

AGENDA

Sawmills Town Council Meeting
Sawmills Town Hall

June 16, 2026
6:00 PM



-
1. **Call to Order**
 2. **Invocation**
 - a. **Seth Coffey, Valley Baptist Church**
 3. **Pledge of Allegiance**
 4. **Adopt Agenda**
 5. **Approval of Meeting Minutes**
 - a. **May 19, 2026, Meeting Minutes**
 - b. **May 6, 2026, Special Meeting Minutes**
 - c. **May 19, 2026, Special Meeting Minutes**
 6. **Public Comment**
 7. **Action Items**
 - a. **Annas Property Rezoning Request Public Hearing**
 - b. **Annas Property Rezoning Request**
 - c. **Budget Public Hearing**
 - d. **2026/2027 Fiscal Year Budget Approval**
 - e. **Approval of Fire Department Consolidation Agreement**
 - f. **Approval of Mutual Aid Agreements with Granite Fire and Little River Fire**
 - g. **Approval of MOU with Caldwell County for Fire Protection Service**
 - h. **Appointments to Fire Relief Board**
 8. **Informational Items**
 - a. **Tax Collections**

- 9. Public Comment**
- 10. Manager Updates/ Recommendations**
- 11. Finance Updates**
 - a. BRIC Update**
 - b. HELENE Update**
 - c. OSBM Update**
- 12. Mayor Updates/Recommendations**
- 13. Clerk Updates/Recommendations**
- 14. Council Updates/Recommendations**
- 15. Closed Session §143-318.11(a)(3)**
- 16. Adjourn**



Town Council STAFF REPORT

Subject: May 19, 2026, Meeting Minutes

Date: June 16, 2026

Submitted by:

Department: Administration

Background:

Recommendation:

Fiscal Impact:

Attachments:

1. May 19, 2026, Sawmills Town Council Meeting_Minutes_Preview

Minutes

Sawmills Town Council Meeting Sawmills Town Hall

May 19, 2026
6:00 PM



Council Attendees:

Mayor Pro-Tem Clay Wilson
Mayor Keith Warren
Councilman Bobby Mosteller
Councilwoman Melissa Curtis
Councilwoman Rebecca Johnson

Absent:

Staff Attendance:

Chase Winebarger, Town Manager
Dustin Millsaps, Planning Director/Assistant Town Manager
Kelly Melton, Finance Officer
Terry Taylor, Town Attorney
Abby Rich, Town Clerk

1. Call to Order

Mayor Keith Warren called the May 19, 2026, meeting to order at 6:00 PM.

2. Invocation

Pastor Tony Harris with Harrisburg Baptist Church provided the invocation for those in attendance.

3. Pledge of Allegiance

McKinleigh Rich led the Pledge of Allegiance for those in attendance.

4. Adopt Agenda

Councilman Wilson made a motion to adopt the agenda. After a second from Councilman Mosteller, the motion carried unanimously.

5. Approval of Meeting Minutes

a. April 21, 2026, Meeting Minutes

Councilman Mosteller made a motion to approve the April 21, 2026 meeting minutes. After a second from Councilwoman Johnson, the motion carried unanimously.

6. Public Comment

There were no individuals signed up to provide public comment.

7. Action Items

a. Call for Budget Public Hearing

Councilman Wilson made a motion to hold a public hearing for the 26/27 Fiscal Year Budget on Tuesday, June 16th at 6:00pm. After a second from Councilwoman Johnson, the motion carried unanimously.

b. Approval of Mutual Aid Agreements

Councilman Wilson made a motion to approve the mutual aid agreement with Hudson Fire Department. After a second from Councilwoman Johnson, the motion carried unanimously.

Councilman Wilson made a motion to approve the mutual aid agreement with North Catawba Fire Department. After a second from Councilwoman Johnson, the motion carried unanimously.

Councilman Wilson made a motion to approve the mutual aid agreement with Grace Chapel Fire Department. After a second from Councilwoman Johnson, the motion carried unanimously.

8. Informational Items

9. Public Comment

10. Manager Updates/ Recommendations

Manager Winebarger informed the Council that administrative staff has been working with the Fire Department to determine what specific roles Chief Wilson will fill during the interim period after Chief Crowe's retirement. Manager Winebarger also informed the Council a Flock camera located on Trojan Lane was being moved to Mission Rd.

11. Finance Updates

a. BRIC Update

Clerk Abby Rich read the BRIC update as provided by Finance Officer Kelly Melton.

b. HELENE Update

Clerk Abby Rich read the Helene update as provided by Finance Officer Kelly Melton.

c. OSBM Update

Clerk Abby Rich read the OSBM update as provided by Finance Officer Kelly Melton.

12. Mayor Updates/Recommendations

Mayor Warren provided the following for Council. The Lenoir Cruiser event had 244 cars in attendance and they will be potentially rebranding as the "Sawmills Cruisers". There are several donations for the upcoming car show being hosted by the Town and Eldreth Automotive. A Memorial Day Celebration will be held on Memorial Day at 11:00am.

13. Clerk Updates/Recommendations

Clerk Abby Rich informed the Council that staff was in the process of going through the file room to remove outdated files. Additionally, minute books have been taken to Raleigh to be digitized and the website project is remaining on track.

14. Council Updates/Recommendations

Councilman Wilson indicated he would like for the Town to reach out to NCDOT to inquire about the possibility of placing a stop sign at the intersection of Sawmills School Road and Dry Ponds Road.

15. Closed Session §143-318.11(a)(3)

A Closed Session was not held.

16. Adjourn

With there being no more business to attend to, at 6:22 PM Councilman Wilson made the motion to adjourn. After a second provided by Councilwoman Curtis, the motion passed unanimously.

Approved on _____ day of _____, 2026.

Keith Warren, Mayor

Abby Rich, Town Clerk

SPECIAL MEETING MINUTES

Sawmills Town Council

May 6, 2026

6:00 PM

Attendance:

Keith Warren, Mayor
Clay Wilson, Mayor Pro-Tem
Melissa Curtis, Council
Rebecca Johnson, Council
Bobby Mosteller, Council
Chase Winebarger, Town Manager
Dustin Millsaps, Assistant Town Manager
Abby Rich, Town Clerk
Greg Wilson, Chairman, Sawmills Fire Board
Gary Annas, Sawmills Fire Board
Dino DiBernardi Sr., Sawmills Fire Board
David Price, Sawmills Fire Board
Casey Proctor, Sawmills Fire Board
Richard Tucker, Sawmills Fire Board
Kelly Winkler, Sawmills Fire Board
Greg Greyson, Fire Consultant

Mayor Keith Warren called the meeting to order at 6:03 PM.

Councilman Mosteller led the invocation.

Councilman Wilson led the Pledge of Allegiance.

Discussion:

Mayor Keith Warren began the meeting by stating he was asked to meet with Sawmills Fire Chairman Greg Wilson. At this meeting, Mr. Wilson stated the Fire Boards intent to postpone the fire department merger with the Town of Sawmills.

Manager Winebarger provided a summary of the merger timeline up to this point. This account included events and actions that had taken place since October of 2025. Manager Winebarger intended for this to be an opportunity to provide the perspective of the Town during the merger process.

After Manager Winebarger finished providing his outline of events, Fire Board Chairman Greg Wilson provided the Fire Department did not want to be a financial burden to the Town. The Fire Board was concerned about the cost of benefits with onboarding the firemen. Chairman Wilson also stated the command staff were not pleased with things they had heard such as the Fire Department no longer serving the unincorporated area. Another reason was the stated intention of some part-time employees to leave the Fire Department if the merger went through.

Fire Board member Richard Tucker echoed Chairman Wilson's concerns about the financial stress the merger would put on the Town. Tucker said the merger does eventually need to occur.

Councilwoman Curtis wanted to ensure there were no issues with the Town funding the Fire Department. Manager Winebarger confirmed this, but voiced concerns of a staffing shortage. Manager Winebarger said there was not a line of people waiting to apply and the last position that was advertised at the Fire Department received no applications.

Councilwoman Curtis then expressed that the Town has invested too much time, energy, and funding in the merger this to turn back. She further said funding is not an issue and there will be a constant threat of walk outs at any company, but you can't let employees hold you hostage with a threat, and you do what you must do to move forward.

Councilwoman Curtis then addressed the matter of waiting a year to resume the merger. She questioned if the merger would go through a year from now and stated it would not be fair to the new hires to pause the merger. In closing, Councilwoman Curtis said everyone has to make a decision based off what's right for the Town and everyone. The merger won't be perfect, but it's what's best for the town and waiting a year is not going to help.

The topic of discussion turned to the full-time employees. Councilwoman Johnson said she is concerned because the fire department currently has good full time staff members who were under the impression the merger would go through and they would begin receiving benefits.

After this discussion Chairman Wilson asked if services be lost outside of municipal district once the merger was completed. Manager Winebarger explained that this had been

brought up as a scenario when discussing and exploring all budgetary possibilities, but to the Council this was completely off the table.

Councilman Wilson provided that Council had also discussed the potential cost of adding an additional station to serve the unincorporated area quicker given the new construction along Highway 321.

Councilwoman Curtis said the Town is growing, and it is not going to go anywhere but forward. Council wants to do the right things for the people and does not have any ulterior motives.

At this time, Fire Board member Dino DiBernardi Sr. asked to speak. He stated that everyone could agree that the merger is the best thing that could happen- and provided that the Fire Board has also made financial contributions by paying off the building. DiBernardi stated that most of the manager's recount was correct, but he did want to address a couple of things he believes may could be interpreted differently. He said he asked about the MOU being legally binding to see if it could be amended to add stipulations that addressed the concerns of full time and part time staff.

A discussion was held where both the Town Council and Fire Board agreed that communication could be more adequate. It was noted during this discussion that governmental operations can be a hurry up then wait process, sometimes making it difficult to disseminate information quickly.

The next topic of discussion centered around community. The Council communicated its intent for the Fire Department to be community centered once again. The Fire Board wishes to see a dedicated approach to connecting with the community.

After this discussion, Fire Board member David Price expressed his concerns regarding the financing of the department and stated his desire to pause the merger. Councilwoman Curtis countered by asking what waiting one year would change and voiced that the Town has come to a point of no return for the merger. Other thoughts expressed that there is no way to make everyone happy with the merger.

The Fire Board discussed wanting to meet again to decide on whether they wished to continue the merger or not. The Town Council requested the Fire Board continue meeting to make the decision while Council went into recess.

After an agreeance from the Fire Board, Councilman Wilson made the motion to recess the meeting at 8:18 PM. With a second from Councilwoman Johnson, the motion carried unanimously.

At 9:03 PM Council was asked to return. Councilman Wilson made the motion to return to regular session. With a second from Councilwoman Johnson, the motion carried unanimously.

Chairman Wilson informed the Council the Fire Board wishes to move forward with the merger, with the request that some things be added to the final agreement. Those were:

1. Keeping the current schedule for the 26/27 Fiscal Year
2. Maintaining current daily staffing.
3. Maintaining service to the unincorporated district.
4. Acknowledgment that the Town is taking on the financial responsibility for the Fire Department.
5. Support of part-time personnel to keep them engaged.

The Fire Board and the Council both agreed to meet again if any issues were presented.

With there being no more business to attend to, Councilman Wilson made the motion to adjourn at 9:16 PM. With a second from Councilwoman Johnson, the motion carried unanimously.

SPECIAL MEETING MINUTES

Sawmills Town Council

May 19, 2026

5:00 PM

Attendance:

Keith Warren, Mayor
Clay Wilson, Mayor Pro-Tem
Melissa Curtis, Council
Rebecca Johnson, Council
Bobby Mosteller, Council
Chase Winebarger, Town Manager
Dustin Millsaps, Assistant Town Manager
Terry Taylor, Town Attorney
Abby Rich, Town Clerk

Mayor Keith Warren called the meeting to order at 5:06 PM.

Councilman Mosteller provided the invocation for those in attendance.

Mayor Keith Warren led the Pledge of Allegiance for those in attendance.

Manager Chase Winebarger began discussing the budget with the Council. Manager Winebarger noted what a difficult budget season this has been due to varying factors. One of those factors is the Veterans Park clean-up and the approval of funding from FEMA. Manager Winebarger told the Council the project was submitted to FEMA this previous Friday and it is now in the reviewal stage.

Manager Winebarger then began providing updates concerning the fire department merger. HR Director Hope Moore has started 1 on 1's with fire department employees to ensure they understand the benefits as the merger concludes. Another update concerned the announced retirement of Chief Crowe.

Manager Winebarger then reviewed the increases and decreases in the budget noting the budget is currently a moving target due to waiting on a decision from the County concerning the tax rate increase request. Another variable is the amount encumbered as the Town waits for a decision concerning the Veterans Park FEMA reimbursement.

The next topic centered around the water rate study conducted. The study showed that the Town should increase rates by 3%, taking the advice from the consultant, Manager Winebarger recommended increasing from 2.5% to 3%.

Manager Winebarger then began a conversation centered around increasing some of the Town's fees. The increases include a double permit fee for building without a permit. A \$500 fee for mowing overgrown yards, a \$2,500 fine for parking lot damage, increase in sanitation deposits from \$20 to \$40, and increase fees for additional trash bins.

The last discussion concerned firefighter pay rates.

With there being no more business to attend to, at 5:41 PM. Councilman Wilson made the motion to adjourn. After a second from Councilwoman Johnson, the motion carried unanimously.



Town Council STAFF REPORT

Subject: Annas Property Rezoning Request Public Hearing
Date: June 16, 2026
Submitted by:
Department: Administration

Background:

Background:

The planning department has received a rezoning application from Aaron M. Annas. This is to rezone the property located at 3968 US HWY 321A, Hudson, NC 28638 (NCPIN: 2766568481).

This property owner has requested that their property be considered to be rezoned from H-B (Highway Business) to RA-20 (Residential Medium Density), which both are defined and described below from the Sawmills Zoning Ordinance:

H-B Highway Business District

The Highway Business Districts are located on major thoroughfares and collector streets in the Town Planning Area. They are intended to provide for offices, personal services, and the retailing of durable and convenience goods for the community. Because these commercial uses are subject to public view and are important to the economy of the community, they should have ample parking, controlled traffic movement and suitable landscaping.

RA-20 Residential Medium Density District

This district is composed of medium density residential development and of open areas which are used for farmland and woodland. The RA-20 district shall consist of single-family dwellings, two-family dwellings, manufacture and modular homes on individual lots and related uses necessary for a sound neighborhood. The regulations for this district are designed to stabilize and encourage a healthful environment for family life in areas where either or both public water or sewer facilities are available.

Current Zoning and Land Use:

3968 US Highway 321A is currently zoned H-B or Highway Business. 3968 US Highway 321A currently has one single family home located on the property, which is the only use of the property.

Surrounding Zoning and Land Use:

North: H-B, Commercial and/or Single Family Residential

West: H-B, Commercial

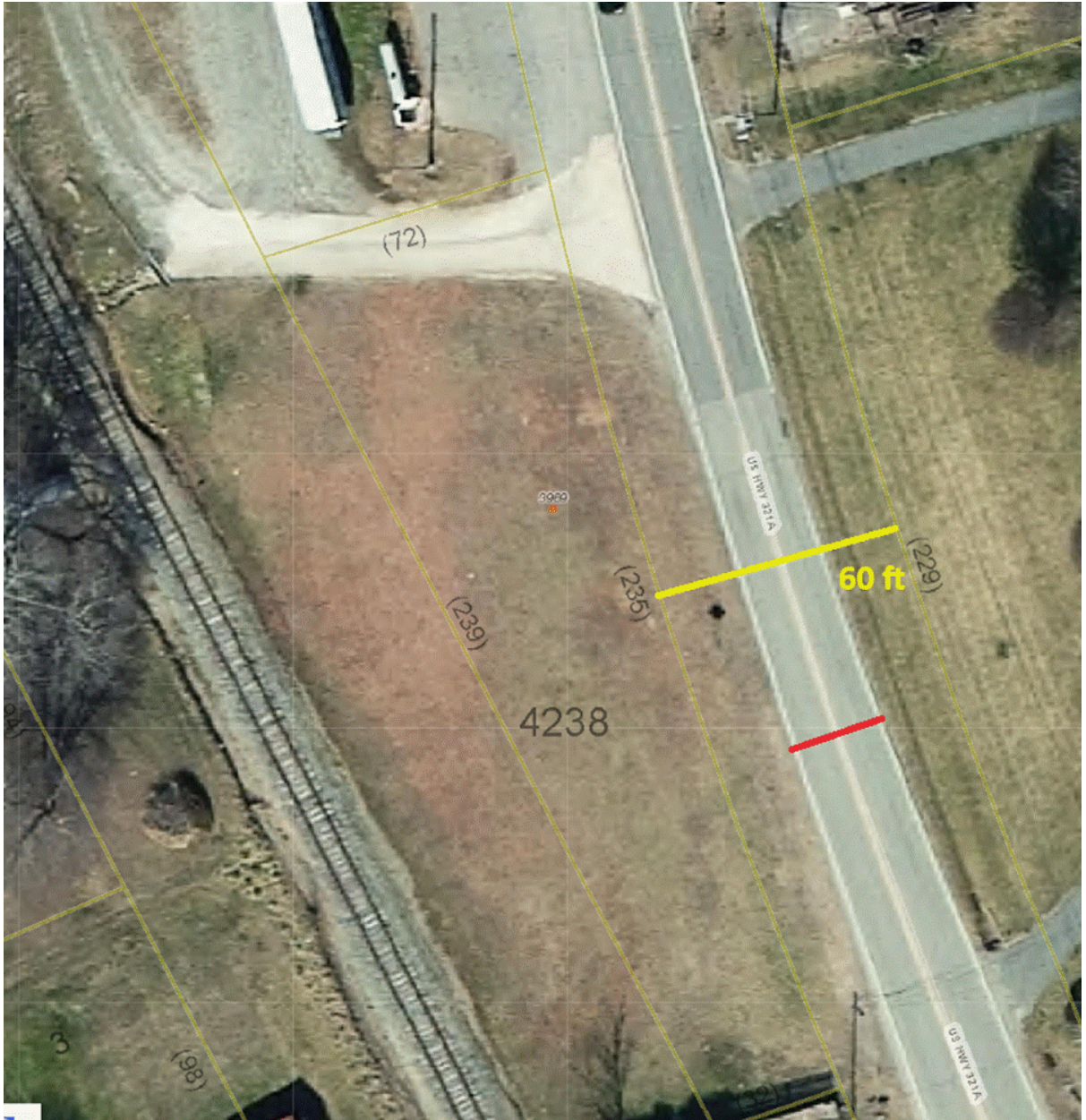
East: H-B and RA-20, Commercial and Single Family Residential

South: H-B, Vacant

Property Dimensions:



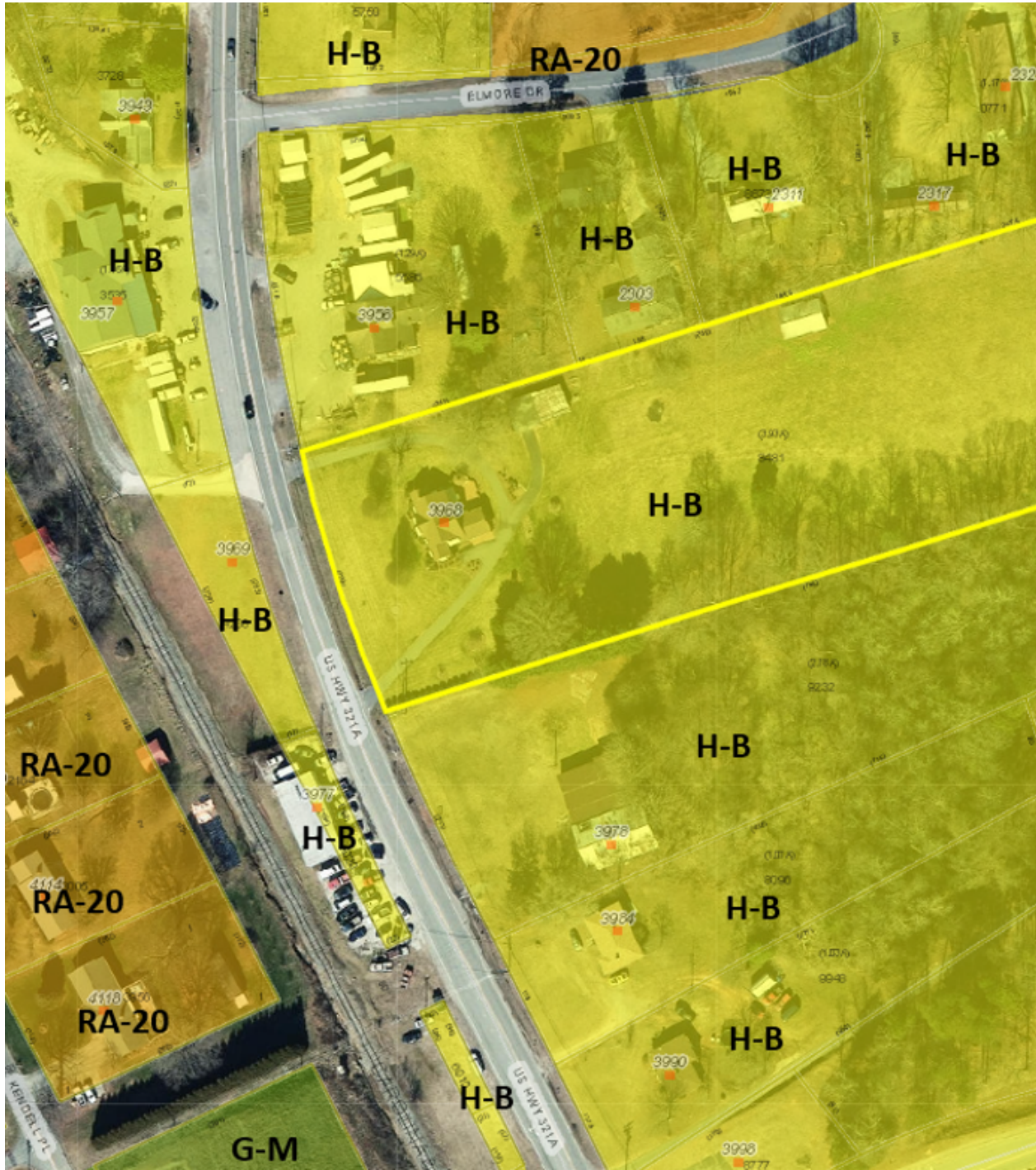
Right of Way and Road Widths:



Existing Buildings:



Zoning Classifications of Neighboring Properties:



Adjoining Property Owners (Mailings):

WILSON JENNIE B - TRUSTEE JENNIE B WILSON LIVING TRUST 2100 DRY PONDS RD GRANITE FALLS NC 28630	SPENCER CAMERON V SPENCER KAREN S PO BOX 9 HUDSON NC 28638
STOUT ROGER LANE	KLB PROPERTIES LLC

2311 ELMORE DR HUDSON NC 28638	2321 ELMORE DR HUDSON NC 28638
TOWN OF SAWMILLS 4076 US HWY 321 A GRANITE FALLS NC 28630	OLLIS SAMMIE OLLIS JANET F 3994 US HIGHWAY 321A HUDSON NC 28638
MCDOWELL RICHARD PRESTON 180 HUDSON CAJAH MOUNTAIN RD HUDSON NC 28638	MASK RENTALS LLC PO BOX 275 GRANITE FALLS NC 28630
DRY PONDS INVESTMENTS LLC 3969 US HIGHWAY 321 A HUDSON NC 28638	

Recommendation:

Staff Recommendation:

Staff recommends that the Planning Board and Town Council not rezone this property. This one of the last developable corners in Town for commercial and/or industrial businesses. This is one of many of the neighboring properties that are all currently zoned H-B to promote commercial businesses in Town. It is also important to note that because of the growth of the right of way on 321, much of the Town’s developable commercial property will be shifted to 321A. This property has been zoned in this manner for decades by one of the Town’s first planners, who also owned the property at the time. Also, in our Town of Sawmills Comprehensive Plan 2017, in our future land use map, it calls for this property to stay commercial in nature. In fact, it calls for the property to be industrial. Due to this fact, the Town would have to adopt a rezoning that is inconsistent with the comprehensive plan, which we have to acknowledge in a statement.

Planning Board Recommendation:

The Planning Board voted 4 to 1 to deny this petition for rezoning, rejecting the application.

Fiscal Impact:

Attachments:

1. 1. Rezoning Memo (3968 US HWY 321A)
2. 1.A Application Packet
3. 1.B Down-Zoning Memo (Terry Taylor)
4. 1.C Down-Zoning Consent Form (SIGNED)
5. 1.D Zoning Inconsistency Memo (Terry Taylor)
6. 1.E Zoning Verification Letter for Aaron (2023)

MAYOR

Keith Warren

TOWN MANAGER

Chase Winebarger



TOWN COUNCIL

Clay Wilson, Mayor Pro-Tem

Melissa Curtis

Rebecca Johnson

Joe Wesson

Bobby Mosteller

PLANNING BOARD

June 9th, 2026

4:00 pm

STAFF REPORT

Attachment A – Application Packet

Attachment B – Down-Zoning Memo (Terry Taylor)

Attachment C – Down-Zoning Consent Form

Attachment D – Zoning Inconsistency Memo (Terry Taylor)

Attachment E – Zoning Verification Letter for Aaron (2023)

Background:

The planning department has received a rezoning application from Aaron M. Annas. This is to rezone the property located at 3968 US HWY 321A, Hudson, NC 28638 (NCPIN: 2766568481).

This property owner has requested that their property be considered to be rezoned from H-B (Highway Business) to RA-20 (Residential Medium Density), which both are defined and described below from the Sawmills Zoning Ordinance:

H-B Highway Business District

The Highway Business Districts are located on major thoroughfares and collector streets in the Town Planning Area. They are intended to provide for offices, personal services, and the retailing of durable and convenience goods for the community. Because these commercial uses are subject to public view and are important to the economy of the community, they should have ample parking, controlled traffic movement and suitable landscaping.

RA-20 Residential Medium Density District

This district is composed of medium density residential development and of open areas which are used for farmland and woodland. The RA-20 district shall consist of single-family dwellings, two-family dwellings, manufacture and modular homes on individual lots and related uses necessary for a sound neighborhood. The regulations for this district are designed to stabilize and encourage a healthful environment for family life in areas where either or both public water or sewer facilities are available.

Current Zoning and Land Use:

3968 US Highway 321A is currently zoned H-B or Highway Business. 3968 US Highway 321A currently has one single family home located on the property, which is the only use of the property.

Surrounding Zoning and Land Use:

North: H-B, Commercial and/or Single Family Residential

West: H-B, Commercial

East: H-B and RA-20, Commercial and Single Family Residential

South: H-B, Vacant

Staff Recommendation:

Staff recommends that the Planning Board and Town Council not rezone this property. This one of the last developable corners in Town for commercial and/or industrial businesses. This is one of many of the neighboring properties that are all currently zoned H-B to promote commercial businesses in Town. It is also important to note that because of the growth of the right of way on 321, much of the Town’s developable commercial property will be shifted to 321A. This property has been zoned in this manner for decades by one of the Town’s first planners, who also owned the property at the time. Also, in our Town of Sawmills Comprehensive Plan 2017, in our future land use map, it calls for this property to stay commercial in nature. In fact, it calls for the property to be industrial. Due to this fact, the Town would have to adopt a rezoning that is inconsistent with the comprehensive plan, which we have to acknowledge in a statement.

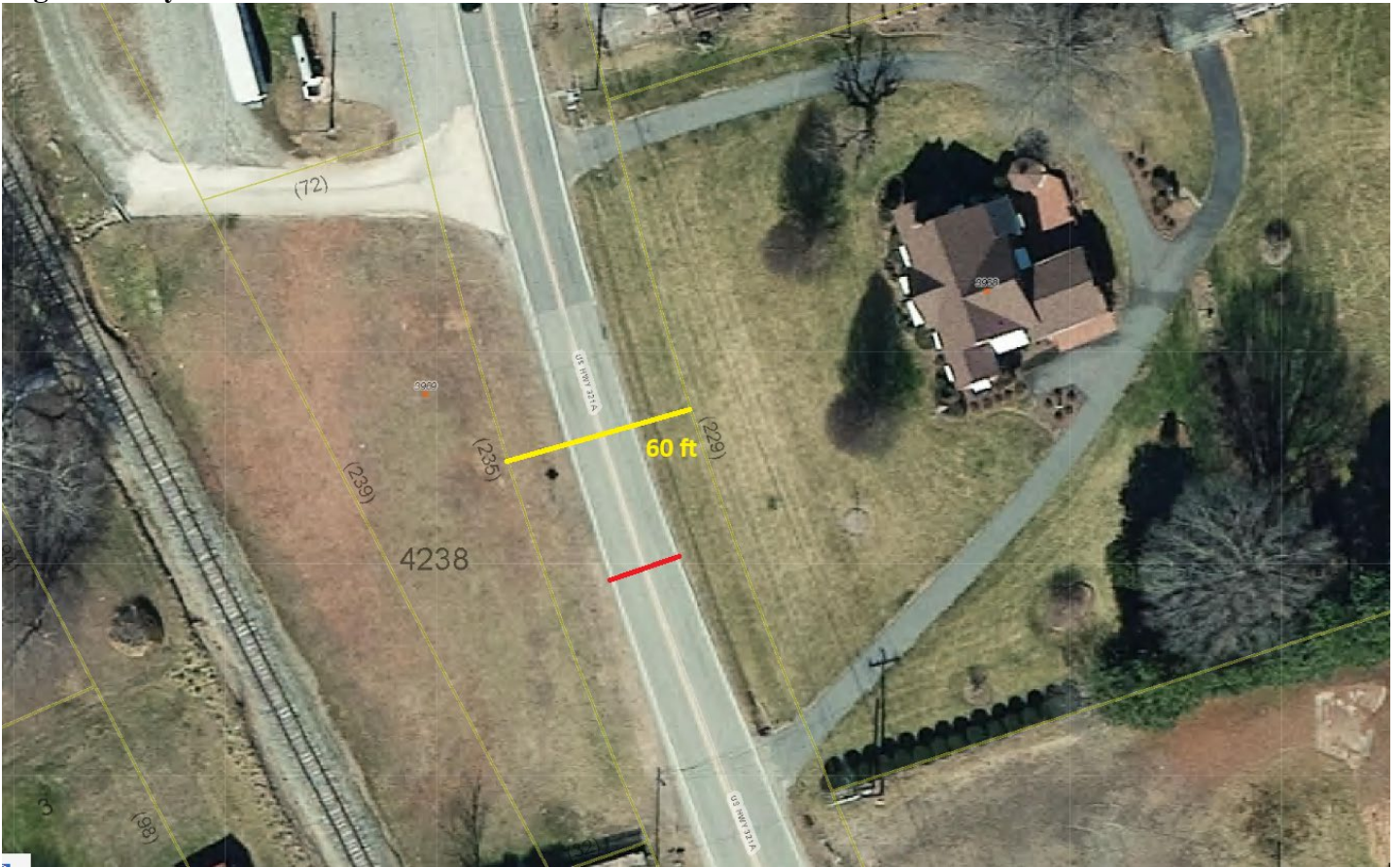
Planning Board Recommendation:

The Planning Board voted 4 to 1 to deny this petition for rezoning, rejecting the application.

Property Dimensions:



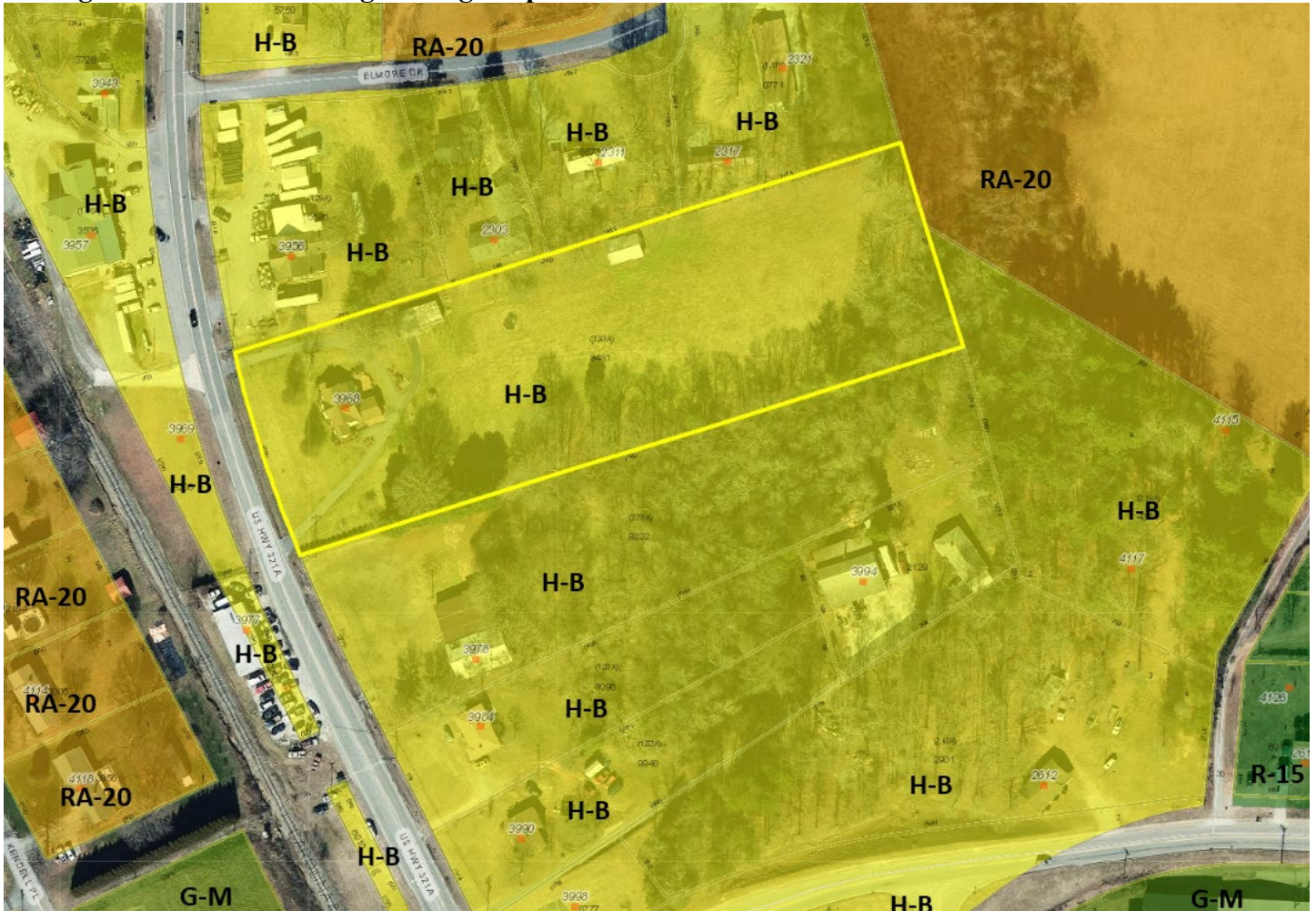
Right of Way and Road Widths:



Existing Buildings:



Zoning Classifications of Neighboring Properties:



Adjoining Property Owners (Mailings):

WILSON JENNIE B - TRUSTEE JENNIE B WILSON LIVING TRUST 2100 DRY PONDS RD GRANITE FALLS NC 28630	SPENCER CAMERON V SPENCER KAREN S PO BOX 9 HUDSON NC 28638
STOUT ROGER LANE 2311 ELMORE DR HUDSON NC 28638	KLB PROPERTIES LLC 2321 ELMORE DR HUDSON NC 28638
TOWN OF SAWMILLS 4076 US HWY 321 A GRANITE FALLS NC 28630	OLLIS SAMMIE OLLIS JANET F 3994 US HIGHWAY 321A HUDSON NC 28638
MCDOWELL RICHARD PRESTON 180 HUDSON CAJAH MOUNTAIN RD HUDSON NC 28638	MASK RENTALS LLC PO BOX 275 GRANITE FALLS NC 28630
DRY PONDS INVESTMENTS LLC 3969 US HIGHWAY 321 A HUDSON NC 28638	



Planning Department General Application Form
(Not for Site Plan Review Submittals)

Type of Action Requested:

Annexation	_____	Zoning Text Amendment	_____
Appeal	_____	Zoning Map Amendment	<u>X</u>
Planned Unit Development	_____	Variance	_____
Special Use Permit	_____		

Applicant Aaron Annas Owner Aaron Annas

Address 3968 US Highway 321A Address 3968 US Highway 321A
Hudson, NC 28638 Hudson, NC 28638

Telephone 828-381-6744 Telephone 828-381-6744

Legal relationship of applicant to property owner N/A

Property location 3968 US Highway 321A, Hudson, NC 28638

Tax parcel 03 35 1 2 Zoning district H-B Acreage of Site 4.32

Ao Annas Signature of Applicant Ao Annas Signature of Property Owner

Signature of Applicant _____ Signature of Property Owner _____

For Staff Only:

Filing Fee: \$516.00 Receipt # 435505

Application No.: 02-2020 Date Submitted (Complete): N/A



**APPLICATION FOR AMENDMENT TO THE
SAWMILLS ZONING MAP**

Property Identification Number(s): 2766568481
(attach separate list if necessary)

Present zoning classification: Sawmills: H-B

Requested zoning classification: RA-20

Number of parcels: 1 Approximate size of area: 4.32 acres

Physical location of area: 3968 US Highway 321A, Hudson, NC 28638

Are public utilities available? Yes

Reason for map amendment For three generations, this property has remained under continuous family stewardship, serving exclusively as a primary single-family residence. We are submitting this request to ensure the long-term preservation of its residential status, allowing the property to continue its historical function for future generations.

The above information is true and accurate to the best of my knowledge. Signature of

Applicant(s):

Aaron Annas

Aaron Annas

(attach separate sheet if necessary)

Fee: Please refer to fee schedule to determine applicable fees. All fees are nonrefundable and help to cover administrative and notification costs.

STAFF USE ONLY

Planning Board Meeting Date: 6/9/2026

Planning Board Decision: _____

Added Conditions: _____

Town Council Meeting Date: 6/16/2026

Dates advertised in newspaper: 5/23/26 and 5/30/26

Date written notices mailed: 5/26/26

Date rezoning sign requested: 5/26/26

Town Council Decision: _____

Added Conditions: _____

Date applicant notified of final decision: _____

Town of Sawmills

Cashier asystAdmin
At 4-PC

5/26/26 10:01am 435505
REPRINT

From: AARON ANNAS
RE-ZONING
3968 US HWY 321-A

CR ZONING 516.00
AARON ANNAS

Receipt total 516.00

CASH 516.00

Change Due 0.00

TOWN OF SAWMILLS

YOUNG, MORPHIS, BACH & TAYLOR, LLP

ATTORNEYS AT LAW

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POST OFFICE DRAWER 2428
HICKORY, NORTH CAROLINA 28603-2428
www.hickorylaw.com

CHARLES R. YOUNG, SR. (Retired - Inactive)
THOMAS C. MORPHIS (1947 - 2009)
WAYNE M. BACH (Retired - Inactive)

TELEPHONE: 828.322.4663
FACSIMILE: 828.322.2023

EMAIL: TerryT@hickorylaw.com

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TIMOTHY D. SWANSON
JOHN W. CRONE, III
JORDAN L. FAULKNER
CLAUDE S. ABERNETHY, IV
JULIA J. EUREY
BELINDA SETZER

^γ BOARD CERTIFIED SPECIALIST IN REAL
PROPERTY LAW-RESIDENTIAL,
BUSINESS, COMMERCIAL &
INDUSTRIAL TRANSACTIONS

■ CHAPTER 7 TRUSTEE, WESTERN
DISTRICT OF NORTH CAROLINA

August 4, 2025

MEMORANDUM

TO: TOWN OF SAWMILLS, NC TOWN MANAGER AND TOWN COUNCIL

FROM: TERRY M. TAYLOR, ATTORNEY

RE: POTENTIAL REZONING AT 3968 US HWY 321A

Under North Carolina law, no property shall be “down-zoned” unless it is “initiated, enacted, or enforced with the written consent of all property owners whose property is the subject of down-zoning.” *N.C. Gen. Stat. 160D-601(d)*. Under previous law, local governments could initiate “down-zoning” proceedings, but that part of the statute has now been amended and removed. Therefore, if the rezoning of 3968 US HWY 321A (NCPIN: 2766568481) is classified as “down-zoning,” this would require written consent from the affected property owner here.

“Down-zoning” generally refers to the rezoning a property to a new zone that is either less dense or less intense than the prior district. Adam Lovelady, *Limits on “Down-Zoning,”* Coates’ Canons North Carolina Local Government Blog (December 20, 2024), <https://canons.sog.unc.edu/blog/2024/12/20/limits-on-down-zoning/>. North Carolina law specifically provides three approaches to amend a zoning ordinance which can be considered “down-zoning.” These approaches include: (1) decreasing the density of the development; (2) reducing the permitted uses of the land; or (3) when the rezoning would create a nonconformity on land not in a residential zoning district. *N.C. Gen. Stat. 160D-601(d)(1)-(3)*. However, because the parcel in question would be considered residential if the rezoning is completed, the third approach is inapplicable here.

I. Density

Under the first approach, an amendment to zoning ordinances is considered “down-sizing” when it affects the area or land by “decreasing the development density of the land to be less dense than was allowed under its previous usage.” *Id. at 160D-601(d)(1)*. For example, a local

government cannot rezone multi-family zoning to single-family zoning without the express consent of all owners in the corridor or area. Lovelady, *Limits on “Down-Zoning,”* Coates’ Canons N.C. Local Gov’t Blog (December 20, 2024).

Here, the parcel located at 3968 US HWY 321A is currently zoned as a Highway Business District (hereinafter referred to as “H-B District”) and there is interest to rezone the parcel as a Residential Medium Density District (hereinafter referred to as “RA-20 District”). *Sawmills, N.C. Zoning Code § 153.030*. Under this ordinance, the highway business district is intended for offices, personal services, and the retailing of durable and convenience goods for the community. *Id.* These businesses should have ample parking, controlled traffic movement, and suitable landscaping. *Id.* In contrast, RA-20 Districts are designed to stabilize and encourage a healthful environment for family life and consist of either single-family dwellings, two-family dwellings, manufacture and modular homes on individual lots or related uses necessary for a sound neighborhood. *Id.*

While the example of rezoning multifamily zoning to single-family zoning seems clear, it is unclear whether rezoning the parcel located at 3968 US HWY 321A would constitute a decrease in density. An argument could be made that moving from an H-B District to an RA-20 District would result in use by family units instead of business employees, customers, and independent contractors. Because less people would theoretically be allowed to enjoy the land based on the way its rezoned, this could constitute “down-zoning.” If so, the rezoning would be considered “down-zoning” requiring consent from all property owners affected by the rezoning. On the contrary, the counterargument can be made that because the property owner of 3968 US HWY 321A never used the property for business, the development density of the property will not be reduced in practice by the potential rezoning. However, regardless of whether or not the rezoning would constitute “down-zoning” under N.C.G.S. § 160D-601(d)(1), the rezoning of the parcel in question would be considered “down-zoning” under § 160D-601(d)(2), which is discussed below.

II. Uses

Under the second approach, an amendment to zoning ordinances is considered “down-zoning” when it affects the area or land by “by reducing the permitted uses of the land that are specified in a zoning ordinance or land development regulation to fewer uses than were allowed under its previous usage.” *Id. at 160D-601(d)(2)*. This provision seems to suggest that two different aspects of a zoning amendment could trigger “down-zoning” limits, either by substantively prohibiting a use that was previously allowed or reducing the number of uses allowed. Lovelady, *Limits on “Down-Zoning,”* Coates’ Canons N.C. Local Gov’t Blog (December 20, 2024). For example, prohibiting a specific use of property available before the rezoning would constitute “down-zoning.” Moreover, limiting RA-20 to two-family dwellings only would also be considered “down-zoning” because it reduces the number of uses under the district.

Given the defined uses of both districts, rezoning from an H-B to an RA-20 District would constitute “down-zoning.” The uses of property under an RA-20 District will directly prohibit uses that were permitted under the H-B District because a district zoned as residential cannot begin or continue to operate any kind of business. *Sawmills, N.C. Zoning Code § 153.030*. Moreover, if the parcel is rezoned as an RA-20 District, the owners would no longer be able to provide personal services from that property. The rezoning clearly limits and prohibits uses allowed under previous usage and therefore amounts to “down-zoning.”

Recommendations and Conclusion

In addition to the procedures already required under N.C.G.S. § 160D-601(a) for rezoning, the Town of Sawmills will also have to obtain consent from the property owner of 3968 US HWY 321A because the rezoning efforts constitute down-zoning under § 160D-601(d)(2).

Out of an abundance of caution, it is recommended that the property owner in question fill out a separate form (attached) which consents to the rezoning. While it appears that the rezoning application may be sufficient to accomplish this consent, best practice would be to have all the property owners affected by this rezoning sign a separate consent form.



Town of Sawmills
Planning & Zoning

4076 US Highway 321-A
Sawmills, NC 28630

DOWN-ZONING CONSENT

To satisfy the requirements of NC GS § 160D-601(d), I/we, Aaron M. Annas
(Property Owner(s) Name)

(Property Owner(s) Name)

are the listed property owners of parcel(s) identified as PIN(s) 2766568481
(PIN(s))

(PIN(s))

and provide this written consent, acknowledging that my/our property will be the subject of a
down-zoning due to an amendment to zoning regulations or a zoning map amendment. For these
purposes, "down-zoning" means that an area of land will be affected in one of the following ways:

- (1) By decreasing the development density of the land to be less dense than was allowed under
its previous usage.
(2) By reducing the permitted uses of the land that are specified in a zoning ordinance or land
development regulation to fewer uses than were allowed under its previous usage.
(3) By creating any type of nonconformity on land not in a residential zoning district, including a
nonconforming use, nonconforming lot, nonconforming structure, nonconforming
improvement, or nonconforming site element.

Table with 3 columns: Printed Name of ALL Listed Property Owner(s), Signed Name of ALL Listed Property Owner(s) Wet Signature Required, Date. Row 1: Aaron M. Annas, [Signature], 05/22/2026.

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■ CHAPTER 7 TRUSTEE, WESTERN
DISTRICT OF NORTH CAROLINA

May 21, 2026

MEMORANDUM

TO: TOWN OF SAWMILLS, NC TOWN MANAGER AND TOWN COUNCIL

FROM: TERRY M. TAYLOR, ATTORNEY

RE: WHAT IF POTENTIAL REZONING AT 3968 US HWY 321A IS INCONSISTENT WITH COMPREHENSIVE ZONING PLAN

In regards to the rezoning of the parcel located at 3968 US HWY 321A (NCPIN: 2766568481) from a Highway Business District (hereinafter referred to as "H-B District") to a Residential Medium Density District (hereinafter referred to as "RA-20 District"), the question is whether the board can approve this rezoning measure even if it is inconsistent with the Town of Sawmills' comprehensive zoning plan.

Under North Carolina General Statutes, any zoning regulations must be made in accordance with a comprehensive plan that is designed to promote the public health, safety, and general welfare of its citizens. *N.C. Gen. Stat. 160D-701*. Courts have determined that each separate land use or zoning decision does not need to be compatible with the formally adopted comprehensive plan so long as it is based on a reasoned consideration of the entire jurisdiction and the full range of land issues facing the jurisdiction. *See A-S-P Associates v. City of Raleigh*, 298 N.C. 207, 229, 258 S.E.2d 444, 458 (1979). Importantly, the planning board (as highlighted in the Town of Sawmills Zoning Ordinances) shall advise and comment on whether the proposed rezoning action is consistent with the comprehensive zoning plan. *N.C. Gen. Stat. 160D-604(d)*; *See generally Sawmills, N.C. Zoning Code § 153.030*. Most importantly, the planning board must also provide written recommendation to the governing board that addresses plan consistency, but a comment by the planning board that the proposed rezoning is inconsistent with the comprehensive zoning plan will not preclude approval of a proposed zoning amendment by the council. *N.C. Gen. Stat. 160D-604(d)*. While not directly applicable here, it is worth mentioning that if a zoning map amendment qualifies as a "large-scale rezoning" under G.S. 160D-602(b), the

planning board statement describing plan consistency may address the overall rezoning and describe how the analysis and policies in the relevant adopted plans were considered in the recommendation made. *Id.*

Additionally, the governing board (the town council) shall approve a brief statement describing whether its action is consistent or inconsistent with an adopted comprehensive or land-use plan. *N.C. Gen. Stat. 160D-605(a)*. There must also be a statement which analyzes the reasonableness of the proposed rezoning that must be approved by the governing board. *N.C. Gen. Stat. 160D-605(b)*. These requirements can be approved as a single statement so long as there is a clear indication in the minutes of the governing board meeting that at the time of action on the amendment the governing board was aware of and considered the planning board's recommendations and any relevant portions of an adopted comprehensive or land-use plan. *Id. at 160D-605(a)-(c)*. Courts have emphasized the importance of the governing board's approval of a consistency statement and have ruled against municipal governments who do not adopt and approve a consistency and reasonableness statement. *Wally v. City of Kannapolis*, 365 N.C. 449, 722 S.E.2d 481 (2012). Moreover, courts have made it clear that the statement requires more than simply stating whether the action is consistent and inconsistent. *Atkinson v. City of Charlotte*, 235 N.C. App. 1, 3, 760 S.E.2d 395, 396.

Conclusion and Recommendations

In order to be in compliance under North Carolina law, the Town of Sawmills' planning board must provide a written recommendation to the town council which details and addresses the proposed rezoning of 3968 US HWY 321A and the consistency with the Town of Sawmills' comprehensive zoning plan. To be in full compliance under the law, the Town of Sawmills' planning board should fully answer the following two prompts in their Consistency and Reasonableness Statement: (1) [t]he amendment is/is not consistent with applicable plans because... [and describe elements of the Town of Sawmills' comprehensive zoning plan and how the amendment is/is not consistent]; and (2) [t]he amendment is/is not reasonable and in the public interest because... [explain why, including factors like public health and safety, character of the area and the relationship of uses, applicable plans, or balancing benefits and detriments]. Once the planning board completes the Consistency and Reasonableness Statement, the council is free to consider and approve the rezoning amendment for the parcel located at 3968 US HWY 321A, even if it is inconsistent with the comprehensive plan. The council must ensure that the considerations of the Consistency and Reasonableness Statement (which can be prepared by the planning board) are documented in the meeting minutes. *N.C. Gen. Stat. 160D-605(a)*.



**TOWN
COUNCIL**

TOWN MANAGER
Chase Winebarger

TOWN PLANNER
Dustin Millsaps

Keith Warren , Mayor Pro-Tem
Clay Wilson
Rebecca Johnson
Melissa Curtis
Joe Wesson

ZONING VERIFICATION LETTER

May 30th, 2023

To whom it may concern,

This zoning verification letter was requested by Aaron Annas on May 26th, 2022 for the following parcel:

Verification for 3968 US Highway 321A, Hudson, NC 28638 (PIN: 2766568481):

- (i) The current zoning classification of the property is Highway-Business (H-B).
- (ii) The property has been zoned H-B in excess of sixty (60) days.
- (iii) There are no known zoning violations currently active against this property.
- (iv) This property is considered to be a legal nonconforming lot. This is because the use of the property has been for residential use for many years, however it is zoned H-B.

Sincerely,

Dustin Millsaps, Town of Sawmills Planner
Cell Phone: 828.999.7108
Email: dustin.millsaps@wpcog.org

4076 US Highway 321-A * Sawmills NC * (828)396-7903 * (828)396-8955 fax

<http://www.townofsawmills.com/>

The Town of Sawmills does not discriminate on the basis of age, sex, race, religion, national origin, disability, political affiliation, or marital status.



Town Council STAFF REPORT

Subject: BRIC Update

Date: June 16, 2026

Submitted by:

Department: Finance

Background:

North Carolina Emergency Management (NCEM) and FEMA are reviewing final Phase 1 Deliverables and have requested additional details regarding the Staging Area for contractor equipment and materials.

Recommendation:

Report only - no action needed

Fiscal Impact:

Attachments:

None



Town Council STAFF REPORT

Subject: HELENE Update

Date: June 16, 2026

Submitted by:

Department: Finance

Background:

The Town's Cat A Veterans Park Debris Streamlined Project Application (SPA) has been submitted to the Consolidated Resource Center (CRC) and is currently being reviewed for Scope and Cost Development. The initial Environmental Historic Preservation (EHP) review is complete. The Town has made one payment to Mountain Crest, LLC in the amount of \$190,000

Recommendation:

Report only — no action needed

Fiscal Impact:

Attachments:

None



Town Council STAFF REPORT

Subject: OSBM Update

Date: June 16, 2026

Submitted by:

Department: Finance

Background:

The following work has been completed on the Sewer Scouring Project: Site Work (Clearing, Rough Grading, Stone and Culverts); Dirt Hauling & Placement and Final Grading Payment has been made in the amount of \$34,750. The Town has incurred additional covered costs for miscellaneous supplies totaling \$370.50.

Recommendation:

Report only — no action needed

Fiscal Impact:

Attachments:

None