

Strategic Growth Plan

City of Shelby,
North Carolina



City of Shelby Strategic Growth Plan

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The Steering Committee would like to especially thank the many citizens who attended the town meetings held for the plan and those individuals who participated in the Leadership Interviews for the plan.
(Those interviewed are listed in the back of this plan.)

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Part A: Introduction to the Shelby Strategic Growth Plan

Why do we need a Strategic Growth Plan for the City of Shelby?

During the past decade, the City of Shelby has faced a number of challenges as our area has undergone dynamic change. Many jobs have left the region as plants have closed. Areas of new growth and development have continued their shift from urban to suburban and rural locations. Some older city neighborhoods, left behind in this transition, have suffered from various levels of decline. Several older commercial areas have followed suit. One of the worst droughts in our region's history is still fresh in our memory, spurring us on to actions designed to help prevent such a crisis in the future. Infrastructure needs have mounted, as our roads, water and sewer facilities and parks have received less attention than most of us would prefer.

At the same time, we have much to be thankful for. Shelby's location relative to the rapidly growing Charlotte-Mecklenburg/Gastonia urban area bodes well for future economic development. Uptown Shelby is the envy of many other cities that have been far less successful in preserving the historic and cultural heart of their community. Our community has some of the most inviting residential areas anywhere. Our park system, though aging, offers a diverse range of facilities for the recreation needs of our residents. And, if there is a silver lining to the closing of several of our textile plants, it is that previously used water supplies have been freed up—and are now available for new industry and new growth.

Even so, as our city and region continue to change, new demands are being placed on our roads, utilities, parks and municipal services. As new development moves farther into the countryside, resource issues are coming to the forefront, including sprawling development, farmland losses, drainage issues, and environmental degradation. Shelby's City Council must make difficult decisions about how to manage growth and about how to allocate the City's resources to deal with these many growth-related issues. The Strategic Growth Plan is intended to help guide those difficult decisions—about future development and redevelopment, and about priorities for City government in response to the demands brought about by this constant change.

Who was responsible for preparing the Strategic Growth Plan?

A Council-appointed Steering Committee made up of about 15 interested citizens guided the preparation of the Strategic Growth Plan. Representatives of City Council and the Planning and Zoning Board also served on the Committee. The Steering Committee reported directly to the City Council. Other City Boards and Commissions were invited to provide input to the Steering Committee as the plan was developed. The Steering Committee received technical support from the City Administration, working in coordination with a professional planning consultant, Glenn R. Harbeck, AICP.

How was the community involved?

A critical part of plan development was the involvement of property owners, residents, business owners, and other stakeholders in the community. The development of the Strategic Growth Plan started 'from the ground up'; i.e., community involvement was the foundation of the plan. Starting early in the process, and continuing throughout the development of the plan, the Steering Committee hosted a number of public input meetings. These meetings began with a community-wide visioning exercise and proceeded from that base. Achievement of the level of planning required for the Strategic Growth Plan involved a series of public meetings and committee work sessions over a period of many months. In general, the study process proceeded from the broad to the specific, and from objectives to actions. Public involvement also included an "open house" near the end of the planning process in which draft policies and actions were presented for public comment. Approval of the plan requires a formal public hearing and adoption by City Council.

What are the functions of the Strategic Growth Plan?

The City of Shelby Strategic Growth Plan serves the following primary purposes:

- **Guidance for City Decisions**
The policies and recommended actions of the plan give direction to City government in reviewing development proposals, planning growth-related facilities and services, preparing standards and regulations, working with other local government jurisdictions on growth management issues, and establishing applicable budget and work program priorities.
- **Source of Information**
The Plan and supporting technical research provide useful information on a number of topics, including the local population and economy, certain social statistics, housing, community facilities and other factors.
- **Public Participation and Input**
Public input meetings, steering committee meetings, publication and review of documents, public hearings, and other means seek to ensure that the plan reflects, as accurately as possible, the attitudes and perspectives of the majority of citizens of the City.

What are the major parts of the Strategic Growth Plan?

- **Growth Factors Analysis**
The Growth Factors Analysis includes primarily statistical measures concerning the community's population, housing, social statistics, and local economy. The purpose of the Growth Factors Analysis is to provide a factual basis for understanding the social and economic context for growth in and around the City of Shelby.
- **Vision Statements**
The Vision Statements establish a clear picture of where the City of Shelby would like to be some 15 to 20 years from now. Vision Statements lay the foundation for the policies and actions necessary to make the vision a reality. Vision Statements are written as if it is now 15 or 20 years in the future and we are looking back at what has come about as a result of actions identified in the Strategic Growth Plan.
- **Policy Statements**
The Policy Statements are the heart of the plan. When adopted by the City Council, they become official policies governing decisions about City services and facilities, specifically as related to the management of growth and development. Policies on land use, alternative forms of development, utilities extensions, transportation facilities, parks and open space, solid waste management and community appearance, are among those addressed in the plan.
- **Implementation Actions**
The Implementation Actions serve as a "to do list" for City government in support of the Strategic Growth Plan policies. Unlike the policy statements, which should remain relatively constant over time, implementation actions should be updated each year to keep up with changing needs and priorities.

How are the Strategic Growth Plan Policies and Actions To Be Used?

The Policies contained in the Strategic Growth Plan have been designed for regular use in guiding public decisions at the City level as well as in providing information for private decisions. As officially adopted policies of the City, they are to be used primarily as a foundation for future decisions on City facilities and services, primarily as related to the management of growth and development. The following paragraphs detail how various parties involved with City government should use the policies and recommended actions set forth in the Plan.

- ***As Used by the City Staff***

City staff should consult the plan while reviewing development proposals that fall under the City's jurisdiction. The policies should also be examined for their guidance in recommending changes in City facilities and services. When proposing changes in services to the City Manager or City Council, any such changes should be evaluated according to their consistency with the adopted growth policies. City department heads should periodically review the policies and implementation actions, becoming familiar with their content and direction. This will be especially important during preparation of the annual work program and proposed budget request for each department.
- ***As Used by Appointed Boards and Commissions***

Before their regular meeting, members of appointed boards and commissions should review proposed agenda items in light of the City's adopted growth policies. Board members should then make a determination as to the consistency of a particular action or proposal with the City's adopted Strategic Growth Plan Policies. If a board or commission receives a recommendation from City staff on a particular proposal, members should take into account staff guidance in interpreting the Policies. At times, board members may also choose to give different weight to different policies, at times modifying the staff recommendation.
- ***As Used by City Council of Shelby***

In their authority to guide the growth and development of the City, and in turn, changes in City facilities and services, the City Council has the final word on the actions of City government and its various boards and commissions. To do this, Council must provide a clear sense of direction to its boards concerning land use and development issues. In addition, Council members should continually weigh the City's policies and take into consideration the interpretations of others, such as area residents, developers, special interest groups, the City staff, and its own appointed boards and commissions. Over time, a track record of policy interpretation forms a consistent foundation for decision-making throughout City government
- ***As Used by the General Public***

Residents of the City of Shelby can and should reference specific Strategic Growth Plan Policy Statements, when speaking in favor or in opposition to a particular proposal before the City Council or other appointed boards and commissions. Likewise, developers and proponents of projects seeking approval of the City should allow the policies to frame their projects, thereby increasing their chances of project approval and in turn, saving time and money.

Part B: Growth Factors Analysis

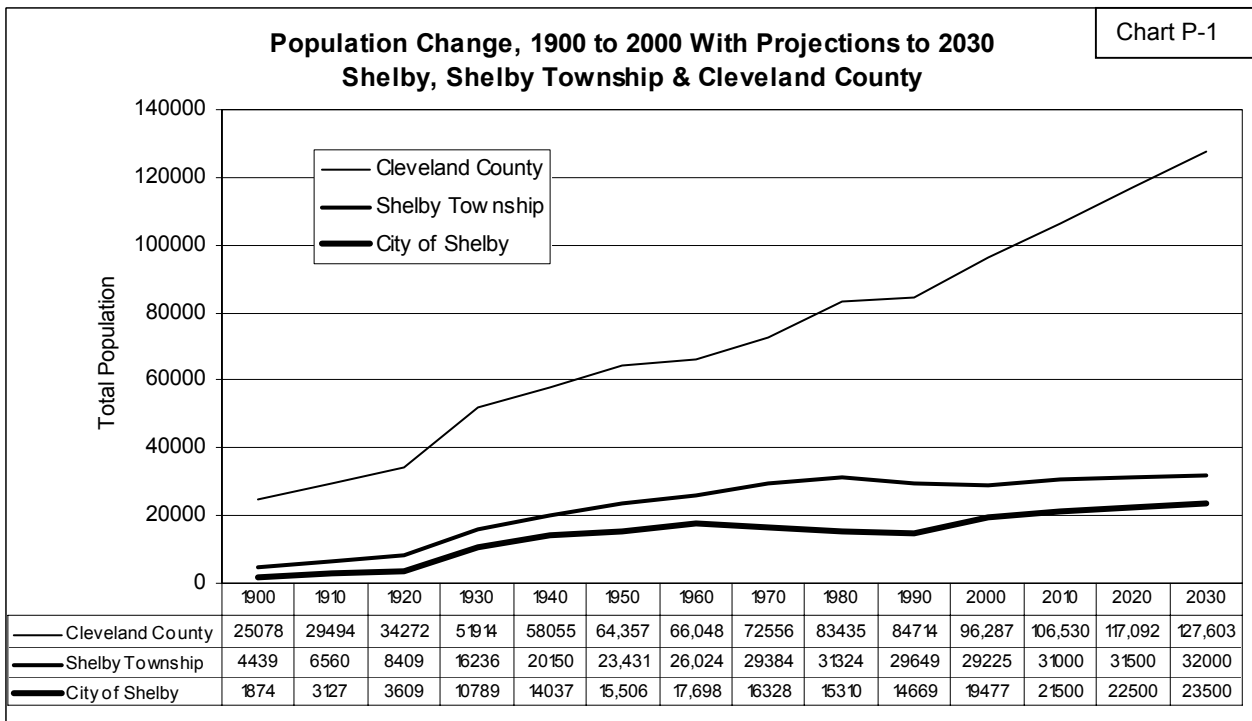
Measures of Population, Housing, and Economic and Social Health

This section of the plan presents basic information about the population, housing and economy of Shelby and Cleveland County relative to the State of North Carolina. Collectively, these measures of change provide statistics for evaluating past and present conditions to better predict future conditions in the city and its environs. Unless otherwise noted, all charts were created by the consulting planner using information available from the US Census Bureau and North Carolina’s State Data Center.

Measures of Population Composition and Change

Population Growth of Shelby, Past and Projected

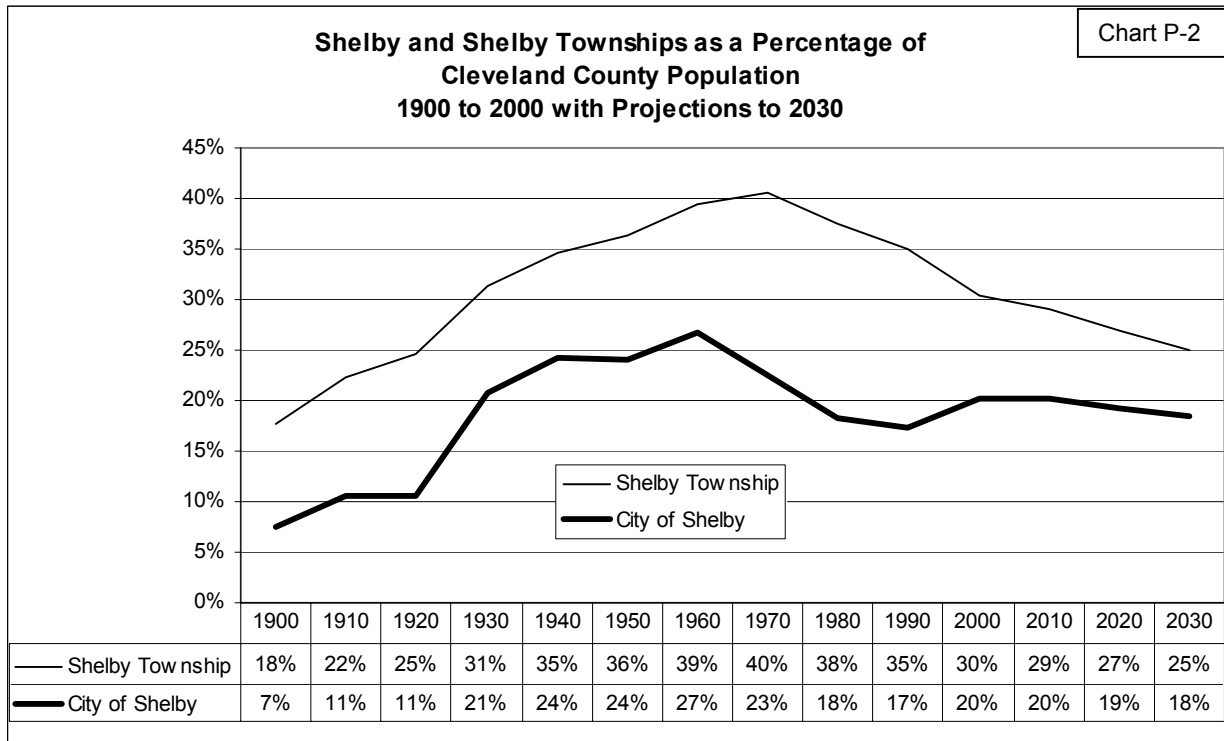
For the first half of the twentieth century, the City of Shelby’s population growth roughly paralleled the growth of Shelby township¹. After World War II, the City’s growth flattened and then declined, while the suburbs (the part of Shelby township not in the City) continued to grow. Had it not been for significant annexations completed during the 1990’s, the City’s total population would likely have fallen further. The noticeable change in slope of the City’s growth curve from 1990 to 2000 reflects these annexations.



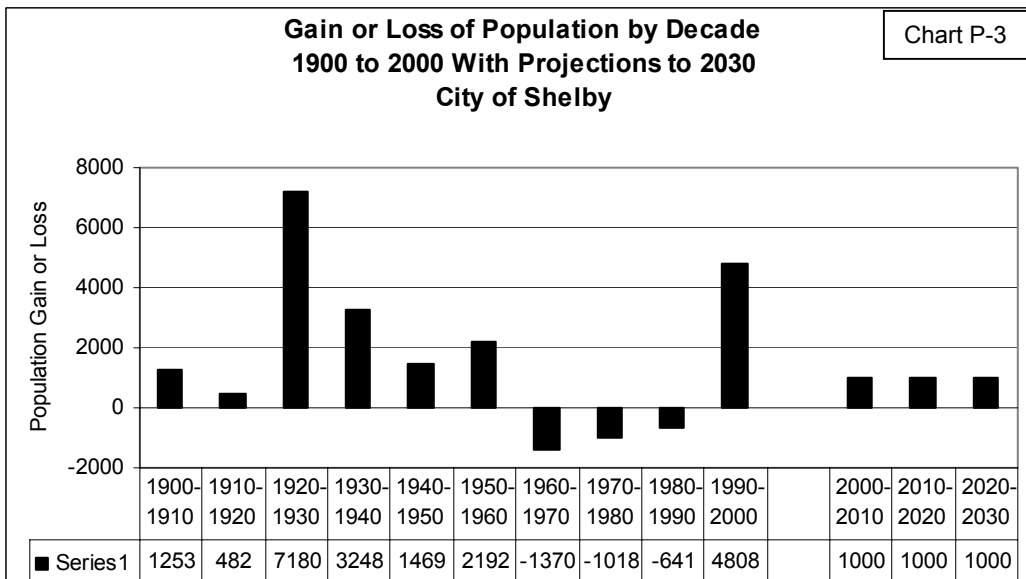
While the population of the Shelby township has actually declined slightly over the past two decades, Cleveland County’s growth has continued unabated for much of the twentieth century. This steady growth over many decades is reflected in official State projections for the County through the year 2030.

Members of the Steering Committee for the Strategic Growth Plan believe, however, that these projections at the County level may be overly optimistic. They cite the economic downturn of the past two decades, and suggest that the projected County growth levels need to be trimmed back.

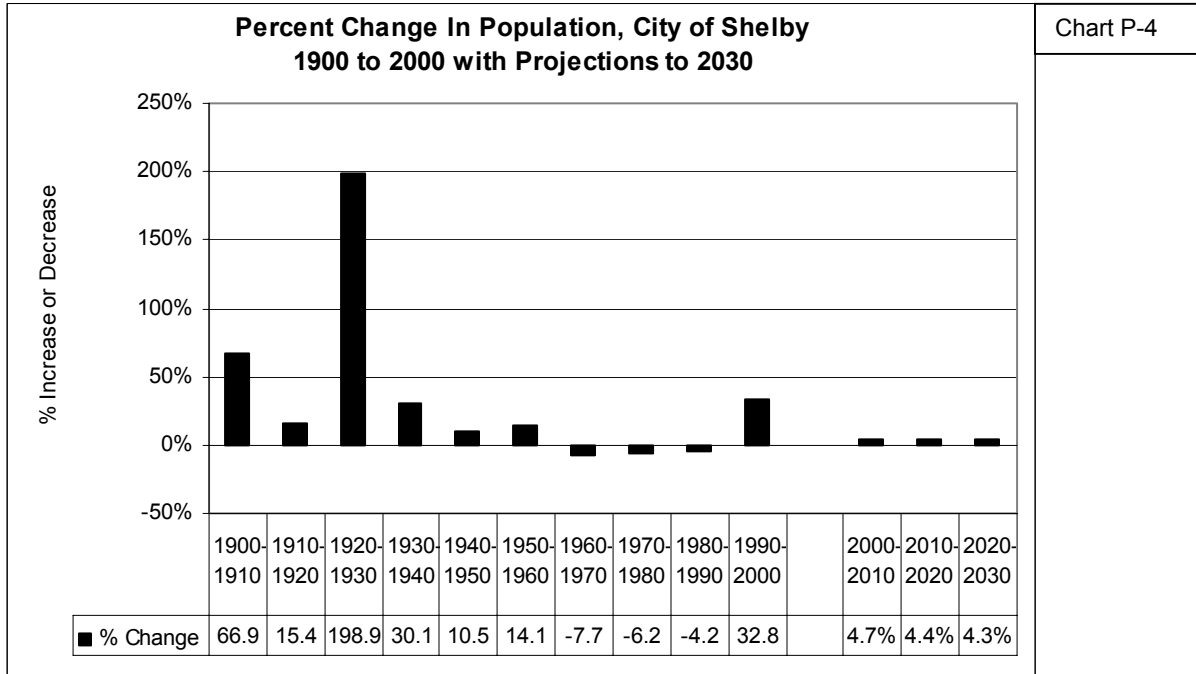
¹ For a better understanding of the geographic relationship between the City of Shelby and Shelby Township, see *City of Shelby and Shelby Township Map* (Map 1) in the back pocket of this document.



For much of the twentieth century, Shelby’s percentage of Cleveland County’s population has closely paralleled Shelby township’s portion of the County’s population. The City’s percentage dipped, however, during the slow growth era of the 60’s 70’s and 80’s. Future estimates of population growth show the City and township percentages drawing closer, assuming that the City continues to annex remaining portions of the township.

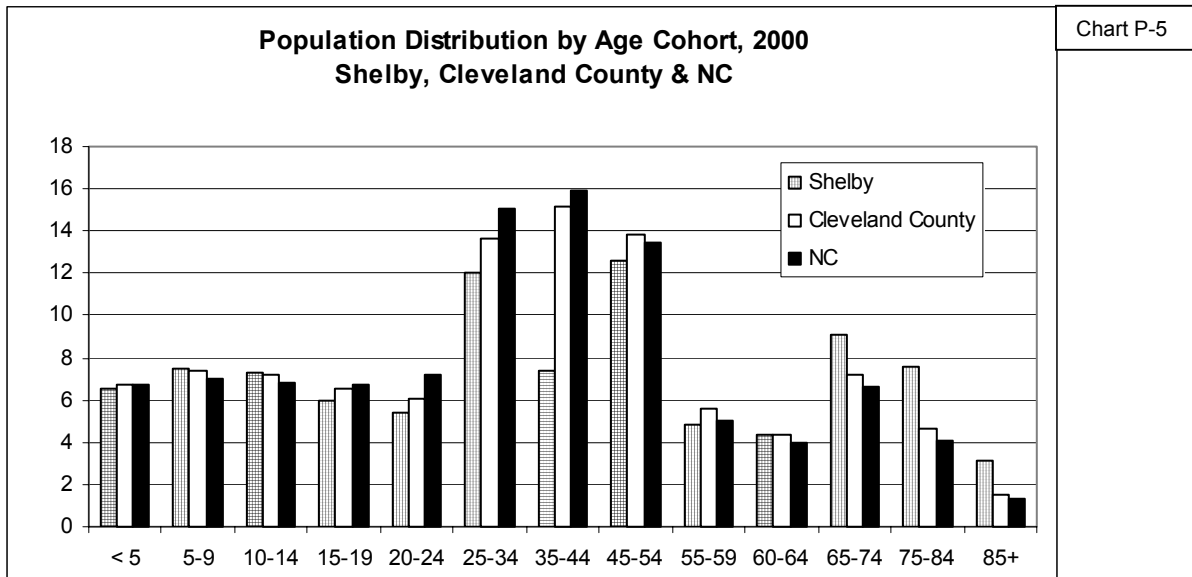


Periods of population gain and loss in the City are made clear by the above bar chart. Note the huge increase in population during the City’s growth “hey days” of the 1920’s, the population losses of the 60’s, 70’s, and 80’s, and the significant increase of the 1990’s, due primarily to annexation.

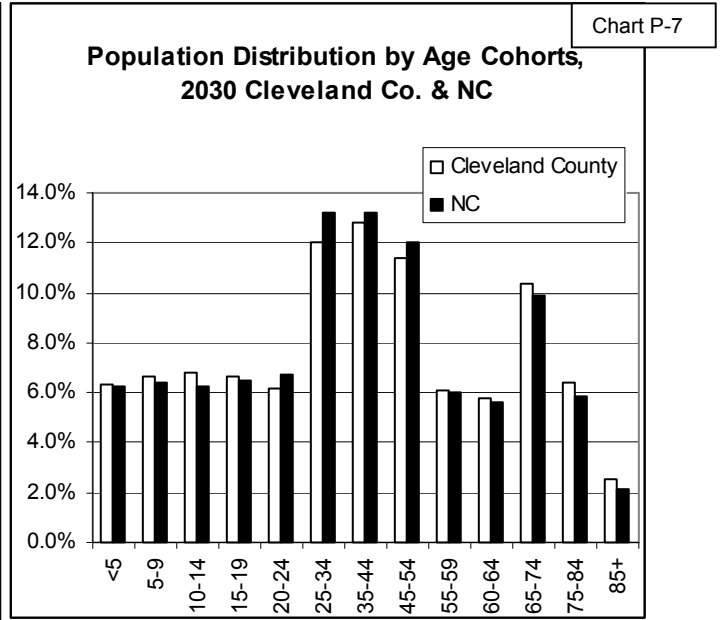
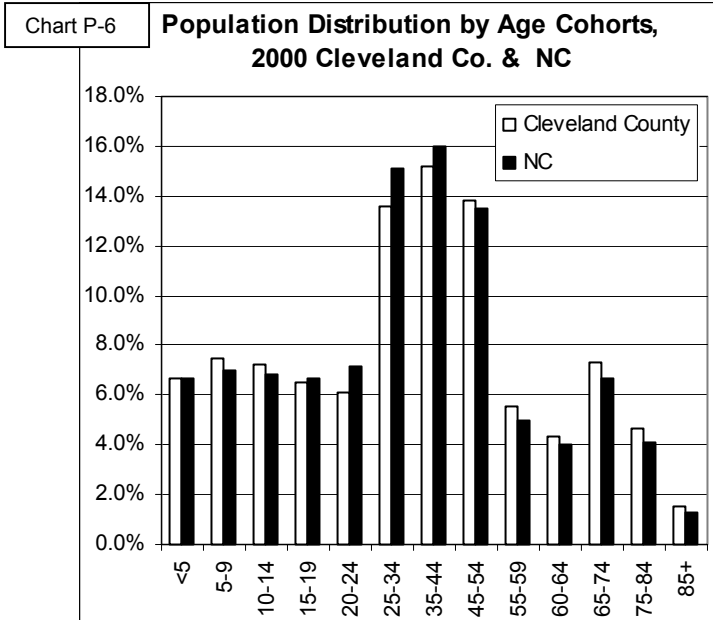


Similarly, Chart P-4, above, reveals the very large percentage increase in population of the City during the 1920's, the more moderate gains immediately after World War II, and the modest declines of the 60's, 70's and 80's. Projections for the next twenty-five years, through 2030, show optimism that the City will have gains of between four and five percent for each of the next three decennial censuses.

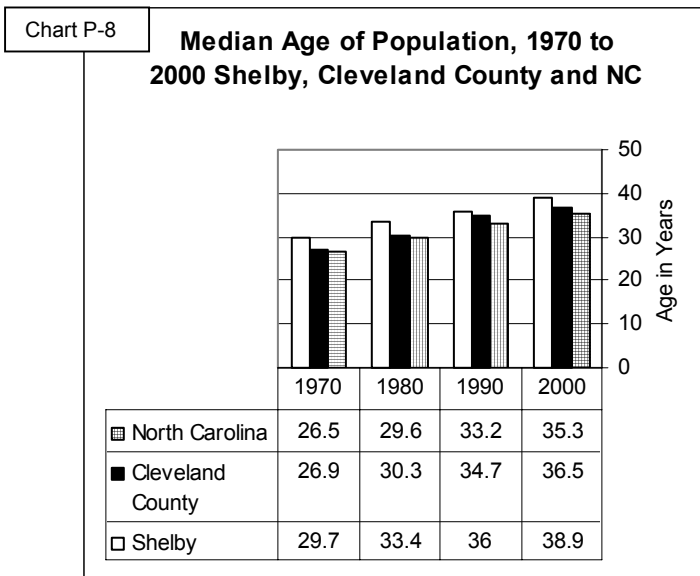
Population Composition by Age



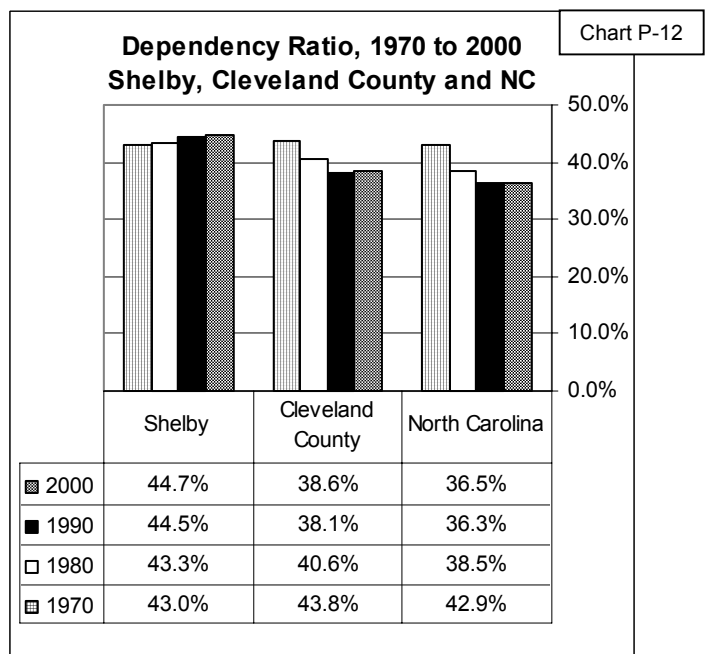
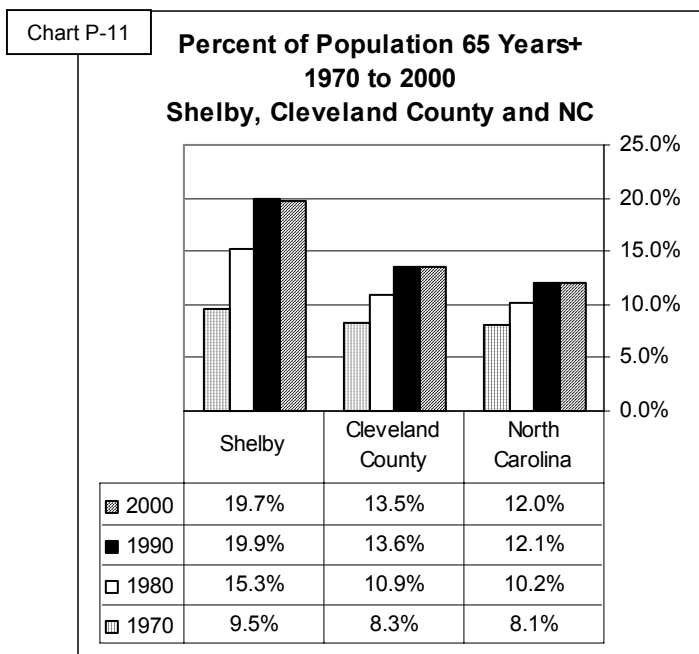
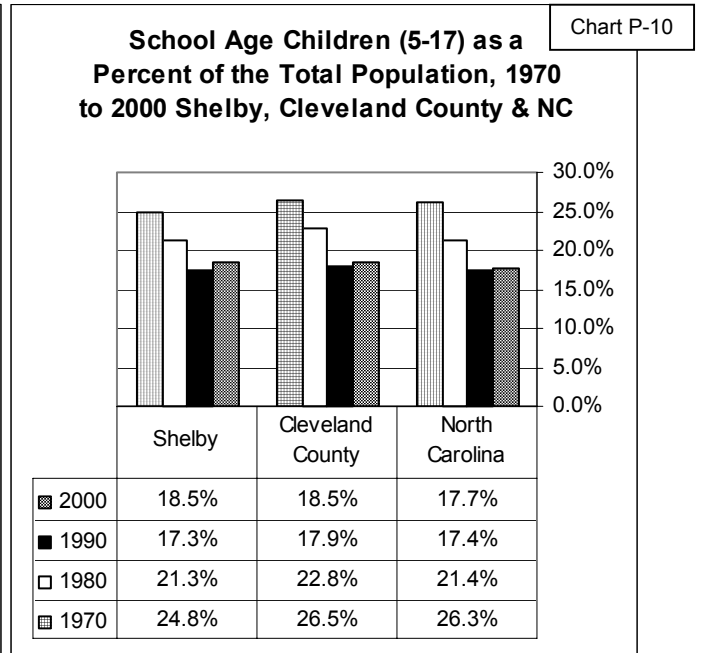
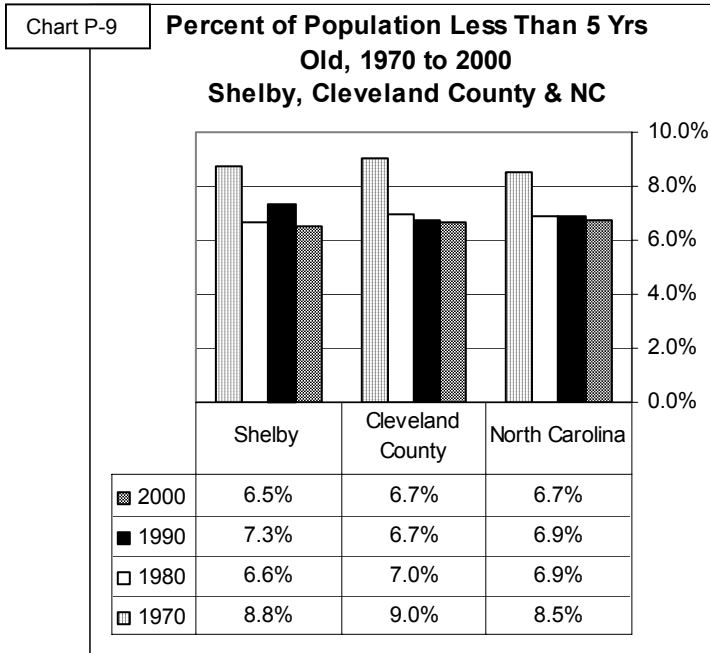
Statistics from the 2000 Census allow for comparisons of the age composition of City, County and State populations. The numbers reveal that Shelby has about the same proportion of its population in pre-school and school-age children, a smaller proportion of its population in the primary working age cohorts, and a much larger proportion of its population in the retirement age brackets.



North Carolina’s State Data Center employs Census data and other factors to project the age composition of populations at the county level. (Projections for municipalities like Shelby are not calculated.) With the bar graphs for 2000 and 2030 placed side by side, it can be seen that the population of both the State and Cleveland County will become “flatter”. This means that the spikes in population within certain age cohorts will become less pronounced over time. For example, in 2000, the three largest cohorts (the baby boom brackets, ages 25 to 54) comprised about 45% of the total population. By 2030, the three largest cohorts (the so-called baby boom *echo*, ages 25 to 54) will make up only about 35% of the total population.



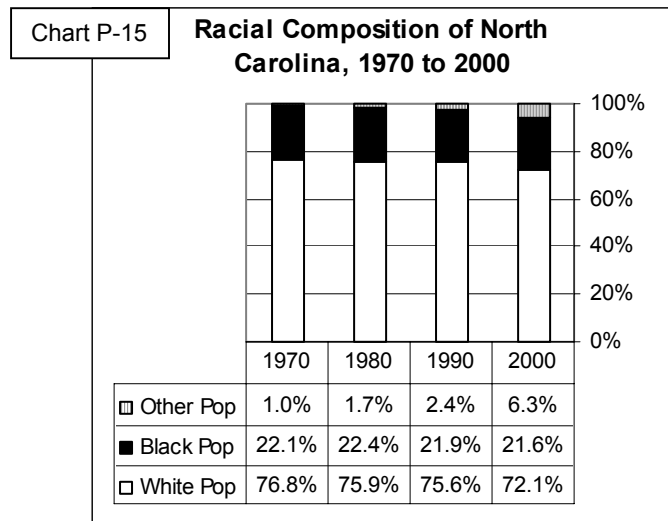
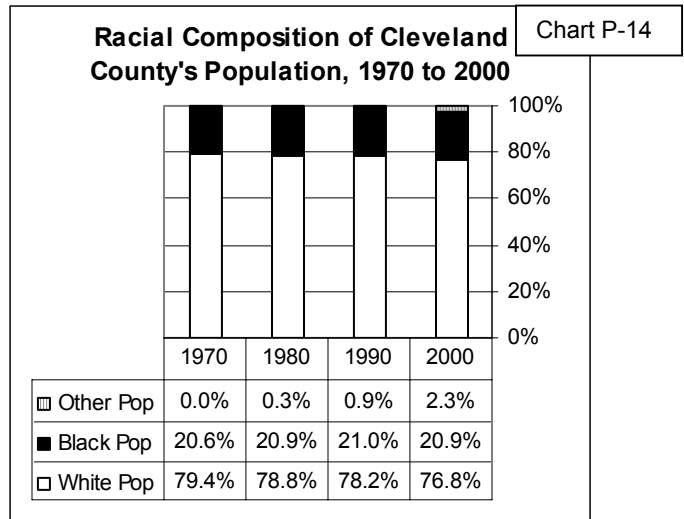
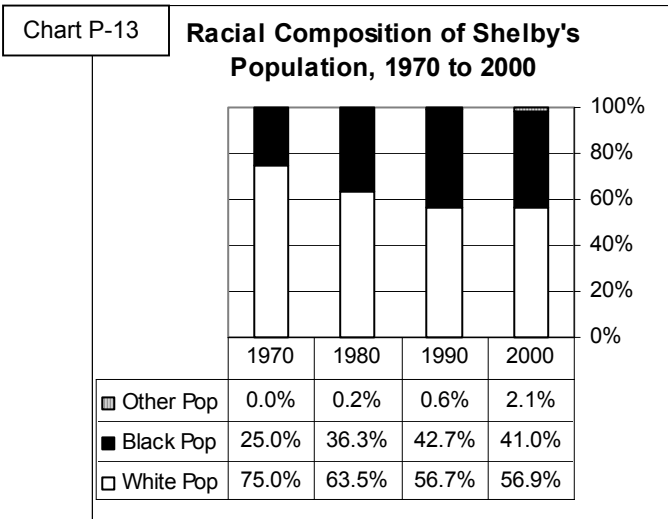
The chart to the left reveals how the average age of the population of the City, County and State continues to increase as the baby boomers move through the age brackets and as life expectancies increase. The median age for Shelby, that age which evenly splits the older half of the population from the younger half, increased from 30 years of age in 1970 to nearly 40 years of age in 2000.



The four charts above summarize much about the age structure of Shelby's population over the past three decades. In terms of school age children, for example, the city has closely paralleled the county and the state since at least 1970. In general, the numbers of pre-school and school-aged children declined from about 1 in three persons in 1970 to 1 in 4 persons in 2000.

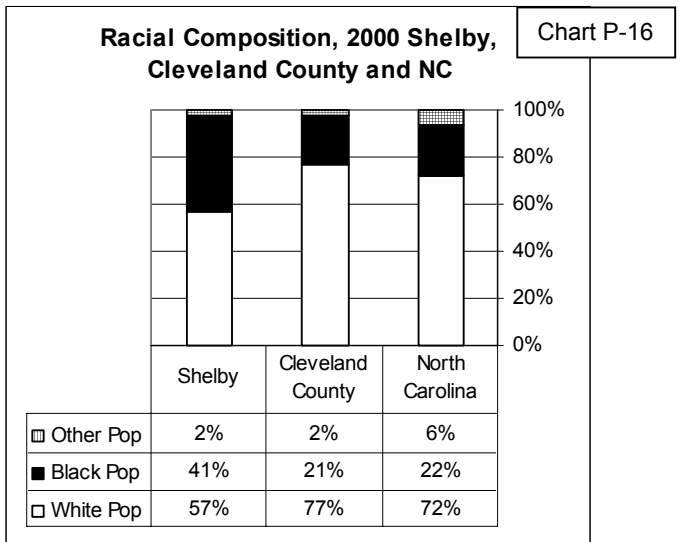
During the same 30-year period, the over-65 population increased its ranks substantially. In Shelby, for example, the 65+ crowd grew from 1 in 10 persons in 1970 to 1 in 5 persons in 2000. While the increases in elderly at the county and state levels were not as great as in Shelby, the overall trend was the same. Finally, Chart P-12 shows that the "dependency ratio" for Shelby is significantly higher than that for the county or state. The dependency ratio is the sum of pre-school, school age and 65+ populations divided by the total population of the area.

Population Composition By Race

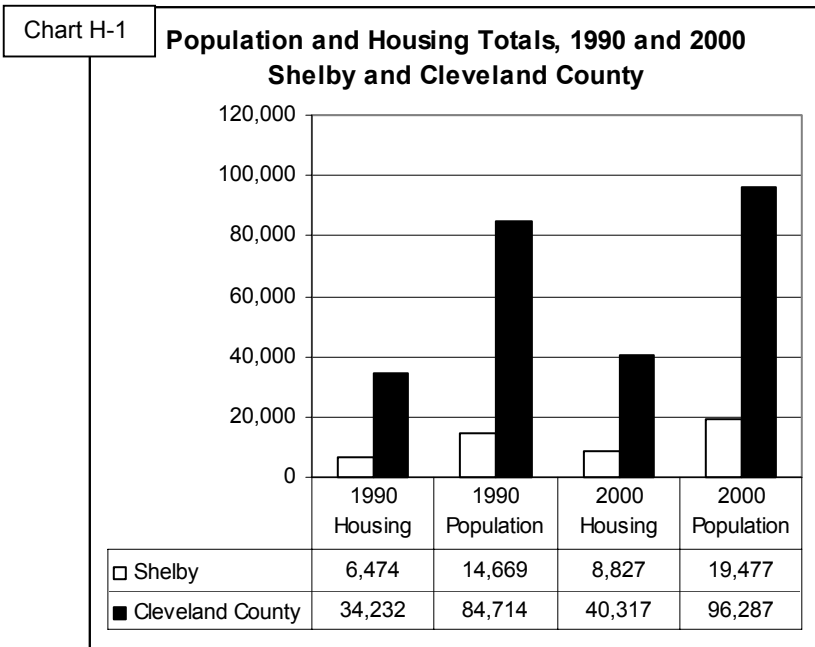


The three charts above and directly to the left compare the racial composition of Shelby, Cleveland County and North Carolina from 1970 to 2000. The charts show that the Black populations of the county and state have remained nearly constant at 21 to 22% of the total. During the same period, the Black population of Shelby has increased from 25% of the city's population in 1970 to over 40% of the total at the time of the 2000 Census. The slight decline in the Black population as a percentage of the city's total population from 1990 to 2000 may be attributed to the annexation of suburban areas by the city during the 1990's.

The side by side placement of bar graphs for the three geographic areas clearly illustrates the greater proportion of Blacks in the city of Shelby relative to the county and state. Also of note, other parts of the state have obviously seen a much greater influx of other racial groups than either the city or county. While other races have increased to only about 2% of the total population locally, racial groups other than Blacks and Whites have grown to make up 6% of the population statewide.



Measures of Housing



Population and Housing

The charts on this page document changes in housing and population levels in the City of Shelby and Cleveland County over the past decade or more. Chart H-1 reveals, for example, that about 20% of the total population and housing of Cleveland County is located within the city limits of Shelby.

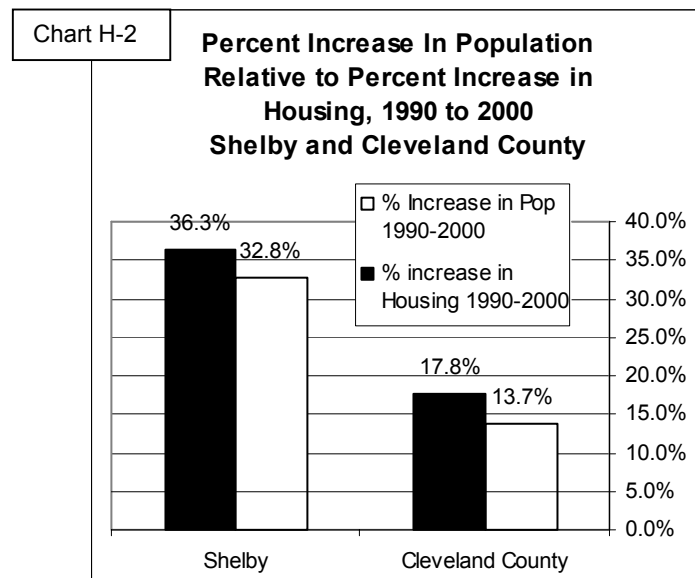


Chart H-2 shows that the rate of increase in houses exceeded the rate of increase of the population in both Shelby and Cleveland County during the 1990's. This would imply that there are either fewer persons per household or that some older houses are being abandoned in favor of new houses, or both.

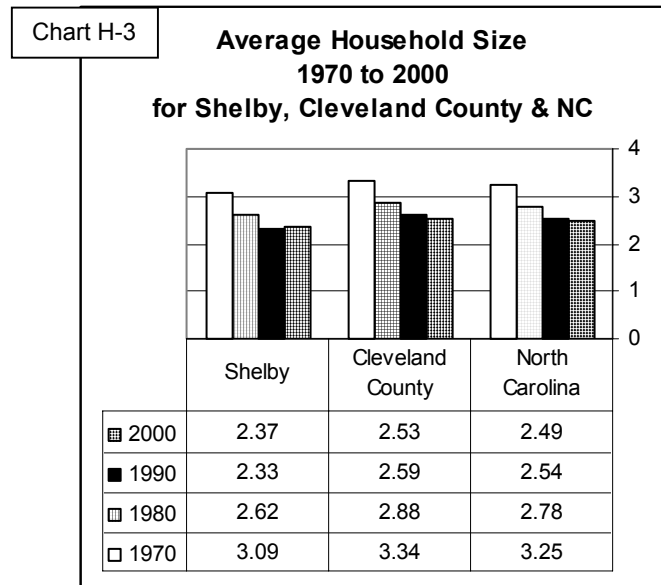
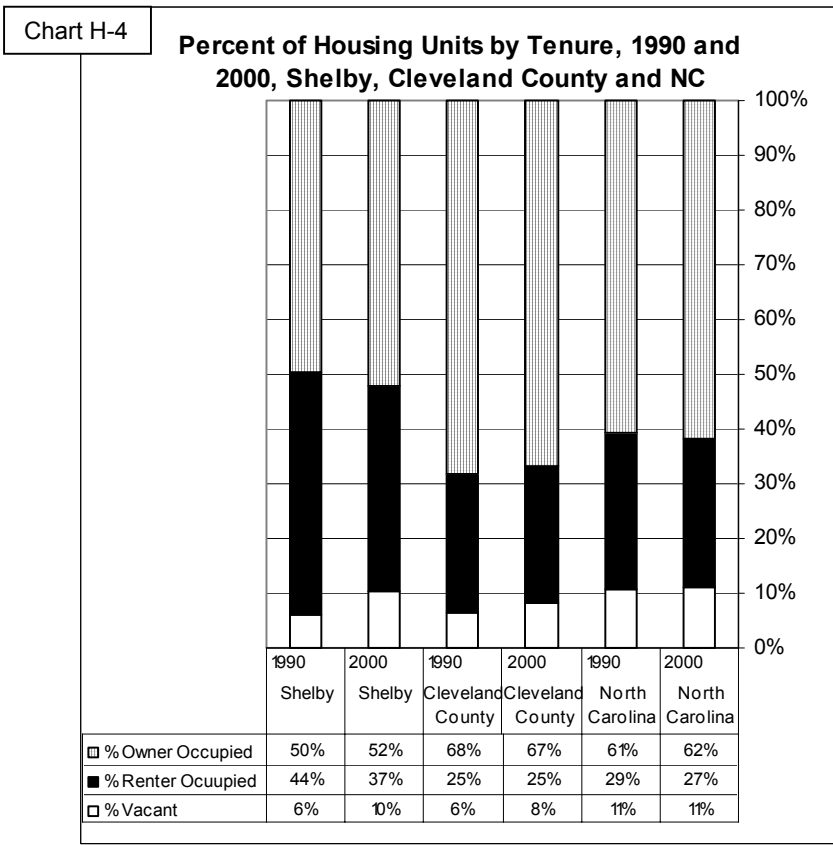


Chart H-3 confirms that, for the past 30 years, average household sizes have been falling across the State of North Carolina and within Cleveland County. The slight increase in household size within the City of Shelby from 1990 to 2000 is probably not indicative of actual changes in the city, but rather a reflection of the annexation of larger suburban households into the city during that decade.



Housing by Tenure

Chart H-4 compares the change in percentage of renter-occupied housing units and owner-occupied units at the city, county and state levels for the decade of the 1990's. Once again, the influence of Shelby's annexation of nearby suburban areas is evident in the numbers.

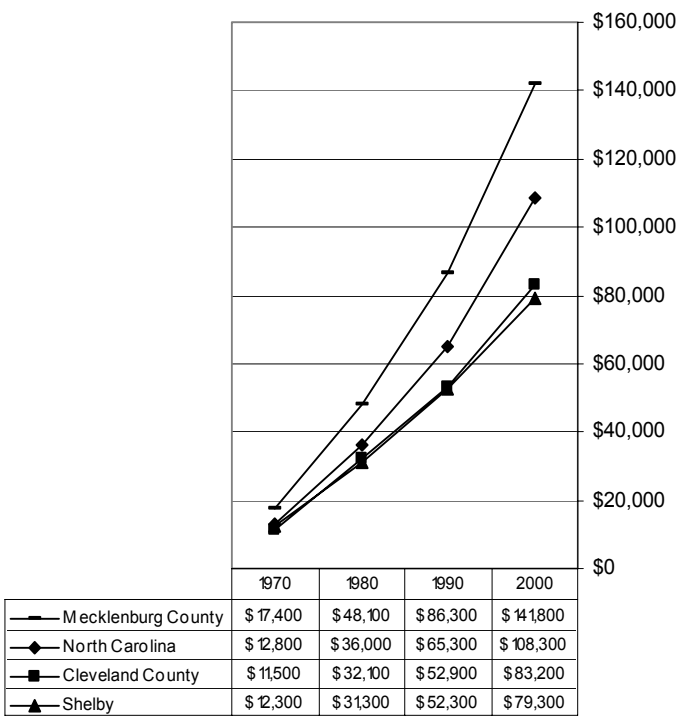
The percentage of owner-occupied housing units in the city increased during the 1990's while declining slightly in the county. Even so, the county still had a much larger proportion of its housing stock in owner-occupancy, at more than two of every three units.

Meanwhile, rental units as a percentage of the total in the city declined substantially from 44% to 37%. Rental unit percentages in the county held steady during the decade, while state rental averages declined modestly.

Vacancies in Shelby were up significantly from 1990 to 2000, increasing from 6% to 10% of all housing units by the end of the decade. Vacancies in the county also increased but to a lesser degree. State-wide vacancies held constant at 11%; no doubt to a large degree because of seasonal and second home housing in the states resort and tourism-oriented communities.

Chart H-5

**Median Value of Owner-Occupied Housing
1970 to 2000, Shelby, Cleveland County,
Mecklenburg County & NC**



Housing Costs

Chart H-5 illustrates trend lines in the value of owner-occupied housing in Shelby, Cleveland County, Mecklenburg County and North Carolina over the past three decades. (Mecklenburg County values were included in the chart to evaluate incentives for living in Shelby while commuting from to the greater Charlotte area for work.)

The chart shows that home values in Shelby and Cleveland County have increased at a modest pace, while home values across the state and, particularly, Mecklenburg County have surged much higher. At the time of the 2000 Census, the median value of a home in Mecklenburg County had climbed to over \$140,000, while the median value in Shelby was still under \$80,000. Also, home values in Shelby, which had been higher than those of Cleveland County in 1970, had dropped below county averages by 2000.

Two factors are occurring, however, that are not reflected in the numbers. First, while median home values are much lower than nearby areas, the cost of building a home in Shelby is not inexpensive. Reportedly, it is not unusual to pay \$110 per square foot to construct a new home in Shelby. (There are no large scale, price point, tract-style builders in Shelby.) Second, the continued aging of the very old mill village housing stock in Shelby pulls the median value down substantially.

Chart H-6

**Median Gross Rent 1970 to 2000
Shelby, Cleveland County,
Mecklenburg County & NC**

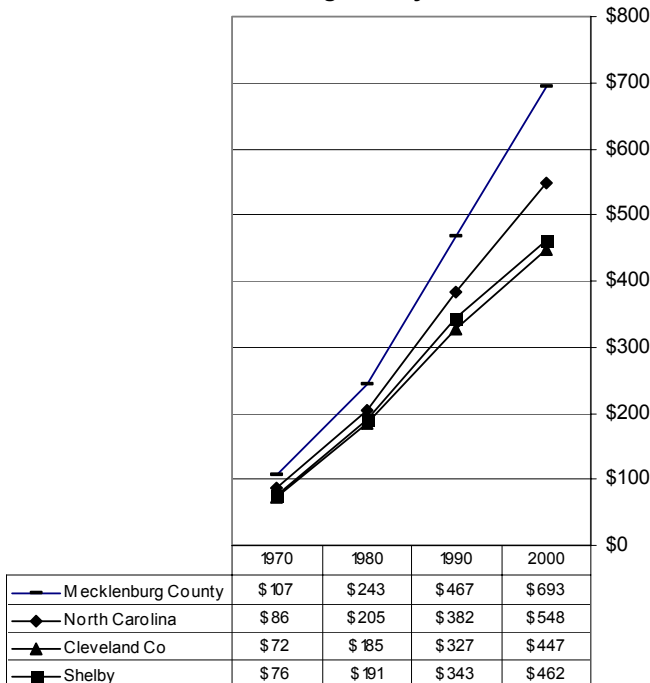
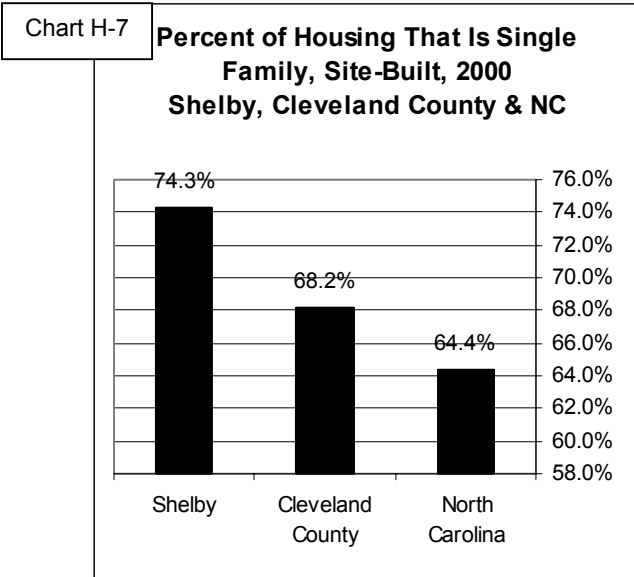


Chart H-6 tells a similar story with regard to median gross rents. Rents in the City of Shelby and Cleveland County have been running virtually parallel to one another for decades. At the same time, rent levels across the state and in Mecklenburg County have surged upward. The average renter in Mecklenburg County paid nearly \$700 a month for housing in 2000 compared to only about \$450 in Cleveland County.



Housing by Type of Structure

Chart H-7 shows some percentages that might appear to be surprising at first glance. Conventional wisdom would say that the City of Shelby, with its full range of municipal services, including particularly sewage collection and treatment, would have a lower percentage of its housing in single family homes and a higher percentage of apartments and other higher density housing. At the same time, one would expect that the county, with its heavier reliance upon septic systems would have more single family housing and fewer apartments. As it turns out, that is true, but it is not reflected in this chart. If we look to Chart H-8 below, we find the answer.

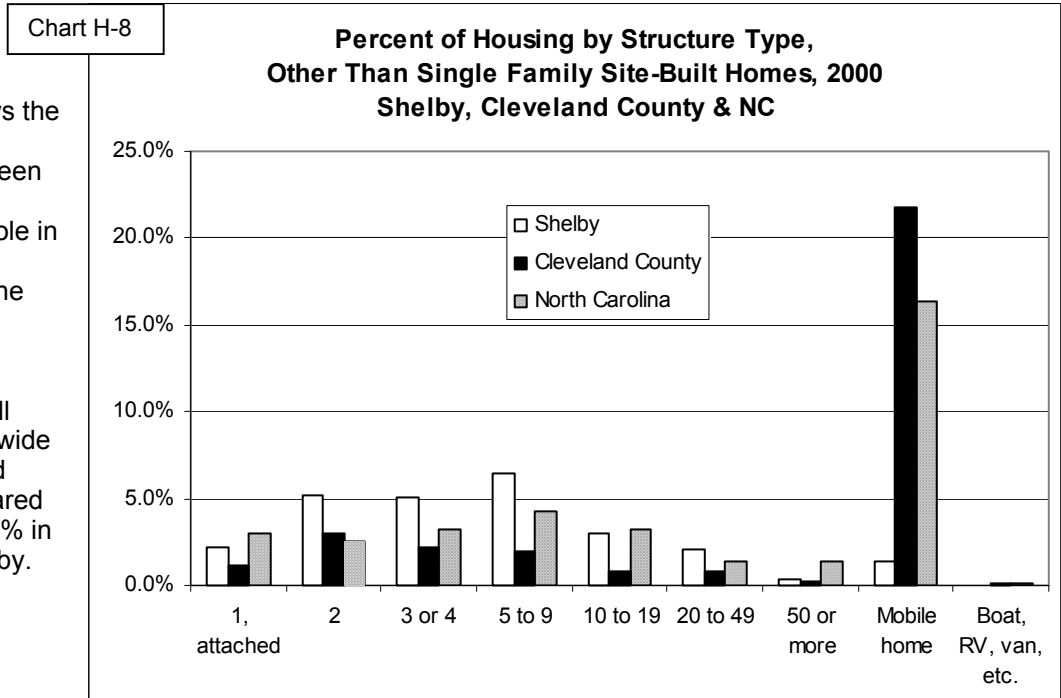
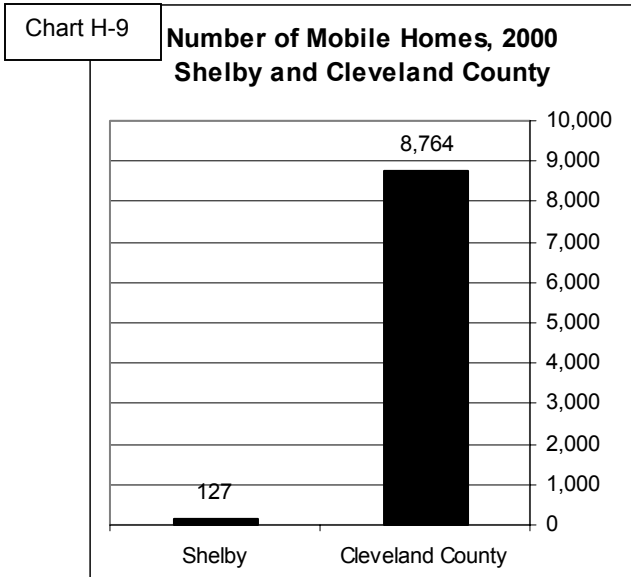
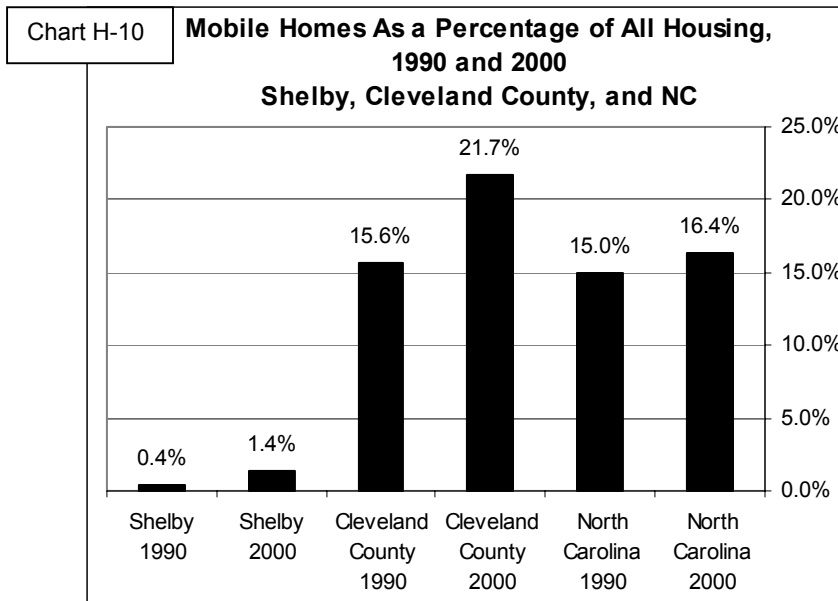


Chart H-8 shows the extraordinary difference between the city and the county as a whole in terms of the percentage of the housing stock attributable to mobile homes. About 22% of all housing countywide is manufactured housing, compared with less than 2% in the City of Shelby.

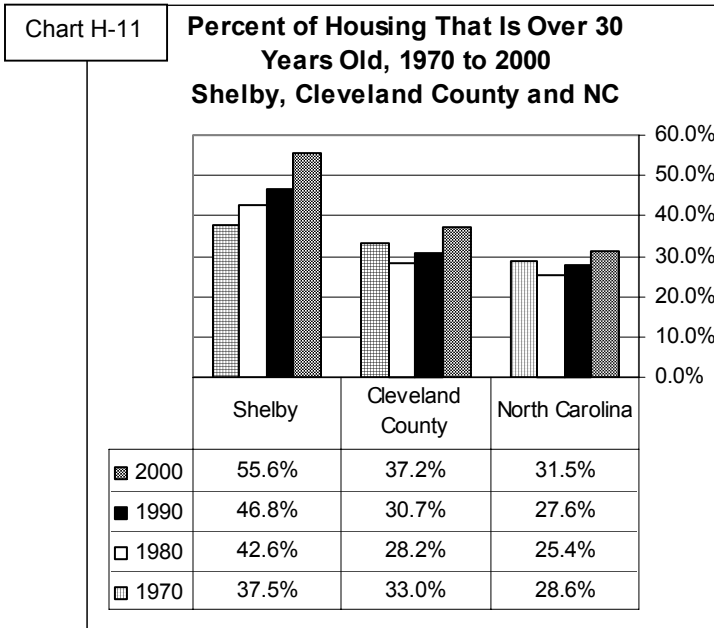


Manufactured Housing

Chart H-9 portrays very graphically the difference in the number of mobile homes in the City of Shelby compared to the number mobile homes in Cleveland County as a whole in the year 2000.



From 1990 to 2000, mobile homes as a percentage of all housing in the City of Shelby increased from less than ½ of 1% to about 1½ %. It is quite likely that these percentages changed due to the annexation of certain areas, formerly in the unincorporated county, which contained manufactured homes at the time of annexation. Compare this with almost 22% of all housing countywide and over 16% statewide at the time of the 2000 Census.

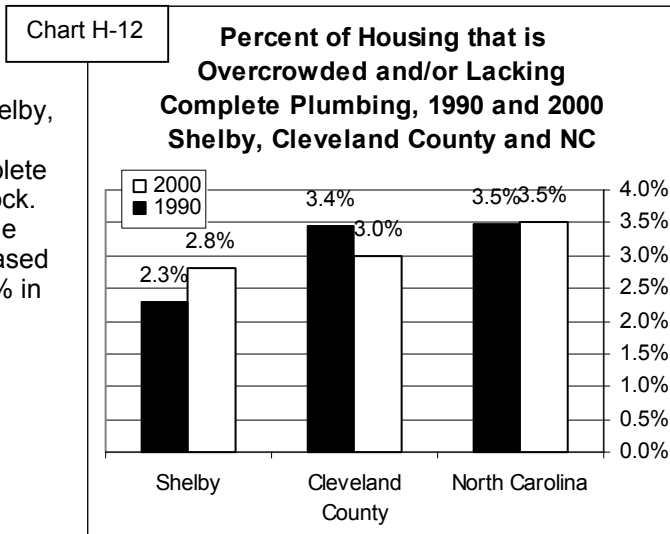


Housing Conditions

Not surprisingly, a greater proportion of the housing stock in the City of Shelby is over 30 years old, when compared to the housing stock of Cleveland County and the state as a whole.

At the time of the 2000 US Census, well over half of all the homes in Shelby were greater than 30 years old, compared with about one-third of the county-wide and state-wide housing stock

Despite a larger proportion of older homes in Shelby, Chart H-12 reveals that the city has fewer overcrowded homes and/or homes lacking complete plumbing as a percentage of its total housing stock. Compared to the county as a whole, however, the percentage of these “substandard” homes increased during the last decade from 2.3% in 1990 to 2.8% in 2000. Meanwhile, such substandard housing declined from 3.4% countywide (similar to the statewide percentage) in 1990 to 3.0% by 2000.



Measures of Economic Health

Unemployment

Unemployment statistics compiled by the State Data Center show that, with the exception of a brief period in the early 1970's, Cleveland County's unemployment rate has consistently exceeded that of the State as a whole. Further, when the larger economy of the state has suffered periods of higher joblessness, unemployment rates locally have spiked to much greater levels. Such spikes in the local economy may be attributed to a higher than average local employment in manufacturing, which is more susceptible to economic downturns.

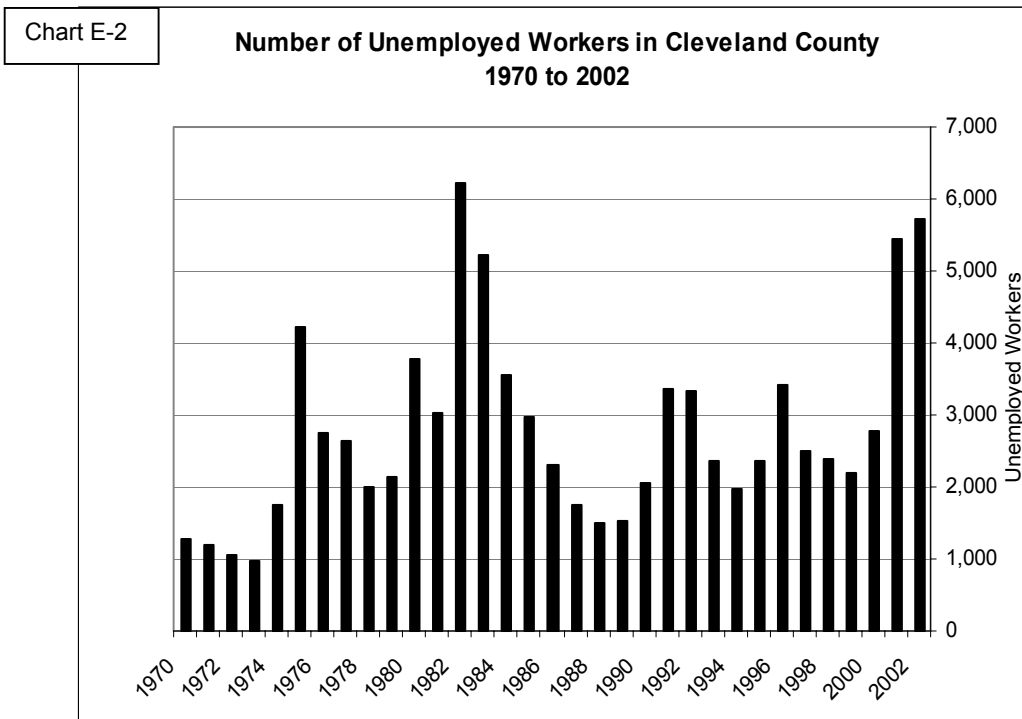
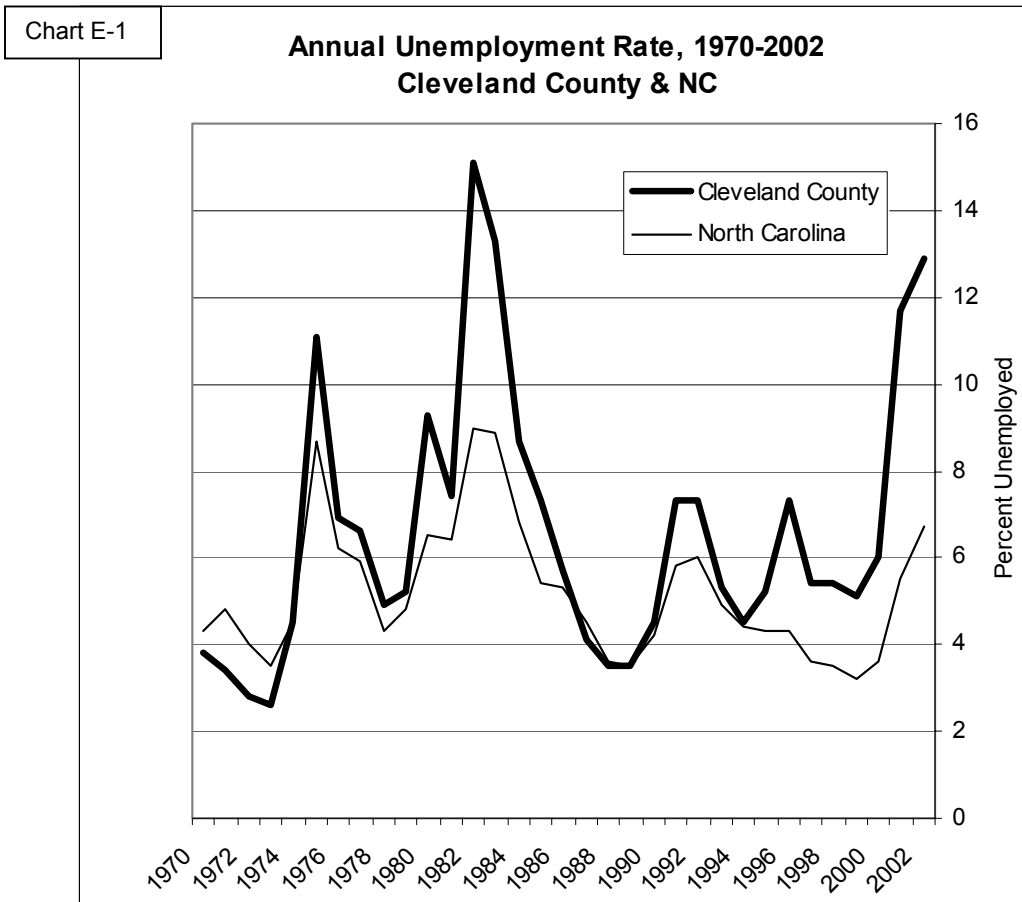
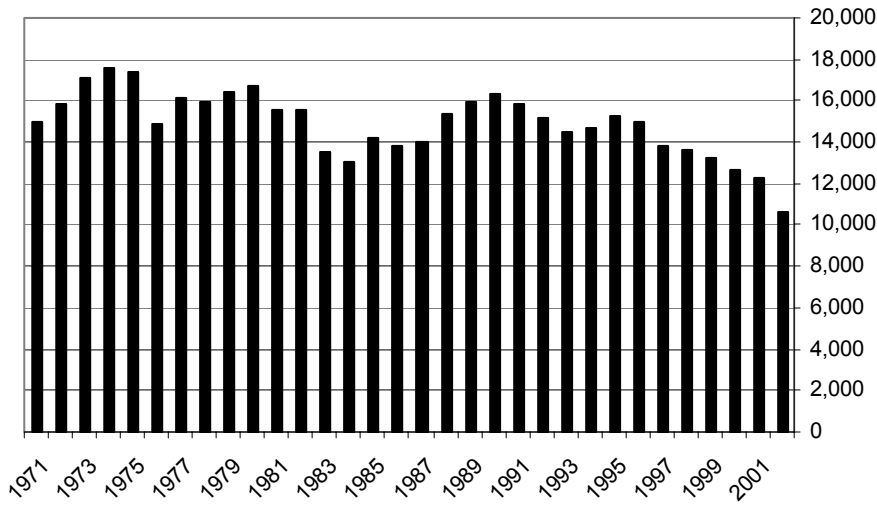


Chart E-2 shows corresponding levels of unemployed workers during periods of high unemployment. These numbers show that over 6,000 people were out of work during the economic downturn in 1983, and that recent figures are approaching levels nearly as high.

Chart E-3

**Manufacturing Employment in Cleveland County
1970 to 2001**

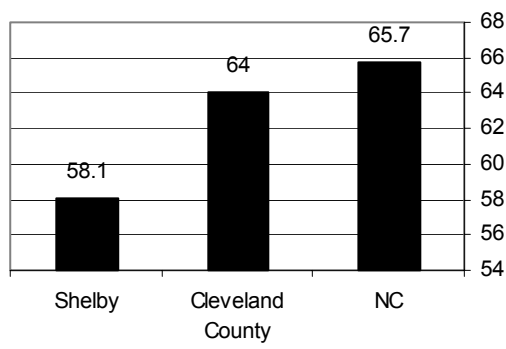


Manufacturing Employment

Illustrating the point made on the previous page, Chart E-3 shows that periods of decline in local manufacturing employment have corresponded fairly well with periods of high unemployment generally. Note the especially low levels of manufacturing employment during 1983-84 and the steady decline in manufacturing jobs starting in the mid 1990's.

Chart E-4

**Percent of Population 16 Years and Over In the Labor Force, 2000
Shelby, Cleveland County & NC**

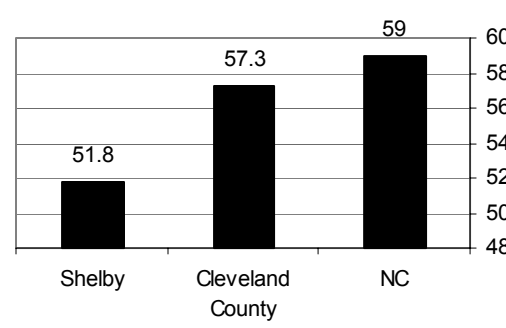


Labor Force Participation

The population of Shelby exhibits a lesser rate of participation in the labor force than either Cleveland County or the State of North Carolina. About 58% of people of working age in Shelby are in the labor force compared to 64% in the county and nearly 66% in the state. Factors contributing to this lower participation rate may include, particularly, a much higher proportion of retirees in Shelby and, to lesser extent, a higher proportion of female-headed households with children. (See *Social Measures* section)

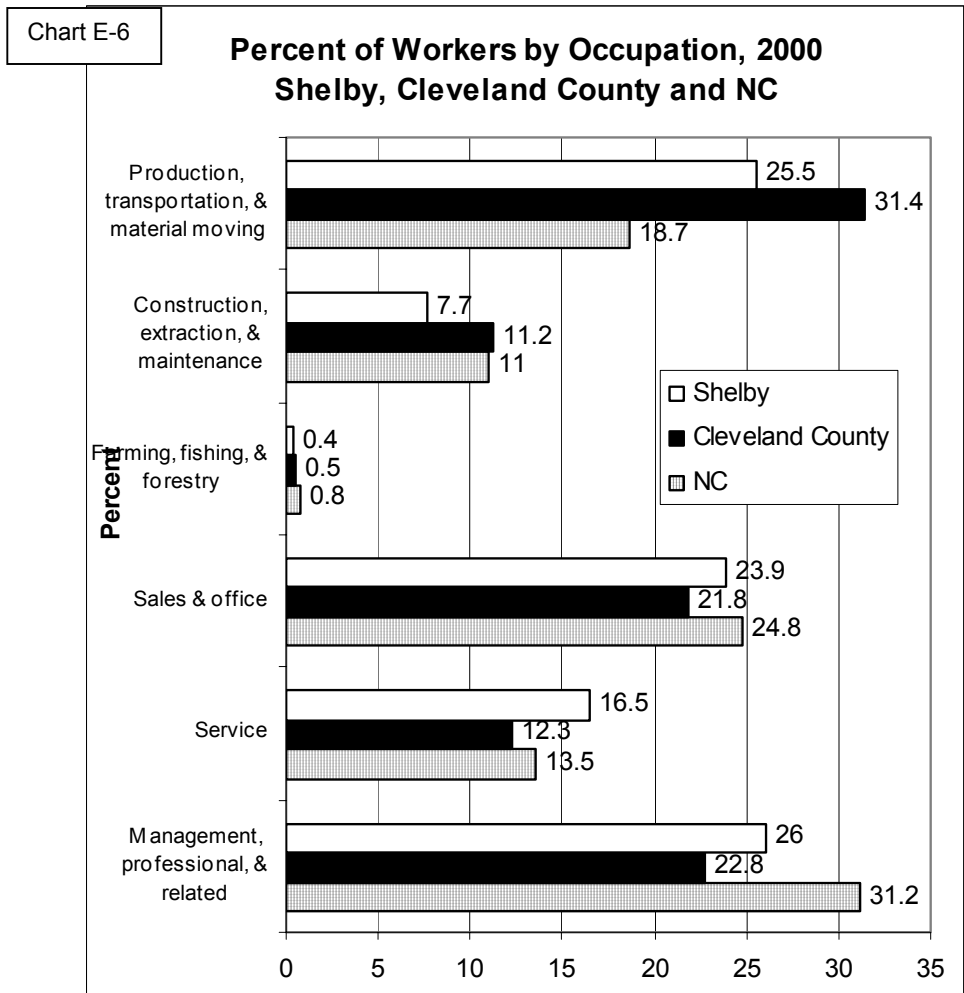
Chart E-5

**Percent of Females 16 Years of Age and Over in the Labor Force, 2000
Shelby, Cleveland County & NC**



Females in the Labor Force

Differences in levels of participation in the labor force are even more pronounced when looking at just the adult female participation rate. A little less than 52% of all females 16 years and over in Shelby are in the labor force, compared to about 57% of adult females in the county and nearly 60% statewide. Again, this is understandable, given the longer lives of females in Shelby's large retirement age population, as well as the higher proportion of female-headed households with dependent children in Shelby.

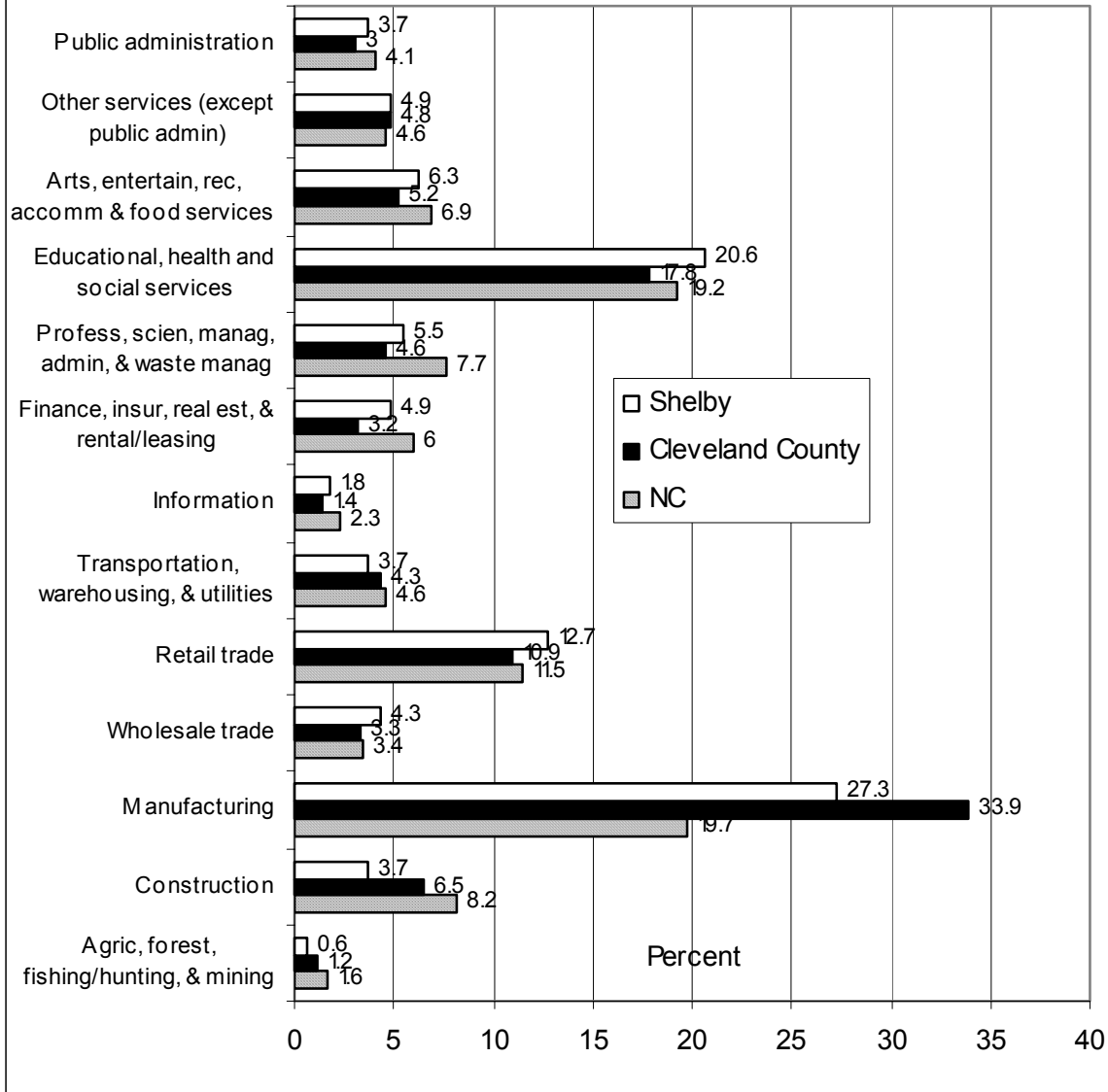


Workers by Occupation

Chart E-6 reveals some insights into the local workforce of Shelby and Cleveland County. First, observe that both the city and county have a much higher proportion of their workforce in *Production, Transportation and Material Moving* compared to the state. This is no doubt a reflection of the traditionally strong presence of manufacturing in Shelby and Cleveland County. Second, there is a much lesser proportion of *Construction, Extraction and Maintenance* workers in Shelby, compared to the county and state. Third, there are proportionately more *Service* workers in Shelby, relative to the county or state. Finally, there are fewer positions in *Management, Professional and Related* occupations in Shelby and Cleveland County, compared to the state.

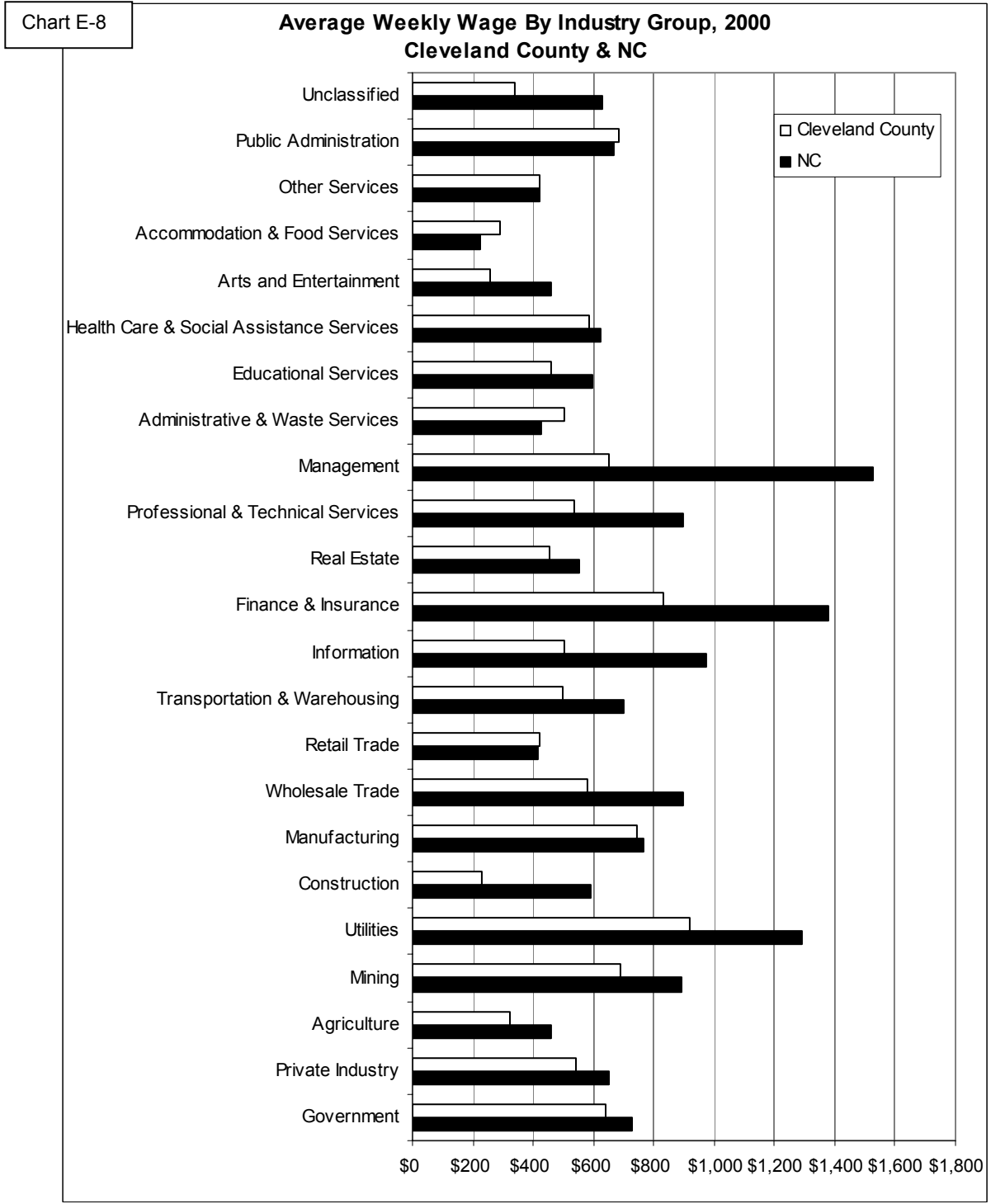
Chart E-7

Percent Employment by Industry Sector, 2000 Shelby, Cleveland County & NC



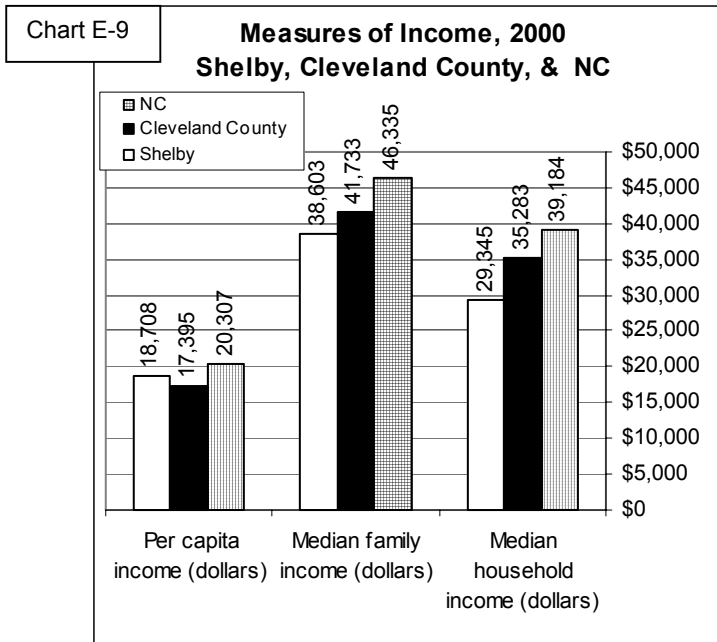
Employment by Industry Sector

In examining percent employment by industry sector, the numbers above show that industries with a better than average representation in Shelby and Cleveland County include *Education, Health and Social Services, Retail Trade, Wholesale Trade*, and especially, *Manufacturing*. Those industry sectors not represented as well locally include *Professional, Scientific, Management, and Administration, Finance, Insurance and Real Estate*, and *Construction*. As will be seen in the chart on the following page, Cleveland County’s historic dominance in *Manufacturing* has played a major part in keeping overall wages closer to state-wide averages. Outside of *Manufacturing*, however, the area has a great many workers in industry sectors that traditionally pay low wages, and far fewer workers in industry sectors that pay higher wages.



Average Weekly Wage by Industry Group

Chart E-8 compares local (i.e. county level) average weekly wage rates by industry group with wage rates statewide. Of the 23 industry groups identified, average weekly wage rates locally were less than statewide averages in 18 categories. The remaining 5 categories were at or near state averages. Of the 18 lower paying industry groups, 12 had local wages that were substantially lower than state averages (more than 20% lower). They are: *Unclassified, Arts and Entertainment, Educational Services, Management, Professional and Technical Services, Finance and Insurance, Information, Transportation and Warehousing, Wholesale Trade, Construction, Utilities and Agriculture.*

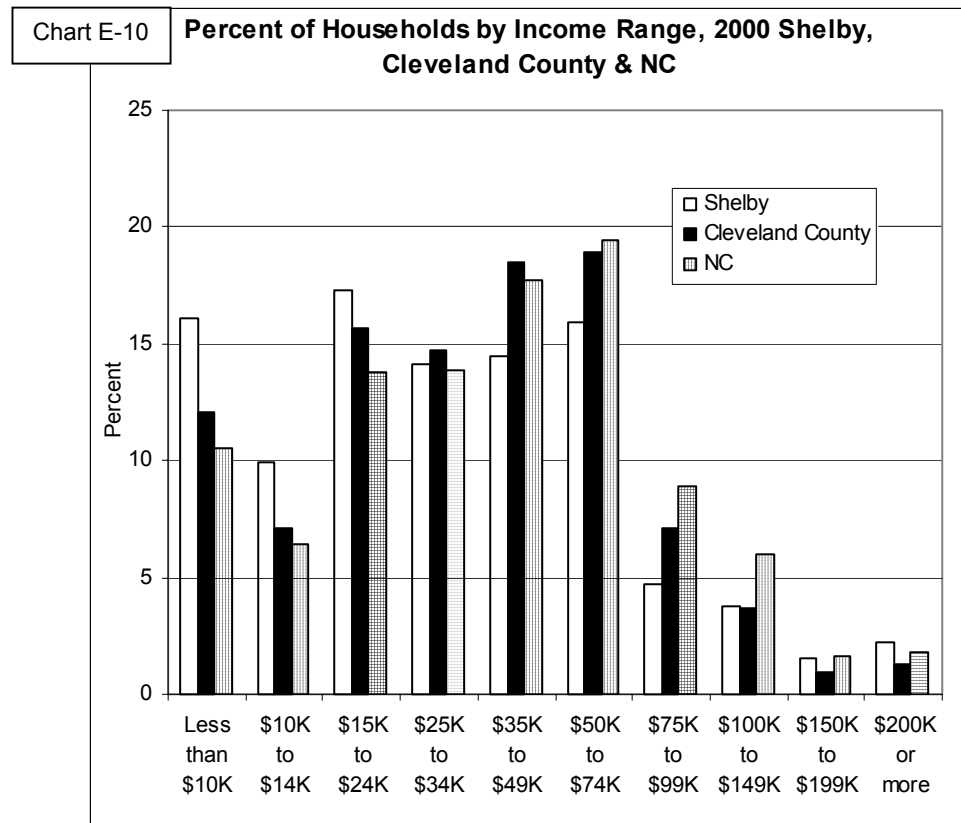


Measures of Income

Chart E-9 compares three ways of measuring income for Shelby, Cleveland County and the state. According to all three measures, residents of Shelby have less income than their counterparts across the state. The median household income (the income that equally divides the lower half from the upper half of households) in Shelby was nearly \$10,000 (or 25%) less than state averages. Median family income, which is usually a little higher due to the involvement of two breadwinners in many families), was closer to state averages, but still almost \$8,000 lower.

Finally, per capita income (which may be defined as the total income in the area divided by the total population) in Shelby was only about 7% lower than state averages. Interestingly, the Shelby's per capita income was actually higher than the county's. Taken together, these numbers imply

that there are a relatively few wealthier households in Shelby that, when their income is included in the calculation, per capita income is brought higher than would be expected by looking at the median family or household incomes for the area.



The validity of the preceding statement about the distribution of incomes in Shelby is proven out by an examination of households by income range. Chart E-10 shows proportionately more *lower income* households in Shelby (i.e. less than \$25,000) than in the county or state. At the same time, there are proportionately fewer *middle to upper middle-income* households (i.e. \$35,000 to \$99,000) in Shelby. Finally, there are proportionately more *upper income* households (\$150,000 to \$200,000+) in Shelby than in the county and the state.

This describes an income stratification with an unusually large number of households at the lower end of the scale and a relatively few households of much

greater wealth at the upper end of the scale. Generally speaking, Shelby is less populated by *middle-income* households than other areas of the state.

Sources of Income

Shelby has 10% fewer households with earnings than the state as a whole. About 70% of Shelby's households had earnings.

Nearly 36% of Shelby's households had income from *Social Security*, not surprising given the large number of retirement-aged persons living in the city. This compared with only 25% statewide.

Likewise, 17% had other sources of *Retirement* income. Almost 12% of Shelby's households had income from *Supplemental Security* and/or *Public Assistance*, compared to just 7% statewide.

Chart E-11

Percent of Households With Various Sources of Income, 2000 Shelby, Cleveland County & NC

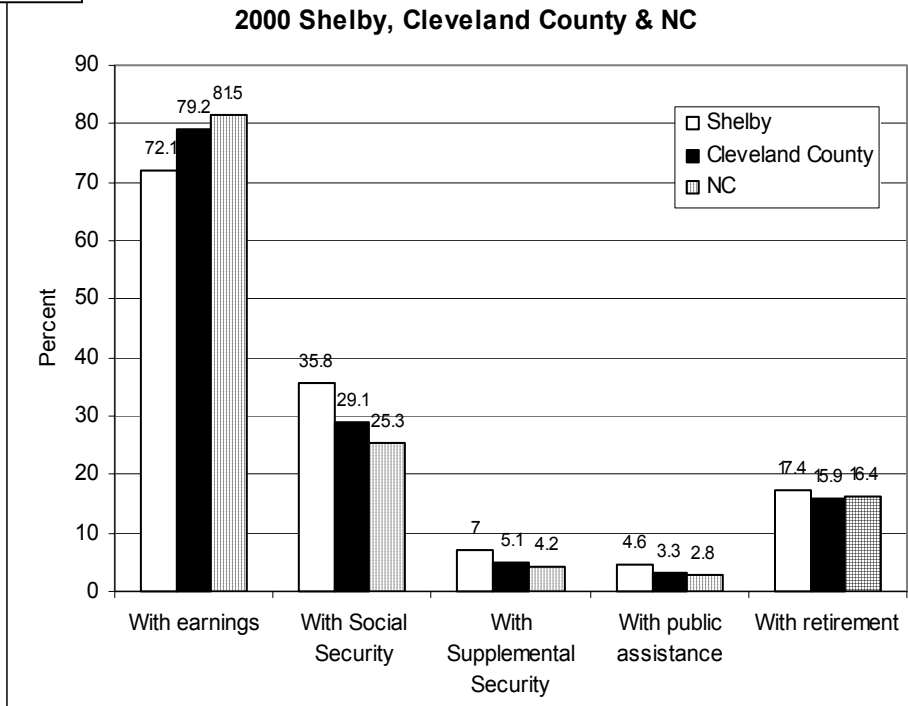
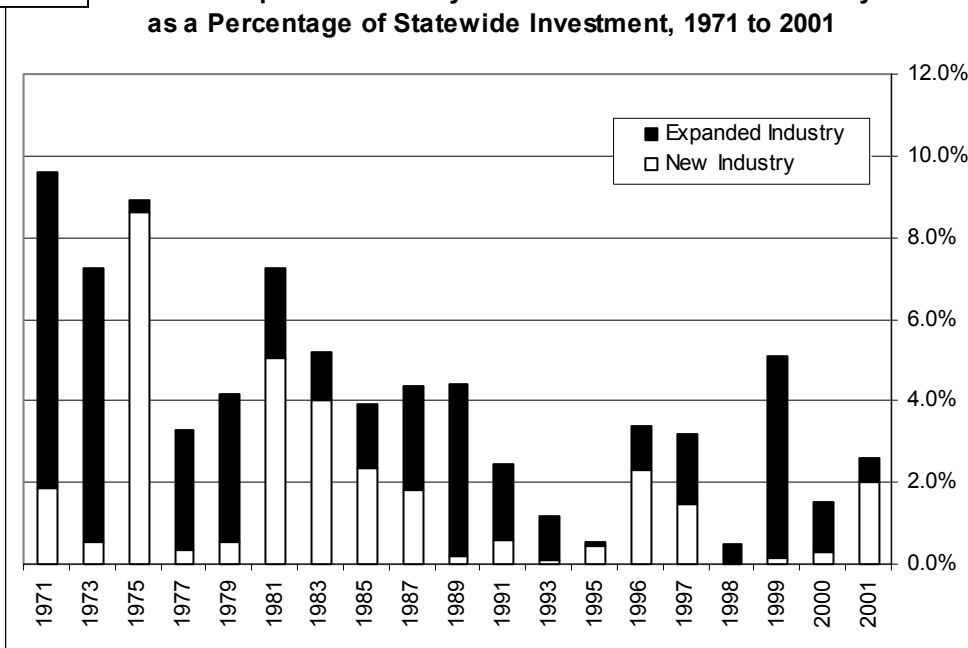


Chart E-12

New and Expanded Industry Investment In Cleveland County as a Percentage of Statewide Investment, 1971 to 2001

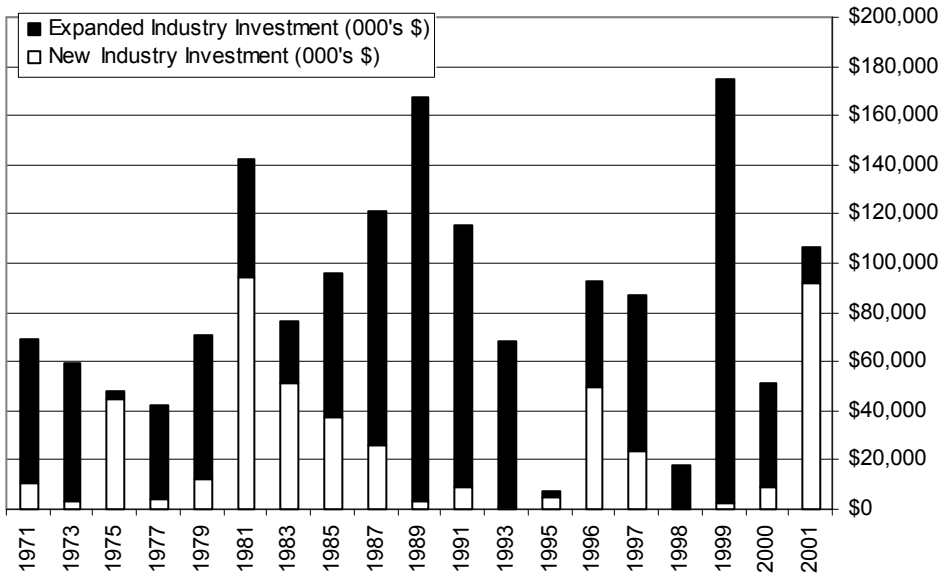


Industry Investment

Despite considerable investment in new and expanded industry during much of the 70's, 80's and 90's, the overall trend line has been inclined downward. Cumulatively, the greatest levels of investment occurred during the 1970's and 80's. Before 1990, Cleveland County consistently drew more than its fair share of industry investment.

Chart E-13

**New and Expanded Industry Investment (000's \$)
in Cleveland County, 1971 to 2001**



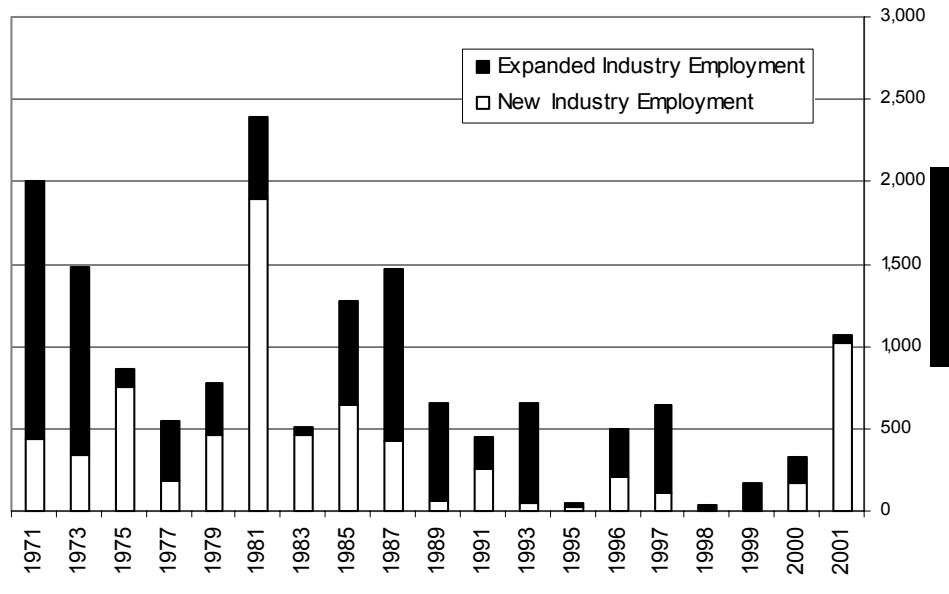
Over the past 30 years, most industrial investment in Cleveland County has come from expenditures on plant expansions, rather than the start-up of new plants. The few exceptions occurred in 1975, 1991 and 2001.

Chart E-14

**New & Expanded Industry Employment in Cleveland
County, 1971 to 2001**

New Industry Employment

Similarly, most new jobs in Cleveland County have also come about as a result of the expansion of existing industries rather than the addition of new ones. Exceptions to this rule occurred in 1975, 1991 and again in 2001.



Travel and Tourism

The two charts below compare the impact of travel and tourism expenditures in Cleveland County with expenditures in the most tourism-oriented county in the state (Dare) and two of the least tourism-oriented counties (Hoke and Camden). Statewide figures are also provided.

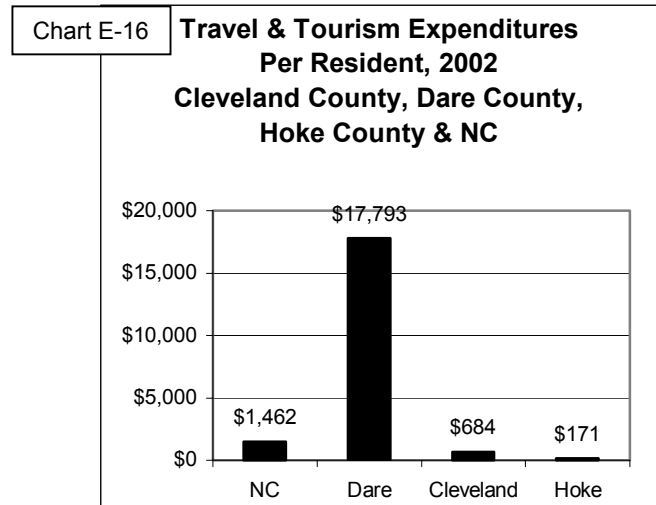
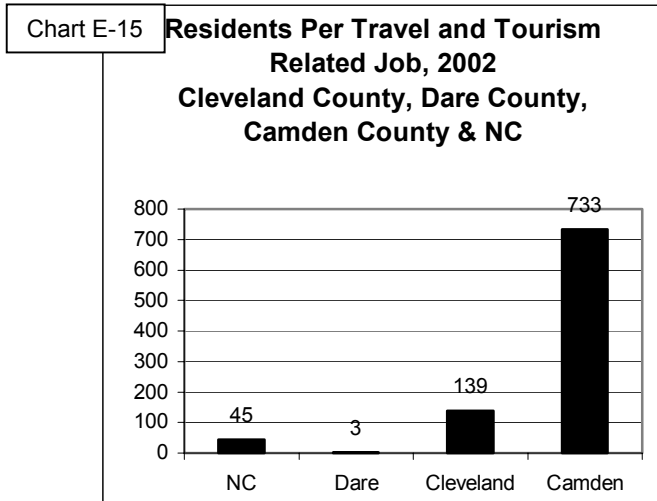


Chart E-15 shows that per capita travel and tourism expenditures in Cleveland County (\$684) are less than half of the state average (\$1,462). The figure for Dare County is provided to illustrate the tremendous influence that tourism can have on a local economy. The number for Hoke County shows that, while Cleveland County is not considered a tourism center, it is not at the bottom of the heap, either. In fact, out of all 100 counties in the state, Cleveland County ranks 65th in terms of expenditures per resident.

Chart E-16 shows that, statewide, there is one job in the travel and tourism industry for every 45 residents. In Dare County, there is one travel and tourism related job for every 3 residents, while in Camden County, there are 733 residents for every tourism related job. Cleveland County, with one job for every 139 residents, ranks 64th among all 100 counties in the state.

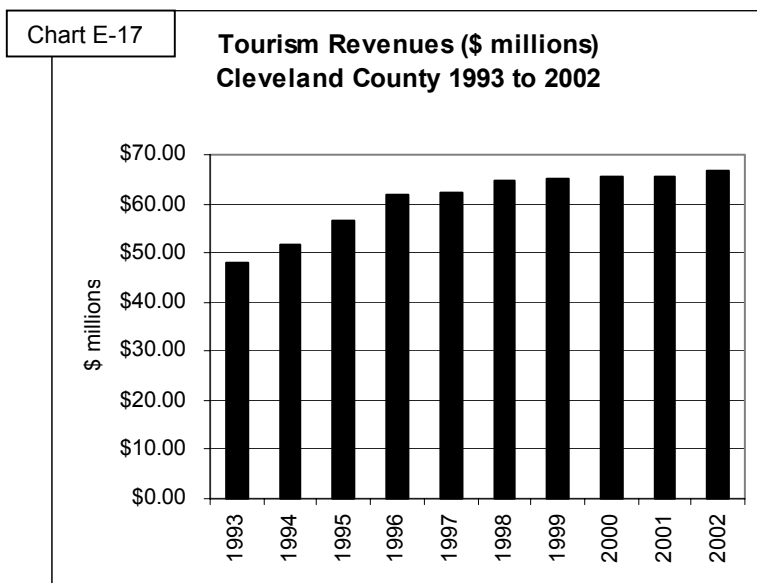
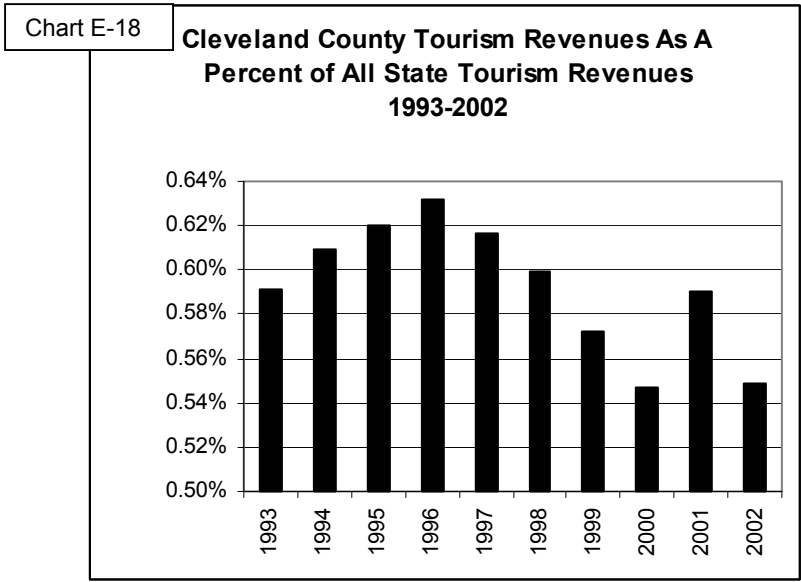
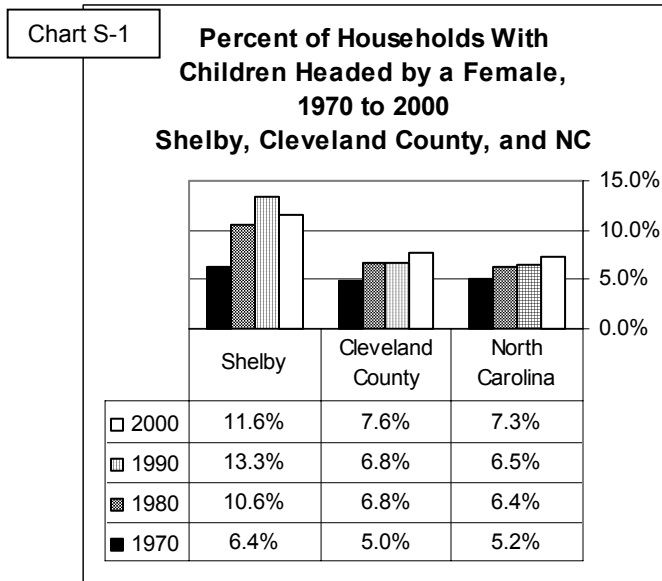


Chart E-17 shows that, according to the US Travel Data Center, travel and tourism in Cleveland County generated a local economic impact of \$66.57 million in 2002. This placed the county 37th among all 100 counties in North Carolina, when the size of the County's population is disregarded.



Despite the general trend toward increased travel and tourism revenues shown in Chart E-17 above, Chart E-18 shows that Cleveland County's tourism position relative to the state as a whole has been declining since the mid 1990's. In fact, statistics reported by the NC Department of Commerce reveal that Cleveland County dropped from 34th among North Carolina's 100 counties in 1993 to 37th in 2002.

Measures of Social Health

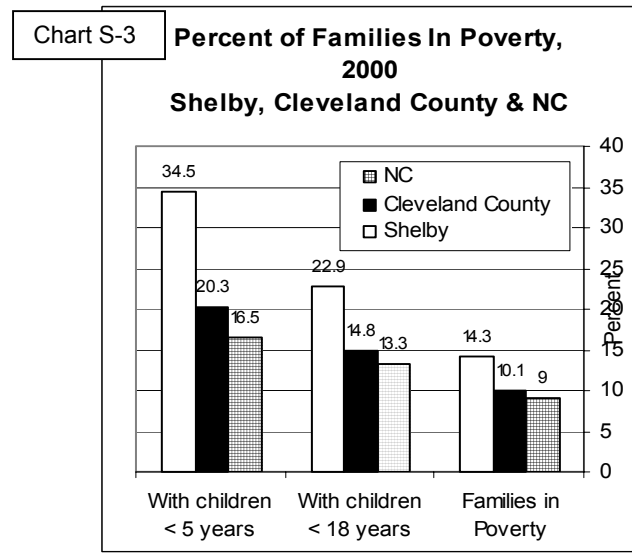
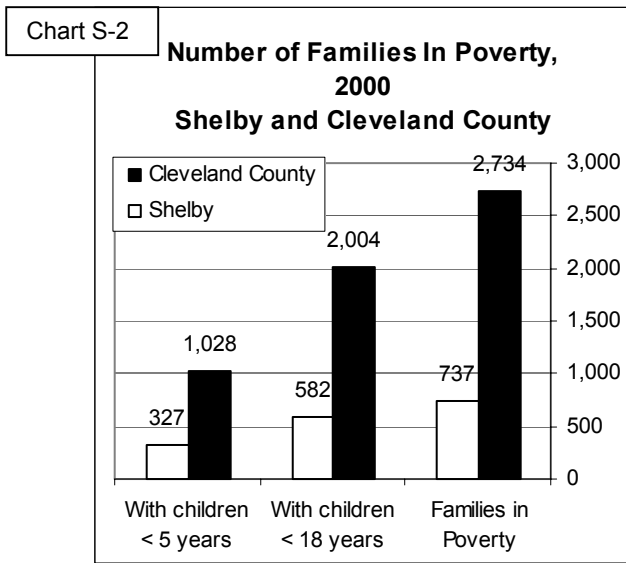


Female- Headed Households

Chart S-1 examines changes in the percentage of households in Shelby, with children, that are headed by a female. (no husband present). This is an indicator of family stability.

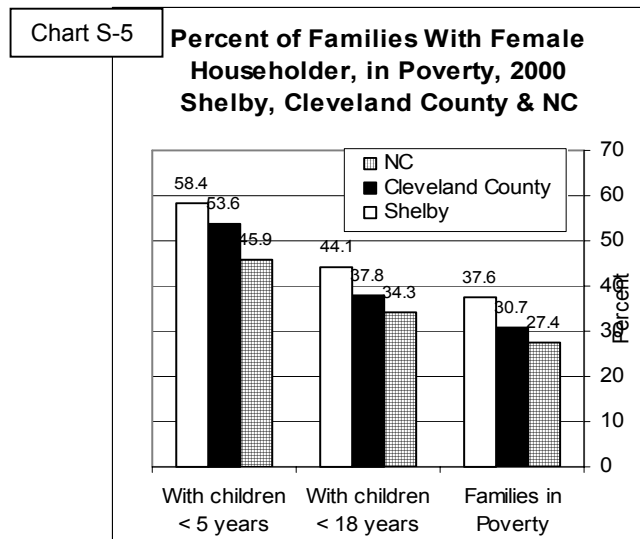
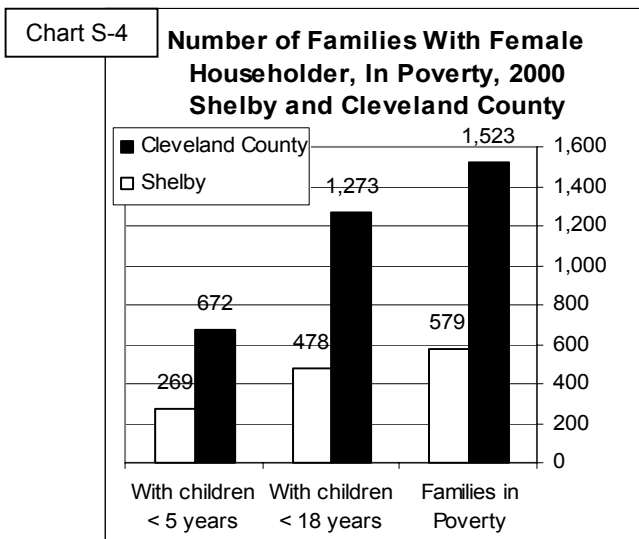
Such households have traditionally been more prevalent in the city than in the county or state as a whole. In addition, they generally have been growing (as a percentage of all households) in Shelby at a faster rate than the county or state as a whole. The decrease in percentage from 1990 to 2000 is probably related to the addition of large numbers of two-parent households from the annexation of the suburbs around Shelby.

Families in Poverty



Charts S-2 and S-3 show that, at the time of the 2000 US Census, Shelby had 737 families living in poverty. This represents 14.3% of all families in the city. Of those 737 families, 582 had children less than 18 years old living at home. This means that 23% of the city’s families with children were living in poverty. Of those 582, some 327 had children less than 5 years old. This means that almost 35% of all families with children less than 5 years old were living in poverty in Shelby. (By contrast, statewide about 17% of families with children less than 5 years old were living in poverty.)

Charts S-4 and S-5 illustrate that families with single mothers are much more likely to live in poverty than families with a husband and wife present. The charts show that, at the time of the 2000 US Census, Shelby had 579 families headed by single mothers living in poverty. This represents 38% of all families in the city headed by single mothers. Of those 579 families, 478 had children less than 18 years old living at home. This means that 44% of the city’s families headed by single mothers with children were living in poverty. Of those 478, some 269 had children less than 5 years old. This means that over 58% of all families in the city headed by single mothers with children less than five years old were living in poverty in Shelby. (By contrast, statewide about 46% of families headed by a single mother with children less than 5 years old were living in poverty.)



Educational Achievement

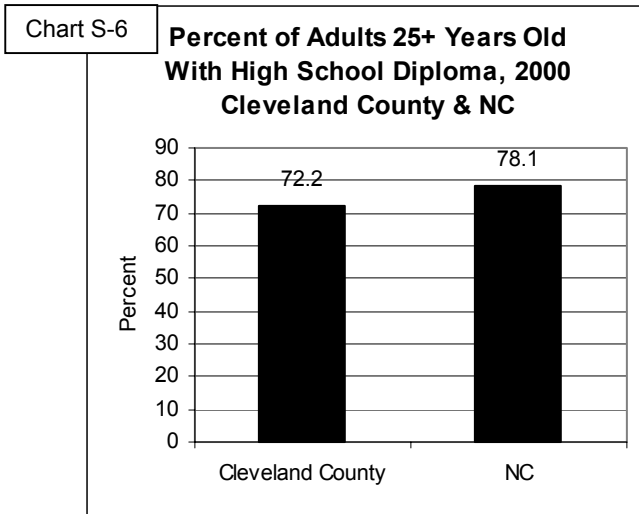


Chart S-6 shows that, in 2000, about 72% of Cleveland County adults over 25 years of age were high school graduates. This compares to about 78% statewide.

Chart S-7 shows that, in 2000, about 13% of Cleveland County adults over 25 years of age were college graduates with at least a four-year degree. This compares to about 22% statewide.

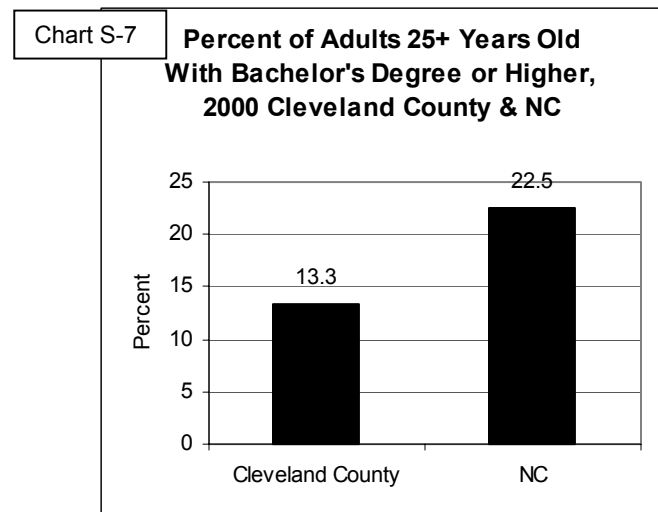
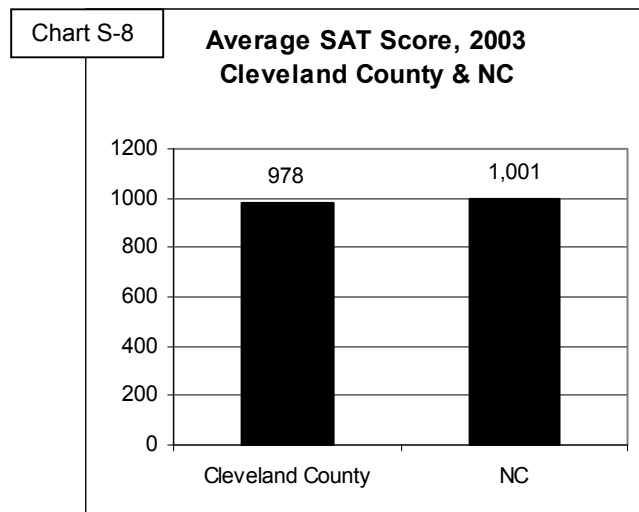


Chart S-8 shows that the average SAT score in Cleveland County in 2003 was 978, or 23 points lower than the average for the state.



Cultural and Historic Influences

Developmental History of Shelby

Origins of Cleveland County

Settlers began moving into the area, still considered a wilderness, as early as 1750. By 1836, however, a petition was submitted to the State legislature to carve out a new county jurisdiction and county seat to better serve the area. After much opposition from the counties in that area, Cleveland County was carved out of a portion of Lincoln County and Rutherford County. Cleveland County, named after a hero of the Revolutionary War Battle of Kings Mountain, was finally formed in May 1841.

Shelby Created as the County Seat

The Cleveland County charter specified that the county seat should be no farther than 4 miles from a place known as Wilson Springs. A large landowner in the area, James Love, donated 147 acres on both sides of present day Lafayette Street for the new county seat. William Forbes also donated 50 acres adjoining the western boundary of the Love donation. Mr. Love specified that there was to be a public square, with six lots reserved around the square-- two for educational institutions, and four for churches (Baptist, Methodist, Presbyterian, and Episcopal). The early town was laid out in four quadrants, with lots sold at auction starting in October 1841. By 1845, the first Cleveland County courthouse had been built.

Rail Service Is Slow In Coming, But Has a Big Impact

Around 1857, railroad interests approached the leadership of Shelby about the City's willingness to sell bonds to bring rail service to the community. At the time, Shelby was said to be too poor to consider selling the bonds. Later, a rail line was built from Charlotte to Lincolnton, making it the closest rail connection to Shelby. (In 1861, at the outbreak of the Civil War, confederate volunteers from Shelby had to march to Lincolnton to catch the train to Raleigh.) Finally, in the mid 1880's, rail service came to Shelby, rapidly accelerating the growth of the fledgling textile industry.

The Rise of the Textile Industry in Cleveland County

For over 100 years after its initial settlement, Cleveland County remained an agrarian area. Small towns like Shelby served primarily as trading posts for the exchange of agricultural products for goods and a limited number of basic services.

In 1873, Major Henry F. Schenck, a businessman from up North, saw an opportunity to establish a cotton mill in the area. Enticed by the abundance of cotton, cheap labor and plenty of water for power, Mr Schenck built a mill at Lawndale. It wasn't long after that rail service came to Shelby.

With the advent of the rail, suddenly textile products produced in Shelby mills had a world-wide market. Spurred on by the success of the mill at Lawndale, and the newly arrived rail service, the last decade of the 19th century and the first decade of the 20th century saw the rapid addition of more textile mills in the area. In fact, Shelby became the focal point for mill development during this period. From 1887 until 1907 there were four large cotton mills built in the Shelby area. At the same time, area farmers increased their production of cotton to all time records. Cleveland County, for many years, raised more cotton than any other county in the state. At the same time, cattle and poultry production in the more rural areas of Cleveland County gained prominence during this time and continued at high levels until experiencing decline during the last decade of the twentieth century.

The Advent of Electricity Increases Production and Improves the Quality of Life

In the late 1890's, the Lily Mill added a hydroelectric dam for the generation of electricity. Electricity eliminated the need for burning wood or coal to generate steam and dramatically improved the efficiency of area cotton mills. Other plants in the area soon followed suit with conversions to electric power. Beyond the

needs of industry, electricity also offered the promise of electric lights and modern conveniences to area homes. Some enterprising citizens of Shelby saw the opportunity to fulfill that demand and built a private hydroelectric plant about 1900. Around 1912, the City of Shelby bought that plant, entering into the electric business for the first time.

The Textile Industry Grows Even Stronger, Dover Mills Foundation Established

Beginning in the early 1920's and continuing through the 1950's, the Dover Mills Company became established in the area, adding substantially more production capacity and diversity to the industrial dynamo of textiles in Cleveland County. The Dover family, along with the Schenck family, became the preeminent textile mill owners of the 20th century in Cleveland County.

By the 1950's, the Dover Mills Company was operating five plants in the Shelby area. The private Dover Foundation was started with the fortune amassed by the company. Over the years, the Foundation has focused its support on schools (including, especially, Gardner-Webb University) and churches, and has also given generously to the Dover YMCA, the United Way, the Carousel and other community projects.

Shelby's Political Apex, the Dynasty Years

Between 1930 and 1950, a small group of men from the Shelby area wielded so much power for so long that they became known as the *Shelby Dynasty* or *Cleveland Dynasty*. These men were acknowledged to be some of the most powerful and successful politicians in the history of North Carolina.

- O. Max Gardner and Clyde R. Hoey were brothers-in-law, who became governors of the State. Gardner later went on to serve in Washington in various positions of power and influence. Hoey, after his tenure as governor, went on to become a US senator.
- The Webb brothers, James L. Webb and his younger brother, E.Y. Webb, also held positions of great influence during this time. James was a Superior Court judge. E.Y. was a member of Congress for 26 years before becoming a federal judge. E.Y. is credited for getting the Shelby Post Office built in 1917, as well as an office building behind the Post Office.
- In addition, O.M. Mull was known as a legislative leader and was very prominent in the Baptist State Convention and the Southern Baptist Convention.

Shelby's Most Recent Economic Zenith, the 1960's and early 70's

While a case could be made for other periods of time, there is little disagreement that the 1960's and early 1970's were times of great prosperity for many in Shelby and Cleveland County. In the 1960's, the cotton-based mills were still going strong, and synthetic materials began to enter the market, further diversifying the textile base.

In addition to textiles, several new industries had begun to move into the area. In 1955, Shelby acquired natural gas. About this time, some prominent citizens formed an industrial development committee to work closely with the gas utility to recruit new industry to the area. In 1957, Pittsburgh Plate Glass (PPG) opened a large plant just outside Shelby. Shortly thereafter, Fiber Industries, now called Kosa, also opened a plant in the area. A primary consideration of both companies in choosing Shelby was reportedly the availability of natural gas.

During the 60's and early 70's unemployment was low, manufacturing jobs paid relatively well, the tax base was large and the revenues thrown off by the sales of electricity and natural gas made for a fiscally healthy city. Today, while revenues from electric sales have subsided, transfers of gas revenues from the City's gas utility to the City's general fund continue to keep Shelby's local government financially in the black; as a result, the tax rate has remained artificially low for many decades.

1980's and 1990's, A Period of Unsettling Change

The last two decades of the twentieth century had their share of ups and downs for the Shelby area. While the population of Cleveland County continued on an upward trend, the City of Shelby's population stagnated and then fell. Were it not for the City's annexation initiatives of the 1990's, Shelby's 2000 Census population would have shown sizable population losses. (See Annexation and City Growth, later in this section.)

On balance, the long-standing trend toward declines in the textile industry became more pronounced during the 1980's and 90's as jobs in the old, traditional industrial sectors of the United States shifted overseas. Not limited to just Shelby and Cleveland County, jobs in textiles and furniture making in particular, were especially hard hit in many areas of the state.

Yet, in the face of these dramatic economic changes, North Carolina emerged as one of the most attractive states in the nation for new industrial investment and plant relocations. Most of these new investments were in a handful of urban centers within the so-called *Piedmont Crescent*, stretching from Charlotte to Greensboro to Raleigh. Places not located in the *Crescent* (e.g. Shelby, Kinston, and Wilson), found themselves on the "outside looking in" wondering how to capitalize on the wave of growth that seemed to be passing them by.

As will be seen in the balance of this Growth Factors Analysis, Shelby faces many new challenges today that were largely unforeseen just 20 years ago. At the same time, the area has many outstanding attributes that could foretell a very positive future, if they are properly harnessed and directed.

Land Suitability Factors Influencing Shelby's Growth

Shelby's direction and intensity of urban growth have been influenced historically by a number of factors related to land suitability. This section discusses some of the more influential factors.

Topography, Streams and Natural Drainage Divides

Note: To better understand the information provided in this section, please refer to the [Water Features Map \(Map 2\)](#) in the back pocket of this document.

Topography, Generally

Landforms in and around Shelby may be characterized as having gently rolling terrain, well suited for urban development. Compared to some other communities that have problems with standing water and nuisance runoff, Shelby's moderately sloping terrain creates opportunities for positive drainage for most building sites. The few areas of steep slopes or low-lying wetlands are usually immediately adjoining area streams.

Streams and Natural Drainage Divides

Stream basins and the ridges that separate them usually have a strong influence on growth patterns. In Shelby's case, it is easy to see how the area's original trail and, later, road system was laid out using ridgelines as pathways. Highways NC 18, 180, and 226 all sit atop north-south running ridges. Beyond their influence on roads, major ridges and the streams that fall between them are powerful determinants in planning for and providing municipal sewage treatment collection systems. Gravity fed sewer pipes that flow with the natural fall of the land are far less expensive to build and much easier to maintain than force mains that require pump stations. (More on this issue under the section entitled Sewer System)

Streams

Much of the land area within the City of Shelby is within the drainage basin of the *First Broad River*. The two principal tributaries feeding into the First Broad include *Brushy Creek* from the west side of the drainage basin, and *Hickory Creek* from the east side of the basin. Two other significant streams influencing major drainage patterns in the Shelby area are *Beaver Dam Creek* and *Buffalo Creek*, effectively forming the western and eastern edges, respectively, of the Shelby urbanizing area. More information follows.

Beaver Dam Creek—From its headwaters near Lattimore, *Beaver Dam Creek* flows due south passing under US 74 some five miles west of Uptown Shelby. The creek joins with the First Broad River about four miles southeast of Boiling Springs.

Brushy Creek--From its headwaters near Polkville, *Brushy Creek* flows south-southeast past Kingstown before merging with the First Broad about .75 miles due south of the US 74/NC 226 intersection.

First Broad River--Though not used as an official city boundary, the First Broad essentially defined the western edge of Shelby for a century and a half. (Annexations during the 1990's moved the City limits westward, beyond the river.)

Hickory Creek--From its headwaters just south of the intersection of Fallston Road and North Post Road (NC 180), *Hickory Creek* flows south-southwest passing through the east side of old Shelby before joining the First Broad near the City's wastewater treatment plant about 3 miles south-southwest of Uptown Shelby.

Buffalo Creek—This creek flows southward from Moss Lake and serves as a functional, though not official, boundary between Shelby and Kings Mountain. The creek passes under US 74 about 5 miles east-southeast Uptown Shelby. Of the five streams, Buffalo Creek is the only one that does not merge with the First Broad River above (uphill of) the City's wastewater treatment plant. This means that sewage flows generated within the Buffalo Creek drainage basin must be pumped over the ridge (Post Road) to reach the City's treatment plant. (More on this under the Sewer section.)

As further explained below, Shelby's topography is defined by these five north-south running streams, alternating with four major north-south running ridges.

Natural Drainage Divides (Ridges)

From west to east, the four principal ridges upon which Shelby has grown may be described according to the roadways that travel along their length:

Washburn Switch Road and Poplar Springs Church Road sit atop a north-south running ridge that separates the Beaver Dam Creek sub-basin from the Brushy Creek sub-basin well west of Shelby.

Polkville Road (NC 226) sits atop a north-south running ridge that separates the Brushy Creek sub-basin from the First Broad sub-basin. This south end of this ridge terminates near the intersection of Polkville Road and US 74.

Lafayette Street and Fallston Road (NC18) run along another north-south oriented ridge that divides the Hickory Creek sub-basin from the First Broad sub-basin. Courthouse Square sits atop this gentle ridge in central Shelby, as might be expected of the city's founders.

Post Road (NC180) runs along the last north-south oriented ridge on the east side of Shelby. This is the ridge over which sewage flows must be pumped to get into a gravity-fed drainage basin of the First Broad River above the City's sewage treatment plant.

Soils

Soil maps prepared by the US Department of Agriculture, Natural Resources Conservation Service show that most of the City of Shelby is located within a general soil group known as *Clifffield-Pigeonroost*. This soil group is characterized by “*moderately steep to very steep, moderately deep, well drained mountain upland soils that have loamy subsoils..*”

Shelby’s 1999 Land Development Plan Update notes that “*All soils in Shelby and its planning area are characterized by significant susceptibility to erosion when ground cover is removed. Care must be taken to minimize erosion on projects that involve heavy grading or ground cover removal.*” (page 8).

Any development activity in the state that disturbs more than one acre of land must have an Erosion and Sedimentation Control Plan approved by the Land Quality Section of the NC Department of Environment and Natural Resources.

Flood Prone Areas

Flood Prone areas within the planning jurisdiction of the City of Shelby are largely confined to the relatively narrow stream channels of the First Broad River and its tributaries. These areas are identified on National Flood Insurance Rate Maps, which are available for inspection in the City’s Community Development Department. The City participates in the National Flood Insurance Program and enforces a flood hazard prevention ordinance. In general, Shelby’s urban growth has successfully avoided development within these flood prone areas. *The Water Features Map (Map 2) in the back pocket of this document, shows the location of these areas.*

Protected Watershed Area

Under State law, local governments are required to have special land use controls for any part of their planning jurisdiction that falls within the watershed of a drinking water supply intake. Shelby’s water system draws its raw water from an intake on the First Broad River just above the City’s Utility Operations Center off Grover Street. The City of Shelby employs two overlay districts within its zoning ordinance to prevent potentially hazardous land uses, require vegetated buffers along streams, and limit the density of development within the watershed which feeds the water intake. These districts, which are shown on Water Features Map (Map 2) in the back pocket of this document, are:

WCA, WSIV Critical Area Overlay District—This is the watershed area within one-half mile of the raw water intake. The standards are therefore more restrictive than for the WPA, which is farther away. Single-family residential development may not be placed on lots of less than 20,000 square feet, unless located in an approved cluster development. If no public sewer is available, the minimum lot size is 40,000 square feet. All non-single family development is limited as to the maximum built-upon area (24% of the part of a land tract to be developed).

WPA, WSIV Protected Area Overlay District— This is the watershed area beyond one-half mile of the raw water intake. The standards are therefore less restrictive than for the WCA. Single family residential development may not be placed on lots of less than 20,000 square feet, or 14,500 square feet if no curb and gutter is used in the development. Lots located in an approved cluster development may be smaller on a case-by-case basis. If no public sewer is available, the minimum lot size must be 40,000 square feet. All non-single family development is limited as to the maximum built-upon area (24% of the part of a land tract to be developed, 36% if no curb and gutter is used). Within the WPA District only, up to 10% of the total land area may be developed to a maximum 70% built upon area.

Annexation and City Growth

Note: To better understand the information provided in this section, please refer to the History of Involuntary Annexations Map (Map 3) in the back pocket of this document.

Shelby's Annexation History

For more than 150 years, the geographic limits of the City of Shelby remained virtually unchanged. The city that had been founded as a three-mile-wide circle in 1841 was still essentially a three-mile-wide circle in 1991. The City had abided by a long-standing policy of not annexing areas that were not electric system customers. Customers and areas served by Duke Power, therefore, were ruled out immediately. The few minor annexations that had been approved were small voluntary actions that did little to change the size or makeup of the city.

In 1992, however, Shelby took the first step toward reclaiming the urban growth that had been occurring for years just outside its borders. On June 30, 1992 the 31-acre "Walker Drive" annexation area became part of the City of Shelby. This action brought 29 homes and 69 residents into the city. Over the next decade, Shelby would annex some 20 more areas, increasing the geographic size of the city from about 8 square miles to over 18 square miles. By 2002, ten years after the annexation program had begun, the City had added about 2,500 homes and about 6,500 new residents to its population. Properties in these annexed areas would increase the City's tax base by over \$400 million.

Reasons For Annexation

The need for this program of annexation, authorized by State law, had become apparent by the late 1980's. During the post-WWII suburban boom of the 1960's, 70's and 80's, Shelby's percentage of Cleveland County's population had fallen steadily—from nearly 27% of all county residents in 1960 to little more than 17% by 1990. In 1973, about 21% of Cleveland County's property tax values were in Shelby. By 1991, this percentage had fallen below 15%. From a fiscal standpoint, the situation was growing more difficult. The City's share of sales tax revenues, whose distribution within a county is based on either population or property tax levy, was also falling precipitously. The City was becoming more financially dependent than ever on revenues from electric system profits to balance the budget.

Beyond mere numbers, however, Shelby was stagnating as a community. Businesses were continuing to leave the Uptown area for new locations on the US 74 Bypass. Many new residences were being built on the periphery of the city, but few inside. Subsidized, low-income housing was becoming concentrated in the city. The impact of "White flight" was noticeable in official Census figures. The City's property tax base had leveled off while the costs of serving those properties continued unabated. Business and industry leaders complained that it was difficult to "sell Shelby" to new business interests in the face of these sobering social, economic and fiscal trends. When the City Council appointed an Annexation Study Committee in 1989, it was clear that for Shelby to remain viable as a community, its corporate limits needed to expand in concert with the area's growth-- as was intended by laws set forth by the North Carolina General Assembly.

Impact of Annexations

The table below shows the impact of the City of Shelby's annexation program by year beginning with the first involuntary annexations in 1992. The *History of Involuntary Annexations Map* (Map 3) found in the back pocket of this document, illustrates additions to the city, according to the year in which the annexations became effective.

<u>Year</u>	<u>Acreage</u>	<u>Residences</u>	<u>Estimated Population</u>	<u>Property Valuation</u>
1992	260	172	458	\$15,489,000
1993	153	146	379	\$6,230,000
1994	105	31	91	\$4,753,520
1996	1,710	1,143	2,959	\$116,213,228
1998	3,218	444	1,267	\$209,152,955
<u>2002</u>	<u>1,001</u>	<u>503</u>	<u>1,263</u>	<u>\$52,820,541</u>
Totals	6,447	2,439	6,417	\$404,659,244

Prospects for Future Annexations

City officials are finding that there are few remaining areas at the present time that can qualify easily for annexation. A tightening of state laws governing annexation, as well as fewer areas of sufficient development density, make large-scale annexations by Shelby unlikely in the near future. Once the new US 74 Bypass is built north of the city, and a probable surge in development occurs there, prospects for annexations to the north will likely increase. Similarly, as development in the direction of Moss Lake continues, vacant lands east of the city will gradually fill in, allowing more areas toward the lake to qualify for annexation under the statutes*. Finally, substantial opportunities for new industrial growth continue to be available out US 74 West, and will likely strengthen when the new US 74 Bypass becomes a reality. In all three cases, however, it may be five to ten years before the City is in a position to again consider a significant annexation initiative.

Recent Growth and Development Trends

Overview of Development Activity of the Past Five Years

The table below summarizes the bulk of *new* construction that has occurred in Shelby over the last five years. This table does not account for minor or major renovations that may have occurred on properties within the city and its extraterritorial jurisdiction (ETJ) during the same period.

New Construction In Shelby, 1999 to 2003.

Single Family Dwellings	250
Manufactured Housing	29
Commercial construction	116
Apartments	315 units in 38 buildings

New Residential Developments

Note: To better understand the information provided in this section, please refer to the Recent Residential Development Areas Map (Map 4) in the back pocket of this document.

New Dwelling Units for Sale

From 1999 to 2003, the City of Shelby saw the addition of about 250 new single-family dwellings. Most of these new homes, (about 225) have been constructed in one of the following four locations:

Pebble Creek Subdivision

Located off Old Boiling Springs Road west of the City proper, this new subdivision has been approved for about 130 lots in two phases. The targeted market is for middle to upper income buyers. City sewer services have been extended to the development and it was accepted as a satellite annexation in 2000. The lots are a minimum of 20,000 square feet.

Grey Fox Forest

Located off Metcalf Road, about two miles to the north-northwest of the city center, this subdivision has been approved for about 140 lots in four phases. The targeted market is for middle-to upper middle-income buyers, with prices ranging from \$155,000 to \$375,000. It is located fully within the city limits of Shelby. About 20 acres have been retained in greenspace.

* While not set in stone, it would appear that Moss Lake and Buffalo Creek, also to the east, will likely become the long term eastern limits of the City of Shelby. While there is already one small satellite annexation just over the bridge at Buffalo Creek, this is considered an anomaly, and not an indicator of future annexations east of the creek.

Stonegate

This 31-lot gated community is located in the country club area of Shelby, three miles east of the city center. With lots priced at about \$70,000 and new homes selling for \$350,000 to \$750,000, Stonegate is being marketed to high-income buyers. It is located fully within the city limits of Shelby.

Magnolia Plantation

Magnolia Plantation was recently approved as a planned unit development (PUD), meaning that there is some flexibility to allow for a less conventional lot layout and building forms. Patio homes are being marketed in the \$160,000 to \$225,000 price range. This development is located generally northwest of the intersection of Kings Road and Post Road, fully within the city limits.

In addition to the above four developments, other recent additions to the City's housing stock have included:

Johnsfield

Located off Country Club Circle, Phase 1 of this development included about 18 lots. Phase 2 of the development will offer an additional 45 lots. Johnsfield is being marketed to middle upper and upper income buyers.

Columns Townhouses

Located on East Marion Street, this development contains about 50 townhomes, ranging in price from \$125,000 to \$300,000.

Heritage Oaks

Located near Holly Oak Park, this project was approved for 38 units in 1992. Nine units reportedly remain for sale.

Oak Hill

This single-family development is targeted for low to moderate income buyers with prices ranging from \$100,000 to \$150,000. At the time of this writing six homes had been built, with 21 lots remaining.

Apartment Construction

According to statistics maintained by the City's building inspector, more apartments than single-family homes have been built in Shelby over the past five years. Of the 315 new units built, the clear majority can be attributed to one the following apartment complexes:

Marion Ridge Apartments (1999)

This approximate 100-unit market rate apartment complex was completed in 1999. Located on East Marion Street, behind the Cleveland County Mall, it is just inside the city limits.

Caitlin Station (2002)

This approximate 65-unit subsidized apartment complex is located just inside the city limits behind the Ingles off Fallston Road near its intersection with Allendale Drive.

Washington Square (2003)

This approximate 75-unit subsidized apartment complex is located in the vicinity of the intersection of DeKalb Street Extension (South) and Gaffney Road. This location is about three miles south southwest of the city center.

River Brook (2003)

This approximate 65-unit market rate apartment complex immediately adjoins the Washington Square development.

Of note, some of the units entering the rental market through these apartment complexes are satisfying the demand of a low-income housing market. Many involve financial subsidies involving tax credits or Section 8 certificates. This concentration of below market-rate housing, often oriented toward lower

income families and the elderly, has implications for the fiscal health of the City in terms of tax revenues generated versus the cost of services provided.

Manufactured Housing

Due to fairly strict regulations over the years, the City of Shelby has very few manufactured homes within the City limits. (The 2000 Census counted 127 within the corporate limits.) From 1999 to 2003, there were 29 manufactured homes placed within in the City's planning jurisdiction; according to the City zoning ordinance, they must be located within the R-20 zoning district. Most of these have been placed in a doublewide mobile home subdivision on Quail Meadow Lane, off Chatfield Road, which is a short distance off NC 226 North in the northwest area of the City's extraterritorial jurisdiction.

County planning officials have noted that most new residential development in the unincorporated area of Cleveland County is predominantly manufactured housing. This is especially true in the southern part of the county within commuting distance of employment centers in both North and South Carolina.

Public Housing

The City of Shelby established a Public Housing Department in the early 1970's. The City Council serves as the Housing Authority Board. As a result of this arrangement, the friction that oftentimes occurs between city governments and local housing authorities is eliminated. The Director of the Public Housing Department reports to the Assistant City Manager.

The Public Housing Department manages three complexes. Northside Heights has 90 units, Cleveland Courts has 60 units, and Grover Street Apartments has 22 units. All units are in very good condition, having undergone a sweeping renovation in the past 5 years. Renovations included new doors, windows, heating systems, bathrooms, air-conditioning, floors, roofs and electrical upgrades. All units have been abated of lead based paint and asbestos. None of the units are scheduled for demolition.

Many of these units are part of the Section 8 program, which provides federally funded vouchers to low-income residents for rental payments. Vouchers may be used to pay for the rental of any housing unit, whether publicly or privately owned, that meets certain housing standards set by the Section 8 Program. Housing standards used by Shelby's Public Housing Department are much higher, however, than the minimum standards required by the Section 8 program.

There is a waiting list with over 100 applicants; the typical wait is 6 to 12 months for a unit. Many of those on the waiting list for public housing are occupants of mill village houses that have fallen into disrepair. Occupancy rates for Shelby's public housing is consistently over 97%. Rent is based on income with a minimum rent of \$50.00, including utilities.

The non-rental income for Shelby's Public Housing is 100% federally funded by the Department of Housing and Urban Development (HUD). A major concern is the continued reduction of the HUD operating subsidy for public housing. The amount of the operating subsidy provided by HUD has decreased each year, meaning that additional income must be generated from other sources. This includes renting to higher income residents, higher fees for resident-caused repairs and late fees.

Land Use Conditions

Note: To better understand the information provided in this section, please refer to the Land Use Conditions Map (Map 5) in the back pocket of this document.

Neighborhoods With Significant Housing Demolition Activity

The continued aging of the City's mill-era housing stock, combined with an increasing concentration of low income residents, does not bode well for housing conditions in some parts of Shelby. Over the past two years (2002 to 2003), the City has seen about 200 houses torn down, mostly in the old mill village

areas.¹ The majority of housing demolitions have occurred in two areas of Shelby; one area is a few blocks northeast of Courthouse Square and the other is several blocks to the southwest of the square.

The area to the *southwest* includes properties in the vicinity of Gardner Street and Blanton Street, and is generally bounded by Graham Street to the north, Martin Street to the east, Royster Avenue to the south, and Whisnant Street to the west.

The area to the northeast includes properties located in the vicinity of the old Ester Mill and Cleveland Cloth Mill, and is generally bounded by DeKalb Street on the west, Grover Street to the north, Dover and Lineberger Streets to the east and Marion Street to the south. This area also includes the part of Shelby known as the “Knot”, a location notorious for its concentration of drugs and crime. At one time, the Knot contained perhaps 30 houses (on Knot, Porter and Black Streets) but after numerous demolitions, there are only about six houses left.

Prospects for new development on sites made vacant through demolition are not good, so long as the general area around these sites stays economically depressed. Often, these vacant lots become an eyesore in the community--places where garbage collects amidst overgrown vegetation.

Other Threatened/ Declining Neighborhood Areas

The area generally referred to as the Ramblewood area, a neighborhood located around the Ramblewood Apartments, is threatened by serious decline. The area has had many “Section 8” housing units in various stages of decline, and is a focus for drug activities, shootings, and other social ills. In the recent past, City building inspections personnel observed that the Section 8 housing in Ramblewood was clearly not up to HUD standards. The City sent extensive reports to HUD documenting the many problems, prompting HUD to better enforce its own standards in this area. The City has initiated efforts with the new owners of the Ramblewood complex to implement parking policies, a curfew, patrols by private security guards, etc. It is felt that if Ramblewood can be saved, the rest of the area around it will improve.

Minimum Housing Code, No Enforcement in City’s ETJ

At present, residential properties within the City’s ETJ are not subject to enforcement under the requirements of the minimum housing code. While this area lies within the City’s planning jurisdiction, the City’s minimum housing ordinance applies only to properties located *within the city limits*. The County has stated that, since the area is within the City’s planning jurisdiction, the County has no authority or interest in enforcing the minimum housing code in that part of the unincorporated area. This so-called “dead zone” for housing code enforcement presents a challenge, particularly with regard to old mobile homes in the area that have become substandard.

New Commercial Growth

Almost all new commercial development over the past five years has been along the US 74 bypass, particularly the section from DeKalb Street east to Post Road (NC 180). This is a stretch of about two and one-quarter miles. New commercial development has been especially concentrated in the vicinity of the new Wal-Mart and Lowes, east of the DeKalb Street intersection with the bypass. Very little commercial development has occurred from DeKalb Street west along the bypass.

¹ Interestingly, this is almost the same number of new single-family homes that were built in the City from 1999 to 2003.

Declining/ Vacant Commercial Areas

The south side of the intersection of Post Road and the 74 Bypass contains the vacant buildings of what were once the home of Wal-Mart and Lowes Home Improvement. These two large empty retail outlets are a blight, of sorts, on the retail landscape of the bypass.

Just to the west and north of the Ramblewood area (See *Other Threatened/Declining Neighborhood Areas* above) is a declining commercial area known as Huxley Village, located on the US 74 bypass. This approximate 10,000 square foot strip center, which once had a grocery store, a Family Dollar store, a gas station, and other retail businesses, is now vacant. Across the street from the Huxley Village strip center was a former Sambos restaurant. This stretch of commercial properties on both sides of the US 74 Bypass is particularly distressed.

Areas of Commercial Rehabilitation and Investment

As with new commercial investment, nearly all commercial rehabilitation and reinvestment has been focused on the US 74 bypass. The Cleveland Mall, for example, at the east end of the bypass, has recently seen the construction of a new multiplex movie theater where a vacant JC Penney store had previously stood. About three-fourths of a mile west of the Post Road/US 74 intersection, the retail center formerly known as Sky City is also undergoing rehabilitation.

Locations for Industry, Warehousing and Distribution

The most significant new industrial, warehousing and distribution development in Shelby in recent years was the new Wal-Mart Distribution Center. Located off Polkville Road, about 3 miles northwest of the city center, this 1.2 million square foot facility covers about 30 acres under one roof. There are a reported 12 miles of automated conveyor belts serving 108 loading doors. 600 trucks move in and out of the facility every 24 hours, served by 700 to 800 employees.

The most likely areas for future industrial, warehousing and distribution uses are thought to be along US 74 on the west side of Shelby. Substantial areas of relatively level, vacant land can still be found with good access to this multi-lane highway. Utilities are already available or could be provided with relative ease. Appropriate zoning for light industrial use is already in place. Less than 10 miles west of this location, US 74 becomes a free flowing, limited access highway—an easy run all the way to Interstate 26, Asheville, Interstate 40, and beyond.

Vacant or Underutilized Former Industrial/Manufacturing Properties

Given the broad retrenchment of the textile industry in Shelby, Cleveland County, and North Carolina in general, it is not surprising to see many former manufacturing plants, mostly textile mills, now standing vacant or being used for warehousing. Local examples include the Dover Mill, Ora Mill, Lily Mill, Belmont Mill, Cleveland Mill, and Shelby Mill. The Lily Mill is now being used as the home of Triple D Publishing, a company that publishes information on satellite television. Cleveland Mill and Shelby Mill are now used for warehousing. Another area vacated from industrial use is the site of the former Kemet plant, located at the intersection of Poplar Springs Road and US 74 at the western edge of Shelby.

From a manufacturing standpoint, the buildings that made up these former plant facilities are, almost always, functionally obsolete. This makes their reuse for new manufacturing operations unlikely. Rather, because they are often located as part of a mill village, they may be best suited for *adaptive reuse*, including but not limited to loft apartments, artists studios, small business incubators, printing and publishing, warehouse sales, youth centers, or mixed use retail, office and residential. Absent some form of adaptive reuse, demolition and reconstruction of a modern land use may be the only answer in the end.

Projection of Near Term Growth Areas

Note: To better understand the information provided in this section, please refer to the Projected Growth Areas Map (Map 6) in the back pocket of this document.

Periodically, the City prepares a Projected Growth Areas Map to advise the ElectriCities organization, of which Shelby is a member, on where growth might be expected in and around the community over the next several years. The map shows growth areas relative to existing City limits and extraterritorial jurisdiction. Growth areas are determined in part by the availability of raw land, in part due to road access and availability of utilities, and in part due to known development interests in certain tracts of land. The growth areas identified on the most recent map prepared for ElectriCities are listed in the table following.

Location of Projected Growth	Type of Growth Expected
Washburn Switch Road <i>between existing US 74 Bypass and planned US 74 Bypass</i>	Commercial/Industrial
Existing US 74 Bypass from 0.5 miles west of Washburn Switch east to NC 226 (Polkville Rd)	Commercial/Industrial
NC 226 (Polkville Road) from intersection with planned US 74 Bypass, south 1 mile to rail line	Commercial/Industrial
NC 150 NE (Cherryville Road) from intersection with planned US 74 Bypass, generally south 0.5 miles and southwest 1.5 miles	Residential/Commercial
Vacant Tract Near Stonegate and Wilson Farm Area Generally east of Country Club Road and south of East Marion Street	Residential
Magnolia Plantation Area Generally west of Post Road and north of Kings Road	Residential
Vacant Land, Easternmost End of Town Generally north and northwest of intersection of existing US 74 Bypass and Planned US 74 Bypass.	Commercial/Industrial
Vacant Land in the Country Club Area Generally north of Kings Road and south of Montrose Drive	Residential
Gidney Street Area Behind the New Wal-Mart and Lowes Generally suitable for apartments	Residential
Vacant Pasture Land Off NC 180 (South Post Road) East of S. Post Rd, south of Taylor Rd and north of Joe's Lake Rd	Light Industrial or Residential
DeKalb Street Extension (Truck Rte NC 18/150) Plus College Ave from intersection with Morgan Road to Lafayette Street and extending westward along the south side of College Ave	Commercial/Industrial

Managing Suburban Growth Through Extraterritorial Planning Jurisdiction

Note: To better understand the information provided in this section, please refer to the Existing and Proposed ETJ Map (Map 7) in the back pocket of this document.

North Carolina law makers long ago recognized the need to allow cities to manage growth on their perimeter—growth that may eventually become part of the city. The state's enabling legislation authorizes cities like Shelby to employ **ExtraTerritorial Jurisdiction (ETJ)** to apply its development codes and standards to growth on the urban fringe, particularly when there are no equivalent county standards in place. The distance from the corporate limits to which the city may apply its standards increases with the population of the city. For Shelby, that distance is set at up to one mile, unless authorized by the County to extend farther.

Like most cities in North Carolina, the City of Shelby had zoning controls in place earlier than its more rural counterpart, Cleveland County. Over the years, the Cleveland County Board of Commissioners have supported efforts by the City of Shelby to extend its extraterritorial jurisdiction (ETJ) to cover a portion of

the unincorporated County outside the City's borders. In fact, several years ago the City received authority from the County to extend Shelby's ETJ up to 2 miles beyond the existing city limits.

The *Existing and Proposed ETJ Map* (Map 7) shows Shelby's existing city limits, the City's existing ETJ, and a proposed ETJ (a one-mile perimeter around the City limits) that was previously presented to City Council, but not acted upon. Note that the proposed ETJ would have reached east to manage the primarily residential growth between Shelby and Moss Lake, north to take in land areas on both sides of the planned US 74 Bypass, and southwest to take in a sizeable area in the vicinity of Sam Lattimore Road and College Ave. More recently, another proposal for an expanded ETJ was taken to City Council, this time addressing only key "growth corridors". That proposal was also set aside.

Interestingly, there have been two principal reasons cited for City Council's decision not to approve an expansion of the City's ETJ. First, Cleveland County, which previously had no zoning, adopted zoning regulations in 2002 covering the areas proposed for the expanded extraterritorial jurisdiction. This meant that development immediately outside the City limits would, for the first time, have some form of zoning control guiding it. City Council therefore felt that the City's interests regarding development at its doorstep were now better protected. Second, having a larger ETJ is not without its costs. The City's authority and responsibility to control development within this larger planning jurisdiction requires more staff resources to conduct code enforcement and more board time to review and approve development proposals. Meanwhile, the City receives no property tax revenues from the homes and businesses in the ETJ, since they are not within the City limits. City officials must therefore evaluate the merits of being able to manage change in accordance with City standards against the costs of providing that management.

Extraterritorial Planning Jurisdiction and the New U.S. 74 Bypass

The new US 74 Bypass north of town promises to have the greatest impact on growth patterns in the Shelby area since the original US 74 Bypass was built south of town more than 30 years ago. City officials note that, with NC DOT right of way acquisition soon to be in full swing, land speculation and "posturing" by some property owners in or near the path of the new highway is already taking place. At present, the City's existing ETJ meanders in and out along the length of the approved corridor for the planned US 74 Bypass. Were the new bypass in place today, in most instances, the City would have control over development proposals on the side of the freeway closest to town. Developments on the far side of the new bypass, however, would be under the County's control. From a planning standpoint, it makes more sense to have both sides of the corridor under a single local government planning jurisdiction.

Regardless of which local government ultimately has planning jurisdiction, both the City and County have expressed an interest in establishing special highway corridor standards for development along the bypass and near its intersections. Control of these new major intersections will set the image for Shelby and Cleveland County for years to come.

Infrastructure and Services

Transportation System

Note: To better understand the information provided in this section, please refer to the Regional Transportation Area Map (Map 8) in the back pocket of this document.

Regional Transportation Setting

The City of Shelby is located in south central Cleveland County, about 40 miles west of Charlotte via I-85 and U.S. 74. While Shelby is not located directly on an interstate, it is well positioned between several major interstate highways:

- I-85 south (Spartanburg/Greenville) is about 15 miles southeast of Shelby via NC 18.
- I-85 north (Charlotte/Greensboro) is about 15 miles east of Shelby via US 74.
- I-40 west (Asheville/Knoxville) is about 40 miles northwest of Shelby via NC 226.
- I-40 east (Hickory/Statesville) is about 40 miles northeast of Shelby via NC 150.
- I-26 west (Hendersonville/Asheville) is about 35 miles west of Shelby via US 74.

The Structure of Transportation Planning in Cleveland County

Lake Norman Rural Planning Organization

In early 2002, Cleveland County joined three other counties (Gaston, Iredell and Lincoln) to form a new Rural Planning Organization (RPO). RPO's are a relatively new concept, enabled through legislation of the State of North Carolina to allow rural counties to band together for joint transportation planning. RPOs are voluntary organizations made up of local elected officials and local transportation system representatives that serve in an advisory role to the NCDOT. They assist the DOT in developing long-range local and regional multi-modal transportation plans. RPOs also develop and recommend priorities for transportation projects to be included in the Transportation Improvement Program (TIP).

Cleveland County Transportation Partnership

The Cleveland County Transportation Partnership has been recognized as a model for cooperative planning between the business community and local governments. The *Transportation Committee* is the primary group that drives the *Partnership*. It is made up of representatives from the following public and private sector organizations and interests:

- Cleveland County
 - County Manager
 - Planning Director
 - Planning Board Representatives (2)
- City of Shelby
 - City Manager
 - Planning Director
- City of Kings Mountain
 - City Manager
 - Planning Director
- Town of Boiling Springs
 - Town Manager
- Economic Development Commission Director
- Transportation Administration Director
- Cleveland County Sanitary District General Manager
- Cleveland County Chamber of Commerce
 - Chairman

- Chairman-Elect
 - Division chair, governmental Affairs
 - Division chair, Economic Development
 - President
- Upper Cleveland Chamber of Commerce President
 Cleveland Tomorrow (Broad river Greenway)
 NC DOT
- Division Engineer
 - DOT Board Representative
- Business Representatives (8)

While Committee meetings are held at the Cleveland County Chamber of Commerce, the Cleveland County Planning Director takes the lead role in providing staff support to the group.

Thoroughfare Planning in Shelby and Cleveland County¹

The most recent thoroughfare plan for the City of Shelby was commissioned in 1990 and completed in 1995. It updated a previous plan that had been adopted in 1979. The plan focused primarily on design year forecasts and road system deficiencies. It also performed modeling of alternatives for the proposed US 74 Bypass, including both a southern and northern alignment. (The northern route was ultimately selected.)

The most recent thoroughfare plan for Cleveland County was adopted in 1996. That plan called for the widening of sections of several existing arterial highways (NC 18, NC 180 and NC 150) from two lanes to four lanes. It also recommended that four existing highways serving as major collectors (NC 10, NC 226, NC 150, and SR 1004) be widened to minimum 24 ft paved width.

In the process of studying Cleveland County, the NC DOT also decided to prepare plans for the City of Kings Mountain and the Town of Boiling Springs. These plans were completed in 1996 and 1997, respectively. Until very recently, discussions were moving forward regarding the desirability of preparing a single unified transportation plan for all of Cleveland County, rather than updates to the four individual thoroughfare plans. However, planners at the North Carolina Department of Transportation (NC DOT) have recently backtracked on that idea.

Transportation Improvement Program

While local area thoroughfare plans provide most of the research and rationale to recommend an overall plan and necessary highway improvements in the area, the State's Transportation Improvement Program (TIP) is the mechanism by which the most important projects are "put in the pipeline" for construction.

The TIP, as it is commonly referred to, is a cooperative priority-setting process involving the State DOT and the local governments represented on the Cleveland Transportation Partnership. The Cleveland County TIP is then integrated with the TIPs of the other three counties in the Lake Norman Regional Planning Organization (RPO). The TIP sets forth those transportation projects which, based on a variety of criteria, are to receive priority for funding over the ensuing seven-year period for each County and RPO in the state. Requests for listing projects on the State TIP are received by the NC DOT every two years in the fall.

¹ Note: Thoroughfare planning conducted under the auspices of the North Carolina Department of Transportation applies to state-maintained roads only. It does not address most streets in the City of Shelby. During meetings of the Strategic Plan Steering Committee, it was suggested that a plan is needed specifically to address City streets.

Top Five Transportation Projects for Cleveland County

1. US 74 Bypass

This limited access highway has been the number one priority project since it first appeared on area thoroughfare plans in the 1970's. While corridors to both the north and south have been considered at one time or another, the northern route was eventually adopted as the official corridor. Justification given for the northern route included, among other factors, more highways and more traffic flowing into Shelby from the north side of town. Separated grade interchanges are planned at four roadway intersections with the new bypass, including (from west to east): Washburn Switch Road, Polkville Road (NC 226), Fallston Road (NC 18), and Cherryville Road (NC 150). Of course, there will also be major interchanges at the west and east ends of the new bypass where it rejoins the existing US 74.

This 19-mile long bypass, with a total price tag estimated most recently at \$289 million, has been broken into five segments for funding purposes. The first two segments likely to be built are in the middle of the bypass, directly north of the older part of Shelby. With most funding already in place, right of way acquisition may begin in earnest as early as 2005 with the first segment of the bypass open by 2015.

2. US 74/150 Interchange

An overpass or flyover is needed at this very congested intersection of DeKalb Street and the existing US 74 Bypass. Lafayette Street, the next intersection to the west on US 74 already has an overpass. Building a similar flyover at DeKalb Street would remove a second major north-south running street and intersection from the pattern of stop and go traffic in this section of the Bypass. The estimated cost of this new interchange is about \$12 million.

3. New NC 150

This project involves the four-laning of NC 150 from Cherryville in Gaston County all the way to the South Carolina state line in southern Cleveland County. Significantly, the section of NC 150 from the other side of Cherryville leading to Lincolnton has recently been four-laned. This project would provide a strategic four-lane connection from Shelby all the way to US 321 and Interstate 40. The widening of NC 150 is seen as benefiting several member jurisdictions within the Lake Norman Rural Planning Organization. At the present time, funding is being requested only for a feasibility study for the project.

4. Widening and Improvements to the Existing US 74 Bypass

This project calls for the widening of the existing US 74 bypass through Shelby from four to six lanes. Associated with the widening would be other necessary improvements, such as a central median concrete divider wall. The estimated cost of these improvements, as listed in the TIP, is \$22 million.

5. NC 216 Bypass Around West Side of Kings Mountain

This project calls for the completion of a new north-south running arterial type roadway around the west side of Kings Mountain. A four-lane portion of the NC 216 bypass has already been completed from US 74 Business south to NC 216. Another (shorter) leg will soon be constructed from NC 216 farther south to Interstate 85. This particular TIP request calls for funding the *northern* segment of the bypass from US 74 Business to NC 216 north of Kings Mountain.

NC DOT Strategic Highway Corridor Program

Recently, the North Carolina Department of Transportation has been promoting a new program for identifying and giving special treatment to what the department calls *Strategic Highway Corridors*. Guidelines promulgated by the State establish criteria for two types of *Strategic Highway Corridors*:

Statewide Strategic Corridors are facilities of statewide interest connecting major activity centers (population 50,000+). These highways typically draw large, long distance traffic volumes, including heavy truck traffic.

Regional Strategic Corridors are facilities of regional significance connecting major or regional activity centers (population 20,000 to 50,000). These highways serve regional destinations and shorter distance (i.e. commuter) traffic.

Both types of corridors connect existing or planned interstates and have the potential to relieve traffic volumes on existing interstates.

The four counties which make up the Lake Norman RPO believe that, under the Strategic Highway program guidelines promulgated by the NC DOT:

- (1) The NC 150 corridor between US 321 and Shelby should qualify as a *Regional Strategic Corridor* and that
- (2) The NC 18 corridor between Interstate 85 and Interstate 40 should qualify as a *Statewide Strategic Corridor*.

It remains to be seen whether such a designation will be approved, and further, whether such designations might translate into higher priority funding.

Transportation Administration of Cleveland County, Inc (TACC)

According to the TACC website:

“The Transportation Administration of Cleveland County, Inc. is a non-profit transportation agency that coordinates human service and general public transportation for Cleveland County. TACC was formed April 14, 1988 from a combined effort of the North Carolina Department of Transportation, local government officials, local transportation boards and concerned citizens...TACC provided in excess of 703,011 miles and 96,079 passenger trips for various human service agencies in 2003.”

“Currently, TACC contracts with approximately 32 human service agencies in Cleveland County to provide transportation services to their clients. Agencies include Cleveland County DSS - Medicaid and Work First, Kings Mountain Aging, Life Enrichment Center, Foster Grandparent Program, Pathways, Adventure House, Shelby Senior Center, Kings Mountain Head Start, Dialysis Clinic, Solution Station, Cleveland Pines, Century Care, Day Reporting Center, and Behavioral Wellness Center. Services range from transporting passengers to college, congregational meal sites, adult daycare, medical appointments, employment trips, and aging services.”

“In November, 1999, TACC expanded its services to include Cleveland County Transit (CCT), a rural general public route that serves the City of Shelby. This route is approximately 1½ hours long, includes 31 stops and is run 7 times per day. Future expansions into other areas of the county are in the planning phase, depending upon the availability of funding.”

Shelby Transit Company (1939-1950)

Long before the TACC, there was the Shelby Transit Company. From 1939 until about 1950, the Shelby Transit Company provided bus service along three or four routes serving the community. Many riders were mill workers who did not own cars and used the bus system to get from their homes in the mill villages to the services or entertainment found in Uptown Shelby. Other riders included school children,

as there were no school buses at that time. All bus routes passed through Courthouse Square, allowing for convenient transfers. A one-way fare from Lily Mills to the Square was 5 cents.

Shelby Airport

Shelby's municipal airport was established in the 1960's. Services provided at this general aviation airport include hanger space, fuel, and repair facilities. The fixed base operator at the airport has struggled to maintain profitability at the facility. Owned and operated by the City of Shelby, the airport does not cover its own costs. The airport receives no financial assistance from Cleveland County.

In recent years, the City has spent some \$4 to \$5 million on improvements at the airport. (About 90% of the money for improvements was Federal.) A few years ago, the runway was lengthened from 4,500 feet to 5,000 feet and widened to 100 feet. State authorities would like to see the runway lengthened to 5,500 feet. The City owns additional property around the airport. (Also see the section entitled **Economic Prospects Today**, in which service at the Charlotte-Douglas International Airport is described.)

Water Supply System

Note: To better understand the information provided in this section, please refer to the Major Water Facilities Map (Map 9) in the back pocket of this document.

System Overview

Shelby's water system has been in operation for at least ninety years. Early records indicate that some water lines were already being extended in Shelby by 1913. Shelby's water treatment plant has a production capacity of 12 million gallons per day (12 MGD) with a current average demand of 4 MGD. Demand has fallen in recent years as several manufacturing plants have closed. Current peak demand is about 6 MGD compared to past peak demands of 8 to 9 MGD.

Recent Improvements to the System

The last substantial upgrade to the water treatment plant occurred in the mid-1990's. This upgrade included the addition of a back up generator, the installation of new treatment facilities and new pumps, and a resulting increase in capacity. More recently, the largest single improvement to the system was the installation in 2003 of a new 30" back up/emergency raw water pipeline over a distance of 11.5 miles from the Broad River north to the City's water treatment plant. The total cost of the new pipeline was \$6.3 million, of which the City paid about \$2.5 million after grants and shared costs. (Also see Impact of New Raw Water Pipeline below.)

Issues Facing the Water System

In general, the aging of the water supply distribution network of pipes is the single greatest issue facing the system. Most of the water pipes in the older parts of Shelby are cast iron or ductile iron. In some sections of the city, these pipes are beginning to fail as decades of corrosion and decay takes its toll. The replacement of such failing pipes is being addressed through the City's capital improvement planning program.

Shelby's water system is encircled by the Cleveland County Sanitary District. This limits the ability of the City to expand its water system to pay for upgrades and fixed costs. When the City annexes new areas, it cannot take these annexed homes and businesses into its water system customer base; however, the City must, by statute, provide increased water flows where needed for fire protection. The City must either upgrade the Sanitary District lines or run parallel lines, but the water system receives no revenue from these water line extensions. In fact, after the City upgrades the lines of the Sanitary District, it often turns the new lines over to the Sanitary District.

PPG uses about 20 to 25% of the City's water flow and provides about 20 to 25% of water system revenues. Because of PPG's significance to the City's water system, there is a need for a contingency

plan (including higher water rates) in the event that PPG were to reduce their consumption significantly or shut down entirely.

Long Range Water Supply Plans

Given Shelby's encirclement by the Sanitary District, there is little need for the City's long range plans to address major system expansions; rather, the City is most concerned with retaining its current customer base, extending services to developing areas within the City, and maintaining the system.

The Proposed Northern Cleveland County Reservoir

An on-going issue is to determine whether the City will have any interest or role in the development and use of the proposed northern Cleveland County reservoir, being pursued by the Cleveland County Sanitary District.

The reservoir is at least a \$50 million project. This capital outlay will require that considerable benefits result from the project in order that grant funding sources might be made available.

The volume of water to be held in the reservoir is also a factor. The Sanitary District currently has a 6 MGD plant that they may expand to 8 MGD. The City's raw water requirements would be for about 12 MGD, but the reservoir may not be adequate to handle that additional demand. (At present treatment capacities, the combined demand of the Sanitary District and the City of Shelby would total 18 MGD).

Impact of the New Raw Water Pipeline on Future Sources of Water

In 1999, the County completed an engineering study that showed that, from a cost-benefit standpoint, it made more sense to build a new water treatment plant directly on the Broad River than to build a new reservoir as proposed. Three years later, the drought crisis in 2002 caused the City to quickly reassess its options, resulting in the construction of a new back up/emergency raw water line from the Broad River north to the City's existing water treatment plant.

The completion of the new raw waterline to the Broad River may have the effect of reducing the need for the northern reservoir, at least in the near term. In fact, the Sanitary District has contracted with the City for up to 1 million gallons of water per day from the new line as may be needed.

Water Rates

The City's water rates are significantly lower than those of the Sanitary District. In addition, the Sanitary District has a 2-cent tax on properties in their district. The City currently has a "declining block" rate schedule, meaning that larger users receive a discount on the rate they are charged. Proposals have been brought forward by City staff to modify the rate schedule to include a larger flat charge for volume (based on the size of connection), and a meter-based charge for actual gallons used.

The overall effect of the changes in fee structure would be revenue neutral. This means that, under normal circumstances, the water utility would receive no more income under the revised rate structure than under the current rate structure. However, during periods of water conservation or economic slowdown, when consumption (and revenues) decline, the larger flat charge would assure the City of a more reliable minimum revenue stream. If the proposed changes were to be implemented, water system fixed base income would increase from about 25% of total revenues to about 50%. To date, City Council has not approved these recommended changes to the rate schedule. Interestingly, the recommended changes in the rate schedule for water supply would bring that system in line with the structure of rate schedules employed for the City's electric and natural gas systems.

Water System Extension Policy

While the Sanitary district cuts the City off from further expansion into surrounding areas, there remain vacant land areas within the City that have not yet been developed. In the event of a new subdivision, the City normally requires the developer to pay for water line extensions, but the policy is not set in stone. For example, if a major commercial or industrial development (providing an increased tax base and jobs) were to request the extension of water services, the City might help pay for that extension.

Future Service Area for Water

As noted previously, the City's water service area is contained by the surrounding Cleveland County Sanitary District. The *Major Water Facilities Map (Map 9)* in the back pocket of this document shows how the City's water service area might look upon ultimate buildout.

Sewer System

Note: To better understand the information provided in this section, please refer to the Major Wastewater Facilities Map (Map 10) in the back pocket of this document.

Wastewater Collection and Treatment System Overview

Shelby's sewer system was established in 1911. The City's wastewater treatment plant is located off South Lafayette Street (NC 18) near its intersection with Christopher Road, about 3 miles south-southwest of Courthouse Square. The treatment facility has a capacity of 6.5 MGD. The current load entering the plant is 3 MGD, though at one time the load was as high as 4.5 MGD. Declines in the manufacturing sector, and associated plant closings have reduced the load on the treatment plant. Plant closings, particularly those involving the textile industry, have had a greater impact on the sewer fund than any of the other City-owned utilities.

Sewer System Influence on Growth Patterns

The City's sewer system has a strong influence on where growth occurs locally. The City of Shelby, and to a lesser extent, the Town of Boiling Springs, are the only two sewer service providers in the county west of Buffalo Creek. The Cleveland County Sanitary District does not provide sewer service. Therefore, developments of any size, intensity or complexity must locate within the service area of the City of Shelby to receive such service. Examples of land uses typically requiring sewer service include restaurants, shopping centers, apartment complexes, and major industries. Developers of single-family subdivisions who desire lots of less than 20,000 square feet or who would prefer not to rely upon septic tanks also typically look to build where City sewer service can be provided. An example of this is the development called Pebble Creek, off Old Boiling Springs Road. The developer agreed to be annexed into the City as a satellite area, so that the homes there could have access to centralized sewer service. As a general policy, the City recently made annexation into the City a requirement before sewer services can be provided.

Recent Improvements to the System

The City's wastewater treatment plant underwent a major upgrade in the mid-1990's, in compliance with a court order intended to make the plant meet state and federal water quality standards.

Issues Facing the Wastewater Treatment System

New federal and state standards make periodic upgrades to the treatment plant a certainty. Beyond the plant itself, the wastewater collection system has some significant maintenance issues related to infiltration and inflow of groundwater into the system, old clay pipes breaking and tree roots blocking pipe flows.

Need for Collection System Upgrade on Eastern End of the City

The largest single problem currently facing the sewer system involves a large section on the east side of the city, basically from route 180 (Post Road) eastward to Buffalo Creek. The sewer lines in this area are completely at capacity. This area needs a significant upgrade to restore reasonable capacity to this part of the sewer system. While not particularly old, the lines in this area are badly undersized and depend on a series of four pump stations to move sewage flows westward toward the City's wastewater treatment plant. In addition, there are a number of smaller, private pump stations and force mains operating in the US 74 corridor here, serving various businesses westward to the vicinity of the old (now vacated) Wal-Mart and Lowes at Post Road.¹

The City's plans to correct the problem in this easternmost part of town include the installation of a new, large capacity pump station at Buffalo Creek feeding into a 16" force main to transport sewage flows westward over the ridge at Post Road. Gravity lines will then be used to carry the sewage the rest of the way down to the wastewater treatment plant. This project will not only correct deficiencies in the City's wastewater collection system, but will also open up significant vacant land areas in this part of the City for development. The cost of the project is estimated at \$3.5 million. Without action in the near future, the City may be forced to turn away development requests in this area until the problem can be rectified.

Location of New Emergency Raw Water Intake Relative to Wastewater Treatment Plant Discharges

In response to the lengthy drought of 2002, the City recently completed the construction of a new back up/emergency raw water line from an intake located on the Broad River, just upstream of its confluence with the First Broad River. Treated effluent from Shelby's sewage treatment plant therefore enters the Broad River via the First Broad *downstream* of the raw water intake—as it should.

Of note, the Town of Boiling Springs has a wastewater treatment plant with a discharge on the Broad River about three miles *upstream* of the City's emergency raw water intake. Boiling Springs is currently preparing for a major upgrade of their treatment plant. As part of the engineering study for the upgrade, consideration is being given to seeing if there is any part or all of the Town's sewage flow that could be redirected to Shelby's wastewater treatment plant. In doing so, this would relocate some or all of the Town's discharge to a location on the First Broad River, thereby bypassing Shelby's emergency raw water intake. This would be desirable.

Sewer System Extension Policy

The City has a sewage line extension policy that is essentially an assessment policy. The policy allows property owners to participate in the cost and the City will assess them accordingly. It is a citizen-driven process. For example, an existing subdivision without centralized sewer may approach the City with a request for service. The City will then conduct an engineering report to determine the cost. If 51% of the property owners sign up for sewer, the City will pay for one-third of the cost, with the remaining two-thirds paid by the property owners.

The policy has created some financial strains on the utility budget, in that property owners have eight years to pay for their share. Further, property owners have not been required to connect to the service once it is installed, despite the fact that City ordinance requires them to do so (the ordinance has not been enforced). This means that the City has invested considerable financial resources in the collection system pipes but has no guarantee of a customer base to provide income to the utility. The utility staff intends to bring forth revisions to this policy that will correct for these adverse financial impacts.

The City currently has a number of "assessment projects" being installed that will add several hundred residential units to the City's sewer system customer base. In terms of cash flow, however, it takes many,

¹ This is not the only location in the City where pump stations have been employed. Currently, the City has over 20 pump stations, many of which are too close together. Future initiatives to upgrade the system should work to eliminate these pump stations wherever possible, in favor of gravity fed lines.

many housing units to make up for the revenue losses associated with the closing of a single textile mill or other plant.

County-Wide Sewer is a Misnomer

Interestingly, citizens in public meetings often express their interest in the development of “county-wide sewer” when describing the infrastructure needs of Cleveland County. The term “county-wide sewer” is misleading in its suggestion that centralized sewer service can somehow be provided to the entire county. Utility systems, particularly those involving sewer lines, are generally just too expensive to be justified outside of urbanizing areas. Most of Cleveland County is neither urbanized nor urbanizing at a level of density sufficient to justify the provision of centralized sewer services. Rather than using the term “county-wide sewer”, better terminology might include “community sewer service areas” or “utility development corridors”.

Future Service Area for Sewer

Unlike the City’s water service area, which is contained by the surrounding Cleveland County Sanitary District, the City’s Sewer system is relatively unconstrained from future growth (finances aside). The accompanying map shows the projected service area for Shelby’s wastewater treatment collection system, perhaps 25 to 30 years from now. For the most part, the service area tries to work within logical ridgelines and drainage basins, thereby allowing for the maximum use of gravity flow. Gravity flow is much preferred over pump stations and force mains that add considerable upfront expense to a system, and also require considerable maintenance.

Note that the proposed service area would extend as far east as Moss Lake and Buffalo Creek and as far west as a line drawn between Lattimore and Boiling Springs. The future service area would reach northward to take in all of the intersections associated with the proposed 74 bypass as well as the land areas between the new bypass and the Town of Kingstown. Service expansions to the south would be largely limited to areas upstream, and therefore north of, the City’s existing wastewater treatment plant.

Further, the Town of Kingstown has plans to join Shelby’s wastewater system within the next year. Similar plans may be emerging for the addition of the Town of Polkville in the near future. In addition, there would be considerable logic in adding the eastern half of the Town of Boiling Springs to Shelby’s system. This is currently being studied. With all of these service areas combined, the consolidated wastewater treatment area would be more than four times the geographic area presently served by the City of Shelby.

Stormwater System

Summary

There has been no comprehensive evaluation of the City’s stormwater system. What can be said is that it is very old and generally in poor condition. The locations of system outfalls into area streams have not been mapped. No master drainage plan has been prepared. The City does not collect a stormwater management fee from property owners and businesses.

Compliance with NPDES Phase II Rules concerning Stormwater Runoff

In response to concerns about stormwater impacts on water quality nation-wide, the United States Environmental Protection Agency, in cooperation with environmental agencies at the state level, is implementing new stormwater management legislation. The new law is known as NPDES (National Pollution Discharge Elimination System) Stormwater Phase II. This stormwater management initiative is intended to reduce the polluting impact of stormwater runoff on receiving surface waters. Compliance with the new law may have a sweeping effect on the way in which subdivisions, shopping centers and new roads are built and maintained.

The new rules require local governments like Shelby to... “develop, implement and enforce a stormwater management plan...designed to reduce discharge of pollutants from municipal separate storm sewer systems (MS4) to the maximum extent practicable and, [including, at a minimum, the following six measures]¹:

(1) A public education and outreach program on the impacts of stormwater discharges on water bodies to inform citizens of how to reduce pollutants in stormwater runoff. The public body may satisfy this requirement by developing a local education and outreach program; by participating in a statewide education and outreach program coordinated by the [NCDENR]; or a combination of those approaches.

(2) A public involvement and participation program consistent with all applicable state and local requirements.

(3) A program to detect and eliminate illicit discharges within the MS4. The program shall include a storm sewer system mapping component that, at a minimum, identifies stormwater outfalls and the names and location of all waters within the jurisdiction of the public body.

(4) A program to reduce pollutants in any stormwater runoff to the MS4 from construction activities resulting in a land disturbance of greater than or equal to one acre. Implementation and enforcement of the Sedimentation Pollution Control Act, G.S. 113A-50 et seq., by either the Department or through a local program developed pursuant to G.S. 113A-54(b), in conjunction with the states NPDES permit for construction activities, may be used to meet this minimum measure either in whole or in part.

(5) A program to address post-construction stormwater runoff from new development and redevelopment projects that cumulatively disturb greater than or equal to one acre, including projects less than one acre that are part of a larger common plan of development or site, that discharge into the MS4 or into an interconnected MS4...

(6) A pollution prevention / good housekeeping program for municipal operations that, addresses operation and maintenance, including a training component, to prevent or reduce pollutant runoff from those operations.”

Under the draft rules, adopted by the NCDENR in March of 2002, the City of Shelby is required to submit a plan for compliance with the NPDES Phase II rules by 2008*. That plan will identify those stormwater management programs that the City will have in place five years later, in 2013. This will require that the City begin, among the several things noted above, a mapping program to locate and identify the various components of the stormwater system. Part of this mapping program will be an effort to track down illicit connections to the system.

The City will also be responsible for adopting new standards and reviewing and approving development proposals to significantly reduce the amount of stormwater runoff (1) during construction and (2) after the development is completed.

Significantly, it is not expected that Shelby will be required to collect *and treat* general municipal stormwater before the runoff enters area streams.

¹ NPDES Phase II Temporary Rule Language March 2002 WQC Draft, page 6.

* Many other municipalities in North Carolina are being required to comply with the new law sooner than the City of Shelby. In the case of Shelby, however, the law delays compliance by “freestanding” cities that are not designated as being locating within a larger urbanized area (e.g. Charlotte or Greenville, SC)

Natural Gas System

Overview

The City of Shelby's natural gas distribution system was established in 1955. The City is one of only eight municipalities in the state that own and operate its own natural gas system. The others are Kings Mountain, Lexington, Monroe, Wilson, Rocky Mount, Bessemer City and Greenville. All other natural gas systems in the state are privately owned. Unlike the privately owned systems that must seek approval for rate changes from the State Utilities Commission, the municipally owned systems are regulated only by their duly elected boards.

Shelby acquires its gas via pipeline from sources in the Gulf of Mexico. The City fundamentally pays two bills to receive its natural gas that it then distributes and resells to retail customers. One payment goes to the pipeline company, Transco, as a fee for transporting the gas from the gulf to Cleveland County. The second payment goes to one of several energy companies in the business of extracting natural gas for bulk sale. These companies include, for example, BP-Amoco, Exxon-Mobile, Chevron-Texaco, etc.

Natural Gas Rates

As a rule, Shelby's natural gas rates are higher than other natural gas providers in the region. The City does provide, however, for special discounted rates for its two largest customers, Ticona and PPG. These two customers alone account for over 70% of the City's sales of natural gas by volume. Standard residential rates are determined by taking the average cost of gas as purchased by the City in a given month, and adding a flat \$6 upcharge per every "decatherm" (about 100 cubic feet) sold.

Interestingly, the City's service area for natural gas is much larger than for any of its other utility systems. The service area includes a broad swath around the City including both sides of Moss Lake, and the communities of Waco, Fallston, Lawndale, Polkville, Kingstown, Lattimore, Earl, Grover, and about half of Boiling Springs. The rural area closer to the north side of town, however, between Shelby and Lawndale, is not completely served at the present time.

Marketing the Natural Gas System

The City has hired a full-time marketing person whose job it is to meet with prospective residential and commercial customers and get them to switch away from electric, propane or fuel oil. This person may also conduct surveys to determine where it may be worthwhile for the City to install a distribution line in anticipation of numerous customers hooking into the system. City staff is also working on a new marketing plan, including incentives to encourage customers currently using other energy sources to switch to natural gas. As an incentive for switching, for example, a new residential customer might be credited \$150 toward the purchase of new gas fired hot water heater. Similarly, if a builder is willing to pipe an entire new home for natural gas, the incentive might be increased to \$400.

Trends in Natural Gas Consumption

Just as plant closings of the past decade have caused a decline in the consumption of water and sewer service capacities, so too has the local economic downturn affected natural gas consumption. Since about the mid 1990's, industrial gas usage is down substantially. Natural gas consumption by the City's two largest customers, PPG and Ticona, for example, is down about 50% from what it was in 1994-95. While some of this decline is due to improved energy efficiencies at the plants, most may be attributed to decreased production. In addition, Copeland, the City's fourth largest gas customer, recently announced a downsizing (scheduled for March 2004) which will result in a 30 to 50% reduction in gas usage.

Current and Planned Improvements to the System

Natural gas lines are currently being added to serve the Kingstown area. Upgrades are being completed at various regulator stations. An important consideration for the future will be to continue efforts to diversify the types of loads drawing on the system—particularly the addition of commercial and residential

customers to make up for the loss of customer base associated with manufacturing plant closures. Fortunately, the loss of these manufacturing customers does not impact revenues as much as might be expected, because the price margins on these large volume customers is generally very small.

Natural Gas System Extension Policy

The City's extension policy for natural gas is very basic—to add customers and increase revenues.

Natural Gas System Financial Subsidy of the City's General Fund

Shelby's *General Fund*, which might best be described as the *main bank account of the City*, has not operated in the black for many decades. Rather, budget shortfalls have always been made up for using transfers from the City's utility funds. These fund transfers have allowed for an artificially low tax rate, when compared to other communities relying more heavily on property taxes for revenue generation. In the past, these fund transfers have come principally from electric system revenues and natural gas system revenues. As surplus revenues from the electric system have diminished in recent years, the natural gas system has been tapped increasingly to make up the difference.

For the most recent budget year, the income transfer from the *Natural Gas Fund* to the *General Fund* of the City amounted to \$2.6 million. In addition to the general transfer, another \$800,000 is allocated to cover staff fixed costs of positions in city government that provide support to the Natural Gas System in some way. Another \$65,000 is transferred to an economic development fund within the *General Fund*. Thus, some \$3.4 million is transferred from the *Natural Gas Fund* proceeds and placed in City coffers each year. The bulk of this money has no strings attached as to how it may be used by City Council.

In sum, the natural gas system is about a \$28 million operation annually. When the cost of buying and transporting the gas to Shelby from the Gulf is taken out, all but \$5 million goes back to the City's gas suppliers. Of that amount, \$3.6 million, or over 60% of the system proceeds, is transferred to the *General Fund*. The residual left for operating the system is therefore about \$1.6 million annually. At present, the capital reserve account for the system is dwindling. On-going work for operation, maintenance, and replacement is handled by a combination of capital reserve money and operating revenues.

Electric System

Overview

Shelby's electric system was established in 1912. The City draws its power from the Catawba Nuclear Power Station in York County, South Carolina. Shelby is one of nineteen cities that collectively own about 75% of one reactor at the power station. Together, these nineteen cities make up the North Carolina Municipal Power Agency Number 1 (NCMPA1). Unlike some cities, which buy their power from other energy companies and resell it, the cities of the NCMPA1 actually own a part of the plant that generates the power. The agency pays Duke Power to operate the plant.

Electric Rates

The NCMPA1 meets quarterly to make a recommendation to the ElectriCities Board for a wholesale rate to be charged to the member cities. Each city then considers its own revenue needs, as well as other variables, to determine the rates it will charge to its retail customers. The City of Shelby's standard electric rates are generally higher than the rates of its closest competitor, Duke Power. At the same time, Shelby has more flexibility than Duke in offering special discounted rates or rate structures when, for example, offering economic development incentives to new business and industry. (This is an advantage of not being regulated by the State Utilities Commission.)

Shelby's electric rates for industry average about 10 to 12% higher than Duke's, while the City's residential and commercial rates average about 15% higher. These actual rate levels run contrary to the perception by some that the City's rates are much, much higher. Until very recently, there had been no

rate increases in almost ten years, the last being in 1995; there was actually a 2% rate reduction across the board in 1999. In July 2004, however, a rate increase of 3.8% did go into effect. Further, near term projections of system costs may require rate increases of 2 to 3% annually for the next three to five years. Significantly, the City's debt on the power plant will be satisfied in 2019--fifteen years from now. The plant is licensed to operate through at least 2046.

Recent Improvements to the System

The City has been pursuing the placement of standby generators on site at some of its larger customers (Wal-Mart, Lowes, Shelby High School, the City's wastewater plant, etc.). The generators help shave peak loads, thereby reducing the overall cost of power. These generators saved the City nearly \$800,000 last year, effectively warding off rate increases for that period. Opportunities for additional generators and associated savings may be reaching their limits, however.

Trends in the Demand for Power from the City's Customers

Interestingly, most of the manufacturing plants that have shut down in recent years were long standing customers of Duke Power rather than the City of Shelby. As a result, Shelby's electric system has not felt the loss of these high volume users of electricity. Unlike the water, sewer and natural gas utility systems, demand for power from the City's customer base has grown steadily over the years.

Other Issues Facing the Electric System

The trimming of trees that interfere with the overhead distribution system or become a hazard during ice storms is an on-going concern. The City follows National Arborist Association recommendations for tree trimming. Door hangers are employed to advise property owners of the tree-trimming program. Input on this issue is also sought periodically from the City Appearance Commission and the City Council.

Street System

Overview

The numbers below show the increase in miles of City-maintained streets over the past thirty years. Since 1973, the mileage of city-maintained streets has more than doubled to its current total length of nearly 120 miles. In just the last ten years, the City has seen a 30% increase, largely due to annexations during the mid to late 1990's.

<u>Year</u>	<u>Miles of City Streets</u>
1973	56.0
1993	82.2
2003	118.3

Paying for Street Maintenance

The paving and repaving of City streets is paid for exclusively with monies from the Powell Bill program—the state managed transportation funding program that returns some of the gas taxes collected at the pump to local governments in North Carolina. Powell Bill funding levels are based on a formula that considers both the total mileage of streets being maintained by the City and the community's population that must depend on those streets. Only a small portion of Powell Bill monies received by Shelby go directly into asphalt, however. Other eligible expenses covered by the program include street-system-related salaries, storm drainage, street equipment purchases, and other street system expenses.

Street Paving Decisions

The City has no prescribed formula, policy or formal program for determining which streets get repaved each year. Decisions are made based primarily upon periodic windshield surveys and day-to-day

observations of street conditions made by the street superintendent and crew members throughout the year. Other factors entering into a street paving decision include the volume of traffic being carried by the street and the number of years that have passed since the street was last paved. A proposed list of streets in need of repaving, along with the estimated cost, is then submitted as part of the Community Development Department budget request each year. For the 2003-04 budget year, the original street paving budget request was for approximately \$300,000, of which \$200,000 was approved. In addition, the City prepares a capital improvement plan (CIP) every two to three years, the purpose of which is to identify and plan ahead for major capital expenses such as large construction projects or purchases of major equipment. The City is due for an updated CIP this budget year.

Subdivision Incentive Policy

Four years ago (2000), the City established a subdivision incentive policy where the City will subsidize the improvement costs for a new subdivision. Specifically, the City will pay for one half of the cost of paving and curb and gutters in a new development¹. The purpose of the incentive is to encourage more development inside the corporate limits. At the time of its adoption, the nearby community of Boiling Springs was offering similar incentives and was experiencing significant growth and development. City leaders felt as though Shelby should certainly do no less if it hoped to attract its fair share of new growth in the area. Applying for the incentive requires only a simple one-page form.

Sidewalks

The last official map that inventoried **sidewalks** in the City of Shelby was prepared around 1980. Consequently, there are no up to date records documenting the location, extent or condition of sidewalks in the city. Most sidewalk activity over the last twenty years, however, has been repairs and replacement rather than new installations, so the 1980 map may still provide a reasonable summation of sidewalks in pre-annexation Shelby. Even so, an up-to-date inventory is needed.

The City of Shelby recommends but does not require sidewalks in new subdivisions. Even without a requirement, some developers will choose to install sidewalks as an amenity within their development. A recent example of this is the Pebble Creek development off Boiling Springs Road near Crest High School.

The City has no policy concerning the replacement of sidewalks. However, the City does inspect sidewalks fairly routinely, looking especially for locations where a broken and/or elevated sidewalk section might be a hazard to pedestrians. Recently, the City hired a new Street Supervisor with experience in working with concrete. With this additional expertise, the City has begun to do most sidewalk replacement in-house using City crews and equipment. For the 2003-2004 budget, approximately \$25,000 was earmarked for curb and sidewalk repairs and replacement.

Despite the in-house capability, the Street Department's time available to repair sidewalks is limited by other responsibilities such as sink holes, utility cuts, broken storm drains, fallen trees and other routine "distractions". There is no City crew set aside just for sidewalk repairs.

City Assessment Policy for Installing Sidewalks in Existing Neighborhoods

The City has a unique policy that establishes variable percentages of participation in the cost of sidewalk installations along various streets in the city. By City Council action dated August 2, 1976, a Sidewalk Assessment Classification Schedule (Appendix E of the City of Shelby Services Policy Manual) identifies 8 street segments where the City will pay 100% of the cost of new sidewalk installation and 45 street segments where the City will pay 75% of the cost. Sidewalk construction along all other existing streets in the City will be subsidized by the City at a 50% participation rate. The Services Policy Manual states that the City will not participate in the construction cost of sidewalks installed along new streets. As an aside, City officials noted that the Services Policy Manual needs to be updated.

¹ The installation of curb and gutter is required on all streets constructed within the city limits and its extraterritorial jurisdiction.

Bikeways

A **bike route** map/plan was prepared for Shelby in the late 1970's. A copy of the Bike Routes map, dated March 1978, is available for inspection in the City's Community Development Department. The map shows Morgan Street as the principal north-south bike route, and Warren Street as the principal east-west bike route. A northeast loop extends outward from the middle of town as far north as Crawford Street and as far east as Lineberger Street. A southeast loop extends as far south as Royster Avenue and as far west as Whisnant Street. Also designated on the 1978 plan was an area on both sides of Lafayette Street south of the bypass and a balloon-type loop extending into the area where Kings Road and Gidney Street come together. No physical improvements were made to the designated bike routes (e.g. lane striping or widening), but bike routes signs were installed identifying the streets as such. Most, if not all of the original signs are now gone.

Of note, citizens attending the November 2003 special town meeting held for this Strategic Plan expressed strong interest in bicycling and walking trails in Shelby. In fact, the desire for bicycling and walking opportunities drew more votes than did the new US 74 Bypass.

Street Trees

Street Tree Trimming

The City maintains 14 feet of vertical clearance for trees hanging over the street. It also does tree trimming to protect the safety of pedestrians on sidewalks and buildings fronting the street. The Public Works Department has a two-man crew whose primary responsibility is maintaining trees throughout the City. The Department consults with the City's Appearance Commission from time to time on issues concerning street trees. In 2004, for example, the Appearance Commission formed a Tree Care Subcommittee which made specific recommendations to City Council on that subject.

Street Tree Planting

The City also has no formal program for encouraging the planting of street trees. Occasionally, a project will emerge from within a neighborhood or group of property owners. For example, about fifteen years ago a group of property owners on Washington Street banded together and worked through the City to purchase and plant street trees in some volume. The City reportedly purchased the trees in bulk and resold them to the property owners at a modest cost. Willow Oaks were employed where canopy trees made sense, crepe myrtles in sunny but obstructed locations, and dogwoods where it was shady and obstructed.

No comprehensive inventory of trees has been completed in recent memory. Also, no master street tree plan has ever been done.

Uptown Shelby's Live Oaks

There are about 140 live oaks in the Uptown area of Shelby. Despite the long-standing debate about their appropriateness for the Uptown area, most agree that they are beautiful and give the City a unique and memorable appearance. At the same time, the live oak as a species was never intended to thrive, or even survive, in a concrete and asphalt urban environment. They are very large and are prone to be even bigger by nature. Their genetic programming to grow ever larger causes continuing problems with the City's infrastructure, including raised sidewalks, broken curbing and damage to water and sewer lines. The ongoing debate over the trees is essentially one of a cost-benefit analysis--the costs of keeping the trees healthy and their surroundings in tact, versus the benefits the trees convey to the image of a truly unique uptown area.

Replacement of Declining or Unhealthy Trees

Many trees in the city are 60 to 70 years old and unhealthy. Many were trimmed very badly years ago, leaving holes, disease and weak limbs. The recent drought caused further declines in their health. All of

these factors lead to downed limbs and power outages during storm events. In the Belvedere neighborhood alone, for example, there were six power outages due to trees in the first two months of 2004. The unfortunate reality is that many of these unhealthy trees need to be removed and replaced. The City has no formal policy with regard to the maintenance and replacement of street trees. While an effort to create such a policy was initiated a couple years ago, it did not come to fruition.

Tree Planting Requirements During Development

During new construction or major renovations and additions, the City's landscape ordinance requires that street yard trees must be planted and further, that parking lot trees must be planted. There is currently no language in the City's landscape ordinance for the maintenance of required landscape plantings including, for example, tree topping or other maintenance abuses.

Street Lighting

Streetlight Service Providers and Charges

The City's streets are lit in part by Duke Power Company and in part by the City of Shelby. Duke Power owns some of the poles and fixtures in the newly annexed areas, while the City owns the rest. Shelby's electric utility, which functions as an enterprise fund, charges the General Fund of the City about \$3.50 per streetlight per month. These charges are paid for from the Street Department's budget. The Street Department also pays Duke Power an average of about \$9.50 per streetlight per month. By charging the General Fund such low rates for City-owned streetlights, the electric utility is essentially subsidizing the General Fund, enabling the City to have a lower tax rate than would otherwise be necessary.

Variation in Streetlight Standards and Fixtures

The City allows for the use of both standard and decorative streetlights. There are also different lengths of arms and levels of brightness available, depending upon the type of street. In new developments, the City will either:

- (1) install a roughly \$300 wooden pole and standard cobrahead-type fixture free of charge or
- (2) contribute \$300 toward the purchase by the developer of a more decorative style streetlight.¹

Significantly, because streetlight operating costs are paid for out of the General Fund, residents of a neighborhood with decorative streetlights pay no more to operate those lights than residents of a neighborhood with standard wooden poles and cobrahead lights. (Larger numbers of decorative streetlights are typically required to provide the same level of lighting as standard, taller, brighter, cobrahead lights. Therefore, decorative lights cost more to operate and maintain.)

Street Lighting Policy

For newly annexed areas, the City generally requires that there be a streetlight on every other utility pole (about every 150 feet) along City-maintained streets. For State-maintained streets in annexed areas, the City's policy is to match whatever the North Carolina Department of Transportation requires for streets of a given size (i.e. collector, thoroughfare, etc.)

There is no formal City streetlight policy covering the rest of the city. However, the City's electrical consultant is currently under contract to develop a street lighting policy and ordinance. Preparation of the policy and ordinance will require a review of what the electric utility is charging the General Fund versus how much it actually costs the electric utility to provide that service.

¹ In the case of decorative style streetlights, the City purchases the streetlight from a third party supplier for \$1100. The City then resells that streetlight to the developer for \$800, or \$300 less than the cost to the City.

Street Lighting Needs

Some sections of the city are not adequately lit with streetlights. Either the fixtures are too few and far between or they have old fixtures that provide insufficient lighting levels. Once the formal streetlight policy and ordinance mentioned above is in place, it is expected to take many years to correct deficiencies throughout the city.

Public Safety

Note: To better understand the information provided in this section, please refer to the Public Safety Services Map (Map 11) in the back pocket of this document.

Structure of the Police Department

The Shelby Police Department has 68 sworn police officers and 15 support staff positions for a total of 83 persons. The department operates on the basis of four 12-hour shifts—two permanent day shifts and 2 permanent night shifts. Unlike many other departments, Shelby's police force does not rotate day- and night shift personnel. Each shift is made up of one lieutenant, two sergeants, and seven patrol officers. On the day shift, however, there is an additional patrol officer that is assigned exclusively to traffic duties. The City is divided into three patrol zones. During each shift, there are two patrol officers assigned to each zone plus one officer who floats among the three zones.

Impact of Annexation

At the time of the large annexation in 1995, the department looked into the need to increase the number of patrol zones from three to four. After examining the calls for service in the new residential areas plus the US 74 commercial corridor, however, it was determined that a fourth zone would not result in better utilization of manpower or provide for better police protection. Even so, the addition of the bypass substantially increased the department's workload with regard to residential patrol areas, traffic accidents and business activity. To maintain law enforcement services to the newly annexed areas at a level equivalent to pre-annexation services, the department added 12 more police officers, increasing the total from 56 before the annexation, to 68 sworn officers today.

Community-Oriented Policing

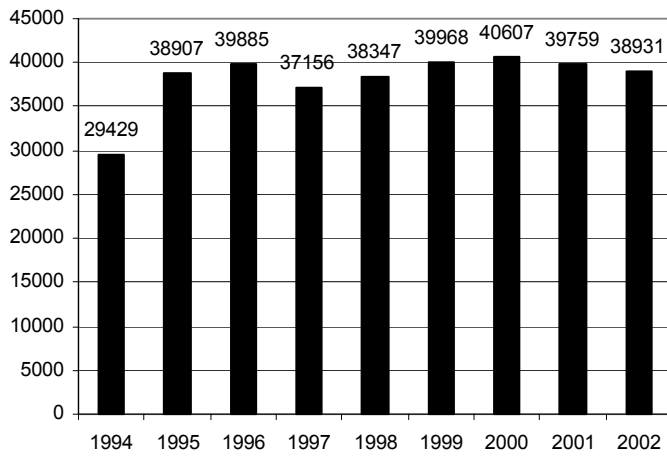
In 1995, the Shelby Police Department underwent a major change in the philosophy and approach of the organization. The department adopted an approach to law enforcement commonly known as Community Oriented Policing. This meant that, instead of rotating officers around to all three zones, certain officers are permanently assigned to a specific zone. It also means the greater use of foot and bicycle patrols, and generally increasing day-to-day interaction between officers and citizens. The intent is to build constructive relationships between police and citizens through regular interaction and familiarity. An additional benefit is that the police officers become thoroughly familiar with the physical as well as social make up of the area they are patrolling.

Accreditation

The Shelby Police Department was first accredited by the Commission on Accreditation for Law Enforcement Agencies (CALEA) in November 2001. The accreditation process requires compliance with a set of 447 standards dealing with departmental policies and procedures, management, operations, and support services. Currently, the Shelby Police Department is part of an elite group of 565 law enforcement agencies in four countries accredited by CALEA. In North Carolina, Shelby is one of 24 municipal law enforcement agencies accredited by the Commission. Accreditation is good for three years, during which time the agency must submit annual reports attesting continued compliance with the required standards. Most recently, the department was re-accredited by CALEA during a Commission meeting in December 2004. This is a prestigious honor for any law enforcement agency and is a measurable, objective benchmark regarding the professional practices and standards of the department.

Chart PS-1

**Service Calls By the Shelby Police Department
1994 to 2002**

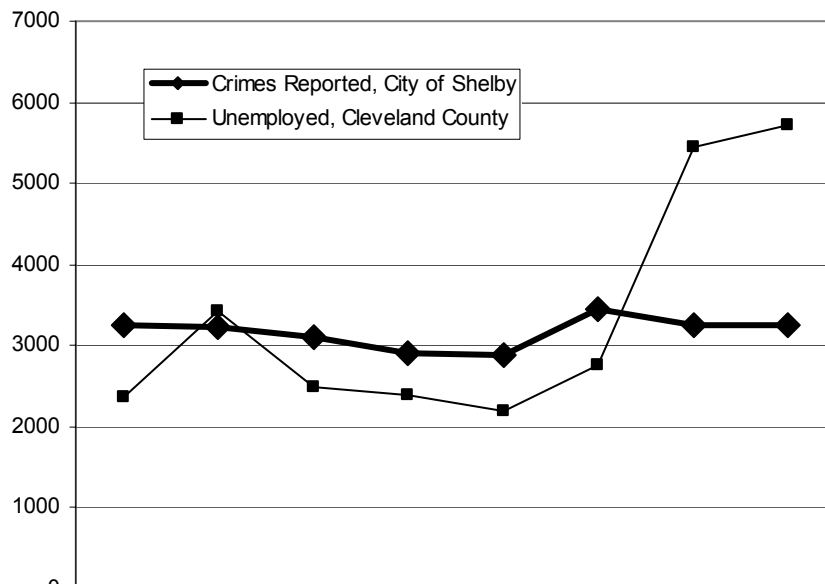


Service Calls

Chart PS-1 shows the number of service calls to which the Police Department has responded on an annual basis since 1994. Service call volume is a useful measure of overall demands placed upon the department. Note that the chart shows a huge jump (about 32%) in the number of service calls from 1994 to 1995. During this time, the City's population grew from about 16,000 to nearly 20,000 persons, or an increase of about 25%.

**Comparison of Crimes Reported in Shelby to Unemployment Levels in
Cleveland County, 1995 to 2002**

Chart PS-2



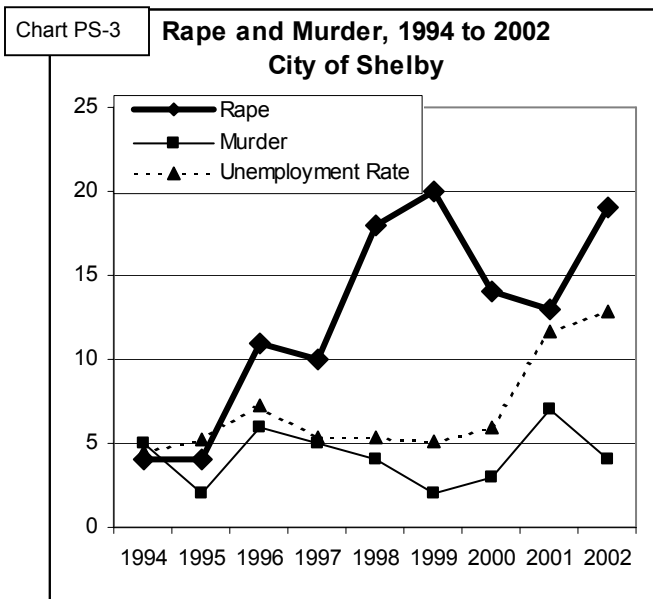
	1995	1996	1997	1998	1999	2000	2001	2002
◆ Crimes Reported, City of Shelby	3,265	3,234	3,096	2,914	2,880	3,459	3,264	3,245
■ Unemployed, Cleveland County	2,370	3,428	2,490	2,401	2,189	2,772	5,452	5,723

Criminal Activity in Shelby Relative to Local Unemployment, 1994 to 2002

Chart PS-2 (preceding) offers a comparison between criminal activity in the City of Shelby and unemployment levels in Cleveland County on an annualized basis since the mid-1990's. Interestingly, there appears to be a strong correlation between decreased criminal activity and lower unemployment levels during the booming economic period of the late 1990's. Based on this information, the conclusion might be drawn that, during periods of full employment, job opportunities reach down into the lowest economic levels of the population, reducing the need for "ill-gotten gains". And, while criminal activity does increase during periods of very high unemployment, it does not increase to the degree that might be expected—perhaps because many of the unemployed receive unemployment benefits.

Annual Statistics on Types of Crimes

Charts PS-3 through PS-6 shows Criminal activity according to index crimes. These eight index crime categories conform to the nationally accepted uniform crime reporting (UCR) system. The eight crimes are Part I crimes. Part I is broken into two categories; crimes against property and crimes against persons. The charts that follow show the numbers of various crimes from 1994 through 2002, the last year for which statistics were available.



The numbers on murder are relatively high when compared to other cities Shelby's size. Even so, at first glance it would appear that murder rates trend to track unemployment rates in Shelby.

Incidences of *auto theft* over the past ten years appear to show pronounced increases and decreases relative to the local unemployment rate. This has not held true, however, during the especially high unemployment periods of 2001 and 2002.

Incidences of *arson*, on the other hand, appear to have a near perfect correlation to unemployment rates. In fact, arson probably has the strongest correlation among all eight index crimes.

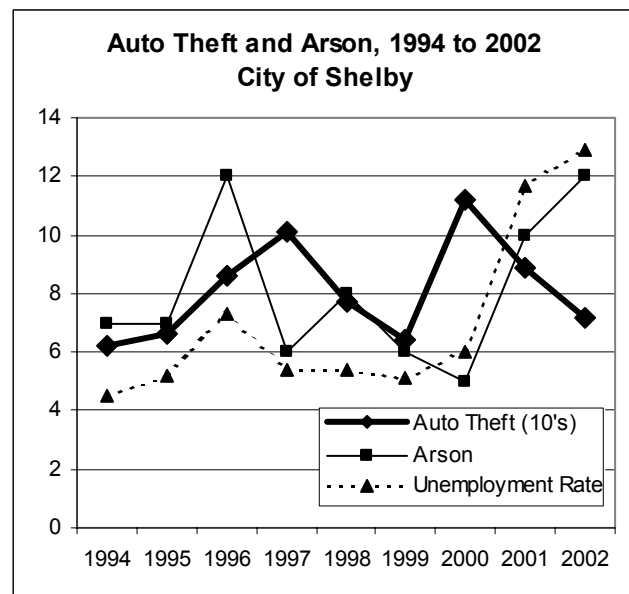
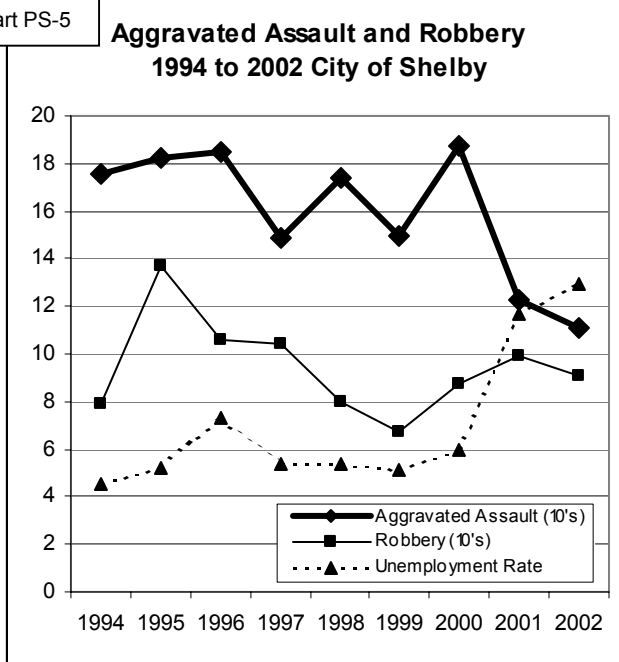


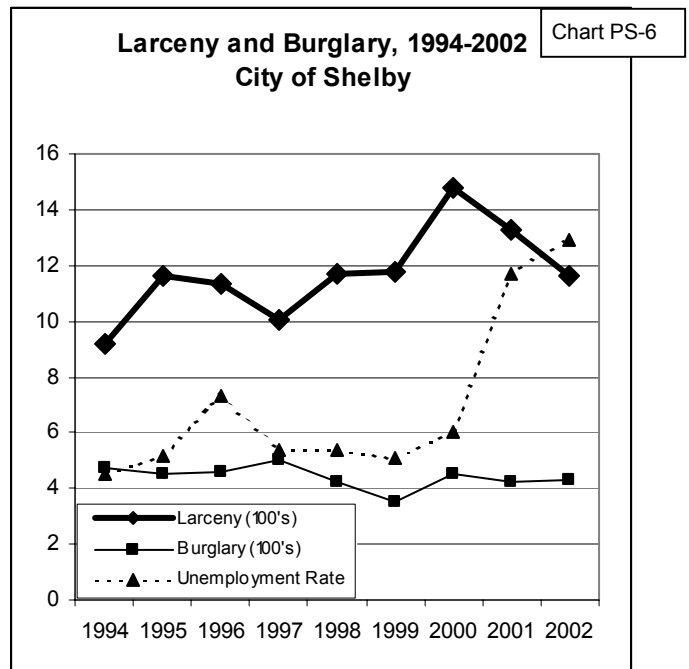
Chart PS-5



Incidences of both *aggravated assault* and *robbery* appear to correlate well with the local unemployment rate during the latter half of the 1990's. Since 2000, however, the unemployment rate has climbed dramatically while aggravated assaults have fallen.

Larceny appeared to be on an upswing during the latter half of the 1990's, but has fallen since 2000.

Burglaries have remained relatively steady throughout the study period, with some declines noted during the near full employment period of 1998 and 1999.



Thus, statistics in at least six and perhaps seven out of the eight index crime categories compiled by the Police Department appear to correlate with the local unemployment rate. While it may seem obvious, one way to reduce the crime rate is to improve the local economy. It would appear to confirm that when more people have an opportunity to work, at least some percentage of the population will turn away from crime or not go into it in the first place.

General Trends in Crime and Public Safety

In recent years, Police officers have noted a heightened Community Awareness of crime and a willingness by the Public to cooperate with the police to call in and report criminal activity. The community policing and crime prevention officers are responsible for facilitating the formation and operation of neighborhood watch programs. The City has 5 sworn officers assigned to the COP Unit. Currently, the City of Shelby has 12 active Community Watches and one Business Watch consisting of 52 members.

Discussion of City-Wide Speed Limits

From time to time, the City Council reviews requests to lower the speed limit in certain neighborhoods or on certain streets. To date, Council has resisted such requests, fearing that it might induce a flood of similar requests from other neighborhoods. There has also been no discussion to date of dropping the citywide speed limit from 35 to 30 miles per hour. The Department's *Traffic Team* owns a data collector that is capable of monitoring traffic counts and traffic speeds, slowest speed, fastest speed, etc. by hour of the day.

The Fire Department

Shelby has a professional, fully paid (not volunteer) fire department working from three fire stations: one on Charles Road, one on Grover Street, and the newest one on Kings Road Extension, which was established to help serve the newly annexed areas. There has also been some discussion of the need for an additional station somewhere in the southern part of Shelby.

Emergency Medical Services

Cleveland County provides emergency medical services (EMS) throughout the county including the City of Shelby. The County EMS building is co-located on the same property as the Grover Street Fire Station. Of course, all City fire department personnel are *emergency medical technician* (EMT) certified so as to be able to provide *first responder* services until County emergency medical personnel can arrive. The County EMS provides ambulance services as well as a quick response vehicle (QRV), which is a heavily equipped pick up truck, normally driven by EMS supervisors.

Historic Preservation and Uptown Shelby

Note: To better understand the information provided in this section, please refer to the [Uptown and Historic Preservation Areas Map \(Map 12\)](#) in the back pocket of this document.

Shifts in the Economy Make Historic Preservation Even More Important

With the decline of the textile mill economy, Shelby, like so many other communities across the country, must learn to adapt to major economic change. Historic preservation, heritage tourism and related business opportunities may become one of many new smaller industries that will replace the previous big industrial sectors that dominated 20th Century America.

Shelby Widely Recognized for its Great Uptown Area and Courthouse Square.

Shelby's Uptown area is the envy of many other communities across the state. Too many original central business districts have been allowed to deteriorate into vacant, lifeless, unattractive and unsafe areas. Shelby, on the other hand, has benefited from leaders who, over many years, have supported the Uptown as the historic, cultural and social heart of the community. Similarly, Shelby has been blessed by a very attractive Courthouse Square that is the physical and psychological centerpiece of the entire urban area. The Square exudes a sense of place and permanence not found in highway commercial strips, shopping malls, and office complexes.

Evolution of Historic Preservation and Revitalization Organizations in Shelby

The early 1980's were watershed years for historic preservation and revitalization in Shelby. The community was designated a *Main Street City* in 1980. It was one of the original main street cities designated in North Carolina.

The *Uptown Shelby Association (USA)* was formed in 1982 as an outgrowth of the City's Economic Development Commission and the Main Street Program. The stated mission of the USA is... *"to manage, promote, develop and enhance the quality of life and commerce in the Historic Uptown Shelby Business District through facilitating the combined efforts of government, civic and community groups, property owners and tenants to implement the four point Main Street approach. This four-point approach consists of activities in all areas of economic restructuring, design, promotion and organization, implemented in a professional and positive manner."*

The USA has emphasized historic preservation as a central strategy for economic development in the Uptown area. Included in that strategy have been concerted efforts to push the tangible financial benefits of tax credits when restoring historic properties.

A *municipal service-taxing district* covers the uptown area, generating about \$120,000 annually. These monies represent about one half of the operating budget of the Uptown Shelby Association. The City of Shelby provides another \$15,000+ annually from the general fund. The remaining part of the organization budget comes from a variety of other sources and fundraisers (Alive After Five Concerts, Christmas Parade, grants, etc.).

In March of 2000 an Implementation Plan for further improvements in the Uptown area was completed under the auspices of a pilot program sponsored by the NC Rural Economic Development Center and the Charles Stewart Mott Foundation. The full title of the plan was A Small Business and Entrepreneurial Development Strategy Designed to Assist All of Shelby and Cleveland County By Focusing on the Uptown Shelby Area. The plan set forth seven broad goals dealing with small business development, travel and tourism, the arts, community outreach, and on-going evaluation, among others. Numerous implementation steps designed to work toward the intended goals were also included in the plan.

The *Historic Shelby Foundation* was also established as an all-volunteer, non-profit organization in 1982. Recent accomplishments of the Historic Shelby foundation have included:

- expansion and updating of the Central Shelby National Register District
- creation of a National Register District for the East Marion Street/Belvedere Park area.
- listing of the Hudson-Hull House on North Lafayette Street in the National Register of Historic Places (tax credit benefits to the owner)
- listing of the Sperling House on Fallston Road in the National Register of Historic Places (tax credit benefits to the owner)
- Working with Uptown Shelby, the Arts Council and community theater, on efforts to restore Rogers Theater.

Four other buildings have been the focus of considerable attention by the Foundation. Two buildings have been the subjects of significant conservation easements, assuring the integrity of their architecture in perpetuity:

- Mason Square, a mixed use uptown project completed in the mid 1980's
- The Dr. Victor McBrayer House, a Victorian style home on North Morgan Street

Two houses that, upon death of the owner (life estates), will come under the care of Preservation NC (see section below on Preservation NC):

- The Bankers House, an excellent example of Second Empire architecture.
- El Nido, a unique Spanish Bungalow-style house located on West Warren Street.

Designation of Local Historic District(s)

Under the North Carolina General Statutes, the creation of a local historic district allows a community to review and approve changes to historic properties within the district. The subject of creating one or more local districts has attracted some interest locally, but apparently not enough to bring the action to fruition.

Based on historic inventory work completed to date, some study list areas in the older part of Shelby that might be particularly worthy of first consideration as a local historic district might include West Warren Street and North Morgan Street.

Creation of a Local Historic Properties Commission

Local area preservation interests have also raised the issue of creating an historic properties commission to preserve and protect individual historic properties in the area. That subject too, has not gained enough traction to make it happen.

Preservation North Carolina to Locate Its Regional Office in Shelby

Preservation NC is a statewide non-profit preservation organization. The organization works with local preservation groups to educate communities about the value of historic preservation, build organizational capacity, and help save historic properties threatened with destruction (the Endangered Properties Program).

Significantly, Preservation NC plans to locate its western regional office in Shelby within the next six months to a year. Initially, the office will probably occupy a small space in the Uptown area, facilitated by the Uptown Shelby Association. Eventually, the organization would plan to occupy a larger, permanent space in one of the life estate properties already earmarked for transfer to Preservation NC. (See above.)

The territory served by the Shelby office will include a 24-county region in the western part of North Carolina. It is hoped that the arrival of Preservation NC in the midst of Shelby will provide a catalyst and an on-going source of energy for historic preservation efforts locally. In particular, Preservation NC might be of most assistance to Shelby early on in the areas of community education and organizational development. There is a real need to further promote historic preservation as an economic development tool in Shelby and the presence of Preservation NC in Shelby promises to be an important resource to make that happen.

Heritage Tourism Potential

Oftentimes, along with the restoration and rehabilitation of historic properties, comes an opportunity to tell the history of an area through the sites and buildings that are preserved. *Heritage tourism*, or tourism focused on the unique cultural heritage of a particular area, is a growing segment of the US travel industry. The Shelby and Cleveland County area has a variety of heritage tourism sites that have not yet reached their potential. Examples include:

- Lawndale Historical Museum
- Shelby Farmer's Market (located in a Colonial Revival Brick Warehouse)
- Cleveland County Historical Museum on Courthouse Square
- Belwood Tractor Museum
- Kings Mountain National Military Park
- Kings Mountain Fire Museum
- Kings Mountain Historical Museum
- International Lineman's Museum
- Carrousel, a restored circa 1919 Herschell-Spillman Carrousel.
- Rotary Express Miniature Passenger Train
- Cleveland County Arts Center

Rogers Theater

Special note is made here of the historic Rogers Theater, or more properly described as the Rogers Theater Block, as it encompasses more than one building in Uptown Shelby. Located on East Marion Street, just one block east of the Old Cleveland County Courthouse, the Rogers Theater Block consists of four buildings, all but one of which were built in the Art Deco style of design. From the time of its construction in 1936 until it closed its doors in the late 1980's, the Rogers Theater was a center for live performances and film in the Cleveland County area.

In 1999, the Rogers Theater Consortium was formed to lead efforts to restore the building and reestablish it as an important film and performing arts center. In 2000 a feasibility study was commissioned to assess the physical condition of the structure and evaluate its potential for restoration. Funded in part by a grant from the National Trust For Historic Preservation and completed in January 2001, the study found that the Rogers Theater building by itself was too small to serve as a modern performing arts center. However, if

the Theater building were to be restored in tandem with the adjoining (former) Automobile Dealership Building, the two buildings together would work very well as a new *Rogers Theater Complex*.

The Feasibility Study estimated that it would require about \$3.7 million to restore the Theater Complex and outfit it with modern performance and film equipment.

Solid Waste Management

Solid Waste Management Planning

As required by State law, Cleveland County has a ten-year waste reduction plan in place. The City of Shelby, as well as other municipalities in the county, participate in the development and periodic updating of that plan. The current plan in force called for a 40% reduction in the waste stream entering the landfill by 2003. Like many other communities in the state, Cleveland County has not been able to achieve that goal.

Charges for Garbage Pick Up and Disposal

The City of Shelby charges residential customers \$4.95 per month for garbage *disposal*. Garbage *pick up*, on the other hand, is totally subsidized by the General Fund of the City. The actual cost to the City of providing pick up and disposal service is estimated to be about \$15 per month. Outside the City, two private companies, GDS and Waste Management, Inc. provide garbage pick up and disposal services under franchise agreements with the County. Charges from these two companies are reportedly about \$13 per month. As will be seen in the discussion immediately following, much of the additional cost associated with the City's service may be attributed to the extra expenses associated with back yard pick up service.

Privatization of Service

About five years ago, the City went through a process of considering the privatization of its garbage collection and disposal service. The City's own sanitation department also participated in the proposal process and won the bid.

Back Yard Pick Up Versus Curbside Service

The debate over the city's policy of providing backyard trash pick has intensified in recent years as budget considerations have come to the forefront. On one side, are those who argue that back yard trash pick up is a service that distinguishes Shelby from other communities who do not provide that same level of service. Proponents also argue that it is helpful to the elderly and disabled. It also keeps trash receptacles off the street.

On the other side of the debate are those who believe that back yard pick up is a relic from the past, a service whose benefits are not justified by the costs. These people would argue that most municipalities today have long since abandoned back yard pick up in favor of curbside service. Reasons include mainly the savings that would accrue to the City and its taxpayers. These savings come from largely from reductions in labor costs, as well as likely reductions in injuries, workman's compensation costs, equipment maintenance and several other cost factors.

A quick analysis of costs under two or three scenarios is useful. With back yard pick up, the City currently runs a four-person crew for each truck. Two workers run ahead of the truck, using special carts to bring trash from the rear of homes out to the street. With curbside service, crew size could be reduced to two-person crews, without changing the equipment being used currently. If the City were to purchase trucks equipped with a *one-armed bandit*, curbside trash pick up could be handled by one person working alone.

Labor Costs Under Three Scenarios

<u>Back Yard Pick Up</u> 4 Trucks, 16 Men \$448,000 annual labor cost**	<u>Curbside Service Using Existing Equipment</u> 4 Trucks, 8 Men \$224,000 annual labor cost**	<u>Curbside Service Using One Armed Bandit Trucks*</u> 4 Trucks, 4 Men \$112,000 annual labor cost**
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**Labor costs are calculated based on salary and benefits of about \$28,000 per worker. These costs are provided for illustrative purposes only. Actual labor costs could vary.

Equipment Costs Under Three Scenarios

<u>Back Yard Pick Up</u> No new trucks needed ¹ No new roll-out carts \$0 new equipment cost	<u>Curbside Service Using Existing Equipment</u> No new trucks needed ⁵ 9,500 carts @ \$40 each \$380,000 new equipment cost	<u>Curbside Service Using One Armed Bandit Trucks*</u> 4 New Trucks @ \$160,000 each 9,500 carts @ \$40 each \$1,020,000 new equipment cost
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Five Year Comparison of Savings, Back Yard Pick Up Versus One-Armed Bandits

A crude, five-year comparison of primary costs and savings of converting to one-armed bandit, curbside service from the present back yard pick up, is useful to provide a clearer picture:

Primary savings of converting to curbside collection.....	\$3,360,000
(Labor: 12 fewer men @\$28,000/yr X 5 years= \$3,360,000)	
Primary costs of converting to curbside collection.....	(\$1,020,000)
One-armed bandit trucks 4 @ \$160,000= \$640,000 (ignoring amortization costs)	
Roll-out carts 9,500 @ \$40 each= \$380,000	

Savings to the taxpayer/City of Shelby over five years \$2,340,000*

*Notes:

- (1) For comparison purposes, a penny on the property tax rate generates \$130,000. Last year, all of the City's property tax revenues amounted to \$5.6 million.
- (2) Due to amortization and other costs, the actual savings would not be as high as indicated; the point of this comparison is to simply demonstrate the order of magnitude of the savings.

As can be seen in the analysis above, labor costs are a major expense in refuse collection and disposal services. Even with this rough analysis, it is apparent that hundreds of thousands would likely be saved each year by being able to reduce the size of work crews necessary to run the collection program.

Household Material Piles Picked Up Free of Charge

The City does not charge residential customers for picking up and disposing of large quantities of household refuse, such as when someone cleans out an apartment or home and puts major amounts of household furnishings out to the curb. Despite not charging the renter or homeowner for this service, the City must pay \$28 per ton in disposal fees at the landfill, as well as provide a truck and manpower to pick up and transport the refuse. The pile of refuse may also sit at the curbside for up to two weeks until a city crew, operating on an alternating week schedule, can come by to pick it up.

¹ These scenarios seek to err on the side of conservative numbers concerning cost savings. To be fair, however, it should be noted that the City's existing trucks will eventually have to be replaced, resulting in additional costs for these two scenarios.

Household Refuse Disposal at the Cleveland County Landfill

The Cleveland County Landfill is located about 4 miles northeast of Uptown Shelby, near the intersection of Airport Road and NC 180. The current lined cell at the landfill is estimated to last another 5 years. Another lined cell is in the process of being permitted and developed. All total, the County owns about 450 acres at the site, which, according to County estimates, should last another 95 years. There appear to be no major environmental issues that would preclude further use of the property for landfill purposes.

Disposal of Construction and Demolition Materials at the County Landfill

The county landfill has a separate area set aside for the disposal of construction and demolition (C and D) materials. At present, this portion of the landfill is not required to be lined. New rules may soon be forthcoming, however, that would require C and D landfills to be lined. These rules would effectively reduce the life of the current C and D landfill space. They would also make it tougher for a major industry in the area, PPG, to dispose of some by-product materials generated by its manufacturing operation. A delegation from the County recently went to Raleigh to contest the need for such a change in the requirements. The City has also been asked to join in the opposition to the new rules.

Current Recycling Program

The City has a voluntary recycling program in conjunction with the County. There is no curbside pick up of recycled materials, however. Instead, recycled materials are accepted at one drop off location in the City near the center of town. Items eligible for recycling include aluminum cans, plastic bottles, glass of different colors, newspapers, cardboard, used oil, batteries and tires. There are a total of 8 drop-off sites in the county as a whole. Reportedly, the amount of money generated by the program is not sufficient to meet expenses. While the need for a mandatory recycling program is occasionally brought up for discussion, it does not appear to have widespread community support. Officials overseeing the City's sanitation program believe that it might be more logical to first implement curbside pickup and then address curbside recycling.

Parks and Recreation

Note: To better understand the information provided in this section, please refer to the Parks and Recreation Map (Map 13) in the back pocket of this document.

Overview

As a community, the citizens of Shelby take pride in their commitment to quality of life amenities including the many excellent park and recreation facilities in the area. Planned near term improvements to City-owned facilities include major renovations to the City's two largest recreation Centers, City Park and Holly Oak Park. Another major project on the horizon is a new Community Sports Complex and Regional Recreation Facility. Finally, the City continues to be concerned about several smaller existing parks that appear to have outlived their usefulness. Details follow.

Shelby Parks and Recreation Department Advisory Board

This nine-member, volunteer board is appointed by Shelby City Council and makes recommendations regarding recreational facilities and activities. The Board provides input on a wide range of community recreational needs including programming, facilities, and maintenance. Also, the Board serves to make suggestions regarding future planning and development of recreational facilities. The Board was recently awarded the 2003 Citizen Advisory Board of the Year by North Carolina Recreation and Park Society.

City Park

Built in 1948, the City's largest community center includes the offices of the Shelby Parks Department, a 1,500-seat gymnasium, a stage, aerobics room, gymnastics room, fitness room, and an aquatics center (See below.). Also on the grounds are a mini-train and depot, carousel pavilion, four baseball fields, three picnic shelters, a nine-hole golf course (10,000 rounds per year), croquet, volleyball, and a nature garden. The aquatics center operates June to August and draws about 400-500 people per day.

Holly Oak Park

Opened in 1959, the Holly Oak Recreation Center includes a gymnasium and associated ancillary spaces. At one time, it had a swimming pool. A new one-mile loop nature trail was recently added here.

Renovations Planned at City Park and Holly Oak Park

Major renovations are planned at both City Park and Holly Oak Park during 2004. A budget of \$1,352,000 has been appropriated for use at both parks. Planned physical improvements include new lighting, new ceilings in gym and lobby areas, new paint, renovation of rest rooms. City Park Recreation Center will also receive a new roof.

Shelby Aquatics Center

The Shelby Aquatics center opened in June of 1996 at a cost of \$1.8 million. It is considered to be one of the premier swimming facilities in the South. The ten lane Olympic size pool has a rim flow system without gutters, automatically maintained chemical system, a Colorado timing system, a three-meter diving board and a one-meter board over the deep end. A teaching/training pool was also completed. A covered picnic pavilion, full kitchen/concession area and bathhouse are also a part of the pool area.

Community Sports Complex and Regional Recreation Facility

Another major project waiting in the wings is a planned new Community Sports Complex for Shelby. Much of the driving force for this new park facility rests with the private sector*. Once constructed, the \$5 to \$6 million facility could be turned over to the City for operation and maintenance. The City is looking carefully at the issue of OMR costs as estimates are that it will take about \$225,000 per year to operate the facility, compared to about \$50,000 in projected revenues. Softball fields, baseball fields and soccer/football fields will be the centerpiece of this major athletic complex. . Ballfields would be laid out in a wagon wheel arrangement around a central building. Originally conceived of as a youth sports complex, the facility has evolved into a multi-purpose regional recreation facility to include picnic shelters, walking trails, horseshoes and more. This broadening of the scope of the facility is expected to aid in the acquisition of grant funds. While a site has not yet been chosen, it is estimated that the facility will need a minimum of 60-70 acres of useable land.

Existing Smaller Urban Parks

There are about a half dozen older urban parks in Shelby that, in the opinion of many, serve little useful purpose today. The neighborhoods around these older city parks have transitioned from areas with young families and school-age children to areas of senior citizens and few children. When originally built, they were well placed for the use and enjoyment of many Shelby residents. Now these same parks have little use, except as hangouts for undesirable activities. Three examples include:

Plaster Park, Located near the Ramblewood housing complex, amenities include a baseball field, tennis court, and playground. At one time the park also had bathrooms, a concession stand and press box. Over the years, the City hosted many successful tournaments here. Since about 1980, the park has slowly

* A fund raising campaign for the sports complex has been put on hold to allow the community college, the hospital, the high school and others to complete their fund raising campaigns. Construction of the facility is probably 3 to 5 years off.

turned into a teen/early 20's hangout, and has become heavily vandalized. Drinking, drug activity, and shootings are unfortunate activities at this park.

Jefferson Park, Located in northeast Shelby, this two-acre park has a baseball field and outdoor basketball courts. At one time it had a permanent utility building with bathrooms. Like Plaster Park, it also has turned into a teen/early 20's hangout, with sordid activities commonplace.

Moose Park, Located fairly close to City Park, off Gold Street, this park was once a popular place for outdoor recreation. Thirty years ago the park had large numbers of children using the playground, playing basketball, and using a large multi-purpose grassed open space. Today, while loitering and vandalism are not as prevalent as at Plaster or Jefferson Park, there simply aren't any kids in the neighborhood.

Demand for a Skate Park

Once considered a fringe recreation activity, skate boarding has reached mainstream levels across the US. Asheville, Hickory, Gastonia and Morganton are just a few of the many communities that have constructed skate board parks in recent years. Skateboarders in Shelby need an alternative to the streets and parking lots of Uptown Shelby.

The City of Shelby is considering the possibility of building a new Skate Park. A sub-committee of the Parks and Recreation Citizen Advisory Board has been working with staff, a local architect and professional Skate Park design firm for the past several months on site, design and cost estimates. It is the consensus of the group that the Park be constructed on City owned property near Shelby City Park. While the actual Skate Equipment could be purchased for about \$50,000, the amenities such as restrooms, parking, fencing, surfacing, etc. will make this significant Capitol Project topping \$300,000. It will be vital that a private partnership enlists to help the City with considerable construction contributions.

Also, in December 2004, the Royster Family Heirs contributed 55 acres of land to Shelby City Park. Plans are to hire a consulting firm to work with staff, advisory board and citizens to determine the best use of this property. Once a plan is established, it would make for an excellent PARTF matching grant opportunity. The grant application could also include the Skate Park if sufficient funds are not raised by private sector.

Cleveland County's Role in Parks and Recreation

Cleveland County has no parks and recreation department. Rather, the County provides capital improvement grants to the various municipalities in the County using retail sales tax reimbursements. Grants are given in accordance with the "effort" expended by a particular town to provide parks and recreation facilities. For example, a town with plans to build more ballfields will receive a proportionately larger grant than a town with no plans to add ballfields.

The Cleveland County YMCA provides for recreation programming in some areas of the county not served by the City of Shelby's recreation programs. The County YMCA has branches in Boiling Springs and in Kings Mountain.

Schools

The Three Previous School Systems Recently Became One Consolidated System

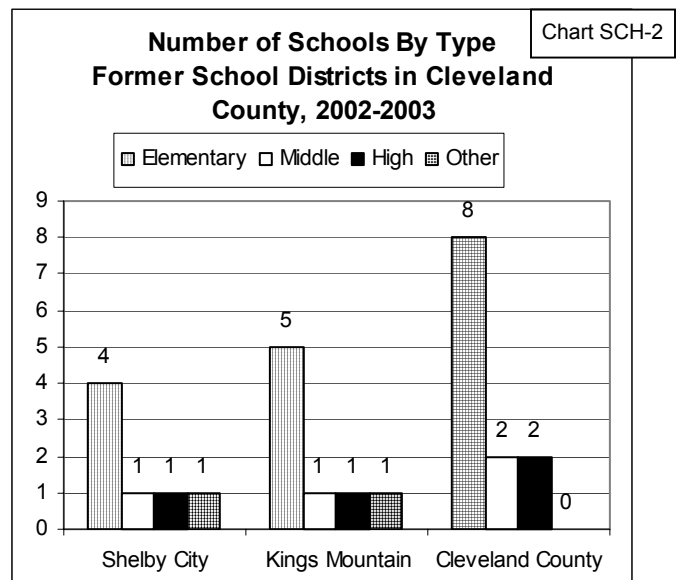
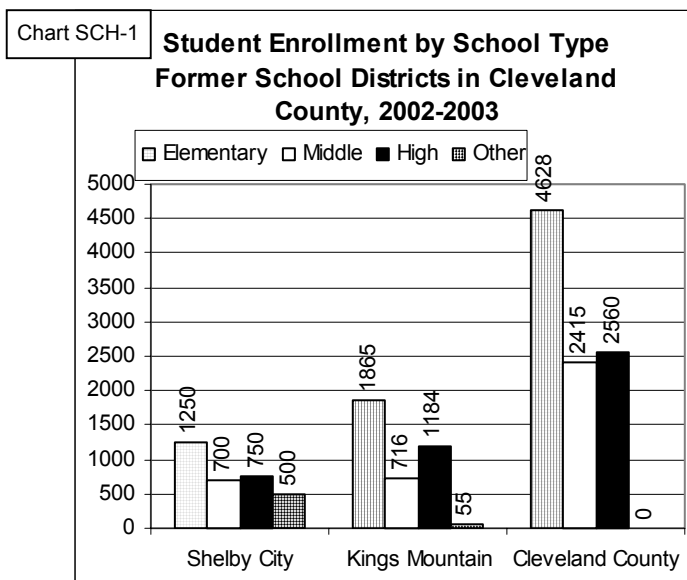
Until recently, there were three school districts operating in Cleveland County: the *Shelby City School District*, the *Kings Mountain School District* and the *Cleveland County School District*. In January 2000, the Cleveland County Commissioners voted to merge the three systems into a consolidated school system. Also in January, a new nine-member Board of Education was sworn in. (The previous Cleveland County Board had five members.)

The impetus for merging the three systems reportedly began within the business and industrial community, which then led to the County Commissioners. Among the reasons given for the merger were: (1) Many business and industry leaders felt that a consolidated school system would help project a forward thinking and proactive image for Cleveland County that. So long as the county was split into three districts, the perception of the county would not be positive to prospective businesses wishing to relocate to the area. (2) Current disparities in educational achievement between the three systems (each has its own strengths and weaknesses) could be rectified. The hope is that the newly consolidated system will benefit directly from the best practices employed by each former district. (3) Some residents felt that a consolidated system would be more efficient in terms of maximizing the effectiveness of tax dollars. (e.g. one school superintendent and one finance officer rather than three of each)

While the merger of the three former school districts has been approved, its implementation is far from complete. Merging these systems will require an enormous amount of work and reorganization. At the time of this writing, the new superintendent of the consolidated school system (the former County schools superintendent) is in the process of preparing an implementation plan.

Statistics Available for Local Area Schools

The newly consolidated school district has not been in place long enough for statistics to be compiled. Therefore, no statistics are available on the physical make up of the consolidated school system or its performance. The numbers provided in this section have been collected for all three districts and presented together for statistical analysis.

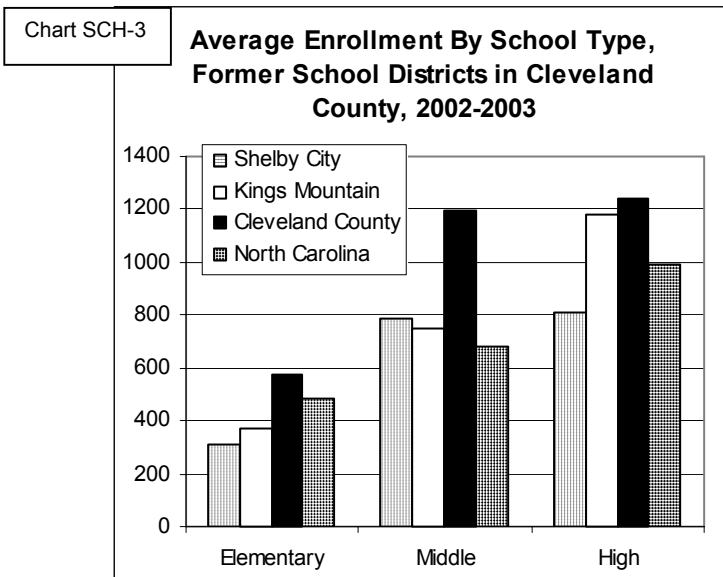


Relative Size of the Three Former Districts

Chart SCH-1 shows that the former Cleveland County School District brings the largest number of students into the new consolidated system. Overall, the former County school system accounted for nearly 10,000 students in recent years. At the same time, the number of students enrolled in the former Shelby City School District and the Kings Mountain District are quite similar at between 3,000 and 4,000 students each.

Number of Schools By Type

As shown in the chart to the left, the newly consolidated school system has a total of 28 schools: 16 elementary schools, 4 middle schools, 4 high schools, 2 intermediate schools, and 2 special schools (Davidson Special School and North Shelby). The former Cleveland County school district has roughly twice as many schools of each type (elementary, middle and high) as either of the former Shelby City schools or the Kings Mountain school district. As will be seen in the graph below left, Cleveland County schools also tend to have larger student enrollments.



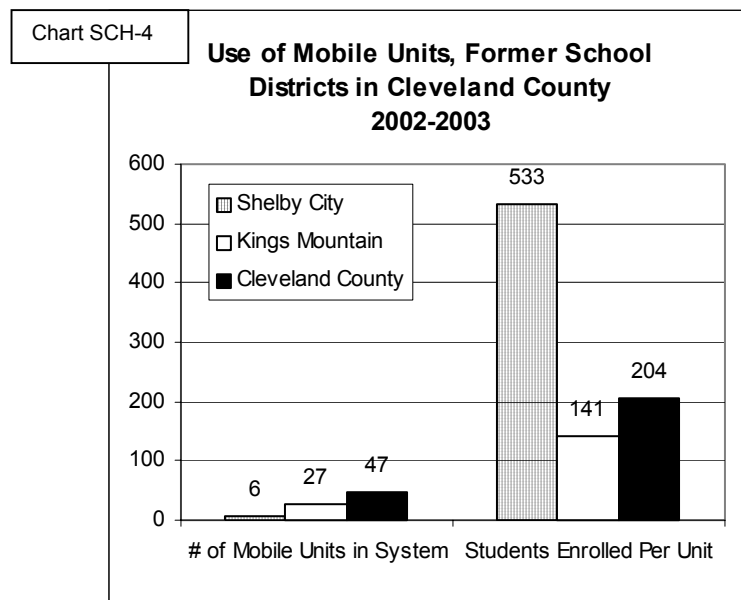
Average Enrollment By School Type

Shelby City elementary schools, as well as the high school, tend to have smaller enrollments on average, than those of the former Kings Mountain or Cleveland County school systems. School enrollments within the former Cleveland County district tend to be considerably larger on average than either of the city school systems or the state as a whole. Some elementary schools in the former Cleveland County system have close to 800 students, while none in the Shelby School district have over 400 students.

Current School Enrollments Versus Design Capacities

A fundamental task of the school system reorganization will be to determine the design capacities of all existing schools as compared to their current enrollment levels. These numbers will be subject to revision as new additions are built onto existing schools or as the numbers of school age children within each school district change from year to year. In addition, school capacity numbers are not always as straightforward as one might think. The availability of computer lab rooms, space for art and music classes, library seats, etc. must all be factored in as part of the school capacity equation. Ultimately, a precise knowledge of school capacities and enrollments will lead to the development of a school-redistricting plan. Significantly, one of the first actions of the newly created school board was to vote to give the new school superintendent adequate time to come up with a carefully thought out plan for school redistricting. This means, effectively, that there will not be a rush to have a new redistricting plan in place by the beginning of the 2004-05 school year. Rather, a redistricting plan is expected to be in place in time for the 2005-2006 school year.

A fundamental task of the school system reorganization will be to determine the design

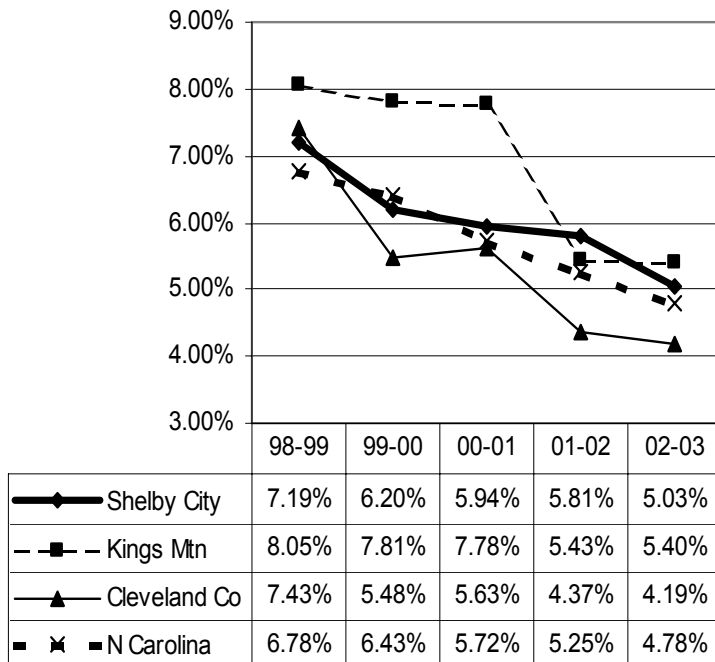


Use of Temporary Mobile Units

Chart SCH-4 shows that during 2002-2003 Cleveland County, Kings Mountain and Shelby City used a total of 49 mobile units to supplement its school space. The recent construction of additional elementary school space in the County will soon allow some of these mobile units to be removed. The chart also shows that there are very few mobile units in Shelby relative to the number of students enrolled in Shelby city schools. In general, this is a reflection of overall excess capacity in the former Shelby City School System and overcrowding in Cleveland County Schools.

Chart SCH-5

**High School Drop Out Rates, Local & State
1998-99 to 2002-03 School Years**

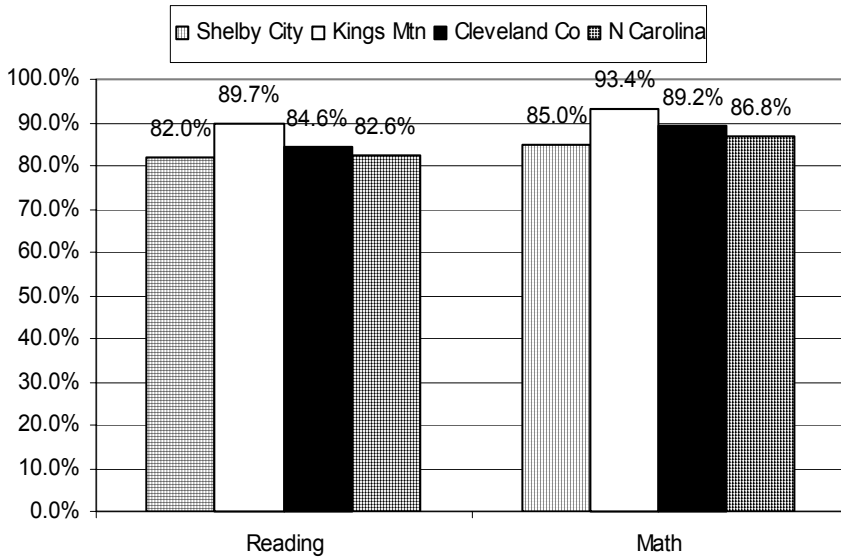


High School Drop Out Rates, 1998-2003

While the decision to stay in school or drop out ultimately comes down to the individual, drop out rates are nonetheless an indicator of the effectiveness of school systems in retaining young people for the goal of a high school education and diploma. Chart SCH-5 reveals that high school drop out rates locally and throughout much of North Carolina have been on the decline for at least the last five school years. Of the three former school systems, Cleveland County has consistently achieved the lowest drop out rates. During the same period, Kings Mountain schools made significant strides, reducing that system's drop out rate from over 8 percent in 1999 to 5.4 percent in 2003. Meanwhile, drop out rates in Shelby city schools have tracked closely to state averages—higher than Cleveland county but lower than Kings Mountain.

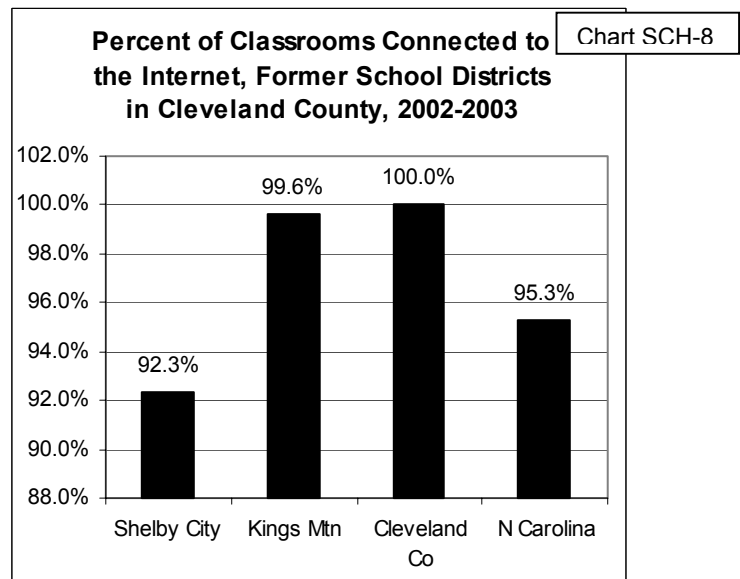
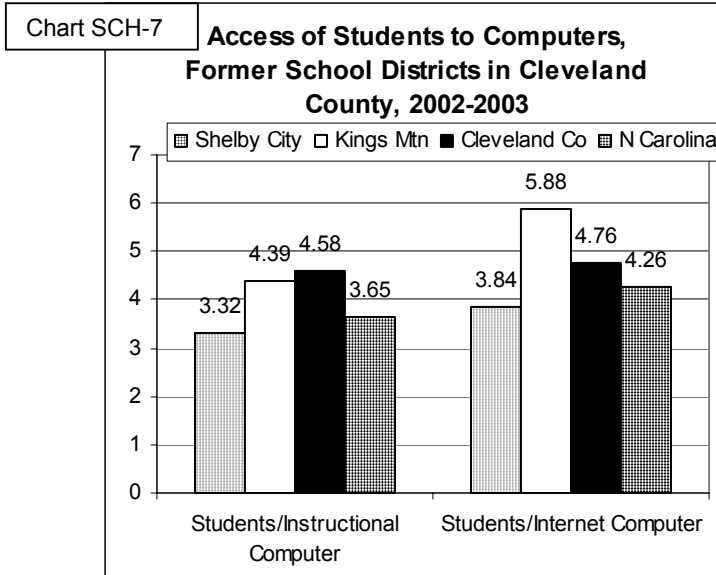
Chart SCH-6

% of Student Scores At or Above Grade Level, ABCs End of Grade Testing, Former School Systems in Cleveland County, 2002-2003



Students Performing At or Above Grade Level, 2003-2004

Chart SCH-6 reveals that Kings Mountain schools achieved the best performance regarding end of grade testing under the State ABC's program. Students in the former Kings Mountain school district were about 8 percentage points higher than Shelby City schools in both reading and math. Kings Mountain students also outperformed the average student statewide.



Access to Technology

Charts SCH-7 and SCH-8 above serve as proxies for measuring each school system’s emphasis on *access to technology*, namely computers and the Internet. Students in the former Shelby City Schools have more access to instructional computers connected to the internet. Kings Mountain and Cleveland County, however, have a higher percentage of classrooms connected to the Internet.

Health Care

Cleveland Regional Medical Center

Cleveland Regional Medical Center (CRMC), located on Grover Street about one-half mile north of Courthouse Square, is a 261-bed, acute care, not-for-profit medical complex. The medical center has specializations in oncology, cardiology, rehabilitation, surgery, women and children’s services, and critical care. CRMC’s Emergency Department is designated as North Carolina’s first Level III Trauma Center. Partnered with Carolinas Medical Center in Charlotte, CRMC’s Emergency Department is certified for all emergency situations. CRMC also operates Cleveland Pines Nursing Center, a 120-bed, long-term care center, and Crawley Memorial Hospital, a 60-bed, acute and long-term care hospital in Boiling Springs.

Chronology of Dates in the Development of the CRMC¹

- 1910 Cleveland County’s first private hospital opens in a building originally constructed as a teaching academy.
- 1923 The new Shelby Hospital opened with 43-beds.
- 1945 Cleveland County took over the management of Shelby Hospital.
- 1952 A new \$600,000, 57-bed wing was added, increasing capacity to 125 beds.
- 1956 Another \$450,000 wing was added, increasing the bed capacity to 175 and staff to 181.
- 1957 Cleveland County leased the hospital to a board of trustees for operation. Later that year the facility was renamed Cleveland Memorial Hospital.
- 1967 Another wing, costing \$3.8 million, adding 100 beds and bringing patient capacity to 275.
- 1968 Intensive Care Unit opened.
- 1972-75 \$1.5 million project expanded outpatient and X-ray services and provided a new entrance, classrooms, an auditorium, waiting room and coffee shop.

¹ The dates listed in this chronology were gleaned from the CRMC website.

1987	Hospital board, after careful study, determines that a new hospital is needed.
1988	Voters approve, by a 3:1 margin, a \$25 million bond referendum to help finance a new hospital.
1989-92	New hospital building constructed. Cleveland Pines Nursing Center also opens.
1996	Cleveland Memorial Hospital begins doing business as Cleveland Regional Medical Center (CRMC); the county commissioners approve a lease agreement between CRMC and Carolinas HealthCare System ¹ .
1998	Crawley Memorial Hospital, a 60-bed, acute and long-term care hospital in Boiling Springs merges with CRMC.
2000	Cleveland Regional Rehab (CRR), in partnership with the Dover YMCA, opens. The Cancer Center at CRMC becomes Blumenthal Cancer Center . The Cleveland Regional Heart Center is founded as part of The Carolinas Heart Institute at Carolinas Medical Center
2003	The (CRMC) and Kings Mountain Hospital (KMH) integrate into one hospital system under the Cleveland County HealthCare System.

HealthCare Enterprise

Most of Cleveland County's medical service providers, including both CRMC and its medical staff, participate in a unique healthcare partnership called the HealthCare Enterprise. Developed in 1997 to assure clients a seamless and cost-efficient approach to healthcare, the partnership includes services from physician care to hospital, health department, home health, rehabilitation and fitness, and hospice care. A goal of the Enterprise is to foster a healthier community where residents actively participate in their own wellness.

Economic Prospects Today

Economic Changes Over the Past Five Years Have Been Largely Negative...²

About 4,300 jobs have been lost in Cleveland County over the past five years (1999-2004). During the same period, about 30 manufacturing plants closed their doors. Most were textile and apparel related, with jobs going largely to Mexico, China and Asia. For a county that had grown accustomed to near continuous full employment over many decades, the sudden onset of an unemployment rate peaking as high as 16% in 2001 (currently at about 10%) came as major shock to the local economy.

Cleveland County has a tradition of *much* higher than average employment in manufacturing (about 33%) with many jobs in the textile-related industrial sector. This traditional reliance upon manufacturing is even more pronounced when compared to recent state (16.7%) and national (12.0%) figures for manufacturing as a percent of all jobs.³

¹ The Carolinas HealthCare System, headquartered in Charlotte, is the largest healthcare system in the Carolinas, and one of the largest publicly owned systems in the nation. Carolinas HealthCare owns, leases, and manages hospitals, nursing homes, physician practices, home health agencies, radiation therapy hospitals, managed care companies and other healthcare related operations, comprising more than 4,410 licensed beds and approximately 17,000 employees.

² For further analysis, the reader may wish to review the recently completed Comprehensive Economic Development Strategy or CEDS report. Due to plant closings, mostly in the textile industry, and economic impact of an estimated 12,000 jobs being lost in Gaston and Cleveland Counties, the two counties were able to secure grant monies (\$240,000 economic adjustment grant from the U.S. Department of Commerce and \$60,000 in community development block grant money from the state) to fund the study. Completed in July 2003, the report evaluated economic, social and structural conditions in the area, and suggested multiple strategies to improve future economic prospects for the two-county area.

³ John Silva, Chief Economist, Wachovia Corporation, citing a company economic report published February 25, 2004.

Also during the past five years, the County saw a sizeable number of jobs created, though most were from small business start-ups and expansions that often go unnoticed. One higher profile company that came into the County during this period was Sara Lee, a manufacturer of ladies undergarments. The company created about 850 to 900 new jobs at its manufacturing facility in the County Industrial Park in Kings Mountain. The relatively new Wal-Mart Distribution Center reportedly added another 700 to 900 new positions in the Shelby area.

...But Many Fundamentals Remain Strong

Given the recent period of plant closings and job lobs, it would be easy to become disconcerted about the future of Shelby. Yet, when one looks past the recent downturn in largely one manufacturing area (textiles), it can be seen that many important fundamentals are in place that could bode well for the future of the area. Listed below and on several pages following are a few of these fundamental advantages of Shelby:

In-Migration From Other States to “Quality of Life” Areas in North Carolina

From a very broad perspective, Shelby could soon be part of the massive movement of people from other states to “quality of life” locales in North Carolina. To date, most of the recipients of this national migration have been either large metropolitan areas, like Charlotte or Raleigh, or mid-sized communities that have a particular draw, such as Wilmington and its beaches or Asheville and its mountains.

As these areas have grown, however, the crowded conditions, infrastructure limitations and rising taxes are causing newcomers to explore second and third tier communities as places to live and do business. In the years ahead, and with preparation, Shelby stands to reap the benefits of such a trend. Several of the economic strengths described below build further on the specifics of this trend.

Less Than One Hour From a Major Metropolitan Area (Charlotte)

Shelby has the advantage of having its own unique identify, while at the same time, having convenient access to a modern, rapidly growing major metropolitan area. Charlotte has arts, entertainment, culture, professional sports and upscale shopping of world-class caliber. Charlotte has emerged in the past decade as the major financial center for all of the southeastern US.

45 minutes From An International Airport (Charlotte Douglas)

Shelby is fortunate to be located west of Charlotte, on the same side of town as the Charlotte Douglas International Airport. Executives of companies in Shelby can leave their office and be at the Charlotte airport in about 40 minutes. Charlotte-Douglas Airport averages 500 daily departures and 23 million passengers annually. Nine major airlines provide service in and out of Charlotte, including American, Air Canada, ATA, Continental, Delta, Lufthansa, Northwest, United and US Air. Eight regional carriers also serve the airport. Collectively these airlines provide non-stop service to 148 cities, including about two dozen international destinations.

Far Enough Away to Avoid the Congestion

Areas to the north of Charlotte have become choked with development in the past decade. Areas to the east (out US 74 east) have been congested for many years. Areas to the south of the city are seeing tremendous growth at present. As those areas become more heavily congested and lose their attractiveness for development, areas to the west may naturally become ripe the next wave of growth. Shelby, with its relatively freestanding location, may become the attractive alternative to those who wish to live a short distance beyond the reach of the booming, spreading Charlotte metropolis.

Small Town Quality of Life

Surveys consistently show that, if given the choice, Americans would rather live in a small town than in a suburb or large city. Most recently, for example, a Money Magazine/America Online poll¹ found that nearly 1 in 3 persons preferred small town living over suburbs, cities or even “the country”. The citizens of Shelby have the great advantage of having access to a world-class city like Charlotte, while living in a community with a genuine small town character and quality of life. Shelby is not a bedroom suburb of Charlotte. Rather, it is a well-rounded community with its own small town amenities and sense of place. Over the years, Shelby has established a tradition of investing in itself, which is a positive indicator of community involvement and commitment to the hometown. Investments in the community have included a first class natatorium, an outstanding YMCA, Gardner-Webb University, country clubs and golf courses, the City’s parks, and an uptown core that is the envy of many other towns.

Excess Water and Sewer Capacity

The recent closings of several area textile mills, while disappointing, has a silver lining. These closings have freed up excess capacity at the City’s water and sewer plants. In this sense, Shelby is in a much stronger position to recruit new industry than would be many communities in North Carolina who are facing treatment plant capacity shortages. Adding more weight to the importance of such excess capacities is the increasing difficulty in securing state and federal permits for water and sewer treatment plant expansions. Under the best of circumstances, it can take many years to receive such permits, if they are granted at all.²

Ability to Provide Special Incentive Rates for Electricity

Because the City of Shelby is not subject to controls by the State Utilities Commission, the City’s electric utility has more flexibility than Duke Power to structure special electric rate packages as an incentive for new businesses. This flexibility can include special time of use rates, peak-use generators, and other special arrangements.

Availability of Affordable Industrial Land

Compared to many other areas, affordable, buildable land can still be found in some abundance in Cleveland County. Land for industrial use can be purchased locally for \$15,000 to \$20,000 per acre out in the county. Industrial land located closer in, with convenient access to a full range of urban services, can be purchased for about \$60,000 to \$70,000 per acre.

Labor Force Used to Hard Work, and a History of Loyalty/Dedication to Their Employers.

The Shelby area has a 100-year plus tradition of providing steady, committed workers for area industries. While it is a character trait that is difficult to quantify, multiple generations of families that grew up with the textile industry have imbued a spirit of loyalty and industriousness to area workers.

¹ Money Magazine/America Online poll conducted March 11, 2004

² **Excerpts from a recent news article on the subject of water supplies in NC included...** The N.C. “Rural Economic Development Center will head the yearlong (statewide water supply) study, which it says will be a guide for local governments as they make critical decisions about future water supplies. Water and wastewater treatment capacity, center officials pointed out, are key to attracting new industry, supporting farmers and fueling the growth of towns. “We’ve lived so long in a water- rich state that many of us take it for granted,” said Billy Ray Hall, president of the center. “But the pressures are growing on our water resources.” The state has already ordered 15 eastern counties to reduce their reliance on underground aquifers; their water levels have been dropping from overpumping...A 1998 study of 78 rural counties found water and sewer needs that would cost more than \$11 billion...” (Raleigh News and Observer, Saturday March 13, 2004)

Cleveland County is not in an Air Quality Non-Attainment Area

In July of 2003, the State of North Carolina recommended to the U.S. Environmental Protection Agency that 11 counties and parts of 24 others be designated by the federal government as not meeting air pollution control standards for ozone. Cleveland County was not among these recommended “Non-Attainment” areas.

Non-attainment areas are regions that do not meet federal air quality standards for pollutants such as airborne particles or ozone. The U.S. Environmental Protection Agency (EPA) sets non-attainment boundaries based on recommendations from the states; the designations can have implications for growth and development, including the withholding of federal highway funding.

Of interest, nearby Gaston County and Mecklenburg County have been recommended for ozone non-attainment status in their entirety, while the nearby counties of Burke, Catawba and Gaston have all been recommended for partial designation. Similarly, the three metropolitan areas in North Carolina that are the most likely to be declared as non-attainment areas for particulate matter include the Hickory metropolitan area to the north of Cleveland County, and the Charlotte metropolitan area to the east (The Triad area is the third).

Fortunately, Cleveland County does not have the ozone and particulate problems associated with heavy automobile traffic and/or major air polluting industries. This means that the county is not restricted from receiving federal funding for additional highways and may be able to accommodate new industry that might be precluded from locating in a non-attainment area.

Access to Interstate Highways I-85, I-40, and I-26

While Shelby is not located directly on an interstate, it is strategically positioned between several major interstate highways:

- Access to I-85 south (Spartanburg/Greenville) is about 15 miles southeast of Shelby via NC 18.
- Access to I-85 north (Charlotte/Greensboro) is about 15 miles east of Shelby via US 74.
- Access to I-40 west (Asheville/Knoxville) is about 40 miles northwest of Shelby via NC 226.
- Access to I-40 east (Hickory/Statesville) is about 40 miles northeast of Shelby via NC 150.
- Access to I-26 west (Hendersonville/Asheville) is about 35 miles west of Shelby via US 74.

Many people point to the decision by Wal-Mart to locate their regional distribution center in Shelby as an example of a company that recognizes the unique position of Shelby relative to these various interstate highways.

City of Shelby Has A Customer-Friendly, Responsive City Government

Shelby has earned a well-deserved reputation for running a customer-oriented city government. This can be seen in the City’s permitting program for new development. The City also does a commendable job of coordinating utility system extensions and hook-ups with new developments.

Basic Educational Offerings Are Good and Getting Better

For many years, the traditional textile mill economy and culture of Cleveland County did not place a high value on education. For this reason, fewer adults in Cleveland County possess a high school diploma than the average statewide (See Growth Factors Analysis, Chart S-7). Even so, standardized tests reveal that the area’s public schools are performing well and are getting better each year. Local area schools offer the opportunity for a good education for those who wish to take advantage. Significantly, the county’s three school systems (Cleveland County, Shelby City and Kings Mountain City) were recently merged into a single public system. Implementation of that merger is on going.

Higher Education and Training Available Locally

Cleveland County Community College, located in Shelby, provides convenient, affordable one-year diploma and two-year degree programs, continuing education opportunities and retraining for area workers. Gardner-Webb University, located in Boiling Springs, has a solid reputation for the quality of both its programs and faculty, having received many honors as being among the best universities in the Southeast. The school offers associate, bachelor, masters and doctoral degree programs as well as certificate courses for non-degree students. Over 45 undergraduate majors are offered.

Cleveland Regional Medical Center

Cleveland Regional Medical Center (CRMC), has an excellent reputation for the breadth of medical services offered and the quality of care delivered. The medical center has specializations in oncology, cardiology, rehabilitation, surgery, women and children's services, and critical care. CRMC's Emergency Department is designated as North Carolina's first Level III Trauma Center. While there are world-class medical services in Charlotte, most medical conditions can be handled capably by the CRMC without ever having to leave the Shelby area.

Structure of Economic Development Program in Shelby and Cleveland County

General

For most of the 1990's, the area's economic development program was vested in one person who worked directly for Cleveland County government. In 2003, the economic development function was assumed by the Cleveland County Chamber of Commerce, under the supervision of the Chamber president. The Senior Vice President for Economic Development reports directly to the Chamber president, who in turn, receives direction from the Chamber's 12-member elected board.

Chamber's Existing Industry Program

The Chamber's Economic Development Program has a full-time person who focuses solely on existing companies in the area (about 150) and visits them on a routine basis. This person is charged with making sure the resource needs of these companies are being addressed. The purpose of the program is to foster business retention and expansion. (80% of new jobs created come from existing companies. Between July 2003 February 2004, Cleveland County benefited from about \$17 million in new investment and about 350 jobs from existing business.)

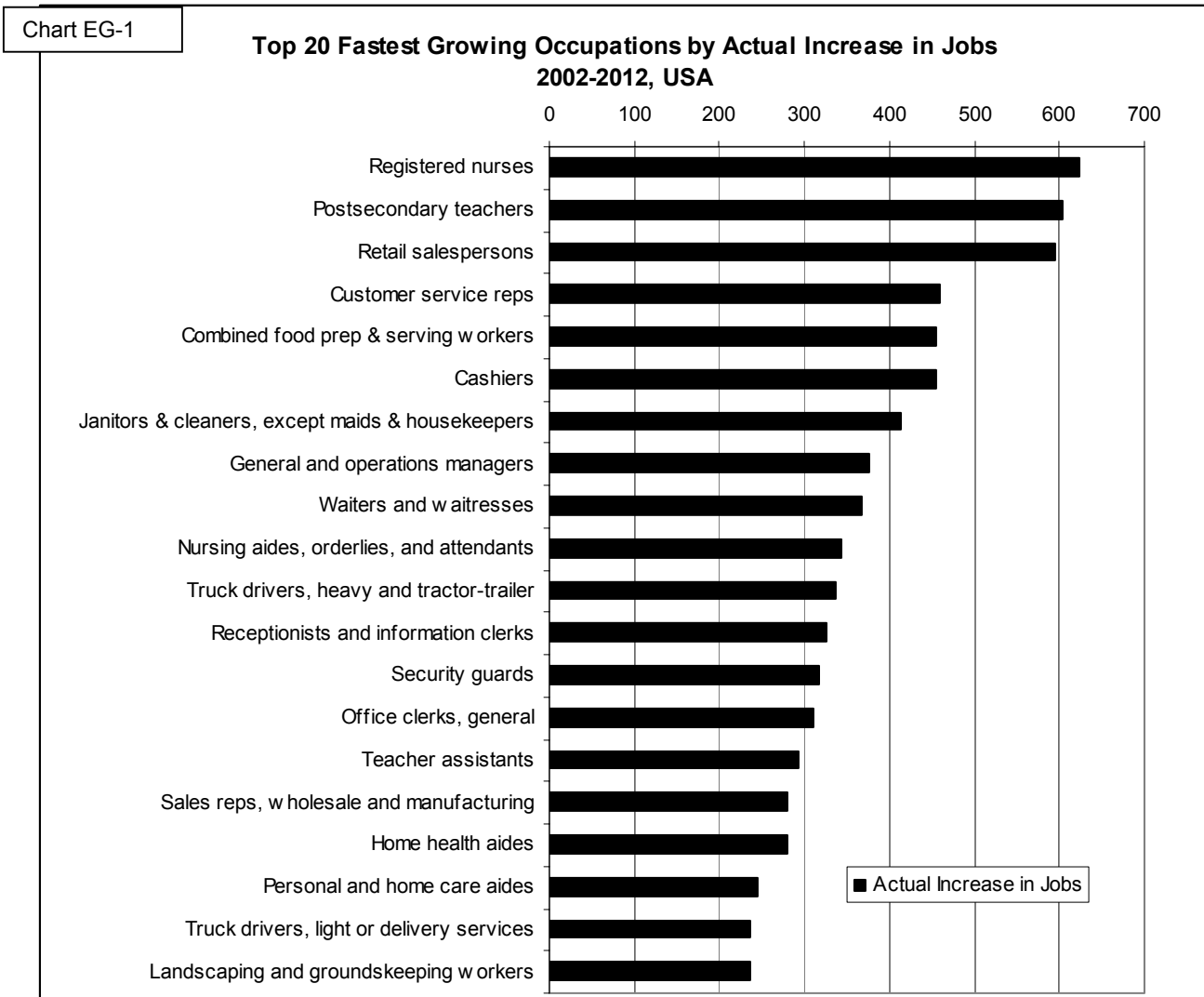
Small Business Development and Entrepreneurship

Most new economic growth for the foreseeable future is projected to be in small business development. The era of *smoke stack chasing* that was so prevalent in post WWII America is no longer applicable in today's economy. There are so few large "plums" out there looking to locate or relocate, and so many communities seeking to land those plums, it is necessary to rethink economic development at the local level.

In Shelby, the Chamber of Commerce has created an Entrepreneurship Committee which is looking into ways to foster the creation of new businesses locally. This may involve making potential entrepreneurs aware of local resources (banks, small business resource center at the community college, etc.) It may be connecting new small businesses with larger established businesses and helping them grow together. It may be looking for windows of opportunity within certain business sectors, or a vacant niche that could be filled. It could be setting up a local incubator. While the Committee is still in its early stages, it is hoped that a five-year plan for entrepreneurial development will result from the committee's work.

Opportunities for Economic Growth

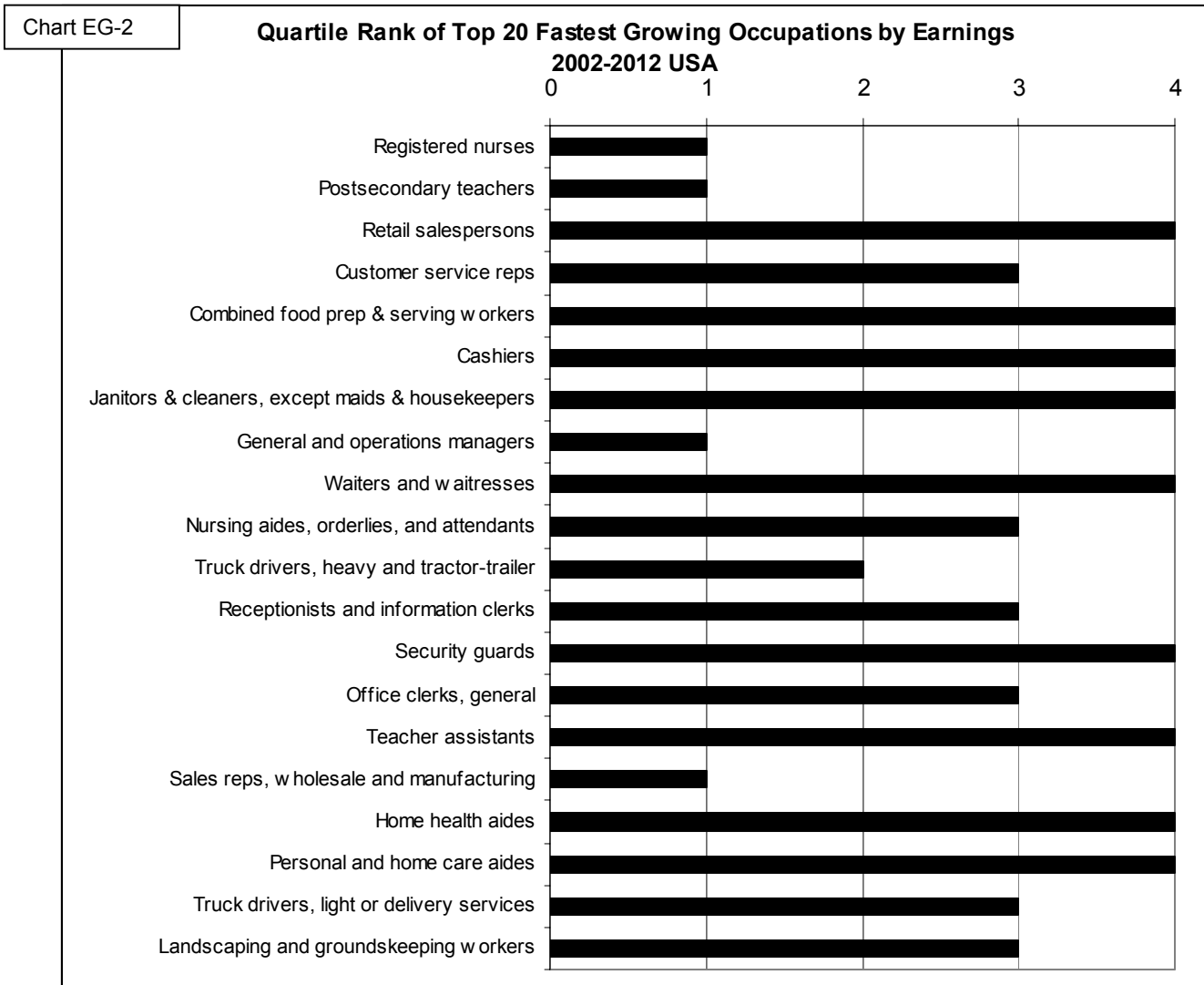
Chart EG-1 below graphically portrays what the US Department of Labor, Bureau of Labor Statistics (BLS) predicts will be the 20 fastest growing occupations in the US through the year 2012. Interestingly, none of the 20 occupations are unique to locales outside Shelby. Or, to put it another way, the Shelby area could logically see growth in all 20 occupations, even if no new types of industries were to come to Shelby. Note that four of the occupational categories are health-care related, three are in retail sales, and two each are in education, trucking, and food services. Nearly all 20 occupations reflect the nation’s long-trending move away from manufacturing and toward a service-dominated economy.



Educational Requirements and Wage Levels of Fastest Growing Occupations

There is good news and bad news associated with the top 20 fastest growing occupations in America. The good news for Shelby is that, according to the BLS, 17 out of the 20 occupations require no formal, post-high-school education. The BLS points out that only *registered nurses*, *postsecondary teachers*, and *general/operations managers* typically require some form of college degree. The other 17 occupations require only varying degrees of on-the-job training. Thus, the 87% of Cleveland County adults without a

bachelor's degree and the 28% without a high school diploma could conceivably qualify for many of these new jobs.¹



The bad news is that 15 of these top 20 fastest growing occupations on the list fall into the third or fourth quartile in terms of annual earnings. Only registered nurses, postsecondary teachers, general/operations managers, truck drivers and manufacturers sales representatives fall into the top two earnings quartiles. This means that the majority of the jobs created pay in the lower half of salaried occupations nationally.

¹ Traditionally, the bulk of Cleveland County's manufacturing base has been in industries that do not require a high level of education for employment. Statistics from the 2000 US Census confirm that a smaller percentage of Cleveland County adults (25 years and over) have a high school diploma than do most other North Carolinians or US citizens. Even so, this analysis assumes that, all other things being equal, a job applicant with a high school diploma is more likely to be selected for employment than a non-graduate.

What does the projected job growth nationally mean locally?

Examining national occupational trends in terms of local impact, several possibilities for job growth in the Shelby area emerge:

Health Care Services—As the baby boom generation continues to age, this huge population cohort will require increasing levels of medical care—preferably close to home. While specialized medical procedures may still warrant a trip to larger medical facilities in Charlotte or elsewhere, the sheer volume of demand for common medical ailments and treatments will cause local area health care services to expand.

Retail Sales and Services—Despite a diverse array of major retail shopping opportunities less than an hour away, there will continue to be a strong local demand for everyday products and services. The retail service area for Shelby includes a core of 50,000 buyers. That type of demand for goods and services will not be ignored by new and expanding businesses seeking to satisfy the demand.

Wholesale Distribution and Trucking—The recent decision by Wal-Mart to locate a major regional distribution center in Shelby serves as an indicator of increased possibilities for similar facilities by other corporations in the future.

Postsecondary Education—According to national population projections, the high school graduating class of 2008 is projected to be the single largest group of seniors in the history of the United States. Each class leading up to 2008 as well as for several years afterward also promises to be quite large. Those institutions of higher learning that are prepared to receive these higher numbers of students should reap substantial growth.

Residential Construction—As previously stated, new residential growth is apt to be attracted to Shelby as people seek to escape the congestion and sprawl associated with the Charlotte metropolitan area. A variety of housing forms may fill the demand, from manufactured housing out in the county, to loft-style condos in the Uptown area of Shelby. Shelby currently has a lower than average percentage of its employment base in construction. This could change significantly with a surge in demand for housing locally.

Finally, to the extent that each of the above industry sectors can bring in dollars from outside the immediate Selby/Cleveland County area, the greater the impact on the local economy. Dollars from consumers outside the area have a greater multiplier effect, while dollars originating within the area have less overall impact. (Even so, it is important not to send dollars out of the area, such as to retail centers or medical facilities in Charlotte.)

Part C: Vision Statements and Policies

- **Vision Statements** say where we want to be.
- **Policies** are the principles that guide our decisions.
- **Implementation Actions** are the things we're going to do.

VISION STATEMENTS

The **Vision Statements** set forth in this document are based on comments received from about 100 area residents at a special town meeting held on Thursday, November 6, 2003. At the meeting, citizens were asked to describe their Desired Future and Unwanted Future for Shelby. The Vision Statements establish a clearer picture of where the City of Shelby would like to be in some ten to fifteen years. These Vision Statements lay the foundation for the **policies** and **actions** necessary to make this vision a reality.

POLICIES

Policies are statements of principle intended to guide public and private decisions on infrastructure improvements, ordinance amendments, development approvals, economic development initiatives, and special plans and programs. Unlike implementation actions that can and should be updated annually, policy statements should remain basically constant until the next Strategic Plan for the City is undertaken-- normally a five to ten year period.

IMPLEMENTATION ACTIONS

Implementation Actions are listed in a separate section at the end of this plan so as to facilitate their periodic review and updating without changing the balance of the plan.



1. Getting Around

Vision: Shelby's street system is better maintained and operates more smoothly, thanks to a program of neighborhood traffic planning. People who choose not to use their car can now go anywhere in Shelby using a convenient network of sidewalks, bikeways and trails. A new bypass has been completed and has been protected from traffic choking strip development. Residents routinely travel to and from Charlotte via improved highway access or use passenger rail service available in Gastonia. Local public transportation has also been improved and expanded.

Policies:

POLICY 1.1: The City of Shelby shall encourage and support intergovernmental cooperation and public-private partnerships in planning for area transportation needs.

POLICY 1.2: A system of local streets shall be designed and implemented that allows for convenient circulation within and between neighborhoods and encourages mobility by pedestrians and bicyclists. Care shall be taken to encourage local street "connectivity" without creating opportunities for cut-through traffic from outside the connected areas.

POLICY 1.3: Neighborhood traffic management planning shall be supported, with priority given to those neighborhoods most impacted by undesirable traffic patterns. Such traffic studies shall be coordinated with overall neighborhood planning whenever possible.

POLICY 1.4: Opportunities to enhance regional transportation connections between Shelby and other parts of the state and region shall be supported.

POLICY 1.5: The completion of a new US 74 By-Pass north of Shelby shall be encouraged and supported as the City's number one highway improvement priority.

POLICY 1.6: City streets shall be repaved in accordance with objective criteria that may include but not be limited to: condition of the pavement, traffic volume carried, number of years since last paved, etc.

POLICY 1.7: Pedestrian and bikeway facilities shall be encouraged as energy-efficient, healthful, and environmentally sound alternatives to the automobile. Designs for all future road construction and expansion within the city shall consider opportunities for the inclusion of bikeways and pedestrian ways within the project.

POLICY 1.8: Sidewalks shall be constructed and repaired in accordance with objective criteria that may include but not be limited to: condition of the sidewalk, pedestrian volume carried or likely to be carried, number of years since last repaired, proximity to schools, playgrounds and other pedestrian draws.

POLICY 1.9: Measures shall be implemented to minimize hazardous automobile turning movements in and out of traffic flows. Such measures may include but not be limited to off-street connections between adjoining parking lots, central medians, shared driveway access, and limits on driveway cuts.

POLICY 1.10: The operational success of the area's public transit services shall be supported through the encouragement of compact, transit-sensitive development patterns. Financial expenditures for area transportation shall recognize public transit as an integral part of the transportation system.



2. Economic Development

Vision: Previously vacant commercial and industrial buildings have been renovated and adapted for use as cultural facilities, retail enterprises, housing and small business centers. Shelby has become known as a place especially friendly to small business development. Tourism, particularly heritage tourism, has grown to be a larger part of the local economy. As a result of job growth and diversification, unemployment rates have dropped to their lowest levels in many years. Young people no longer have to leave the area looking for better job prospects.

Policies:

POLICY 2.1: The City of Shelby shall be an active participant, facilitator and partner in the adaptive reuse of former commercial, manufacturing and warehousing buildings into uses compatible with their location.

POLICY 2.2: The City shall seek the designation of appropriate commercial, manufacturing, warehousing and distribution opportunity sites within its planning jurisdiction. Such sites shall be determined based upon objective factors such as transportation access, availability of utilities, compatibility with nearby land uses, soil conditions and drainage, etc.

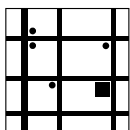
POLICY 2.3: The abandonment of “big box” retail stores, merely to relocate to another “bigger box” location in the community, shall be strongly discouraged unless plans are in place for the proper disposition and reuse of the original structure.

POLICY 2.4: Structures, buildings, monuments and neighborhoods of historic or architectural significance shall, whenever possible, be maintained, restored and actively used to enhance their economic and cultural value to the community.

POLICY 2.5: Appropriate adaptive reuse of the city’s historic resources shall be encouraged.

POLICY 2.6: Development of the tourism potential of Shelby’s architectural and historic resources shall be encouraged.

POLICY 2.7: Various economic development incentives shall be periodically identified, evaluated and implemented, as may be feasible, to encourage appropriate and desirable growth and development within the City limits.



3. Growth Management

Vision: Working from an overall plan, Shelby has been able to coordinate its policies and actions to encourage revitalization of existing neighborhoods, commercial areas, and industrial locations and to direct new growth where it can best be served. As a result, there are fewer land use conflicts, less sprawl, less traffic congestion, more planned open spaces, and a cleaner, healthier environment in which to live, work, and play.

Policies:

POLICY 3.1: Extraterritorial jurisdiction and/or annexation shall be employed to properly manage growth within the urbanizing area of Shelby, and to maintain a long-range perspective on how that growth can best be served.

POLICY 3.2: New roadway corridor plans and standards shall be employed to protect and enhance the function and appearance of major streets, including traffic management, signage, architecture, building and parking placement, landscaping, underground utilities, etc.

POLICY 3.3: The City of Shelby shall encourage and support local intergovernmental cooperation for growth management.

POLICY 3.4: New, mixed-use developments, planned from the outset, that allow for a compatible mixture of uses with a pedestrian scale and design, are encouraged. Further, businesses may be approved adjoining (and therefore convenient to) an existing residential area, when such businesses satisfy design considerations similar to a newly planned, pedestrian-scaled, mixed-use development.



4. Community Appearance & Image

Vision: Visitors to Shelby are impressed by the attractive entryways leading into the community, and the image of distinctive buildings, well-groomed landscaping, attractive signage, plentiful street trees, and roadsides free of clutter and litter. Residents throughout the community have developed a renewed pride in the upkeep of their homes and businesses. The citizens of Shelby place a high value on the unique history of their community, as reflected in efforts to preserve historic buildings and places.

Policies:

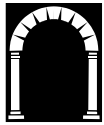
POLICY 4.1: The important economic, tourism and community image impacts of existing major travel corridors leading into and through Shelby shall be recognized through public and private efforts to improve their appearance. Such efforts may include improved roadway and traffic control designs, improved development standards for landscaping, signage and street trees, as well as voluntary initiatives to “spruce up” corridor properties.

POLICY 4.2: The significance of street trees in providing visual relief, street beautification, summer cooling, improved air quality and community livability shall be recognized through public and private actions to encourage their planting and proper maintenance.

POLICY 4.3: Littering of public roadsides and properties, whether from individual “litterbugs”, inadequately covered trucks, household debris, or other sources, shall not be tolerated. Education and consistent enforcement of litter laws shall be coupled with timely cleanups as necessary.

POLICY 4.4: Vacant and abandoned sites and buildings shall be properly cared for or removed, thereby preventing a blighting impact on the area in which they are located.

POLICY 4.5: New or redeveloped commercial properties shall be designed and maintained so as to be compatible with the area in which they are located. Design standards for a large commercial development along a major street may be different than design standards for a smaller commercial property serving a residential area.



5. Uptown Shelby

Vision: Uptown Shelby has gained even more prominence as the social and cultural heart of the community. Uptown boasts a dynamic, thriving mix of retail, office, entertainment, meeting, and housing activities, including a new hotel/convention/conference center. A fully restored farmers market brings people to Shelby from far and wide. Sidewalks and streets are filled with people day and night, drawn by the beauty and character of the area, and the human scale of its buildings and public spaces.

Policies:

POLICY 5.1: The City of Shelby supports a sustained, comprehensive approach to the continued revitalization of the uptown area as the historic and cultural center of the community.

POLICY 5.2: A variety of mutually compatible and supportive mixed uses, including upper floor residential over ground floor commercial, shall be encouraged in the Uptown area.

POLICY 5.3: Public/private partnerships for the redevelopment and rehabilitation of uptown properties shall be encouraged as an effective way to leverage private sector investment with limited public sector resources. Entrepreneurship shall be encouraged and facilitated.

POLICY 5.4: The live oak trees in the Uptown area shall be protected, cared for and replaced, when necessary, to preserve what has become one of the most memorable, iconic features of the City of Shelby.

POLICY 5.5: Public and private development decisions in the Uptown area shall exhibit a special concern for maintaining a safe and welcoming pedestrian-oriented environment. "Improvements" and land uses that would give priority to the automobile should be specifically avoided.

POLICY 5.6: Public and private improvements in the Uptown area shall reinforce the prevailing architectural and historic context of the area and shall reflect a quality image and sense of place.



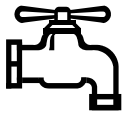
6. Arts and Culture

Vision: Shelby has solidified its position as the arts and cultural center for the area. Appreciation for the arts and culture begins with value placed on the unique heritage of the area, and extends to a broad array of traditional and contemporary art forms, festivals and cross-cultural events. The Shelby arts community has done an excellent job of coordinating the offerings of area museums, art galleries, performing arts, library facilities, and other cultural amenities, thereby multiplying their impact.

Policies:

POLICY 6.1: The City shall encourage the development of the tourism and educational aspects of historic persons and places that are part of the cultural heritage of the area.

POLICY 6.2: The City shall support and facilitate the efforts of the local arts community in making Shelby a focal point in the region for teaching, learning, practicing, displaying and performing a variety of art forms.



7. City Utilities

Vision: The future of Shelby's water system has been secured for many years to come by the addition of supplemental raw water supply sources. Utility services, particularly sewer, have been strategically employed to guide growth where it is most appropriate, rather than simply responding to growth without an overall plan. Utility rates for water, sewer, electricity and natural gas reflect systems are efficiently managed. The customer base of the City's utilities has grown steadily, generating revenues to properly operate, maintain and replace all system components.

Policies:

POLICY 7.1: The City shall maintain a disciplined, business-oriented, strategic perspective on its utility systems, while also recognizing the important public service function of its operations.

POLICY 7.2: The City shall employ water and sewer line extensions as a growth management and economic development tool to direct new development to land that is suited for such growth, and that is economical to provide with a broad range of urban services.

POLICY 7.3: The City shall continue to work with other existing and potential service providers on regional solutions to water and sewer services.

POLICY 7.4: Improvements shall be planned and changes implemented to phase out old utility system components and phase in new ones on a timely basis.



8. Government/Civic Affairs

Vision: The City of Shelby has joined forces with other municipalities and Cleveland County to address matters of common concern, including economic development and transportation, in particular. Some local government services have been consolidated for efficiency and improved service. City finances have been bolstered by an expanding tax base and cost effective innovations in service delivery. Communication between the City's leaders and its residents has been greatly enhanced by the interest and active involvement of many citizens in City affairs.

Policies:

POLICY 8.1: The City shall support cooperative intergovernmental planning for land use, transportation, utility services, tourism promotion, historic preservation, economic development and air and water quality.

POLICY 8.2: The City shall coordinate planned and properly timed capital improvements, including infrastructure investments, as a factor in managing and encouraging beneficial economic development.

POLICY 8.3: The City shall seek an appropriate balance between its duty to provide necessary urban services and its responsibility to exercise stewardship of tax dollars and fees required to support such services. Greater efficiencies in the provision of services shall be continually and actively sought after in all areas of City government.

POLICY 8.4: Special committees, advisory panels, educational forums, public workshops, leadership seminars, town meetings, website communications and media contacts shall be encouraged and fostered to enhance the effectiveness of citizen involvement in community planning and the provision of City services.



9. Neighborhoods and Housing

Vision: All of Shelby's neighborhoods have benefited from the positive influences of greater economic opportunity and a reduction in crime. Many previously blighted neighborhoods have witnessed a surge in revitalization. Affordable housing is available in many shapes and sizes, from rehabilitated single-family homes to new townhomes and apartments. A concerted effort has been made to locate new housing, especially senior citizen and other affordable housing, convenient to services and public transportation.

Policies:

POLICY 9.1: The protection and rehabilitation of viable neighborhoods shall be encouraged to ensure their continued existence as a housing resource, as an integral part of the uninterrupted cityscape, and to undergird Shelby's attractiveness and livability.

POLICY 9.2: Consistent, reliable enforcement of well written housing and nuisance abatement codes shall be employed to eliminate instances of unlawful activity and urban blight within the planning area of Shelby.

POLICY 9.3: Factors in determining preferred locations for higher density residential development shall include: proximity to employment and shopping, access to the street network and transit services, the availability of public services and facilities, and compatibility with nearby land uses.



10. Public Safety

Vision: Neighborhoods, businesses, schools churches, civic organizations and law enforcement officials have forged an alliance to reduce the high rate of crime and drug activities. Shelby has implemented proactive measures to address these issues. Community involvement and a policy of zero tolerance for drugs have helped. Shelby is a very desirable place to live, raise a family and invest in the community. Police, Fire and Emergency Medical personnel continue to provide services of very good value, carefully balancing the tax dollars employed with the needs of the community.

Policies:

POLICY 10.1: The City shall employ a holistic approach to public safety, involving residents, businesses, and institutions in the preparation of neighborhood improvement plans with priority given to public safety concerns.

POLICY 10.2: The City shall continue to pursue excellence in law enforcement, fire protection, and emergency services through on-going training and participation in national accreditation programs.

POLICY 10.3: As the area grows, the City may establish strategically located substations for public safety services, provided that sufficient resources can be made available to properly staff and equip them.

POLICY 10.4: The City shall be proactive in supporting legislative efforts to strengthen local law enforcement tools; when such tools are made available, the City will work to implement them.



11. Parks and Recreation

Vision: Parks and recreation facilities in Shelby have been located and improved in tandem with neighborhood development and revitalization. The park system includes a network of greenways and open spaces, allowing many park users to reach their destination on foot or by bicycle. A new athletic complex has become a focal point and positive influence in the community, particularly among Shelby's youth. Many facilities and programs are more fully used through the cooperative efforts of the City with other service providers.

Policies:

POLICY 11.1: Improvements to existing park and recreation facilities, as well as plans for future facilities, shall be determined in accordance with a rational evaluation of open space and recreation needs by sub-areas of the City. Services and programs provided by the Parks Department shall be periodically evaluated and adjusted as service demands change.

POLICY 11.2: The City shall seek to recover, where appropriate, the costs of park facilities and programs in an equitable manner consistent with the users of those services. Provision shall be made for park services that are provided "free of charge" as an important public service function.

POLICY 11.3: Public involvement and input shall be an important component in determining major improvements to existing parks and in the planning and design of new parks and recreation facilities.

POLICY 11.4: The City shall create, maintain and continually improve quality recreational facilities not only for the enjoyment of area residents, but also to bring visitors to the area and athletic competitions to Shelby.



12. Education and Training

Vision: Improvements in education and training have received a sustained, high level of emphasis for many years, keeping our public school system among the most improved and admired in the state. Area technical schooling has proven especially effective in training students and workers to meet the ever-changing job requirements of the 21st century. Area illiteracy rates have fallen dramatically.

Note: Under North Carolina's system of government, local authority for funding and operating public schools rests, in most cases, with county rather than municipal governments. With the recent merger of school systems locally, Cleveland County joined the vast majority of other public school systems in the state in placing such authority under a single county school system. Therefore, Education and Training is one of only two (Health Care/Social Issues is the other) vision areas over which the City of Shelby has no direct authority. Please consider the following policies and actions in this light.

Policies:

POLICY 12.1: The City supports the on-going consolidation of public school systems in Cleveland County.

POLICY 12.2: The City supports advanced planning for the location of new public schools. Such locations should serve to reinforce or cause compact community growth rather than promoting sprawl. New elementary schools should be viewed as a cornerstone of the neighborhoods they are intended to serve.

POLICY 12.3: The City supports the concepts of mentorship, job shadowing, internships, and summer employment opportunities in exposing students to "real world" postgraduate careers.



13. Health Care/ Social Issues

Vision: A resurgence in the economic health of Shelby and Cleveland County has resulted in a commensurate improvement in social conditions for area residents, particularly those on the lower rungs of the economic ladder. The number of homeless has declined dramatically. The quantity and quality of health care facilities and providers serving area residents have also improved as the economy has prospered. Thanks to cooperative planning within the medical community, health care is more accessible and affordable than it might otherwise be.

Note: Under North Carolina's system of government, local authority for funding and operating the local Health Department rests with county government. Other health care services are provided by the private sector or non-profit agencies. Similarly, the Department of Social Services is also housed in county government and a variety of other social service agencies. Therefore, Health Care/Social Issues is one of only two (Education and Training is the other) vision areas over which the City of Shelby has no direct authority. Please consider the following policies and actions in this light.

Policies:

POLICY 13.1: The City shall encourage innovative public/private approaches to improving health care access for all citizens, including quality and affordability.

POLICY 13.2: The City shall work with other public, non-profit, for profit, civic, charitable, and faith-based organizations to address public health and social issues affecting the quality of life in Shelby.

POLICY 13.3: The City of Shelby shall encourage growth and development patterns that work to reduce dependence on the automobile, thereby reducing air pollution emissions.

POLICY 13.4: The City supports long range planning for services and facilities for the elderly, particularly in anticipation of the aging of the large baby boom generation.

Part D: Implementation Actions

Implementation Actions are a “to do list” of things that could be done to put the Policies of this plan in motion. Many of these actions came out of the Leadership Interviews conducted for the Growth Factors Analysis. Others reflect what other communities have done to achieve similar objectives. Many potential implementation actions were reviewed in a second special town meeting held on Tuesday, May 25, 2004. At the meeting, citizens formed small groups to discuss and suggest improvements in each list of actions. Following that town meeting, the Strategic Growth Plan Steering Committee met several times to review the various actions in detail. Given the ambitious nature of many of these implementation actions, it would be unusual for the City to be able to complete all of these actions in the near term. While some actions may be completed right away, others may not be addressed for several years. Even so, these actions are listed so that priorities for follow-through may be established from among them. Ideally, this list of actions should be revisited annually as part of the City’s work program and budget setting process.

1. Getting Around	
Policy Reference	Actions
POLICY 1.1: Intergovernmental cooperation and public-private partnerships	Action 1.1.1: Continue to develop the Cleveland County Transportation Partnership as a model for cooperative transportation planning between the business community and local governments in the area.
	Action 1.1.2: Join forces with Cleveland County, Kings Mountain, Boiling Springs and the North Carolina Department of Transportation to prepare a coordinated transportation master plan for the entire county, rather than four separate plans. Address local streets, sidewalks, bike paths, and walking trails at the community level and tie this plan into more specific neighborhood plans.
POLICY 1.2: Local street “connectivity”	Action 1.2.1: Within the transportation master plan, address local streets, sidewalks, bike paths, and walking trails at the community level and tie this plan into more specific neighborhood plans.
	Action 1.2.2: Prepare a local street master plan to work within the framework of major streets as determined in area thoroughfare plans.
POLICY 1.3: Neighborhood traffic management planning	Action 1.3.1: Beginning with the most “traffic-impacted” neighborhoods, prepare neighborhood traffic management plans to include traffic calming measures where appropriate.
	Action 1.3.2: Coordinate the preparation of storm water management planning with initiatives on neighborhood traffic management, pedestrian and bikeway plans for City streets.
POLICY 1.4: Regional transportation connections	Action 1.4.1: Encourage the Lake Norman Rural Planning Organization to press for designation of NC 150 between US 321 and Shelby as a Regional Strategic Corridor.
	Action 1.4.2: Encourage the Lake Norman Rural Planning Organization to press for designation of NC 18 between I-85 and I-40 as a Statewide Strategic Corridor.
	Action 1.4.3: Improve highway connectivity between US 74 in Shelby and I-85 at the South Carolina State line.
POLICY 1.5: New US 74 By-Pass	Action 1.5.1: Continue to push for completion of the new US 74 Bypass north of Shelby, as well as other key projects identified in the area Transportation Improvement Program.
POLICY 1.6: Street repaving	Action 1.6.1: Prepare a formal street-paving policy, including objective criteria for determining which streets are to be paved in a given fiscal year.
POLICY 1.7: Pedestrian and bikeway facilities	Action 1.7.1: Prepare a pedestrian and bicycle transportation plan, which inventories existing facilities and sets forth priorities for future improvements. Once the plan is completed, post route signs to facilitate bicycle use.
	Action 1.7.2: Adopt updated policies for the provision of sidewalks, bikeways and trails where appropriate.

POLICY 1.8: Sidewalk Construction and Repairs	Action 1.8.1: Adopt updated policies concerning the repair and replacement of existing sidewalks.
POLICY 1.9: Hazardous turning movements	Action 1.9.1: Require parking lots of adjoining businesses to be connected so as to minimize unnecessary and dangerous turning movements in and out of the flow of traffic.
POLICY 1.10: Public transit services	Action 1.10.1: Study the feasibility of expanding public transit service in Shelby.
	Action 1.10.2: Review and amend the City’s zoning ordinance and subdivision regulations as necessary to promote compact, transit sensitive development.
2. Economic Development	
Policy Reference	Actions
POLICY 2.1: Adaptive reuse of commercial, manufacturing and warehousing buildings	Action 2.1.1: Periodically update an inventory of vacant or underutilized buildings and previously used properties (brownfield sites) in Shelby available for adaptive reuse. Coordinate this inventory with other economic development agencies. Develop a program offering incentives for reusing such vacant buildings and properties. Examine local development standards to look for regulations that might unintentionally impede efforts at adaptive reuse.
	Action 2.1.2: Develop one or more small business incubators in vacant buildings.
	Action 2.1.3: Encourage and enable greater use of the recently promulgated North Carolina State Rehabilitation Code to provide increased flexibility to property owners wishing to restore and renovate older buildings in Shelby.
POLICY 2.2: Commercial, manufacturing, warehousing and distribution opportunity sites	Action 2.2.1: Periodically update and amend the City’s land use plans and zoning maps to identify appropriate locations for future commercial and industrial sites.
POLICY 2.3: Abandonment of “big box” retail stores	Action 2.3.1: Pass an ordinance concerning the proper disposition of otherwise abandoned major commercial structures such as the former Lowes and Wal-Mart buildings.
POLICY 2.4: Structures, buildings, monuments and neighborhoods of historic or architectural significance.	Action 2.4.1: Establish one or two local historic districts to capitalize on the economic development benefits of historic preservation, community pride and heritage tourism. Create and administer a program of special design standards for improvements proposed within the district(s).
	Action 2.4.2: Establish a Historic Properties Commission to identify and protect important historic sites and buildings in Shelby and Cleveland County.
	Action 2.4.3: Work with Preservation North Carolina to improve public awareness of the economic benefits of historic preservation.
POLICY 2.6: Tourism potential of architectural and historic resources	Action 2.6.1: Create and market a Heritage Trail Program in Cleveland County, as a way to encourage visitors to tour the many historic sites located in the city and county.
	Action 2.6.2: Explore the need for a Visitor’s Center to be run as a function of the Chamber of Commerce. Use signage as appropriate, directing visitors to the Center.
POLICY 2.7: Tax liability on lots that have not been built upon	Action 2.7.1: Consider the pros and cons of endorsing legislation to decrease the tax liability on subdivided lots that have not yet been built upon, or that may not be built upon for some time, such as with the phased development of large, planned developments, and decide whether to support such legislation.

3. Growth Management	
POLICY 3.1: Extraterritorial jurisdiction and/or annexation	Action 3.1.1: Expand the City's extraterritorial jurisdiction (ETJ) as allowed for under State law, and as approved by the Cleveland County Commissioners. Be sure to include the corridor of the new 74 Bypass fully within the newly expanded ETJ.
	Action 3.1.2: Prepare a master annexation study to identify areas that may qualify for annexation.
POLICY 3.2: Roadway corridor plans	Action 3.2.1: Prepare a special area plan for the corridor of the planned US 74 bypass north of Shelby. Identify appropriate land uses, signage, landscaping and buffering and other land use issues.
	Action 3.2.2: Using the special area plan as a policy foundation, prepare a special highway corridor overlay zoning district to implement design standards for developments near the new bypass. Do this before development pressures mount.
POLICY 3.3: Intergovernmental cooperation for growth management.	Action 3.3.1: The planning board of the City of Shelby shall host an annual joint meeting with the planning boards of Cleveland County and nearby municipalities to discuss growth management issues of common interest. Responsibility for hosting the joint event may shift from year to year from one local government to another.
POLICY 3.4: New, mixed-use developments	Action 3.4.1: Amend development regulations to encourage clustering in mixed-use developments to lessen cross-town travel demand and promote public transit.
4. Community Appearance and Image	
POLICY 4.1: Major travel corridors	Action 4.1.1: Working with property owners and the public at large, prepare a special corridor plan, design, landscape, signage and lighting standards for improving land use and the appearance and image of the existing US 74 bypass through Shelby. Also pursue similar appearance and land use programs for other major entry corridors into Shelby (e.g. Route 18 to Shelby from Gaffney). Publicize these efforts.
	Action 4.1.2: Design and install an attractive entryway (i.e. Welcome to Shelby) signs at historic or otherwise permanent entry locations into Shelby. Do this in tandem with other entryway corridor improvements to reinforce an image of attractive community appearance.
POLICY 4.2: Street trees	Action 4.2.1: Prepare a Street Tree Master Plan, including: an inventory of existing street trees and other significant trees, plans for consistent tree species on various street segments in the community, a street tree planting program, a policy manual and/or ordinance on tree planting, maintenance and removal, an update to the City's landscaping and buffering ordinance, and an action plan for implementation.
POLICY 4.3: Littering	Action 4.3.1: Coordinate the development of a community appearance and anti-litter campaign plan with the "Keep Shelby Beautiful" program. Support efforts for a renewed countywide anti-litter effort. Utilize volunteers and prison inmates, if possible, for litter clean up.
POLICY 4.4: Vacant and abandoned sites and buildings	Action 4.4.1: Examine and implement standards for maintaining undeveloped or vacant lots and for repairing or removing abandoned structures and sites.
POLICY 4.5: Design standards for commercial development	Action 4.5.1: Establish design guidelines and maintenance standards for commercial properties so that such developments are an aesthetic as well as functional and economic asset to the community and neighborhood in which they are located.

5. Uptown Shelby	
POLICY 5.1: Revitalization of the uptown area	Action 5.1.1: Prepare an update to the 1991 master plan for Uptown Shelby, to include recommendations on activity mix, clustering of complementary uses, physical improvements, design guidelines/controls, management structure and financial and other incentives.
	Action 5.1.2: Launch a new public awareness campaign concerning the financial benefits (e.g. tax credits) available to property owners when restoring historic properties.
POLICY 5.2: Mixed uses uptown	Action 5.2.1: Reexamine city codes to look for ways to encourage redevelopment and revitalization in the Uptown area, including more residential development above ground floor commercial uses.
POLICY 5.3: Public/private partnerships	Action 5.3.1: Encourage Uptown area entrepreneurs to seek assistance from the SBA and the Small Business Center at Cleveland County Community College in preparing business plans and creating greater marketing opportunities for new business start-ups and expansions.
POLICY 5.4: Live oak trees in the Uptown area	Action 5.4.1: Prepare a management plan for the on-going maintenance and replacement, as necessary, of live oak trees in the Uptown area. Address conflicts between trees and power lines and trees and underground utilities.
POLICY 5.5: Pedestrian-oriented environment	Action 5.5.1: Make the entire Uptown area a safe zone for pedestrians, employing signage and traffic calming measures; coordinate with the North Carolina Department of Transportation. Preserve the pedestrian oriented character of the area.
POLICY 5.6: Quality image and sense of place	Action 5.6.1: Employ trees, benches, planters, flowers, building façade improvements and public art to provide a draw for visitors to uptown Shelby.
	Action 5.6.2: Update decorative banners with vibrant colors based on seasonal themes.
	Action 5.6.3: Place greater emphasis on clean sidewalks and streets; conceal private trashcans.
6. Arts and Culture	
POLICY 6.1: Historic persons and places	Action 6.1.1: Capitalize on our local music heritage (Southern Gospel, Bluegrass and the birthplace of Earl Scruggs and Don Gibson) as a tourism and economic development draw. Partner in the development of a music center, museum, interactive music education and exhibits.
	Action 6.1.2: Support a major fund raising campaign to convert the Rogers Theater Block into a carefully restored, modern performing arts center, community meeting center and/or other civic space. Make this a focal point of Uptown Shelby.
	Action 6.1.3: Explore appropriate new uses for the Old Courthouse.
POLICY 6.2: Focal point for a variety of art forms	Action 6.2.1: Increase the City’s funding support to the Cleveland County Arts Council. Encourage other local governments in the County to do the same.
	Action 6.2.2: Encourage the placement of public art in appropriate locations in Shelby, particularly in the uptown area. Such displays of art should especially include outdoor sculptures and exterior wall murals.
	Action 6.2.3: Continue to support the Cleveland County Arts Council in its efforts to host art shows and demonstrations.

7. City Utilities	
POLICY 7.1: Business-oriented perspective/ public service function	Action 7.1.1: Prepare strategic plans for each of the city's utility systems. Update these plans as needed but no less often than every five years.
	Action 7.1.2: Prepare a storm water management plan that complies with new State rules, including a mapping program to identify various components of the system, an effort to track down illegal connections to the system and a locally administered storm water management policy.
	Action 7.1.3: Encourage economic development efforts to recruit new customers that will more fully utilize the City's utility systems.
	Action 7.1.4: Adopt a new rate structure for water and sewer to even out revenue levels during periods of drought or reduced water consumption.
	Action 7.1.5: Prepare a formal natural gas system extension policy that integrates the City's current decision-making process in determining new line extensions. Include a marketing program.
	Action 7.1.6: Prepare and adopt a formal policy on streetlights, including guidelines for spacing and placement, pole types, fixture types, etc.
	Action 7.1.7: Review the City's utility rates for streetlights, with an eye toward bringing them in line with their true costs.
POLICY 7.2: Water and sewer lines as a growth management and economic development tool	Action 7.2.1: Develop formal water and sewer system extension policies that protect the interests of existing utility customers while allowing extensions to be used to encourage economic development and to manage growth. Require new customer connections when service lines are made available. Such policies should address how the City will handle future annexation of Cleveland County Sanitary District customers as well.
POLICY 7.3: Regional solutions to water and sewer services	Action 7.3.1: Encourage the creation of (and participate in) a countywide water and sewer resource board. Members might include the Cleveland County Sanitary District, the City of Shelby and all other municipalities in the county, regardless of whether they are service providers.
	Action 7.3.2: Encourage the Town of Boiling Springs to divert some portion of its wastewater flow to Shelby's treatment plant, thereby eliminating treated discharges upstream of Shelby's emergency water intake on the Broad River.
	Action 7.3.3: Monitor the development of the proposed Northern Cleveland County Reservoir.
POLICY 7.4: Phase out old utility system components and phase in new ones	Action 7.4.1: Prepare a phased plan for replacement of old utility lines in the City of Shelby.
	Action 7.4.2: Prepare an engineering study to reconfigure the City's wastewater collection system so as to replace force mains and pump stations with gravity-fed lines wherever feasible and cost effective.
8. Government/Civic Affairs	
POLICY 8.1: Cooperative intergovernmental planning	Action 8.1.1: Develop strategies that encourage more cooperation between local governments on issues of area-wide significance. Such strategies may include the development of joint plans, periodic summit meetings and standing inter-local committees, among others.
POLICY 8.2: Capital improvements for economic development	Action 8.2.1: Prepare and update the City's capital improvement program, as part of the City's annual budget process. Recognize economic development as an implicit objective of capital projects, whenever possible.

<p>POLICY 8.3: Efficiencies in the provision of services</p>	<p>Action 8.3.1: Update the Services Policy Manual for the City of Shelby to reflect current, best practices for the management and delivery of City Services.</p>
	<p>Action 8.3.2: Develop a carefully thought-out plan for any transition, and include citizen input. Address community appearance issues and general reluctance to make change.</p>
	<p>Action 8.3.3: Discontinue the City’s policy of allowing the free pick-up of household debris following major clean-outs (favors some households over the average taxpayer). Establish an alternative approach or schedule for dealing with such cleanouts. Options to explore: One free pick up per household per year, fee payments, encourage households to take debris to the dump themselves.</p>
	<p>Action 8.3.4: Determine whether curbside pickup of items to be recycled may be implemented in Shelby from a service cost to public benefit standpoint.</p>
<p>POLICY 8.4: Citizen involvement in community planning</p>	<p>Action 8.4.1: Develop an annual program of orientation, education, training and appreciation for those citizens serving on City boards and commissions.</p>
	<p>Action 8.4.2: Develop an explicit plan and implementation strategy for increasing citizen involvement and outreach in city government.</p>
	<p>Action 8.4.3: Welcome multi-cultural immigration and help such persons assimilate into the community.</p>
	<p>Action 8.4.4: Hold an annual town meeting, or several small area town meetings, to hear citizen concerns about city facilities and services. Provide for additional town meeting-type input via internet, e-mail and list serve.</p>
	<p>Action 8.4.5: Make the City’s website more interactive, allowing citizens to communicate with various City departments and services.</p>
<p>9. Neighborhoods and Housing</p>	
<p>POLICY 9.1: Protection and rehabilitation of viable neighborhoods</p>	<p>Action 9.1.1: Establish and implement an interdepartmental neighborhood improvement program (NIP) including, at a minimum, the following City departments: police, fire, public works, community development, and parks and recreation. Work closely with interests and organizations outside City government as well.</p>
	<p>Action 9.1.2: Using the neighborhood improvement program as a catalyst for change, work with residents of one neighborhood at a time to prepare a neighborhood improvement plan.</p>
	<p>Action 9.1.3: Focus city budget dollars and grant funding to the one or more targeted neighborhoods for which a neighborhood improvement plan has been prepared and approved.</p>
<p>POLICY 9.2: Housing and nuisance abatement codes</p>	<p>Action 9.2.1: Make enforcement of the City’s minimum housing code proactive rather than reactive.</p>
	<p>Action 9.2.2: Expand the jurisdiction of the City’s minimum housing code to include the City’s extraterritorial jurisdiction.</p>
	<p>Action 9.2.3: Enforce policy (e.g. forfeiture of assets) that holds landlords more accountable for tenant’s repeated law violations.</p>
<p>POLICY 9.3: Locations for higher density residential development</p>	<p>Action 9.3.1: Review the zoning ordinance for the appropriate placement of higher density housing, including senior citizen housing, near services and activity centers.</p>
	<p>Action 9.3.2: Develop and implement a program to encourage greater home ownership in Shelby.</p>
	<p>Action 9.3.3: Facilitate the provision of additional affordable housing for seniors.</p>

10. Public Safety	
POLICY 10.1: Neighborhood improvement plans	Action 10.1.1: Involve business interests, schools, churches, civic organizations, and law enforcement officials in a comprehensive neighborhood improvement program (NIP). By focusing on overall neighborhood health, involved areas should be less susceptible to drug trafficking and other crimes.
	Action 10.1.2: Continue to support and expand the City’s implementation of the Neighborhood Watch Program. Organize neighborhoods adversely affected by crime and other social ills to “take back their community”.
POLICY 10.2: On-going training and national accreditation	Action 10.2.1: Continue the Police Department’s participation in the National Accreditation Program as supervised by the Commission on Accreditation for Law Enforcement Agencies, Inc.
POLICY 10.3: Strategically located substations	Action 10.3.1: Prepare a report evaluating the need for a new fire station in the southern part of Shelby.
	Action 10.3.2: Conduct a space needs assessment to determine the need for a new police station.
POLICY 10.4: Legislative efforts to strengthen law enforcement tools	Action 10.4.1: Support legislative efforts to demand tougher penalties and drug rehab for violators.
	Action 10.4.2: Expand Chapter 30, Article IV of the City of Shelby Code of Ordinances to include the full power and intent of Chapter 19 of the NC General Statutes, “Offenses Against Public Morals,” as a tool available for addressing nuisances.
	Action 10.4.3: Support the development of appropriate programs for the reintegration of inmates back into the community from the prison system.
11. Parks and Recreation	
POLICY 11.1: Rational evaluation of open space and recreation needs	Action 11.1.1: Review and update the 1999 System-Wide Recreation Master Plan. Use Census information and other data sources to identify shifts in population age and composition so that these factors might be taken into consideration when reviewing alternatives.
	Action 11.1.2: Take action to make better use of older neighborhood parks that appear to have lost their intended purpose due to changes in the neighborhoods around them. For example, Jefferson Park should be improved, perhaps in cooperation with Faith Harvest Church and including a user agreement, a contract and a curfew.
	Action 11.1.3: Employ the neighborhood planning process identified under Vision 10. above to identify and create small area recreation and open space needs.
	Action 11.1.4: Support efforts to build a new community wide sports complex. It should be a phased project for all types of youth and adult activities including sport fields, a youth/teen center (could include a skate park), as well as non-sporting activities.
	Action 11.1.5: Study the issue of City-owned cemeteries and develop a short and long-range plan for the City’s involvement in these properties.
POLICY 11.2: Recover the costs of park facilities and programs	Action 11.2.1: Develop strategies to encourage Cleveland County to increase its financial participation in public recreation; increase fees for non-City residents.
POLICY 11.3: Public involvement and input	Action 11.3.1: Appoint a committee to prepare a report on the feasibility of funding and building a skate park in Shelby. Seek public input and involve the probable users. If determined to be favorable, as is likely, follow through to site it, design it and build it

	Action 11.3.2: Build a corporate/large gathering outdoor pavilion at Shelby City Park to complement the current amenities such as the carousel, train, playground, nature garden, ball fields and golf course. This addition would add incentive for large groups and companies to hold their outdoor events at City Park.
POLICY 11.4: Visitors to the area and athletic competitions In Shelby	Action 11.4.1: Actively seek partnerships with the hospitality industry to co-host more regional athletic events such as swim meets, and softball, baseball, soccer and volleyball tournaments.
	Action 11.4.2: Look specifically to the City’s park and recreation amenities as a tourism draw, e.g. carousel, miniature train. Make greater use of directional signs citywide to promote the visitation and use of park and recreation facilities.
12. Education and Training	
POLICY 12.1: Consolidation of schools	Action 12.1.1: Continually affirm on-going efforts to consolidate schools in Cleveland County in a timely, carefully planned manner.
POLICY 12.2: Location of new public schools	Action 12.2.1: Encourage the school board and administration to consider community development objectives when making capital investments in schools. i.e. make schools the focal point of community areas and neighborhoods, rather than “education factories” on isolated highway sites.
	Action 12.2.2: Encourage the creation of true community schools as gathering places, recreational centers, family life centers, fund-raising centers, human service delivery points for health care clinics, certain social services, and other government and non-profit services. Encourage various organizations to take their services to community schools on a rotating basis rather than requiring citizens to travel from their neighborhoods to the service providers.
	Action 12.2.3: Consider the impact on schools when making municipal decisions on capital improvements, investments in utilities, transportation improvements, and major development approvals.
POLICY 12.3: mentorship and employment for students	Action 12.3.1: Work proactively with the School system to establish a mentorship program for at-risk students, including new non-traditional methods for at-risk students; start as soon as the risk is identified. Consider allowing City employees some time off from their regular duties each month to serve as mentors.
	Action 12.3.2: Continue to support an annual “job shadow day” or “official for a day” student program in Shelby City government.
	Action 12.3.3: Continue to provide part-time and summer employment opportunities in Shelby City government to students.
13. Health Care/ Social Issues	
POLICY 13.2: Civic organizations	Action 13.2.1: Identify and implement actions to deal with the homeless issue in Shelby.
POLICY 13.3: Reduce dependence on the automobile	Action 13.3.1: Take actions now to ward off the kind of air pollution and health issues that have reduced the quality of life for residents of, for example, the Charlotte area, the Triad area, and the Asheville Area. Such actions include, principally, preventing sprawling development and automobile dependency, while encouraging compact development and a walkable/bikeable community.
POLICY 13.4: Services and facilities for the elderly	Action 12.4.1: Encourage strategies that have an awareness of our “aging population”; including possible tax benefits or fee reductions for this population segment.

List of Persons Interviewed for the Strategic Growth Plan

Many thanks are extended to the following individuals who gave of their time and knowledge to contribute to the body of information contained in this plan. (These persons are in addition to the many citizens who attended the town meetings held during the course of the plan's preparation.)

Ted Alexander, Uptown Shelby Association, Mayor of Shelby

Fred Blackley, Landscape Architect

Steve Borders, Cleveland County Schools

Brad Cornwell, City of Shelby Streets

Scott Darnell, Cleveland County Chamber of Commerce

Tom Crider, Director, Transportation Administration of Cleveland County, Inc.

Danny Darst, City of Shelby Public Works

Jamey Davis, Carolina First Bank, SGP Committee Chair

Larry Dixon, City of Shelby Public Works

Royce Hamrick, City of Shelby Streets (retired)

Betty Rose Heath, Local Historian

Charlie Holtzclaw, City of Shelby Parks and Recreation

Haywood Homsley, Retired Educator, Member of SGP Committee

Bryan Howell, Public Housing Department

Jeff Ledford, Captain, Shelby Police Department

Hal Mason, City of Shelby Community Development

Bill McCarter, Cleveland County Planning Department

Brian Pruitt, City of Shelby Building Inspections

Autumn Rierson, Preservation North Carolina

Jay Stowe, City of Shelby Utilities

Bill Weaver, retired, formerly with Shelby Transit Company

Strategic Growth Plan

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