

**MINUTES**  
**VILLAGE OF FLAT ROCK COUNCIL MEETING**  
**ASSEMBLY ROOM**  
**JUNE 13, 2019**  
**9:30 A.M.**

Mayor Staton presided over the June 13, 2019, council meeting at 9:30 a.m. Those present in addition to Mayor Staton were Vice Mayor Weedman, Council Members Brown, Gooch, Jamerson and Posey, Village Clerk Parker, and Village Administrator Christie. Council Member Dockendorf was not present.

**MOMENT OF SILENT MEDITATION/PLEDGE OF ALLEGIANCE**

Mayor Staton led the group in a moment of silent meditation. He then led the group in the Pledge of Allegiance.

**AGENDA APPROVAL/CHANGES**

*Under Special Reports - Item #6, FY 2018/2019 Budget Amendment; Old Business – Item #7, Short Term Rentals; and New Business – Item #8, ETJ/Boundary Realignment* were added to the agenda. Vice Mayor Weedman made a motion to approve the agenda as amended, seconded by Council Member Gooch. The vote was unanimous, motion carried.

**Public Hearing – FY 2019/2020 Budget**

Council Member Gooch made a motion to open the public hearing, seconded by Vice Mayor Weedman. The vote was unanimous, motion carried.

Budget Officer Jamerson presented a preliminary 2019-2020 budget of revenues and expenditures.

Mr. Duncan Fraser spoke about the Foundation Transfers In & Out preliminary budgeted amount of \$125,000.00. He mentioned the Board approved amending the transfers to the Village to \$108,000.00 to help fund park operation and maintenance costs for the 2019-2020 fiscal year.

Vice Mayor Weedman gave a power point presentation addressing the tax rate of 13 cents for the new fiscal year that was tentatively agreed to by the council at an earlier budget workshop. He stated that we currently have agreements with three fire departments, Blue Ridge, Valley Hill, and Green River, for fire protection services. Contracted amounts for such services, which are based on approved tax rates of the respective fire departments, are included in the budget upon which the village's tax rate is set. The fire departments' tax rates will increase for the coming year, and the village's tax rate will have to increase accordingly. Mr. Weedman stated that, in his opinion, a village tax rate of 12 cents would result in ad valorem taxes, which when coupled with revenues from all other sources, would be adequate to pay the fire departments, operate and maintain the park, and operate the village government. He recommended a tax rate of 12 cents.

Mayor Staton mentioned the prospect of litigation with Cultural Landscape Group: Flat Rock over the sign control ordinance, and the fact that the proposed budget includes nothing for litigation costs. He suggested that some amount needs to be budgeted for litigation in the next fiscal year. Vice Mayor Weedman disagreed. After discussions, \$25,000.00 was added to the budget for litigation.

Vice Mayor Weedman asked Council for a donation to the Sheriff's Department for the purchase of a police dog and training for the dog and its handler, the cost of which is estimated to be \$14,500.00. He stated if council approves, it would show Flat Rock is willing to establish a good working relationship with the Sheriff's Department. Council agreed to include the sum of \$15,000.00 in Henderson County Community Support for such purpose.

At the budget workshop, there were discussions of increasing the ad valorem tax rate from 11 cents to 13 cents. Vice Mayor Weedman suggests a 12 cent tax rate. After discussions, Council agreed by a vote of 4-yes, 1-no (Mr. Weedman) to increasing the tax rate to 13 cents.

Vice Mayor Weedman stated that, in the upcoming election, he would be running for Mayor.

Mr. Ted Etherington made a public comment expressing dissatisfaction with the park and objecting to costs the Village is incurring on the park.

With no further discussions, Council Member Jamerson made a motion to close the public hearing, seconded by Council Member Gooch. The vote was unanimous, motion carried.

#### **Action – Adoption of FY 2019/2020 Budget**

Council Member Gooch made a motion to adopt the fiscal year 2019/2020 budget with an ad valorem tax rate of 13 cents, seconded by Council Member Posey. The motion carried on a 4-yes to, 1-no vote, with Mr. Weedman casting the no vote.

**Public Comments** – Mr. Bill Walker commented on the continuing contamination of his and neighboring properties from the failed septic systems at the Halfway Tree Mobile Home Park on Rutledge Drive. Notwithstanding violation notices from the N.C. Department of Environmental Quality and Henderson County Environmental Health, fines are not being levied and collected for the pollution. He asked that a resolution of support for remedial action be forthcoming from the council.

#### **Consent Agenda**

1. The Consent Agenda consisted of the following:
  - April 29, 2019 – Agenda Workshop Minutes

- May 9, 2019 – Council Meeting Minutes
- May 9, 2019 – Budget Workshop Minutes
- May 15, 2019 – Reconvened Budget Workshop Minutes

Council Member Jamerson made a motion to approve the Consent Agenda, seconded by Council Member Brown. The vote was unanimous, motion carried.

### **Special Reports**

#### 2. Administration – Village Administrator Christie

Administrator Christie reviewed the May 2019 zoning report dated June 6, 2019, and the Village Administrator report dated June 6, 2019 (see attached reports).

#### 3. Park Update – Council Member Brown

Council Member Brown reported Mr. Don Farr, Chairman of the Park Commission, has resigned, Council thanked Mr. Farr for his hard work on the park.

Council Member Brown gave an update on the following:

**Drinking fountains** – The two new drinking fountains with water bottle faucets and dog bowls are installed and are a big hit.

**Pollinator Garden** – Our Master Gardener volunteers, under the leadership of Wendy Beville, have worked very hard on the pollinator garden. Over 275 new plants have been added. Also, Wendy and John installed two new signs in the garden; one about the garden itself and another on the lifecycle of the Monarch butterfly.

**National Pollinator Week** – is June 17 – 23. On June 22 at 9:00 a.m., our naturalist, Roselie Estey, will give a tour of the pollinator garden and highlight other pollinators in the park. Our beekeeper, Will Garvey, will demonstrate beekeeping tools and methods and discuss how everyone can support honey bees and other pollinators through their own actions.

**Bryan Playground and Tot Lot grading and drainage** – Work began this week to grade and install a drainage system on the tot lot site. When that is complete, the play elements will be installed in late July. Grading and drainage work on the Bryan playground will begin in July, which will require closing the playground for approximately three weeks. We will issue a press release and post messages on social media to get out the word about the closure.

Mayor Staton reported one bid for grading and drainage has been received for the playground and tot lot, and the Village and Trace & Company have entered into a bid contract in the bid

amount of \$125,440.91 for the work. Council had previously approved a contract amount of up to \$125,000.00. The remaining \$440.91 needs Council's approval, and funds are in the budget to cover the cost. Council Member Brown made a motion to approve the contract amount of \$125,440.91, seconded by Council Member Jamerson. The motion carried on a unanimous vote.

4. Foundation Update – Council Member Gooch

Council Member Gooch deferred the update to Duncan Fraser. Mr. Fraser reported Pardee Hospital will hold health programs in the park starting in July with two programs a month. He gave a social media Facebook and Instagram report on the Foundation.

Mr. Fraser asked that Dennis Flanagan and Bob Lane, Foundation board members with terms expiring June 30, 2019, be reappointed to the board; and that David Leiman and Beth Clark be appointed to the board. All such appointments are for three-year terms starting July 1, 2019, and ending June 30, 2022. Vice Mayor Weedman made a motion to reappoint Dennis Flanagan and Bob Lane, and to appoint David Lehmann and Beth Clark as Foundation Directors for three-year terms, seconded by Council Member Gooch. The vote was unanimous, motion carried.

Mr. Fraser mentioned the Foundation will be preparing a transfer for approximately \$105,000.00 to the Village for reimbursement of expenses paid for the park.

5. Transportation Update – Council Member Dockendorf

No report was given.

6. FY 2018/2019 Budget Amendment – Budget Officer Jamerson

Budget Officer Jamerson presented and reviewed a preliminary budget amendment for fiscal year 2018/2019. After review, she will prepare a budget amendment and send to Council.

**Old Business**

7. Short Term Rentals – Mr. Steve Jamerson

Mr. Jamerson spoke about moving to Flat Rock and purchasing 7.5 acres of land to build their home. They chose Flat Rock for location, and for the investment security that the zoning afforded them. The one-acre minimum lot size, residential zoning and single-family dwellings were a major consideration in moving here. Based on the Land Development Ordinance adopted May 2, 2016, he had high expectations that the residential single-family character of our neighborhood would be preserved.

In 2018 the property adjacent to the north was purchased by Omibar Vacation Rentals, LLC and

was listed with AirBNB and another short-term rental internet entity. The listing advertised “five bedrooms, sleeps fourteen, parties welcome.” He stated that Our R-40 district is established as a district in which the principal use is for low density, single-family residential development, open space and limited public and semipublic uses that are compatible with the low density residential character of the district. The district is associated with areas with residential development on large lots. How could this party lodge/hotel be allowed to operate in our neighborhood without any zoning review or intervention from our Village or County?

The answer is that our ordinance covers hotels, lodges, bed and breakfast inns and homes, and every other use you could think of except short-term rentals. The truth is that all governing bodies were taken off guard by the incredible rise of short-term rentals via the internet companies such as AirBNB, Home to Go, VRBO and many others. An industry last year valued at \$100 billion is predicted to reach a worth of \$167.9 billion by 2019 – a statistic verified by the findings of the most recent Services Apartments Summit.

This explosion of short-term rentals is now happening in Flat Rock with no licensing, no permits, no inspections, no health or safety codes, and no regulation. The property adjacent to ours is a good example. The original construction was a three-bedroom, single family residence, with city water, owner septic tank. An addition was put on adding a bedroom and enclosing the walkway between the house and garage for an office. The LLC owner made the office into a fifth bedroom. There is no record of any changes to the septic system to accommodate a fifth bedroom.

Recently we received a letter from a cash investor LLC offering to rent our property as is, make repairs and updates and handle the rentals for us.

I am not proposing a ban on short term rentals; however, reasonable regulation must be enacted to preserve the character of our Village and make short term rentals a plus for Flat Rock instead of a minus. Many cities and villages have adopted a wait and see approach only to realize that short-term rentals have spiked in numbers and have become big business, overwhelming their communities.

I ask the Village Council to address this matter as soon as possible in hopes of producing the best outcome for the residents of Flat Rock.

### **New Business**

#### **8. Extra Territorial Jurisdiction/Boundary Realignment – Vice Mayor Weedman**

Vice Mayor Weedman stated this was discussed at the last LGCCA meeting. He stated the areas for consideration by the council are in Kenmure, south of Pinnacle Mountain Road, and Cobblestone and Saddlebrook subdivisions. In order for a subdivision to be annexed voluntarily,

the annexation must be approved by 100 percent of the property owners within the subdivision. He stated disadvantages of these areas being annexed into the Village would be a rise in property taxes and the loss of animal services. The Sheriff's animal control services are currently not provided within the village.

A reconfiguration of the village's boundaries could be the subject of legislative action jointly requested by the county and the village. The county commission chairman asked that our council discuss the matter and return with our thoughts at the July LGCCA meeting.

**Other Business**

8. Mayor – Council Reports

Council Member Posey mentioned putting the Implementation Plan/Comprehensive Land Use Plan on the agenda to be discussed at the next council meeting.

**Public Comments**

Ms. Darlene Miller, having a short-term rental business, made a comment about long term rentals and no share housing.

**Adjournment**

With no further discussions, the meeting was adjourned at 11:45 a.m.

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Michelle Parker, CMC  
Village Clerk

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Robert V. Staton  
Mayor