



MINUTES

August 26, 2026

SECOND MONTHLY MEETING OF THE CITY COUNCIL
CITY OPERATIONS CENTER | 305 WILLIAMS ST. | 4:00 p.m.

Present: Mayor Barbara G. Volk, Mayor Pro Tem Dr. Jennifer Hensley, and Council Members Lyndsey Simpson, Melinda Lowrance and Gina Baxter

Staff Present: City Manager John Connet, Deputy City Manager Brian Pahle, City Clerk Jill Murray, City Attorney Angela Becker, Budget & Evaluation Director Adam Murr, Communications Director Allison Justus, Communications Coordinator II Brandy Heatherly and others.

1. CALL TO ORDER

Mayor Barbara Volk called the meeting to order at 4:00 p.m. and welcomed those in attendance. A quorum was established with all members in attendance.

2. CONSIDERATION OF AGENDA

City Manager John Connet asked that the following be amended on the agenda:

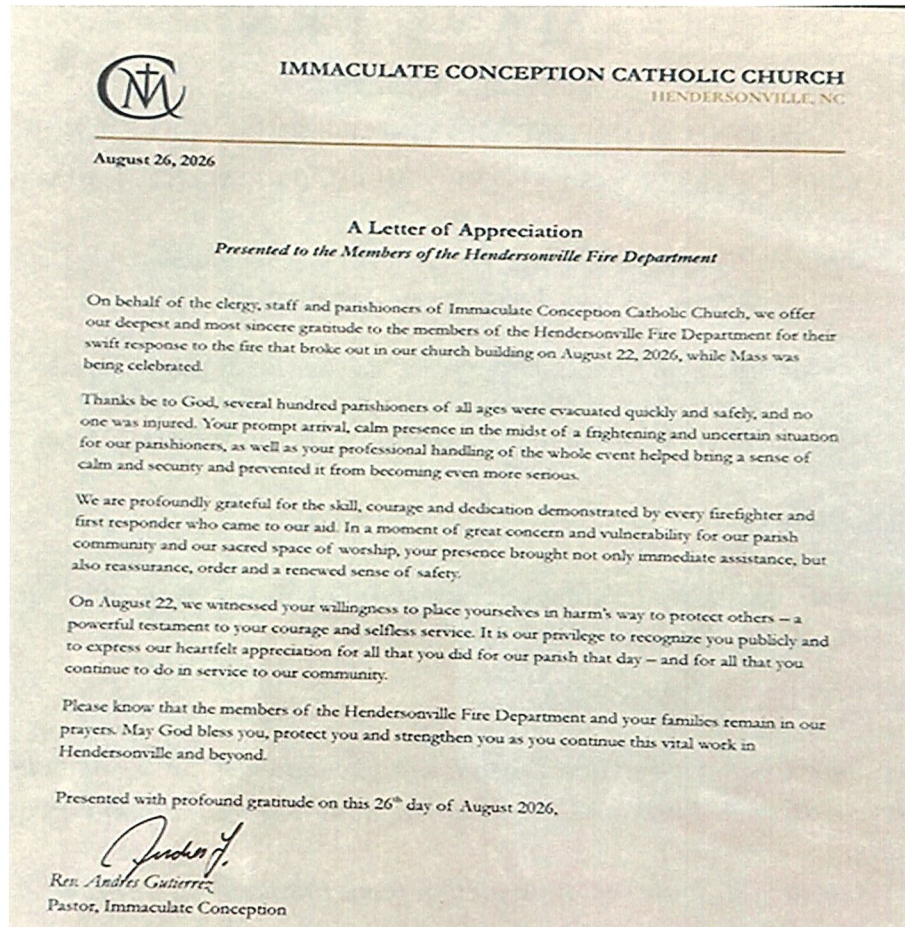
- *Remove - Item A. Farmland Preservation Bond Referendum and move to next workshop meeting*
- *Add – new item A. Letter of Appreciation from Immaculata Church*
- *Add – Item E Lennie's Law Discussion*

Council Member Jennifer Hensley moved that City Council approve the agenda as amended. A unanimous vote of the Council followed. Motion carried.

3. PRESENTATIONS

A. Letter of Appreciation from Immaculata Church – Jennifer Hensley, Mayor Pro Tem

Rev. Andres Gutierrez of Immaculate Conception Catholic Church presented Fire Chief Justin Ward with a letter of appreciation for their swift response to a fire that broke out in their church building on August 22, 2026 while Mass was being celebrated.



B. Presentation Regarding Improvements to City Board and Commission Support – John Connet, City Manager and Jenny Floyd, Assistant to the City Manager

City Manager John Connet and Assistant to the City Manager Jenny Floyd gave the following PowerPoint presentation regarding revamping the boards and committees structure.

Boards & Committees

August 26, 2026



Desired Outcomes

Feedback on proposed changes

- Marketing
- Training
- On-Boarding
- Appointments

Council Concerns

Why

Strategic Plan

- Focus Area: Engaged and Educated Community
 - Big Rock: Overhaul of City Boards and Commissions

Increase Retention of Members

Empower Staff Assists

Background

Feedback

- Staff Assists
- Board/Committee Chairs

Themes

- A lack of understanding of role and time obligations
- A lack of board specific training
- A desire to have input on applicants
- Concerns with civility

Suggested Actions

Update Marketing

Board and Committee specific introduction videos and webpages clarifying roles, responsibilities, on-going projects, and typical tasks

Require Prerequisites

Prior to Applying
2 Board/Committee meetings
or
1 Board/Committee meeting & 1 Meeting with Staff Assist

Suggested Actions

Increase Training

- 1 on 1 on-boarding of new board member(s) by staff assist
- Yearly training for board members and staff assists
 - Procedural rules
 - Civility
 - Conflicts of Interest
 - Attendance Requirements
- Council Liaison
 - Roles and Responsibilities
- Support training via School of Government

Suggested Actions

Input on Appointments

- Share applications with Staff Assists for general comment
 - Final decision lies with Council
- Change Appointment Months
 - June > May
 - December > November

This will allow for proper on-boarding of new members before their term begins

Suggested Actions

Professionalization

- Creation of yearly work plan
 - Identify events, policies, and projects
 - Budget requests
 - Identify alignment with City Strategic Plan
 - Adoption by Council along with Budget
- Semi-Annual Meeting with Staff Assists
- Annual Meeting with Chairs

Off-Boarding

Conduct exit interview or survey

Questions?

C. Draft Data Center Moratorium Plan – *Lew Holloway, Community Development Director*

Community Development Director Lew Holloway gave the following PowerPoint presentation.



Background

- + **Current Ordinance:**
 - + No Use Defined (CZD/Special Use/Etc.)
 - + No Districts Permitted/Prohibited
 - + No Design Requirements or Impact Analysis
- + **Considerations for Moratorium:**
 - + Use complexity; Data Center, Hyperscale Data Center
 - + Research & Development of Standards
- + **Impact of Moratorium:**
 - + No Zoning Compliance Permit issued for Standalone Data Centers
- + **Other Factors/Considerations:**
 - + State Action; Senate Bill 730 (Ratepayer Protection Act) – focused on large facilities



Proposed Work Program

- + **September '26 to November '26**
 - + State and Federal law review
 - + data center characteristics (typical/hyperscale)
 - + statutory authority
 - + land use & environmental analysis
- + **December '26 to March '27**
 - + Draft ordinance
 - + Public outreach & sub-committee review
 - + Legal Review & Administrative Review
 - + Utility Engagement & Review.
- + **April '27 to June '27**
 - + Adoption Process, Planning Board to City Council.
- + **Recommended Moratorium Length: Twelve Months**



Potential Ordinance Elements

- + **Use Classification**
 - + Define "Data Center" and "Hyperscale Data Center"
 - + Permitted Districts/Prohibited Districts
 - + Special Use Permit/Conditional Zoning
- + **Site Requirements & Infrastructure Standards**
 - + Site Size & Buffering
 - + Electrical Requirements
 - + Water Requirements
 - + Noise Requirements
- + **Submission Requirements**
 - + Utility Capacity Study
 - + Noise Study
 - + Emergency Response Plan
 - + Decommissioning Plan



Questions?

D. Legislative Update – John Connet, City Manager

City Manager John Connet gave City Council an update on the short-session wrap-up from the North Carolina League of Municipalities.

NORTH CAROLINA LEAGUE OF MUNICIPALITIES

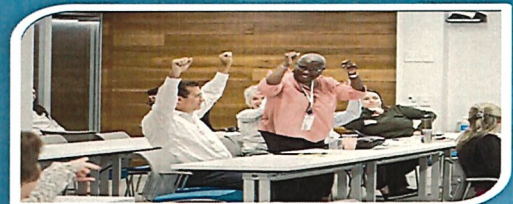
Short Session wrap-up
August 19, 2026



OUTLINE

- NCLM & Government Affairs Overview
- NC Political Landscape
- Session Wrap Up
- Q&A

GOVERNMENT AFFAIRS OVERVIEW



NCLM GOVERNMENT AFFAIRS TEAM

Your Voice – Full-Service Advocacy

- Represent cities and towns before the General Assembly, the U.S. Congress, and administrative rule-making authorities
 - Work directly with legislators, government agencies and employees, and other policymakers
 - Lobby and advocate for what's in the best interest for cities, towns, and their residents
- Connect city officials and legislators
- Political advising & research
- Issue-based media campaigns

NCLM LEGISLATIVE RESOURCES

- League Bulletin
- Published weekly during Session
 - Monthly during legislative interim
- Other resources
- Member-driven policy agenda
 - Relevant talking points
 - Supplemental media
- Upcoming advocacy events
- Legislative Summit (Sept. 30, 2026)
 - Town & State Dinner (Feb. 17, 2027)

NCLM

NC LEAGUE OF MUNICIPALITIES

WORKING AS ONE. ADVANCING ALL.

2025-26 NCLM Legislative Goals

RESILIENT INFRASTRUCTURE

- Establish long-term funding streams that adequately address water, sewer, stormwater, transportation and other infrastructure needs.
- Expand state transportation funding streams for construction and maintenance of municipal and state-owned secondary roads.
- Create incentives that encourage and adequately fund regionalized water and sewer solutions.

HEALTHY FINANCES

- Expand funding opportunities for disaster resiliency and recovery efforts.
- Provide local revenue solutions beyond the property tax.
- Expand incentives and funding for local economic development.

UPLIFTING UNDERSERVED COMMUNITIES

- Support technical assistance programs to assist municipalities with securing or maintaining grants or other necessary municipal resources.

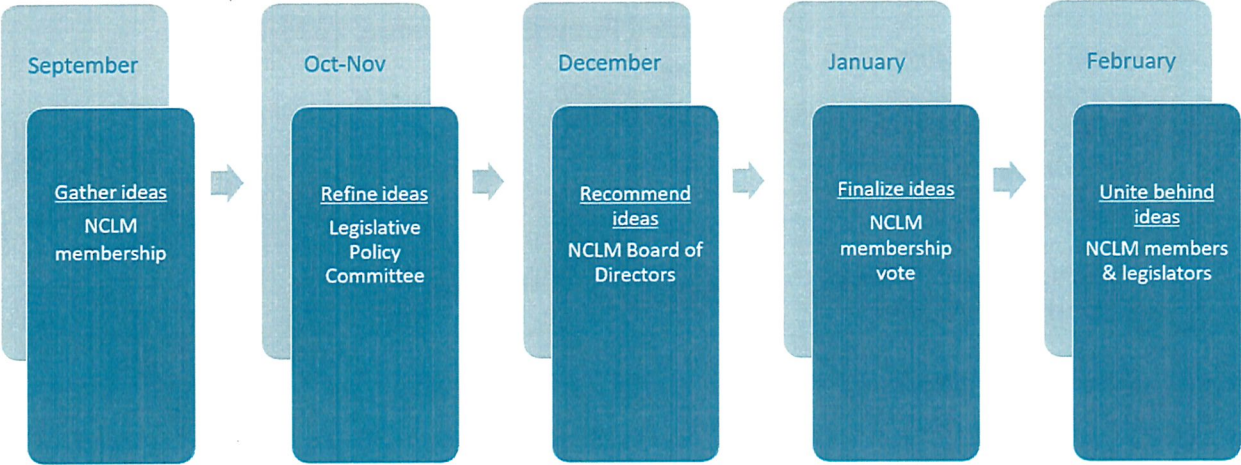
VIBRANT COMMUNITIES & NEIGHBORHOODS

- Preserve authority for extrajurisdictional jurisdiction to ensure that growth is well-planned and investments in homelessness and business owners are protected.
- Update the annexation petition thresholds to make voluntary annexations easier to initiate.

ADAPTIVE MUNICIPAL OPERATIONS

- Protect the ability of municipal elected officials, acting on behalf of local voters, to determine election formats, districts and other election matter currently under their purview.

2026 POLICY DEVELOPMENT PROCESS



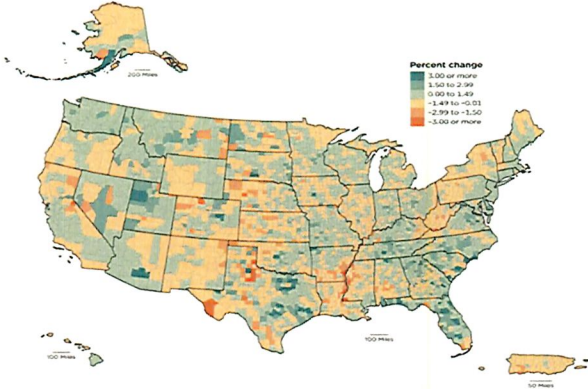
NC POLITICAL LANDSCAPE



GROWTH ...

- N.C. Population: 11.2 M (est. '25)
- Since 2020: Added 757,000
- Percent Increase – 7.2%
- 3rd fastest growth in country (# and %)
- Currently, 9th largest state and projected to surpass Georgia and Ohio in early 2030s

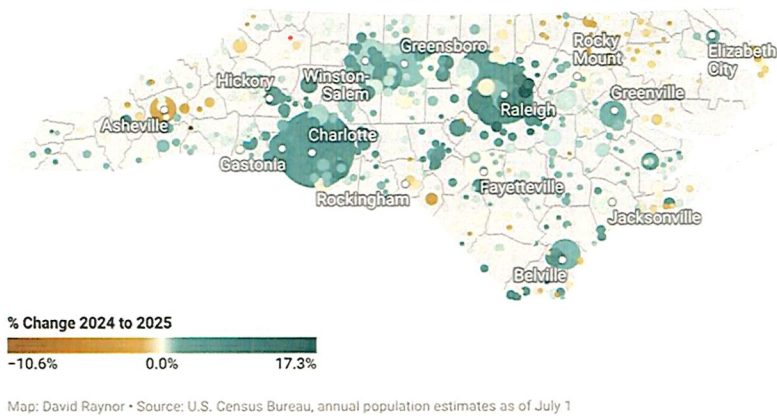
Percent Change in County Population: July 1, 2024 to July 1, 2025



Source: U.S. Census Bureau and N.C. Office of State Budget and Management

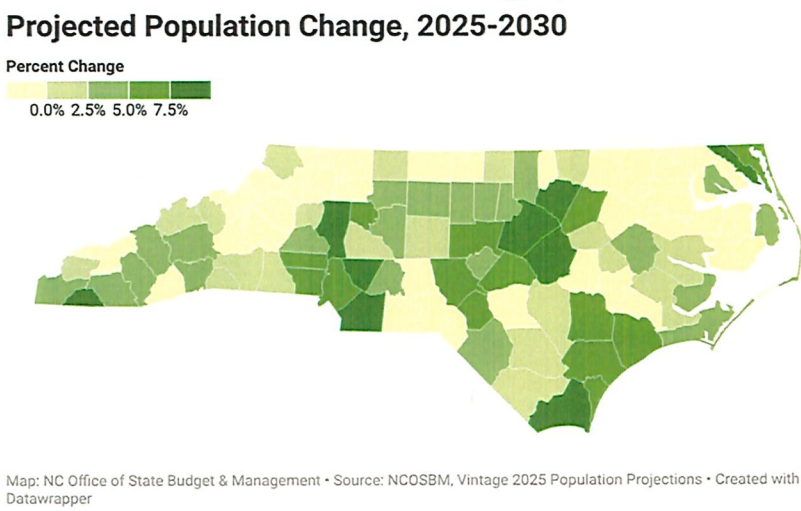
... BUT ...

- Seven of the 10 fastest-growing NC cities in 2025 were in the Triangle area
- Small towns in western NC experienced the highest rate of population loss in 2024-25, due to Hurricane Helene



... UNEVEN GROWTH.

- Urban and “halo” counties growing rapidly, while some* rural counties are losing population
- Helene slowed growth in mountain region
- Cities and towns continue to drive population growth

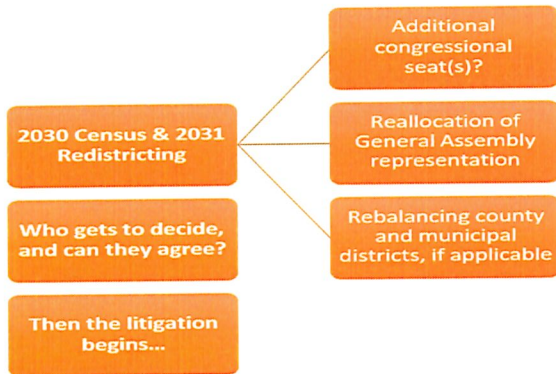


NC’S GROWING MUNICIPALITIES

- Charlotte gained more people in 2024-25 than any other city in the country. It is now the 14th largest city with 964,784 population.
- Raleigh’s population now exceeds 500,000.
- Seventy percent of all NC municipalities added population in 2025, a decrease from the prior year.
- Hurricane Helene caused many of the population losses in NC cities in 2024-25.

Top Ten Fastest Growing NC Cities 2024-25	17% Wendell
	14% Zebulon
	13% Angier
	11% Four Oaks
	9% Rolesville
	7 % Bolivia
	6% Knightdale, Monroe, Navassa, Apex

POLITICAL IMPACT OF GROWTH



Urban representation should continue to grow

Rural Congressional Delegation

- 10 Republicans – all in geographically large rural districts
- 4 Democrats – only one in a rural district

Urban NCGA Representation (30% of seats in top 3 counties)

- Mecklenburg: 6 Senators, 13 Reps
- Wake: 6 Senators, 13 Reps
- Guilford: 3 Senators, 6 Reps

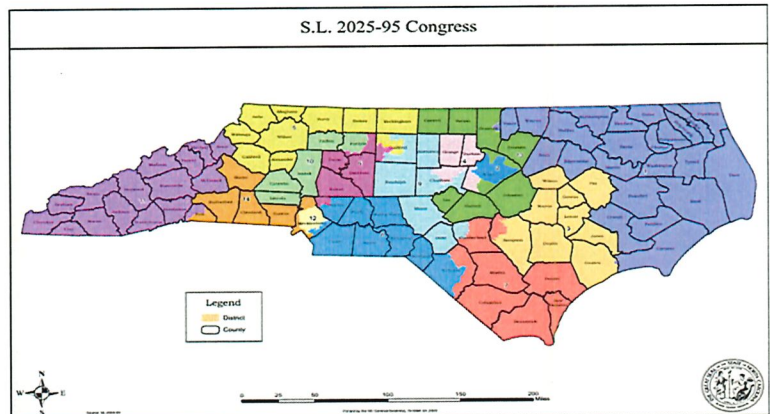
NC FEDERAL DELEGATION

2 Senators – both GOP

- Tillis (retiring)
- Budd

14 House Members

- 10 GOP, 4 DEM
- District 1 redrawn in 2025
- Impact of Louisiana v. Callais



NC LEGISLATURE 2025-2026

■ Republican ■ Democrat ■ Unaffiliated

Senate



House



POLITICAL TRENDS



POLLING



NATIONALIZATION OF
STATE POLITICS



LEADERSHIP
UNCERTAINTY

PROCEDURAL REALITIES



TRUNCATED
PROCEDURE



SHORTENED WORK
WEEK



FEW LAWS PASSED
IN 2025



ONE BIG BEAUTIFUL
BILL MODEL

STATE BUDGET CONTEXT



NO COMPREHENSIVE
BUDGET SINCE 2023



GROWING MEDICAID
PRESSURE



HELENE RELIEF



DESIRE TO LOWER
INCOME TAXES

PRACTICAL IMPACTS

Unpredictability

Omnibuses

Contradictory Results

Log Rolling

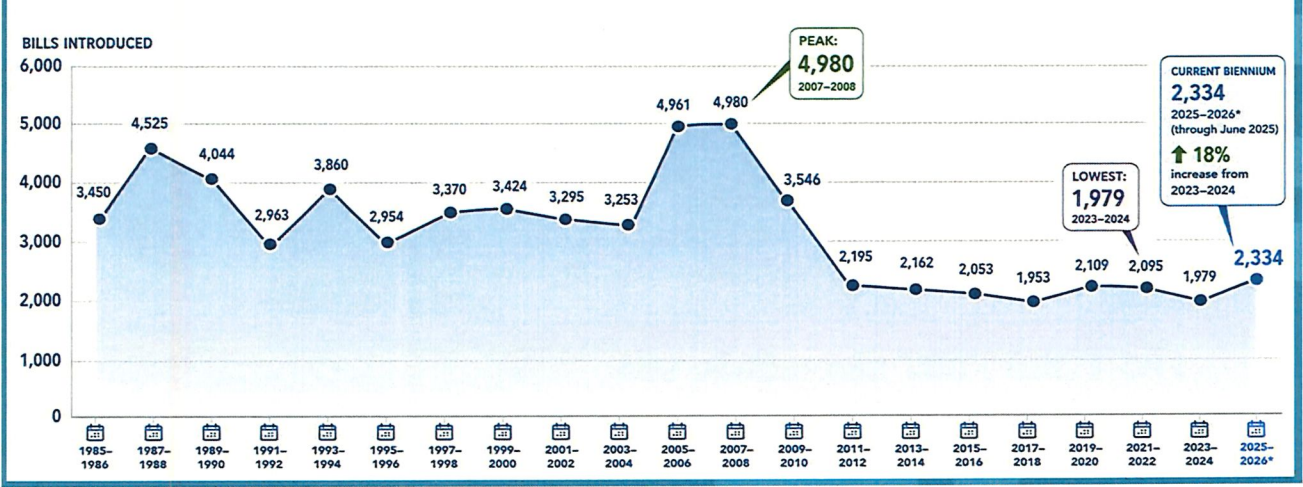
Proposed Committee Substitute (Gut-and-replace)

Hostage Taking

**“IT’S REALLY
HARD TO STOP
BAD THINGS
RIGHT NOW.”**
*- Anonymous
Insider*

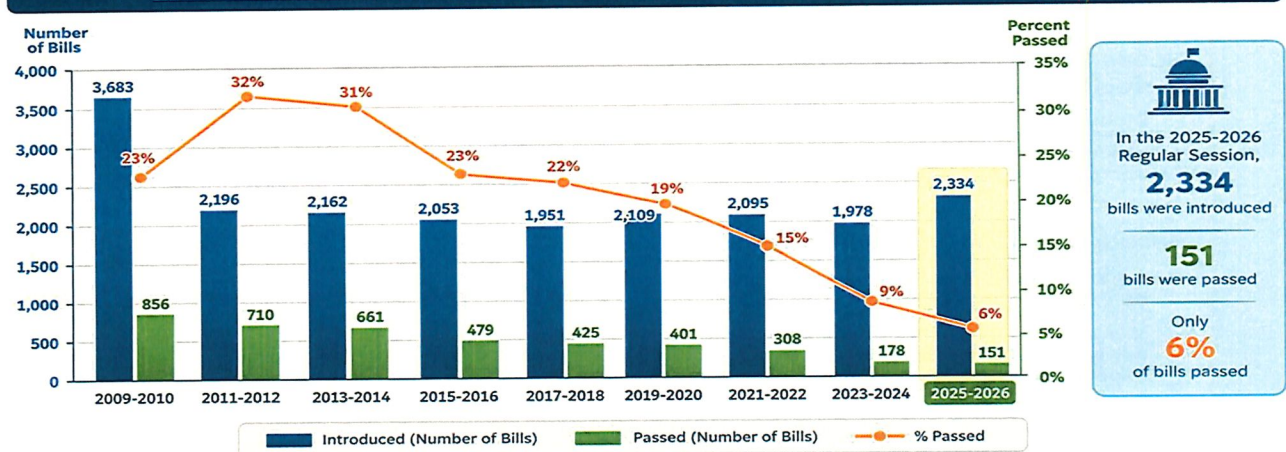
NCGA HISTORICAL BILLS INTRODUCED ('85 – PRESENT)

Number of bills introduced each biennium, reflecting long-term legislative trends.

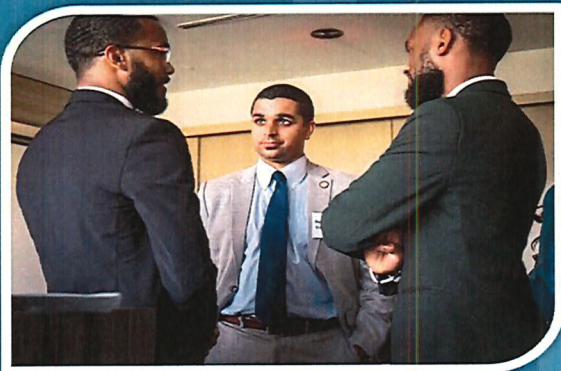


NCGA Bills Passed by Regular Session

A look at introduced, passed, and percent passed over the past nine regular legislative sessions.



SESSION WRAP-UP



WAIT, WAIT, WHAT DID THEY DO?

- ✓ Passed a budget...
...and the Governor signed it.
- ✓ Overrode some vetoes
- ✓ Added two more constitutional amendments on the 2026 ballot (total is now 3)
- ✓ Redrew the Congressional Map
- ✓ ...and so much more!

LEGISLATIVE ISSUE RECAP

Property Tax

Infrastructure Investment

Budget Special Provisions

Downzoning

Preemption Issues

Land Use and Zoning

Deannexation

Local Elections

Local Govt Oversight

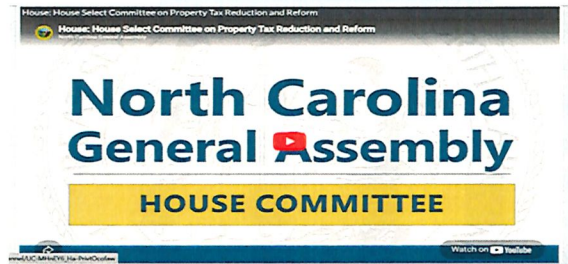
PROPERTY TAXES

House Select Committee on Property Tax Reduction & Reform

- Monthly meetings Dec 2025—April 2026
- Examined current local property tax system and potential reforms

Senate Property Tax Working Group

- Announced by Pres. Pro Temp Berger just before primary election
- Membership was only Republicans, with many having prior local government experience
- No public meetings



PROPERTY TAXES

Assembly of North Carolina enacts:

SECTION 1. Subsection (5) of Section 2 of Article V of the Constitution of the State of North Carolina, as rewritten:

~~Section 2. The General Assembly shall enact general laws limiting the amount by which the levy of taxes on property may increase, which may include exceptions.~~
Section 2. Property tax purposes, limitation. The General Assembly shall enact general laws limiting the amount by which the levy of taxes on property may increase, which may include exceptions.

SECTION 2. The amendment set out in Section 1 of this act shall be conducted in accordance with the laws governing elections of the State at the statewide general election to be held on November 3, 2026. All ballots used in the voting systems and ballots shall be:

"[] FOR [] AGAINST
Constitutional amendment requiring limits on property tax

✓ Constitutional Amendment subject to voter approval provides:

"The General Assembly shall enact general laws limiting the amount by which the levy of taxes on property may increase, which may include exceptions."

✓ Legislation forthcoming if approved

✓ Also "Truth in Taxation" is nearing the finish line

PROPERTY TAXES

SB 889 Property Tax Reappraisal Moratorium (S.L. 2026-8)

- 12-month pause on using property revaluations from 2026
- SB 474 Adjust Counties/Reappraisal Moratorium (S.L. 2026-47) modified the counties to which the pause applied

HB 1042 Affordable Housing Exemption Mods

- Bill to close tax loophole utilized by multifamily owners
- Loophole reduces tax liability to nearly zero, with no corresponding creation of affordable housing



INFRASTRUCTURE INVESTMENTS

Earmarks | Very few "directed grants" over \$1 million in budget

Transportation | Powell Bill protected, Charlotte regional transit tax

Water | Federal grant programs fully matched (SRFs, CDBG)

Contracting | New DEI laws and elimination of HUB office

BUDGET SPECIAL PROVISIONS

-  SNAP error rate payment from county/municipal sales taxes
-  Law enforcement officer \$1,750 bonus
-  Economic development reporting to State Auditor of expenditures over \$25k
-  Create a merged agency within the Dept. of Labor that combines 3 Building Code Councils
-  Inter-basin transfer moratoriums and studies
-  Shift appointment powers from Governor to NCGA or Council of State offices

DOWNZONING

Problematic Downzoning provision passed into law in 2024 (SB 382)

- Prohibits local governments from initiating down-zoning without written consent from all affected property owners
- Broadly defines "down-zoning" as any zoning amendment that reduces the density, permitted uses of a property or creates nonconformities

Senate Solution: SB 587 Clarify Nonconforming Uses

- Senate passed the bill in early May 2025
- House adopted a committee substitute to regulate "wake surfing"
- Harnett airport exemption; Mills River repeal; no action on statewide issue

PRE-EMPTION ISSUES

Minimum Lot Size	Residential in Commercial and Light Industrial	ADUs	Vested Rights	Fee Schedules Online
Shot Clocks	Parking Minimums	Stormwater	Home-based Businesses	Homelessness
Property tax	DEI	Deannexations	Elections Changes	Oversight hearings

LAND USE & ZONING

SB 445 Regulatory Reform Act of 2026

(S.L. 2026-59), SB 1047 Regulatory Reform Act

- Minimum lot size
- Residential in commercial/light industrial
- ADUs
- Vested rights
- Permit choice (became law in budget)
- Shot clocks
- Fee schedules online

HB 372 Home-Based Business Fairness Act

(S.L. 2026-51)

- Must allow "no-impact" home-based businesses

HB 162 Parking Lot Reform/Stormwater Control (S.L. 2026-39)

- Parking minimum partial repeal



LAND USE LITIGATION

Appeal from administrative zoning decisions w/o BoA decision+

Association standing for appeal of zoning decisions+

Extend the time for appeal of zoning decisions from 1 to 3 years+

Establish new permit choice and vesting rights per legislative zoning decisions*

Adds mandatory award of costs to prevailing party in a zoning decision*

Prohibits withholding zoning permits to compel employment agreements+

* Provision included in bills that passed one chamber

+ Provision not considered in legislation by either chamber

HOMELESSNESS

HB 437 Drug-Free

Zones/Unauthorized Public Camping

- Vetoed by Gov. Stein
- House must take first override vote
- Local governments may not allow public camping
 - May establish regulated camps
 - Allows residents and business owners to sue if local governments do not address public camping



Photo credit: Greg Childress/NC Newsline

DEANNEXATION

By the numbers

- 11 single-city bills introduced
- One single-city bill enacted
- Four omnibus bills enacted that included de-annexations, impacting 17 cities
- Property tax debate leads to interest in legislation 2026

By the way...

- House advances a proposal to enact a de-annexation statute that would authorize municipal-level de-annexations
 - HB 199 Authorize Municipal Deannexation
 - Remains pending...



LOCAL ELECTIONS

Trend toward even-year and/or partisan elections

Bills this biennium affected cities statewide

Kannapolis, Albemarle, Moore County municipalities, Pink Hill, Bolivia, Belville, New Bern, Everetts, Snow Hill, Rural Hall, Catawba County municipalities, McDowell County municipalities, Kitrell, Asheboro, Madison, Faith, China Grove, Pamlico County Municipalities, Simpson, Monroe



LOCAL GOVERNMENT OVERSIGHT



NCLM

CASE STUDIES IN LAWMAKING TODAY

HB 437 Drug-Free Zones/Unauthorized Public Camping

April 2025	6/10/26	6/11/26	6/18/26	6/24/26	6/30/26	7/8/26
• Passed two House committees, passed House 76-36	• Senate Judiciary Cmte approves version including public camping ban in 160D	• Senate Health Care Cmte passes, amended	• Senate Rules Cmte passes	• Senate approves	• House approves	• Gov. Stein veto

TALK TO YOUR LEGISLATORS

Now is a great time to build relationships with your state legislators!

- Discuss the issues on previous slides
- Tour them around a town facility or project
- Take them to lunch
- Describe town priorities, ask legislator to vote to retain municipal authority
- Get their cell phone number



We cannot be successful without you!

CONTACT INFO

Erin Wynia, Director of Government Affairs
ewynia@nclm.org
(919) 961-6108

E. Lennie’s Law Discussion – Jennifer Hensley, Mayor Pro Tem

Mayor Pro Tem Jennifer Hensley talked about a coalition of people who have gotten together and would like the City of Hendersonville to pass a resolution in honor of Leonard Antonelli and Jacob Hill Bicycle Safety Zone Act of 2025 a/k/a Lennie’s Law and would like the city to pass a resolution.

She said the MPO unanimously adopted it last week. Consensus of Council was to draft a resolution and put it on the consent agenda at the next regular meeting.

Leonard Antonelli and Jacob Hill Bicycle Safety Zone Act of 2025
Aka: Lennie's Law

To honor the lives of Leonard Antonelli (Lennie, 27) and Jacob Hill (Jake, 32) - who tragically lost their lives on July 1st, 2025 when a commercial vehicle crossed the center line on a weekly group cycling ride near Asheville, NC on a popular cycling route - this bill proposes a simple solution to encourage and enforce stricter adherence to posted speed limits on popular cycling routes in North Carolina.

Similar to school zones with reduced speed limits and higher penalties for speeding, **Lennie's Law** proposes to designate certain popular cycling routes as **Bicycle Safety Zones** with higher penalties for speeding.

Local and State officials shall make road designations based on data of cycling related accidents and feedback from cycling groups in communities. Once a stretch of road is designated as a Bicycle Safety Zone, new signage should be put up along the route utilizing the existing "share the road" sign with this additional signage:

Bicycle Safety Zone
Fines Higher for Speeding
Next 15 Miles



This simple, cost effective measure will raise awareness of cyclists on the road and impose a greater penalty for disobeying posted speed limits - a leading cause of cyclist/vehicle related accidents.

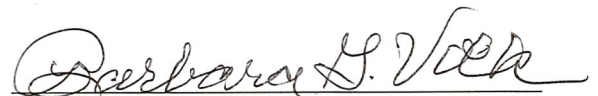
It's time we had safer places to ride in Western North Carolina, and Lennie's Law is one easy piece of legislation that will move us further down the road in honor of two young cyclists who should still be riding today.

5. ADJOURN

There being no further business, the meeting adjourned at 5:18 p.m. upon unanimous assent of the Council. No further action was taken.

ATTEST:


Jill Murray, City Clerk


Barbara G. Volk, Mayor