many concerns are the 25% boardinghouse loophole under the R-20 zoning ordinance that makes it impossible to monitor the owners. They are playing nothing more than legal gymnastics, he asserted. He said tenant drug activity has resulted in an overdose death this year, street parking congestion continues and surrounding property values are being devalued. He said we have repeatedly expressed our concerns to the City, and he knows they are working on this problem, but this operation needs to be shut down.

Mayor Gorham invited the two new Councilmen-Elect to come forward to say a few words.

**Councilmen-Elect Given Opportunity to Speak.**

Councilman-Elect Shannon Coates said he appreciated everyone’s support. He said he was looking forward to it and noted some things were dumped on them in January. He stated again that he was really looking forward to this experience and helping out the City and working with the rest of Council.

Councilman-Elect William Martin thanked everyone for allowing us to speak tonight and voting for them. He said he was looking forward to working with Council for the betterment of Reidsville.

**CITY MANAGER’S REPORT:**

**MONTH OF NOVEMBER.**

Due to the time, City Manager Summer Woodard just highlighted a few items from her November City Manager’s Report, which follows:

**Date: November 6, 2023**

**To: Mayor Donald Gorham**

 **City Council Members**

**From: Summer Woodard, City Manager**

**Subject:** **City Manager’s Monthly Report\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Personnel:**

* **Economic Development Director -** The City of Reidsville conducted two (2) candidate interviews on October 16th and October 23rd.
* **Walk a Day in their Shoes -** Assistant City Managers Haywood Cloud and Chris Phillips, along with myself, worked with the Reidsville Fire Department from 8:00 a.m. to 1:00 p.m. one day this month. This is a new program Administration has started. This program will allow Administration to see first-hand what our employees do every single day. We will resume this program starting in January, 2024 and will work at a department once a month for the year of 2024.

**Projects & City Updates:**

* **The National League of Cities Conference (NLC) -** will be Wednesday, November 15th through Sunday, November 19th in Atlanta, Ga.
* **The Sesquicentennial Celebrations –** For the month of November, there will be a Veterans Day Ceremony on Saturday, November 11th, at 11:00 a.m. at Market Square in downtown Reidsville. Originally scheduled for lower Jaycee Park at the Veterans Memorial, the event was moved due to ongoing Splashpad construction. The Christmas Parade hosted by Star News will be Sunday, November 19th at 4:00 p.m. in downtown Reidsville. Small Business Saturday will be Saturday, November 25th. Remember to shop local and support our businesses.
* **Splash Pad –** Progress has picked up some in the last two weeks, and the contractor is still committed to finalizing the project within the contract timeline. A different pump station has been selected and can be obtained in a much more reasonable timeframe. The brick masons are currently onsite finalizing the waterproofing and installing the brick veneer. The roof supports are currently installed, and the rafters should be installed shortly.

Once the rafters are in place, the contractor should install the sheathing and shingles to begin drying-in the buildings. The splashpad contractor is also working to install the large recycle containment tank and rain divert system while the plumber is running the force main down to the proposed wet well location. Please see photos behind the Miscellaneous tab in your agenda packet.

* **Penn House Building Project –** Currently the contractor is polishing the concrete floors and sealing them. All the interior walls have been painted, and the tile work is ongoing in the bathrooms. The new doors and windows have also been recently installed. The contractor is working on the exterior grades to prepare for the patio and brick pavers while the flooring work inside is being completed. Both Reidsville IT Department and our audio/visual subcontractor have run their initial wiring for cameras and speakers. Over the next 30 days, the contractor should complete all necessary construction with the exception of installing the HVAC units. The contractor is prepared to install temporary heating units if needed. Please see attached photos behind the Miscellaneous tab in your agenda packet.
* **Settle Street Streetscape Project -**– Engineering has finalized the drawings for internal review, and they are sufficient enough to schedule a meeting with the merchants to discuss the overall design. This will also be an opportunity to review the hold harmless agreements while everyone is present. The long lead time materials are on order and expected in approximately 30 days. We are continuing to work with Duke Energy to finalize their own design and remove the overhead wiring on the north side of Settle Street. We intend to complete our internal review of the drawings over the next two weeks and release the Street department to begin curb replacement on the south side of Settle Street since there’s no long lead items needed on this side of the roadway.
* **Lawsonville School Project -** The City has submitted the SEID application for $500,000.  We will hear if we move to the next step on Monday, Nov. 6. We have also submitted the grant for Golden Leaf for $300,000.  We will hear back from that in December, 2023. We met with the school board, and the school board voted to have the property divided and agreed to split the gas bill based on square footage.
* **Sisters Cities -** The City submitted the application in August, 2023. We have not yet heard back, but City Staff is continuing to follow up on the progress of our submission.
* **Community Development Customer Service Survey -** Community Development has created a customer service survey for design professional, contractors and owners at the completion of their projects. The inspections department will also have an QR code on their iPad to quick link the survey to people in the field. We will keep a spreadsheet with the data to review the results.
* **Christmas Decorations –** Our Team will be working on creating Christmas photo opportunities this year. We plan to start decorating the week of November 27- 30. The Christmas Tree Lighting Event will be Friday, December 1st, at 6:00 p.m. at Market Square.
* **Employee Holiday Luncheon -** The City of Reidsville will host an employee luncheon this year instead of an employee dinner. This luncheon will be for our employees and retirees at the new event center at the Penn House on Thursday, December 7th, from 11:30 a.m. to 1:30 p.m. All City Offices will be closed during this time. This event will also have two (2) new awards this year. The awards are “The Above and Beyond Award” for exceptional customer service and “The Teamwork Award” for teams working together for the benefit of our City.
* **Battle of the Cup -** The third Battle of the Cup event will be Thursday, November 30th, from 2:00 p.m. to 4:00 p.m. at the Reidsville Rec Center gymnasium. The events will be basketball, best cookie baking contest and a talent show.
* **Lunch & Learn -** Our last Lunch and Learn for the City of Reidsville this year will be Thursday, November 9th, from 12:00 p.m. until 1:00 p.m. in the Council Chambers at City Hall. The topic will be “Effective Communication”.

**Events/Meetings Attended:**

* 10/5- Hosted Managers Luncheon at Penn House
* 10/7 – Attended Rural Health Care Discussion at RCC
* 10/10 - Attended Ribbon Cutting at La Boca Loca and City Council Meeting
* 10/11 – Management Team Meeting
* 10/12 – Public Works Employee Luncheon
* 10/16 - Interview with Economic Development Director Candidate
* 10/17 – Assistant City Managers and I job shadowed Reidsville Fire Department
* 10/18 – Attended Planning Board Meeting
* 10/19 – Attended Citizens for Economic Development Meeting
* 10/21 – Attended FAB festival
* 10/23 – Interview with Economic Development Director Candidate and attended Rockingham County School Board meeting.
* 10/25 - Attended Ribbon Cutting at Reidsville High School for the Community Stadium
* 10/26 - Attended Anne Penn Hospital Board meeting and Chamber of Commerce Expo
* 10/27 - Participated in Downtown Trick-or-Treat Event
* 10/30 - Attended Pet Costume Contest at RCARE
* 10/31- Employee Stew Event at the Penn House *(END OF MEMO)*

**COUNCIL MEMBERS' REPORTS.**

**Mayor Pro Tem Brown** – While the Mayor Pro Tem had no verbal report, his written report included the following: Oct. 25, the RSHS Stadium Ribbon Cutting Event; Nov. 1, Two on Two Meeting with Mayor; Nov.11, Paper Shredding Event in City Hall Parking Lot.

**Councilwoman Walker** – The Councilwoman said she would forgo her report due to the time.

**Chamber Report** – Due to a family situation, Diane Sawyer of the Reidsville Chamber of Commerce was unable to be here tonight, City Manager Woodard stated.

**Councilman Hairston** – No report.

**Councilwoman DeJournette** – The Councilwoman said she would skip over some of her written report but noted highlighted some events from her written report, which follows: 10/1-10/7, Out of town attending family funeral; 10/10, Ribbon Cutting: LaBoca Loca delicious Cuban/Columbian restaurant; 10/16, Ribbon Cutting: The Menher Group-Beautiful Restoration Projects.; 10/19, Annie Penn Foundation Board Executive Meeting; 10/20, Ribbon Cutting: Moving on Faith Transportation; 10/21, FAB Festival-Great Food Trucks; 10/23, Election Forum hosted by the Reidsville Chamber; 10/26, Annie Penn Foundation Board Retreat; 10/27, Downtown Trick or Treat with Special Guest “The Reidsville Reapers”; 11/1, Reidsville Chamber Meeting; 11/2, Meeting with Mayor; 11/4, Reidsville Reapers Ribbon Cutting; 11/7, Election; 11/9, RCAT 50th Anniversary, 11/11, Tribute to the Veterans at SIP Coffee House, 11/11, a special tribute to the Veterans at Market Square; 11/14, Economic & Business Development Meeting.

**Councilmember Scoble** – The Councilwoman reported the following: 10/12, Kiwanis Club; 10/13, MC for Girls Night Out-Downtown Reidsville; 10/17, Chamber Zoom for Business Expo; 10/18, Planning Board; 10/19, Kiwanis Club; 10/21, FAB Festival – LCB Tent, Free Clinic; 10/23, Candidate Forum- Reidsville Event Center; 10/24, Terrific Kids Certificates-South End Elementary; 10/25, Coach Teague Field – Reidsville High School; 10/26, Reidsville Expo; 10/27, Trick or Treat Downtown; 10/31; Terrific Kids – Moss Street Elementary; 11/2; Chamber Coffee – Belmont House; 11/2, Two on Two at City Hall; 11/2, Kiwanis Club; 11/7, Election Day- Voted; 11/9, Aging & Disability Anniversary, Kiwanis Club; 11/11; Veterans Day Ceremony- Market Square.

**Mayor Gorham** – The Mayor reported the following: 10/12, attended Mrs. Mildred Lester’s Funeral at First Baptist Church on Hubbard Street; 10/14, attended Amu R. Turner’s Funeral at Benaja Mount Zion Church; 10/17, served on a School Desegregation Panel; 10/18, Planning Board Meeting, 10/19, met with the Reidsville City Manager and the County Manager to discuss waterline extensions on Highway 29; 10/21, attended the American Tobacco Company’s Reunion at Lake Reidsville; 10/21, attended the FAB Festival Downtown Reidsville; 10/23, listened to the Candidates Forum online; 10/26, attended the Chamber’s Job Expo at Reidsville Christian Church; 10/26, Downtown Senior Sneaker Dance at RCARE; 10/27, Downtown Trick or Treat; 10/27, Reidsville vs. Morehead at Reidsville High School; 10/29, attended the Green Bay Packer at Lambeau Field in Green Bay, Wisconsin; 11/2, Two on Two’s at City Hall; 11/9, ADTS Ribbon Cutting; 11/9, Lunch -N- Learn at City Hall; 11/9, Meeting with Trent Circle resident.

**ANNOUNCEMENT OF BOARD & COMMISSION APPOINTMENTS.**

City Clerk Angela Stadler announced the following unanimous board and commission appointments: W. Clark Turner of 705 South Main Street was re-appointed to the Reidsville ABC Board; Tamar Lipscomb of 2128 Olive Drive was appointed to the Reidsville Planning Board. (*A COPY OF THE BALLOTS ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES*.)

**MOTION TO ADJOURN.**

**Councilwoman Walker made the motion, seconded by Councilwoman DeJournette and unanimously approved by Council in a 6-0 vote, to adjourn.**

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 Donald L. Gorham, Mayor

ATTEST:

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Angela G. Stadler, CMC/NCCMC, City Clerk