

MINUTES

Regular Meeting
City Hall Council Chamber

April 15, 2019
Monday, 6:00 p.m.

Present: Mayor O. Stanhope Anthony III, presiding; Council Members Eric B. Hendrick, David W. White, David Causby, Violet Arth Dukes, and Dicky Amaya; City Manager Rick Howell, ICMA-CM, City Clerk Bernadette A. Parduski, NC-CMC, IIMC-MMC, City Attorney Robert W. (Bob) Yelton, Director of Human Resources Deborah C. (Deb) Jolly, Director of Energy Services Julie R. McMurry, Fire Chief William P. Hunt, MPA, EFO, Division Chief – Personnel and Emergency Services David Vanhoy, CFO, Director of Planning and Development Services Walter (Walt) Scharer, AICP; and Bill Harrelson of Cleveland Community College

Absent: Council Member Charles Webber

Mayor Anthony called the meeting to order at 6:00 p.m. and welcomed all who were in attendance. The Mayor gave the invocation and Mrs. Arth Dukes led the *Pledge of Allegiance*.

A. Approval of agenda:

- 1) Motion to adopt the proposed agenda

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to approve the agenda as presented.

C. Public Comment: None

D. Public Hearings:

- 1) Consideration of a resolution confirming the City of Shelby’s intent to offer an economic development incentive grant: Resolution No. 29-2019

Mr. Howell introduced Resolution No. 29-2019 and the proposed incentive agreement for Council’s consideration.

Next, Mr. Howell summarized the scope of the project and outlined the commitments and provisions of the proposed agreement between the City of Shelby and the company code-named under “Project Choice”.

The company agrees to the following:

- To invest \$59 million and to create 403 permanent, full-time jobs over the next five years within the Foothills Commerce Center
- The average wage of all jobs created is \$43,294

The City of Shelby agrees to the following:

- To donate Lots 5, 7, and 8 located in the Foothills Commerce Center
- To provide utility connections at no cost to the company
- To provide development and inspection services at no cost to the company
- To provide sidewalk connectivity between the company's facilities within the Foothills Commerce Center
- To consider the renaming of certain City streets within the Foothills Commerce Center
- To provide a one-time grant of \$150,000 specifically for site preparation

Mr. Howell noted if the company fails to perform, there are claw back provisions within the agreement that will allow the City to re-possess the donated lots and take back the one-time grant.

Mr. Howell further stated the company will not receive any tax incentive grant from the City. The annual property tax revenue based upon a \$59 million net new investment would generate an estimated \$300,000.

Mr. Howell added an economic development announcement event will be scheduled by Governor Roy Cooper's office and the company in the near future at which time the incentive agreement will be executed by all parties.

Lastly, Mr. Howell mentioned Cleveland County will consider an economic development incentive agreement with Project Choice at its meeting of April 16, 2019.

Mayor Anthony opened the public hearing at 6:07 p.m. and invited comments from the public.

The public offered no comments and Mayor Anthony closed the public hearing at 6:08 p.m.

ACTION TAKEN: Upon a motion made by Mr. White, City Council voted unanimously to approve and adopt Resolution No. 29-2019 entitled, "A

RESOLUTION CONFIRMING THE CITY OF SHELBY'S INTENT TO OFFER AN ECONOMIC DEVELOPMENT INCENTIVE GRANT".

2) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina: Ordinance No. 27-2019

Mr. Scharer introduced this proposed zoning map amendment for the subject property located at 2215 Randolph Road. The 62.733 acre lot is currently undeveloped. Land uses in the area include single-family dwellings, industrial uses, and undeveloped lots. The owner/applicant, City of Shelby, is seeking to rezone approximately 30 acres of this tract to Light Industrial (LI) zoning district in preparation for future industrial recruitment for economic development purposes. The remainder of the site will remain Residential 20 (R20) Zoning District.

Mr. Scharer stated although this proposed zoning map amendment is inconsistent with the Shelby Comprehensive Land Use Plan, it is consistent with local development patterns in the area. The Planning and Zoning Board recommended approval of the proposed zoning map amendment for the property located at 2215 Randolph Road from Residential 20 (R20) zoning district to Light Industrial (LI) zoning district.

Mayor Anthony opened the public hearing at 6:10 p.m. and invited comments from the public.

The public offered no comments and Mayor Anthony closed the public hearing at 6:11 p.m.

ACTION TAKEN: Upon a motion made by Mr. Hendrick, City Council voted unanimously to approve and adopt Ordinance No. 27-2019 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA".

3) Consideration of a proposed ordinance amending the zoning map of the City of Shelby, North Carolina: Ordinance No. 28-2019

Mr. Scharer introduced this proposed zoning map amendment for the subject properties located along Wooten Street, Church Street, Pine Street, Textile Street, Ella Street, Shannonhouse Street, Washington Street, and Dekalb Street from Residential 8 (R8) zoning district to Residential 6 (R6) zoning district. The subject properties are currently a combination of undeveloped lots, single-family dwellings, and vacant single-family dwellings. These parcels are part of the Cambridge Commons Development Project proposed by Guilford Financial Services, LLC. Mr. Scharer stated the Shelby Comprehensive Land Use Plan for this area designates this area as

Neighborhood Revitalization. Neighborhood revitalization areas are older, declining neighborhoods that need stabilization and revitalization. He concluded by stating the proposed zoning map amendment is consistent with the Shelby Comprehensive Land Use Plan. The Planning and Zoning Board recommended this proposed zoning amendment.

Mayor Anthony opened the public hearing at 6:12 p.m. and invited comments from the public:

Don Wright who resides at 718 East Zion Church Road in Shelby, North Carolina spoke against the proposed zoning map amendment. Mr. Wright owns four rental properties near the proposed Cambridge Commons Development Project. The demolition of the Ella Mill, which he stated disturbed more than an acre, has created a water runoff and drainage issue on his properties during heavy rain events. He stated he contacted the City for assistance and the water issue has not been resolved to date.

Mr. Howell made Council aware the developer will have to meet the stormwater regulations within the City's code to address any drainage issues. City staff will contact and follow-up with Mr. Wright.

Mayor Anthony closed the public hearing at 6:14 p.m.

ACTION TAKEN: Upon a motion made by Mr. Amaya, City Council voted unanimously to approve and adopt Ordinance No. 28-2019 entitled, "A PROPOSED ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF SHELBY, NORTH CAROLINA".

- 4) Consideration of a resolution granting a Special Use Permit to Guilford Financial Services, LLC for 1000, 1004, 1008, 1010, 1014, 1018, 1020, and 1024 South Dekalb Street: Resolution No. 30-2019

Mayor Anthony opened the public hearing at 6:17 p.m. and sworn testimony was given as follows:

Mr. Scharer introduced Resolution No. 30-2019 and the proposed Special Use Permit request by the applicant, Maida Renson, and as the developer, Guilford Financial Services, LLC.

Utilizing both location and zoning maps of the area, Mr. Scharer pointed to the site on South Dekalb Street across from Shelby High School, which is approximately two acres in size. The subject properties are a combination of vacant lots, abandoned single-family dwellings, or single-family dwellings and are currently zoned Residential 6 (R6) zoning district. Mr. Scharer stated

the Shelby Comprehensive Land Use Plan designates these properties as Neighborhood Revitalization, which is consistent with the Land Use Plan.

The applicant is proposing a 36 unit multi-family development comprised of two-story townhouse-style apartments and/or duplexes as submitted on the site plan. Mr. Scharer stated for multi-family developments located within the Residential 6 (R6) zoning district with 25 or more units, a Special Use Permit is required. The applicant would have to develop the properties in accordance with the site plan.

Mayor Anthony closed the public hearing at 6:18 p.m.

Having heard all of the evidence and arguments presented at the hearing, Council finds and determines the application is complete. Council was presented with no evidence as to the following findings as read by Mayor Anthony:

- The development will not materially endanger the public health or safety
- The development will not substantially injure the value of adjoining or abutting property
- Will be in harmony with the area in which it is to be located
- Will be in general conformity with the Comprehensive Land Use Plan or other plans officially adopted by Council

ACTION TAKEN: Upon a motion made by Mr. Amaya approving a Special Use Permit on South Dekalb Street due to the fact this project will not materially endanger the public health or safety, will not substantially injure the value of adjoining or abutting properties, will be in harmony with the area in which it is to be located, and will be in general conformity with the Shelby Comprehensive Land Use Plan or other plans officially adopted by City Council, City Council voted unanimously to approve and adopt Resolution No. 30-2019 entitled, "A RESOLUTION GRANTING A SPECIAL USE PERMIT TO GUILFORD FINANCIAL SERVICES, LLC FOR 1000, 1004, 1008, 1010, 1014, 1018, 1020, AND 1024 SOUTH DEKALB STREET".

- 5) Consideration of a resolution granting a Special Use Permit to Guilford Financial Services, LLC for 1001, 1005, 1011, 1015, 1019, 1023, and 1027 South Washington Street; 200, 202, and 204 East Shannonhouse Street: Resolution No. 31-2019

Mayor Anthony opened the public hearing at 6:20 p.m. and sworn testimony was given as follows:

Mr. Scharer introduced Resolution No. 31-2019 and the proposed Special Use Permit request by the applicant, Maida Renson, and as the developer, Guilford Financial Services, LLC.

Utilizing both location and zoning maps of the area, Mr. Scharer pointed to the site on South Washington Street between Textile Street and the former Ella Mill site, which is approximately 3 acres in size. He stated the applicant is amending a previously approved Special Use Permit issued by City Council in 2018. The applicant is proposing a 36 unit multi-family development comprised of two-story townhouse-style apartments and/or duplexes as submitted and included on the site plan for Cambridge Commons Phase Two 2019. Mr. Scharer stated for multi-family developments located within the Residential 6 (R6) zoning district with 25 or more units, a Special Use Permit is required. The applicant would have to develop the properties in accordance with the site plan.

Mayor Anthony closed the public hearing at 6:21 p.m.

Having heard all of the evidence and arguments presented at the hearing, Council finds and determines the application is complete. Council was presented with no evidence as to the following findings as read by Mayor Anthony:

- The development will not materially endanger the public health or safety**
- The development will not substantially injure the value of adjoining or abutting property**
- Will be in harmony with the area in which it is to be located**
- Will be in general conformity with the Comprehensive Land Use Plan or other plans officially adopted by Council**

ACTION TAKEN: Upon a motion made by Mr. Amaya approving a Special Use Permit on South Washington Street due to the fact this project will not materially endanger the public health or safety, will not substantially injure the value of adjoining or abutting properties, will be in harmony with the area in which it is to be located, and will be in general conformity with the Shelby Comprehensive Land Use Plan or other plans officially adopted by City Council, , City Council voted unanimously to approve and adopt Resolution No. 31-2019 entitled, “A RESOLUTION GRANTING A SPECIAL USE PERMIT TO GUILFORD FINANCIAL SERVICES, LLC FOR 1001, 1005, 1011, 1015, 1019, 1023, and 1027 SOUTH WASHINGTON STREET; 200, 202, AND 204 EAST SHANNONHOUSE STREET”.

E. Consent Agenda:

ACTION TAKEN: Mayor Anthony presented the consent agenda. Mr. White made a motion to approve the consent agenda. The consent agenda and following items were unanimously approved:

- 1) Approval of the Minutes of the Regular Meeting of April 1, 2019
- 2) Approval of a resolution declaring April 14-20, 2019 as National Public Safety Telecommunicators Week and honor the men and women who serve as Public Safety Telecommunicators in our community: Resolution No. 32-2019
- 3) Approval of a resolution accepting and approving assignment of an aircraft hangar used by Richard Phillips to Robert E. Cabaniss: Resolution No. 33-2019
- 4) Adoption of an ordinance establishing a capital project ordinance and budgets for the City of Shelby Water Treatment Plant Electric Line Construction Project: Ordinance No. 29-2019
- 5) Adoption of an ordinance authorizing demolition of a dwelling: Ordinance No. 30-2019
- 6) Approval of a Notice of Special Meetings

END CONSENT AGENDA

F. Unfinished Business:

- 1) Consideration of appointments to City advisory boards and commissions:
 - a. Alcoholic Beverage Control (ABC) Board

Mrs. Parduski reported the terms of two incumbents, Carl Dockery, Jr. and Page Morgan, conclude April 2019. Both incumbents are seeking reappointment to this board.

There are five applications on file in the Clerk's Office:

- Darrell Gerald
- James (Jim) Martin
- Peter Potemkin
- James Phillip Reid
- Jeffrey Yates

Mr. Causby nominated Carl Dockery, Jr. and Page Morgan for reappointment.

ACTION TAKEN: Upon a motion by Mr. Causby, City Council voted unanimously to close the nominations and accept the nominees by acclamation.

G. New Business: None

H. City Manager's Report:

- 1) Mr. Howell provided a brief analysis of North Carolina General Assembly House Bill 91 entitled, "Alcoholic Beverage Control (ABC) Laws Modernization from the Program Evaluation Division (PED) Study" and Senate Bill 179 entitled, "Parity for First Responders".
- 2) Mr. Howell reported the Water Treatment Plant Improvements Project on Grover Street is progressing with the pouring of concrete for the new tanks and laying the foundation for the new pump house anticipated within a month.
- 3) Mr. Howell reported the Wastewater Treatment Plant Biosolids Improvement Project is progressing with the grading to begin within 30 to 60 days.
- 4) Mr. Howell reported the Fallen Heroes Memorial Project is nearing completion, anticipated by the end of April 2019.
- 5) Mr. Howell explained the City of Shelby receives natural gas through the Williams Transco interstate transmission pipeline system. The City pays a demand charge for capacity in the pipeline to the City's gate. This demand charge is a fixed cost and is passed through to the City's customers in the basic facilities charge for each customer class. At the appropriate time in the near future, the City will make the adjustment to pass through the demand charge increases to its customers.
- 6) With regard to the Shelby Cleveland County Regional Airport T-Hangar Project, Mr. Howell reported the grading for the three buildings to house 10 units each has begun, anticipated to be completed by late summer 2019.
- 7) Mr. Howell mentioned the North Carolina Department of Transportation's utility relocation construction work for intersection improvements at South Post Road and Joe's Lake Road has begun.

8) Mr. Howell mentioned the North Carolina Department of Transportation's utility relocation construction work for intersection realignment at Cherryville Road and East Marion Street is continuing.

9) Mr. Howell reminded Council of the following:

- Holly Oak Park Playground and Old Center Renovation Ribbon Cutting – April 30, 2019 at 4:00 p.m., Holly Oak Park
- Special Meetings – Budget Sessions – April 24 and April 29, 2019 at 12:00 Noon, City Hall Council Chamber
- Foothills Merry-Go-Round Festival Honors Awards Reception and Presentations – April 26, 2019 at 6:00 p.m., Don Gibson Theatre
- Shelby Fire & Rescue Department Accreditation Site Visit Opening Conference and Peer Team Reception – April 28, 2019 at 6:00 p.m., Don Gibson Theatre

I. Council Announcements and Remarks:

- 1) Mayor Anthony also encouraged Council members to attend the Holly Oak Park Playground and Old Center Renovation Ribbon Cutting on April 30, 2019 and the Foothills Merry-Go-Round Festival Honors Awards Reception and Presentations on April 26, 2019.
- 2) Mayor Anthony reminded all to participate in the citywide clean-up event on Keep Shelby Beautiful Day scheduled for April 27, 2019 at 9:00 a.m. in Uptown Shelby, 200 South Lafayette Street.
- 3) Mayor Anthony announced the annual observance of the National Day of Prayer is May 2, 2019 and invited all citizens to attend and gather at City Hall Council Chamber at 12:00 Noon.
- 4) Mrs. Arth Dukes requested City staff address Mr. Wright's water runoff and drainage concerns with a report back to Council as to the outcome.

J. Closed Session:

- 1) To approve the Minutes and General Account of the Closed Session of April 1, 2019
- 2) To consult with the City Attorney in order to preserve the attorney-client privilege in the matter of Willie A. Green, Sr. versus the City of Shelby and Rick Howell pursuant to North Carolina General Statute 143-318.11 (a) (3)

ACTION TAKEN: Mr. White made a motion to enter into a closed session pursuant to the appropriate North Carolina General Statutes as cited. Mayor Anthony consulted with Mr. Yelton who advised the topic met the statutory requirements for a closed session. The Mayor invited all Council members present along with Mr. Howell and Mrs. Parduski to attend. The motion passed unanimously and Council moved into closed session at 6:35 p.m.

Council returned to the regular session at 7:36 p.m.

K. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion made by Mr. Hendrick, City Council voted unanimously to adjourn the meeting at 7:37 p.m.

Respectfully submitted,

Bernadette A. Parduski, NCCMC, MMC
City Clerk

O. Stanhope Anthony III
Mayor

Minutes of April 15, 2019