



MINUTES

August 27, 2025

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, Communications Manager 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

Council Member Lyndsey Simpson moved that City Council approve the agenda as presented. A unanimous vote of the Council followed. Motion carried.

3. CONSENT AGENDA

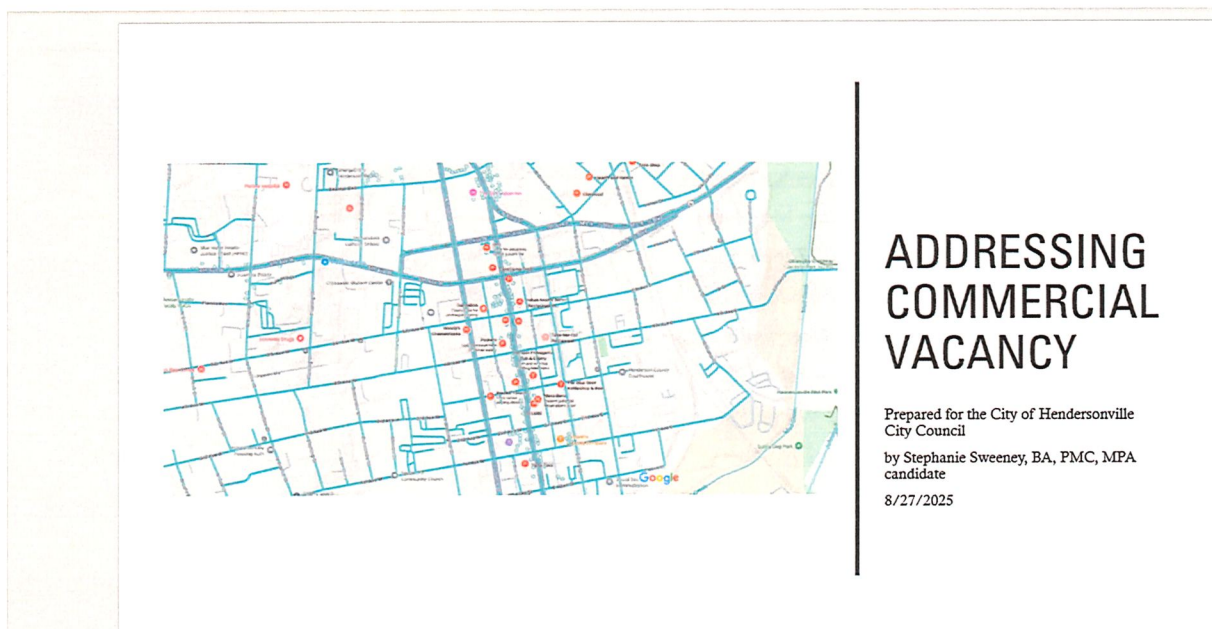
Council Member Melinda Lowrance moved that City Council approve the consent agenda as presented. A unanimous vote of the Council followed. Motion carried.

- A. **Small Business Infrastructure Grant Program for Helene Related 7th Avenue E Sidewalk Restoration** – Blake Fulgham, Management Analyst II-Strategy & Performance
- B. **Small Business Infrastructure Grant Opportunity for Cane Creek Industrial Park Waterline Connection** – Blake Fulgham, Management Analyst II-Strategy & Performance

4. PRESENTATIONS

- A. **Addressing Commercial Vacancy and Maintenance Presentation** – Stephanie Sweeney, Summer Intern

Summer Intern Stephanie Sweeney gave a brief presentation addressing commercial vacancy and maintenance and gave suggestions on how to move forward.



Good evening, Madame Mayor, members of City Council. My name is Stephanie Sweeney. I am currently pursuing my MPA at Western Carolina University. I will be graduating in December. I have been working with Jamie Carpenter and her team in the Downtown Community Development Division. Addressing Commercial Vacancy is one of many programs that I have been focusing on this summer.



WHY VACANCY? SHARING THE RESEARCH, MAKING RECOMMENDATIONS

- Vacancy Registry: Gen H Comp plan priority
- Researched: Vacancy Registry use in NC
- Reviewed: other city departments commercial building information
- Analyzed: Hendersonville Commercial Building Code
- Recommendations for implementation
- Current process
- Things to consider

Why Vacant Building Registries?
Vacant Property Registration has been listed as a priority in Council's strategic plan and in the Gen H Comprehensive plan – and it was something completely unknown to me

WHAT WE CURRENTLY KNOW

- 120+ commercial buildings are vacant within city corporate limits
- Downtown vacancy rate is ~10%
- Vacant buildings impact city resources (code enforcement, fire, police), decrease tax revenue, create blight



609 King St.
We are still trying to nail down the upper floors for Main Street and 7th Avenue Districts
Healthy vacancy rate is between 5% and 10%.
Average vacancy rate for NC is 20%
US average was 19.4%
Both stats are from July 2025

CITIES AND TOWNS REVIEWED

Cities with Vacancy Registry

- City of Kings Mountain
- Town of Zebulon
- Town of Rutherfordton
- City of Cherryville
- City of Albermarle
- Town of Warrenton
- Town of Ayden

List of Reviewed Cities/Towns

Location	Population
• Town of Warrenton	651 (2020 Census)
• Town of Ayden	5,092 (2023)
• City of Albermarle	16,432 (2020 Census)
• City of Cherryville	6,402 (2025)
• Town of North Wilkesboro	4,338 (2023)
• City of Wilson	47,700 (2023)
• Town of Rutherfordton	3,640 (2020 Census)
• Town of Zebulon	6,903 (2020 Census)
• City of Goldsboro	33,448 (2023)
• City of Asheville	95,056 (2023)
• City of Brevard	7,795 (2023)
• City of Raleigh	482,295 (2023)
• City of Charlotte	911,311 (2023)
• City of Winston-Salem	252,975 (2023)
• City of Hendersonville	15,137 (2023 est.)
• City of Statesville	28,045 (2020)
• City of Kings Mountain	11,823 (2023)



Why did I only consider North Carolina Cities/Towns for this research.
North Carolina is a Dillion's Rule State. We have to be given permission in the law to do "it". Other States are only restricted by what is not listed in the law.



VACANT BUILDING REGISTRATION RESEARCH

- In its infancy-North Carolina
- Conducted research on 17 cities/towns, 7 use
- Cities/town using, typically 30% + commercial vacancy
- Requires process for registration
- Recommend small administrative fee to list, larger fine for noncompliance

Considerations:

- Needs to be codified by City Council
- Estimate 10-12 months -form creation to operational list
- Does not address under-utilized properties
- Create education campaign for property owners

This movement is so new, we do not have long term information to see how impactful the registry ordinances are. Picture is from 201 N Main St – vacant for at least 12 years, currently listed for sale at 2.5 million

FEES
COMPARISONS



- Town of Ayden: \$500 first year, \$1000 each year following
- Town of Warrenton: \$15 to register, penalties range from \$50 to \$500
- City of Albermarle: no fee to register
- City of Cherryville: no fee to register, \$100 first full year, \$500 second, \$1000 third, \$2000 each following year
- Town of Zebulon: no fee to register, failure to register \$500 fine
- City of Kings Mountain: \$250 first 6 months, second 6 months \$500, 1st year \$750, 18 months \$1,000, registration must include 1 million dollars of liability coverage
- Town of Rutherfordton: \$50 per year, not prorated

Fees are all over – many seem to use the carrot then the stick method of fee/fine

COMMERCIAL BUILDING LIST

- Information from the Fire Inspection Commercial Building List, Water Usage Records, Code Enforcement
- More proactive Commercial Building Maintenance Code enforcement
- Prioritize vacant, underutilized properties first
- Recommend focusing initial efforts on major commercial corridors

Considerations:

- Create internal process bridging information sources
- Host community conversation for property owners about the change before issuing letters (suggested by Economic Vitality Committee)
- Create education campaign for property owners explaining renewed priorities



Picture is from 400 Locust Street (currently an industrial district near 7th Avenue)
An alternative to the registry that could be enacted more quickly.
Seems more in line with our vacancy rates.
Code Enforcement could be poised to enact this later this year or early 2026, now with 2 officers

VACANT/UNDERUTILIZED PROPERTIES MAIN STREET & 7 TH AVENUE			
Main Street	Available for SALE - 517 N. Main St. Unit 2, built 1924	Formerly - AcctVantage ERP, Offered by Tom Green	
	Available for Lease - 142 3rd Ave E, built 1910		
	Available for Lease - 154 1st Ave E, built 1904	Formerly Morgan Stanley	
	Available for Lease - 131 4th Ave E, built 1923	Formerly Laugh	
	Available for Lease - 140 4th AVE W, built 1912	Formerly Partners for Economic Progress (PEP)	
	Available for Lease - 321 N. Main Street, built 1960	Formerly - Tartans Sports Bar	
	Available for Lease - 600 N. Main Street, built 1950	Formerly - American Auto Detailing	
	Available for Lease - 423 N Main Street, built 1906	Formerly Bear Falls Wine Company	
	Available for Lease - 201 N King St, built 1963	Formerly - Bargain Hondo	
	Available for Lease - 241 N. Main St, built 1904	Formerly - Ma's Marketplace of Antiques and More	
	Available for Lease - 314 N Main St, built 1900	Formerly Scott's Jewelry	
	Available for Lease - 622 N Main St, built 1958	Formerly - North Main Design Accessories	
	Available for Lease or Sale - 609 N King Street, built 1953	Formerly Mountain Rug Mills & Factory	
	Available for LEASE - 131 4th Ave E, built 1923	Formerly - Quality Recycling Equipment, Inc. (RCBE Global)	
	Available for SALE - 120 E 4th Ave, built 1918		
7th Avenue	Available for SALE - 203 N Main St, built 1947	Nuckolls Building	
	Available for Lease - 344 N Main St, built 1917	Former Jane Asher Antiques	
	Available for Lease - 147 D 1st Ave E, built 1948		
	Available for Lease - 402 7th Avenue E, built 1925	Formerly Smoo's Kutz Barber Shop	
	Available for Lease - 510 7th Ave E, built 1915	Formerly - KE's Family Store	
	Available for Lease - 655 7th Ave E, built 1946	Formerly Moments in Time Antiques	
	Available for Lease - 822 Locust St # 300, built 1926		
	Available for Lease - 822 Locust St, # 400, built 1925		
	Available for Sale - Undeveloped land - 358 7th Avenue E		
	Available for Lease - 649 7th Ave E, built 1940		
	Available for Lease - 701 7th Ave E, built 1920	Formerly Junk and Disorderly	
	Available for Lease - 321 7th Avenue E, built 1920	Formerly M&M Meat Market	
	Available for Lease - 508 A 7th Ave E, built 1923		
	Available for Lease - 102 7th Ave E, built 1940	Formerly Slinger Audio	
	Available for Lease or Sale - 421 7th Avenue E	Formerly Star Day Co. Auto Repair	

This list is constantly changing and will need to be updated.
The goal of growth is never to be below 5%

RECOMMENDED
ACTION PLAN FOR
IMPLEMENTATION

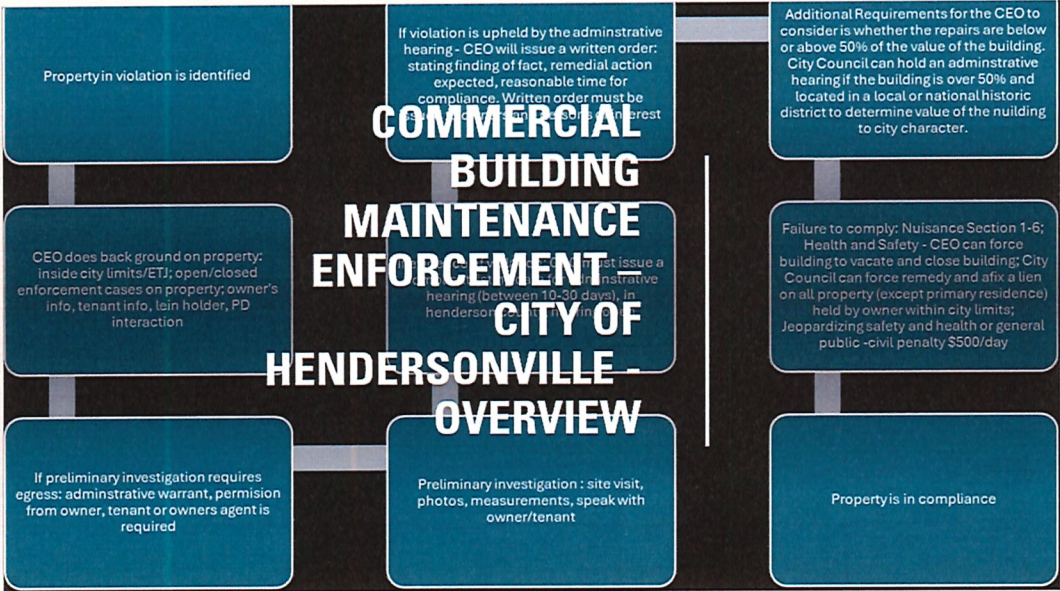
- Host community conversation about renewed focus
- Consolidate information from HFD, Water/Sewer and Code Enforcement
- Send out letter to property owners with properties identified as vacant within the commercial corridors of the corporate city limits
- Compile photos /documentation of identified properties
- Schedule inspections with property owners/agents
- Document status updates- compliance/noncompliance
- Begin enforcement of properties not in approved process for compliance
- Building inspectors, fire marshals, code enforcement officers conduct coordinated inspections for properties identified as health and safety concerns
- Update list quarterly – move to bi-annual when rate drops to 5%
- Repeat

Formerly the Jane Asher building – vacant for almost 4 years now – being remodeled – creating 2 stores in this location (tenant dependant)

THE CODE ENFORCEMENT OFFICER (CEO) WILL BE LOOKING FOR:
§ 12.40 OF THE HENDERSONVILLE CITY CODE

- Floors and roofs – improperly distributed loads, having insufficient strength to be reasonably safe
- Such damage by fire, wind, or other causes as to render the building unsafe
- Dilapidation, decay, unsanitary conditions or disrepair, which is dangerous to health, safety and welfare of the occupants or other people in the city.
- Inadequate facilities for egress to such extent that there does not exist operable doors for safely exiting the building in case of fire or panic
- Defects significantly increasing the hazards of fire, accident or other calamities
- Any violation of the city fire prevention code which constitutes a condition which is unsafe and especially dangerous to life
- Building and environs shall be kept clear of accumulations of garbage, trash, or rubbish, which creates health and sanitation issues
- Interior steps, railings, landings, porches or other parts or appurtenances, shall be maintained in such condition that they will not fail or collapse
- All windows shall be maintained free of broken or cracked glass that could be in danger of falling or shattering.

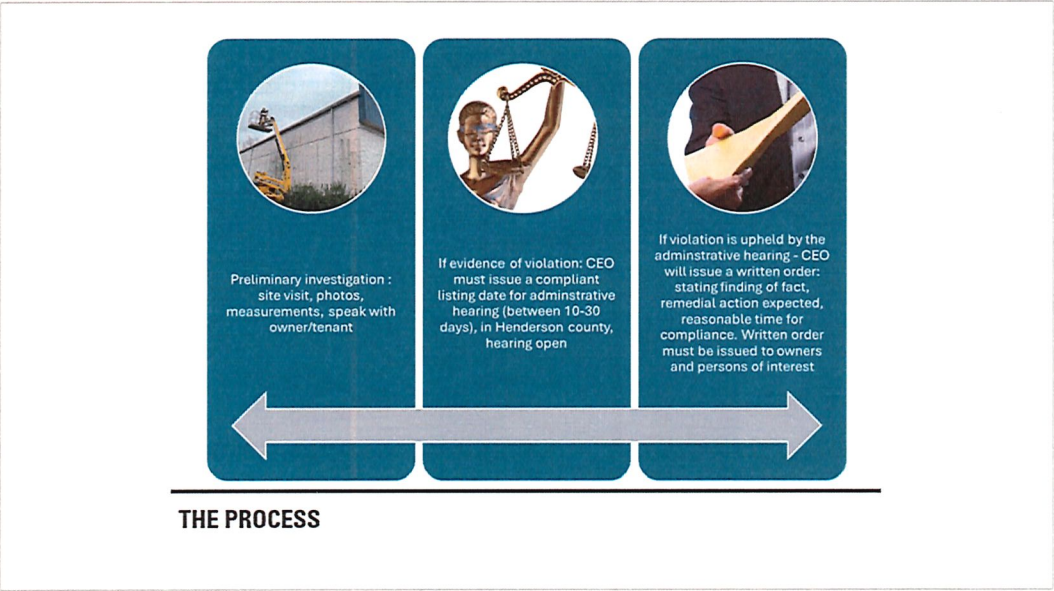
This is not the complete list, 26 items are listed as mandatory for non-residential buildings



Current overview of the process outlined in the Commercial Building Code § 12-40



CEO in this context is Code Enforcement officer
The arrows on the next 3 slides go in both directions – ideally, we will always be moving forward, however, to be realistic understand that steps may need to be duplicated before compliance.



CEO in this context is Code Enforcement officer



CEO in this context is Code Enforcement officer

REVIEW PROCESS:
INTERNAL CODE ENFORCEMENT
AND LEGAL STAFF
DOWNTOWN ECONOMIC VITALITY
SUBCOMMITTEE,
DOWNTOWN ADVISORY BOARD



Consider adopting downtown style guidelines from Gen H Comp Plan (pages 266-274)

Want information-7th Avenue as local historical district like Main St. (pros/cons)

Program to drive tenancy in downtown area

Property list public

Indicate property in process of repair

Occupied buildings should comply with the code

7th Avenue as historical district – questions about what would change from how it is now, would it offer protection from building types not desired?
Spicer Green Building on the 200 block of N. Main Street

CITY COUNCIL CONSIDERATIONS & POTENTIAL NEXT STEPS



Institute a Business license:

- Flags: location moves, changes in building uses, locations near sensitive neighbors
- Education campaign for benefits of business license program.
- Incorporate business license with fire inspections, water accounts, permits

Best practices from research:

- Key Holder Requirements: agent must live within 40 miles of property, physically present within 2 hours for inspection, emergency
- Increase safety measures: egress lighting, motion sensors for vacant property

Privilege licenses were banned by State Legislature in 2015 (effective 2016). However, business licenses can still be implemented. A small administrative fee rolled up with the fire inspection fee is permissible.
Sensitive neighbors: schools, religious institutions
Key Holder requirements was listed with many of the cities I looked at regardless of registry use



QUESTIONS?

I have appreciated the opportunity to work with you and with the city this summer.

Thank you,
Stephanie Sweeney

We all want to see more life bloom in these vacant buildings. Lew always says that buildings are made to be lived in, and if they aren't they will continue to deteriorate. The goal should also be to avoid the tearing down of building that contribute to our city's character, history and charm. Bellwether's Landing is on 7th Avenue.

B. Shuffleboard Club Update – Jay Fitzpatrick, President

Mr. Fitzpatrick gave a brief update on the shuffleboard club and why it is so important to the Hendersonville community and especially seniors. He said the Whitmire Building (which was damaged during Hurricane Helene) fills a need for seniors between playing shuffleboard and bridge and building back the Whitmire building back to what it was before the hurricane is the least expensive and it makes the best use of the facility because of the sheer number of local senior citizens that it serves. No other use can match the use of a combined bridge club/shuffleboard club/senior activities program.

C. Water and Sewer Commission Update – John Connet, City Manager

City Manager John Connet gave an update, timeline and implementation schedule on the proposed SB69 Implementation.



CITY OF HENDERSONVILLE

Proposed SB 69 Implementation Schedule

August 27, 2025



Timeline

• Senate Bill 69

- Originally filed on February 10, 2025
- Senate Local Government Committee substitute language approved on May 6, 2025
- Approved by NC Senate on May 7, 2025 (Sent to House of Representatives)
- City Council and County Commissioners approve substitute language on June 16, 2025, and send to local delegation
- House Rules Committee substitute language removing any reference to the City of Hendersonville is approved on June 24, 2025.
- SB 69 is approved by NC House on June 25, 2025 (Sent back to Senate)

Timeline

- Henderson County proposes an Interim Interlocal Agreement for City Council approval on or about July 11, 2025.
- City reviews and provides comments back to County on July 14, 2025.
- Between July 14 – July 31, 2025, City staff has numerous conversations with legislators and local stakeholders regarding proposed SB 69 Substitute Language.
- City Manager requests County Commissioners not vote on Interim Interlocal Agreement on August 4, 2025.
- Hendersonville City Council approves Supplemental Interlocal Agreement on August 7, 2025.

Implementation Schedule – W&S Commission

- Establish Water and Sewer Commission
 - Approve Charter by October 2025
 - Recruit members – October 1, 2025 – November 30, 2025
 - Appoint members and chairperson – December 2025
 - First meeting of Commission – January 2026
- Water and Sewer Commission Membership
 - Non-political
 - Professional
 - Systemwide Representation
 - Paid (Stipend)

Implementation Schedule – Growth Mgt.

- Annexation Standards and Land Use Regulation –
 - Meeting of representatives prior to September 19, 2025

Implementation
Schedule – Fire

- Rural Fire Department Contracts
 - Involve Henderson County Emergency Management
 - Contract execution - January 1, 2026
 - Contract effective date – July 1, 2026

Implementation
Schedule – W&S
Planning

- Initiate comprehensive water and sewer system planning immediately

Implementation
Schedule – Rates

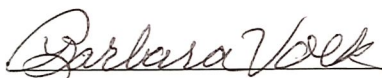
- Water and Sewer Rate Equalization
 - Equalized water rates – FY 2030
 - Equalized sewer rates – FY 2036



Questions ?

5. ADJOURN

There being no further business, the meeting was adjourned at 5:04 p.m. upon unanimous assent of the Council.


Barbara Volk, Mayor

ATTEST:


Jill Murray, City Clerk