

BANNER ELK TOWN COUNCIL MEETING

July 14, 2025

MINUTES

The Banner Elk Town Council met on Monday, July 14, 2025, at 6:00 p.m.

Council Members present: Mayor Brenda Lyerly, Mike Dunn, David Lecka, Robert Tufts, and Charles VonCanon.

Staff present: Town Manager Rick Owen, Chief Kevin Hodges, and Attorney Eggers.

Call Meeting to Order

At 6:00 pm Mayor Lyerly called the regular Town Council meeting of July 14, 2025, to order.

Pledge of Allegiance

Mayor Lyerly led those in attendance with the Pledge of Allegiance.

Invocation

Council Member Charles VonCanon opened the meeting with prayer.

Public Hearing - Ordinance Amendment Mixed Use Zoning District

Council Member Tufts made a motion to go into Public Hearing of the Ordinance Amendment of the Mixed Use Zoning District and Council Member Dunn seconded the motion.

Manager Owen shared the history behind the revision of this ordinance. The two concerns that have come to the attention of the Planning Board are that the definition does not specifically require properties zoned mixed use to be used as mixed use and the fact that multi-family development would be allowed in mixed use to have flat roofs. He reviewed the Ordinance Amendment prepared by Attorney Eggers. The revision includes a requirement that the heated square footage of any building be at least 30% business use and at least 30% residential use. It further requires that the property be connected to other town infrastructure that supports alternative modes of transportation or is within the Town's long-term plan for that connectivity. Finally, the revision specifies that flat roofs with parapet in the M-U district be allowed only for buildings with commercial, office, or business uses.

Manager Owen stated that the intent of this amendment is that within this zoning district a mix of uses would be used and to alleviate the concern of additional flat roofs particularly in planned residential development.

Council Member Tufts asked for clarification to be written on a building that has mixed-use. The point should be made that in order to apply the flat roof to a mixed-use building it needs to be a minimum of 30% business use within that building. Attorney Eggers suggested that the item be tabled for that clarification to be written before the Council considered it.

Mayor Lyerly closed the Public Hearing.

Public Comment

Mark File lives in Banner Grande, within the ETJ of Banner Elk. He is currently working with the Town on communication needs, including storm recovery, and with the TDA for tourism promotion. He provided his background for hotel and restaurant development and tourism promotion.

He stated that he has been communicating with the owner, Steve Gilliam, of the Old Cannon Memorial Hospital and found that although he has talked with developers about what is best for the land he is also interested in what is best for the Town and is open to ideas. The hospital has been vacant now for 25 years and demolition of the structure has begun. The plot is a total of 52 acres which includes 40 acres of woodlands on a gateway knoll. When the hospital is down, the property will be truly interesting to individuals for commercial development.

He feels that reserving this land for community use and protection of Town resources. This property's woodland and greenspace will be crucial to protecting the Town in the face of future storms and in protection of the Town's wells. He observed that since there will be a great deal of interest in this property once the hospital has been cleared, it will be significant that the use of this property be very carefully considered and planned. Mark made connections with what is already happening in that area with potential areas of need for the Town. For instance, he shared that Lees-McRae is looking to create a greenway from the Banner House Museum to Wildcat Lake which would provide an excellent opportunity for this property to bridge a connection. He also highlighted the developments of three new hotels and the traffic coming in through that gateway.

In light of the known health and wellness needs locally and generationally, and understanding the importance of maintaining the beauty that our town is known for, he suggested maintaining a tree canopy while providing more parking for downtown, creating a small park situation and a trailhead for the greenway plans, and more shelters so visitors and residents have extended area to enjoy recreation. He encouraged everyone to get involved in the opportunity for the future of the town provided by this property.

Approval of Stated Agenda

Mayor Lyerly asked for a motion to approve or amend the stated agenda. Council Member Lecka made a motion to approve the amended agenda and Council Member VonCanon seconded the motion. The motion passed unanimously.

Ordinance Amendment for Mixed Use Zoning District

Manager Owen opened the discussion about clarifications needed for how to determine the appropriate use category for apartment buildings. The apartment buildings have been discussed as residential use but banks view them as commercial use. There was further discussion on the definition of detached building and Manager Owen suggested that the Mixed-Use Zone requirement of percent of use could be mixed throughout the parcel as opposed to within a building. The clarification on this point determines the understanding of how flat roofs would be applied in the development. Council Member Lecka pointed out that there is a challenge of mixed-use buildings being that the first floor could be empty if they are retail, which would be undesirable.

Council Member VonCanon made the motion to table passing this amendment and Council Member Tufts seconded the motion. The motion passed unanimously.

Annexation Request for Parcel: 1859-1961-4973

Manager Owen explained that the parcel for this request is a non-contiguous parcel of .91 acres owned by Lindsey Wiseman between Dollar General and Mount Calvary Baptist Church. The owner would like to build a house in the future.

He asked the Council to certify the petition so that the request could be explored by staff. Council Member Lecka made the motion and Council Member Dunn seconded the motion. The motion passed unanimously.

Solicitation of New Transportation Projects for 2028-2037 STIP

Mayor Lyerly instructed the Council that Avery County has determined that they wish to submit two proposals and as a Council they must send in their response. The first proposal is the widening of Highway 105 from Clarks Creek to 221. The second proposal is to improve the continuous flow of the intersection at Tynecastle. She explained that the Council needed to send in a response as to whether or not they wish to support the submission of these two proposals.

The Council discussed the projects and the impact of the proposals. Attorney Eggers spoke on the widening of 105 and the funding behind that project and stated that DOT doesn't currently have the funding to complete this project in the timeline in question. He explained that these projects have been made itemized to help make the greater projects more feasible.

Council Member Lecka made a motion to support Highway Holding Tank Project H230692 and CarryOver Project H090921-A and Council Member VonCanon seconded the motion. The motion passed unanimously.

Resolution of Intent to Request SRF Loans and/or Grants

Manager Owen explained that staff is working with McGill (one of the Town's on-call engineering firms) to look at funding opportunities for water and sewer projects. There is a new pot of money stimulated by Hurricane Helene out of the state revolving fund for water and sewer projects. This resolution expresses the Town's interest in this money. This resolution lists a number of projects that the Town would like to do.

Council Member VonCanon made a motion to accept this intent to accept state loan or grant and Council Member Dunn seconded the motion. The motion passed unanimously.

Approval of Minutes

Mayor Lyerly asked the Council to accept and approve the minutes in their packet. Council Member Lecka made a motion to approve the May and June Town Council minutes and Council Member Tufts seconded the motion. The motion passed unanimously.

Storm Recovery Update

Mike Healy introduced himself and his role as a consultant with Insight and supporting the Town on recovery from Hurricane Helene and in navigation through the FEMA application process.

The Town has identified 73 areas of damage, and almost all have been inspected. These damages have become 44 projects. On the low end they will cost between \$9.5-11.5 million and of that \$1.1 million has already come back to the Town and \$1 million is "in the chute". Three projects are totally obligated and completed and four of the projects are in completion by the Town due to insurance. Twenty-three are in FEMA's cue, eight are pending PDMG review, and two projects are awaiting review and study.

To celebrate “victories”, recognition should be given to water and sewer being completed more quickly than anticipated even though there are locations that must be mitigated. The park project came along to its present state and was ready for the general public for its summer events.

The goals at this point include getting roads completed before winter (Lecka Lane, Crooked Creek, Silver Springs), sections will need to be reworked for water and sewer (Dobbins, Dollar General, Elkmont) where those utilities would ideally be switched from creek side to the alternate side of the road.

Fred Schmitt voiced his concern with the reality of the goal of completing the aforementioned roads and wanted the right level of expectation to be set for the public. Mike responded that the work can be completed if things are lined up without unforeseeable delays. Audience member Mr. Diehl asked about the utility line coordination and timeline. Mike explained that communication will be provided as lines are cut and reworked. He further explained the process of mitigation in order to respond to damages from Helene and plan for future storms.

Manager’s Update & Staff Reports

Manager Owen shared that Art On The Greene and Fourth of July weekend were huge and great events. He reminded Council that there will be an Art On The Greene the first weekend of August.

Council Member Tufts asked about the solicitation at the stoplight. Chief Hodges said that the three different groups had petitioned him and been granted permission but there aren’t any other groups scheduled.

Other Business

There was no other business.

Adjourn

With no further business, Council Member Lecka motioned to adjourn and was seconded by Council Member Tufts. The motion passed and the meeting was adjourned.

The meeting ended at 7:10 PM.

Approved: _____
Mayor Brenda Lyerly

Attested: _____