

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, December 19, 2017 at 7:00 p.m., with the following members present:

Brad Lail	Hank Guess	David L. Williams
	Aldermen	David P. Zagaroli
		Jill Patton

A quorum was present.

Also present were: City Manager Warren Wood, Interim Assistant City Manager Rick Beasley, Assistant City Manager Rodney Miller, Deputy City Attorney Arnita Dula, City Attorney John W. Crone, III, Executive Assistant to the City Manager Deisy Zavala Vazquez and City Clerk Debbie D. Miller

- I. Mayor Guess called the meeting to order. All Council members were present except for Alderman Seaver and Alderman Tarlton
- II. Invocation by Pastor Whit Malone, First Presbyterian Church
- III. Pledge of Allegiance
- IV. Special Presentations

- A. Presentation of the 21<sup>st</sup> Consecutive Certificate of Achievement for Excellence in Financial Reporting to the City of Hickory by the Government Finance Officers Association of the United States and Canada for its Comprehensive Annual Financial Report (CAFR).

Mayor Guess asked the City's Finance Officer Melissa Miller to the podium. Mayor Guess read and presented the Certificate of Achievement for Excellence in Financial Reporting to Mrs. Miller.

- B. Presentation of Proclamations for Volunteer Appreciation Day – Recipients Ruth and Harold Shuford, George A. Moretz, South Mountain Baptist Church and Kelly Hilton.

Mayor Guess asked the recipients, George A. Moretz and his wife, Kelly Hilton, Ruth and Harold Shuford, and the from South Mountain Baptist Bible Camp, Christie Clary to the podium. Mayor Guess advised that George Moretz had volunteered and had been on numerous volunteer boards. He noted Mr. Moretz had served on the Catawba County Science Center, Boy Scouts of America, YMCA, Hickory Cooperative Christian Ministry, CVCC Foundation and Lenoir-Rhyne University. This was not a complete listing of the boards that Mr. Moretz served on but it covered the majority of them. Mr. Moretz was nominated by Alan Barnhardt, Executive Director of Catawba County Science Center. The other three recipients were nominated by Tammy Dotson, Volunteer Coordinator for the Catawba County United Way. Kelly Hilton was nominated for the Corner Table Soup Kitchen and the "To Go Bag Program". Ruth and Harold Shuford were nominated for Exodus House for their work in the prison ministry for the last 23 years. Representatives from the South Mountain Baptist Bible Camp were nominated for the daycare for children at Safe Harbor Rescue Mission. The student campers developed and conducted vacation bible school for children and a new day program for the last two years. Mayor Guess read and presented a proclamation for Volunteer Appreciation Day to each of the recipients. Mayor Guess asked Alan Barnhardt and Tammy Dotson to the podium to present a certificate on behalf of the Governor of the State of North Carolina.

Ms. Tammy Dotson commented the Catawba County United Way Volunteer Center host an annual event called "Giving from the Heart" in which they seek nominations from non-profits, churches, individuals, and local businesses for outstanding volunteers every year. Piedmont Natural Gas is a sponsor and they donate \$500 for three different categories. The donation is made to the non-profit of the winner's choice. The applications which are received for that particular event are the ones which they actually pick and select to nominate for the Governor's Award. It is also opened up to other individuals, non-profits, government, and businesses, to nominate volunteers directly. The applications have to be in to Raleigh by January 31<sup>st</sup>. Their cut off is January 23<sup>rd</sup> because they have to go through them and they can only submit ten from the County, but they do have to come through Catawba County United Way Volunteer Center. The application is accessible on their website. The Governor started this program in 2006 to show appreciation for the volunteers. Since then in 2009, Cissie Fish, "Girls on the Run" won the medallion; in 2013 the United Way Teen Christmas Volunteer Committee won the medallion; in 2016, Donna Either a Sexual Assault Advocate won the medallion and in 2017 Ruth and Harold Shuford won the medallion. It is not the medallion that they want to recognize. They want them to receive a Certificate of Appreciation from the Governor's Office of Volunteerism thanking them for their service. She presented the certificate to Kelly Hilton. Mr. Hilton was nominated by the Corner Table, does excellent work, and has a great story. She presented a certificate to Ruth and Harold Shuford. The Shuford's had done this for so long it really wasn't volunteer service anymore, it was a way of life. She advised that in September 2018 they will open up nominations for the "Giving from the Heart" event which is the local event. She reiterated those applications are the ones they try and pull from first. This is a great opportunity to be able to recognize the volunteers, it doesn't cost you anything, just send in the application. A good way to say thank you to the volunteers.

Mr. Alan Barnhardt was excited to recognize all of the people, but his friend George Moretz as well. There are so many needs for volunteers in this community. He knew a lot of people give their time and their energy in volunteering. It is what makes this community so outstanding. He commented it was exciting to him because he came from a bigger city. When he came to Hickory eight years ago George Moretz was his board president and welcomed him and helped him in grade into this community. It had been a great experience and he loves it. He presented Mr. Moretz with his pin. This kind of activity means so much to this community. If you are not a volunteer get out there and be one.

Ms. Dotson advised that Christie Clary was present from Safe Harbor, representing the South Mountain Baptist Bible Camp. The student campers work second shift and were unable to be in attendance, Ms. Clary was present representing them from the agency. They had received their certificate as well.

V. Persons Requesting to Be Heard

- A. Ms. Daria Jackson, 975 9<sup>th</sup> Street Drive NE, addressed Council regarding the fitness area's hours at Ridgeview. She advised the hours don't fit everybody. She asked Council if they could stretch the hours where they can fit everybody. She stated it doesn't open until 12:00 or 1:00 and people are usually at work and then it closes at 9:00 p.m. and some people are just getting off work so it is not really benefiting as many people as it could because of the hours.

VI. Approval of Minutes

- A. Regular Meeting of December 5, 2017.

Alderwoman Patton moved, seconded by Alderman Zagaroli that the Minutes of December 5, 2017 be approved. The motion carried unanimously.

VII. Reaffirmation and Ratification of Second Readings. Votes recorded on first reading will be reaffirmed and ratified on second reading unless Council Members change their votes and so indicate on second reading.

Alderman Lail moved, seconded by Alderwoman Patton that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

- A. Acceptance of the General Warranty Deed Conveying the Parking Lot from OHM Holdings, LLC to the City of Hickory. **(First Reading Vote: Unanimous)**
- B. Budget Revision Number 11. **(First Reading Vote: Unanimous)**

VIII. Consent Agenda: All items below are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests. In which event, the item will be removed from the Consent Agenda and considered under Item IX.

Alderwoman Patton moved, seconded by Alderman Zagaroli approval of the Consent Agenda. The motion carried unanimously.

- A. Called for a Public Hearing for Consideration of a Voluntary Contiguous Annexation of Property Owned by Herbert and Brenda Stepp, Located at 1021 25<sup>th</sup> Avenue Drive NW, containing .652 Acres, PIN 3704-14-34-8492. (Authorize Public Hearing for January 2, 2018, at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).

RESOLUTION NO. 17-34

RESOLUTION DIRECTING THE CLERK TO INVESTIGATE A PETITION RECEIVED UNDER G.S. 160A-31 AND/OR 160A-58.1, AS AMENDED

WHEREAS, a petition from Herbert Joe Stepp and wife, Brenda Sims Stepp requesting annexation of an area described in a petition was received on November 30, 2017 by the City Council of the City of Hickory; and

WHEREAS, G.S. 160A-31 and G.S. 160A-58.1 provide that the sufficiency of the petition shall be investigated by the Clerk before further annexation proceedings may take place; and

WHEREAS, the City Council of the City of Hickory deems it advisable to proceed in response to this request for annexation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY:

THAT, the Clerk is hereby directed to investigate the sufficiency of the above-described petition and to certify as soon as possible to the City Council the result of her investigation.

CERTIFICATE OF SUFFICIENCY

TO THE CITY COUNCIL OF THE CITY OF HICKORY, NORTH CAROLINA:

I, Debbie D. Miller, City Clerk, do hereby certify that I have investigated the petition attached hereto and have found as a fact that said petition is signed by all owners of real property lying in the area described therein, in accordance with G.S. 160A-31 and/or G.S. 160A-58.1, as amended:

1021 25th Avenue Drive NW, containing .652 acres more or less

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory this 30th November, 2017.

/s/ Debbie D. Miller, City Clerk

RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION, PURSUANT TO G.S. 160A-31 OR G.S. 160A-58.1, AS AMENDED

WHEREAS, a petition requesting annexation of the area described herein has been received; and

WHEREAS, the City Council of the City of Hickory has, by Resolution, directed the clerk to investigate the sufficiency thereof; and

WHEREAS, certification by the Clerk as to the sufficiency of said petition has been made.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY:

Section 1: That a public hearing on the question of annexation of the area described herein will be held at 7:00 p.m. on January 2, 2018 in the Council Chambers of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Section 2: The area proposed for annexation is described as follows:  
1021 25th Avenue Drive NW, containing .652 acres more or less

Section 3: Notice of said public hearing shall be published in The Hickory Daily Record, a newspaper having general circulation in the City of Hickory, at least ten (10) days prior to the date of said public hearing.

RESOLUTION NO. 17-35

A RESOLUTION DETERMINING THE INTENT TO ANNEX INTO THE CORPORATE LIMITS OF THE CITY OF HICKORY CERTAIN PROPERTY OWNED BY HERBERT JOE STEPP AND WIFE, BRENDA SIMS STEPP AND CALLING FOR A PUBLIC HEARING ON THE SAME

WHEREAS, Herbert Joe Stepp and wife, Brenda Sims Stepp are the owners of certain real property as described herein, which property is located at 1021 25th Avenue Drive NW, containing 0.652 acres more or less; and

WHEREAS, such property is currently located in the City's extra-territorial jurisdictional (ETJ); and

WHEREAS, it is in the best interest of the health, safety and well-being of the residents of the City of Hickory to annex such property into the corporate limits of the City of Hickory as authorized by N.C.G.S. Section 160A-31; and

NOW, THEREFORE BE IT RESOLVED by the Hickory City Council, sitting in open session this 19th day of December, 2017, at a regularly scheduled meeting of the governing body of said Council, duly called and posted in accordance with the statutes of the State of North Carolina, as follows:

Section 1: That the Hickory City Council does determine that it is in the best interest of the health, safety and well-being of the residents of the City of Hickory

to annex the property described hereinafter into the corporate limits of the City of Hickory.

- Section 2: That a public hearing on the question of annexation of the area described herein will be held at 7:00 p.m. on January 2, 2018, in the Council Chamber of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.
- Section 3: The same being that property reflected on a maps entitled Stepp Annexation Map 1, Current City Boundary, subject property outlined in red; Stepp Annexation Map 2, 2017 Aerial Imagery, subject property outlined in red; Stepp Annexation Map 3, Current Zoning, subject property outlined in red.
- Section 4: Notice of said public hearing shall be published in The Hickory News, a newspaper having general circulation in the City of Hickory, at least ten (10) days prior to the date of said public hearing.

- B. Approved on First Reading a Future Annexation Agreement for Ghassan and Rana Alkoutami for Properties Located at 2811, 2815 and 2823 20<sup>th</sup> Street Lane NE, Hickory.

The City of Hickory has a long-standing policy of requiring the owners of property outside the City limits to be annexed before connecting to the City's sanitary sewer system. However, sometimes the City is not able to immediately provide the necessary services required for annexation. In that event, Hickory City Council adopted a policy requiring the property owners to enter into a future annexation agreement with the City, which would enable the City to initiate annexation procedures when it is feasible to do so. Ghassan and Rana Alkoutami requests connection to the City of Hickory's sewer system without being annexed. They have agreed to be annexed at a point in the future when the City finds it feasible to do so. The Alkoutamis own residential lots located at 2811, 2815, and 2823 20<sup>th</sup> Street Lane NE, which are part of the Belle Meade subdivision. The properties are also identified as PIN numbers 3714-20-91-4213, 3714-20-91-4353, and 3714-20-91-5401 on the Catawba County tax maps. The subject properties are approximately 700 linear feet from the primary incorporated boundary of the City of Hickory. Over the past ten years the City has authorized one other future annexation agreement in the vicinity of the subject property. Upon analysis, staff has determined sanitary sewer is available to serve the properties; however, due to the property's vehicular travel distance from the City's primary boundary immediate annexation is not recommended. Staff recommends City Council approve the future annexation agreement for Ghassan and Rana Alkoutami to allow for connection to sanitary sewer.

- C. Approved a Revision to Loan Terms with the Woda Group to Assist in the Construction of a 50 Unit Senior Apartment Complex.

The Woda Group has requested funding from Citizen's Advisory Committee to assist in the construction of a 50 unit apartment complex for low and moderate income senior citizens. The project will be constructed at 105 South Center Street. The project plans to make use of Low Income Housing Tax Credits. The estimated cost of the project is \$7.4 million. The project has also been awarded a \$200,000 loan from the Unifour HOME Consortium. The developer has requested these loans to reduce the amount of tax credits required per unit, which should make the proposal more likely to be awarded the tax credits that are necessary to finance the construction. The applicant also plans to apply for Rental Production Program (RPP) funding as a way to reduce the amount of tax credits necessary to complete the development and make approval more likely. Some changes to the North Carolina Housing Finance Agency's requirements for matching funds when using RPP funds require some modifications to terms of the loan. The Citizen's Advisory Committee recommended to approve this request at their meeting on November 2, 2017. City Council approved a \$25,000 loan payable over 20 years at a three percent interest rate at its November 21, 2017 meeting. This loan will be made from residual program income from the City's former rental rehabilitation program. The loan is contingent on receipt of the Low Income Housing Tax Credits from the North Carolina Housing Finance Agency (NCHFA). NCHFA requirements state that the City's loan must be treated on equal terms to the two other supplemental loans that the project is receiving in addition to conventional commercial financing. The RPP loan requirements stipulate a specific net operating income ratio of 1.15 that payments cannot exceed. Payments are made from the available cash flow in proportion to the size of the three loans. The City would still receive monthly payments based on a standard amortization schedule, but the actual amount paid each month would fluctuate based on available cash flow. A balloon payment of the remaining balance with interest would be due 20 years from loan execution, if the loan has not already been paid off at that point. Staff recommends City Council's approval of the modification to the Woda Group loan terms to state that it will be treated on equal terms to the Rental Production Program and Unifour HOME Consortium loans.

- D. Approved Applying for a North Carolina Department of Transportation Bicycle and Pedestrian Planning Grant Initiative.

Staff requests Council's approval to apply for a North Carolina Department of Transportation Bicycle and Pedestrian Planning Grant Initiative. The City of Hickory currently has a Sidewalk, Bikeway, Greenway, and Trail Master Plan. The overall Master Plan was last updated in 2005. The sidewalk portion of the Master Plan Sidewalk Priority List has not been updated since its inception. The Bicycle and Pedestrian Planning Grant would allow the City of Hickory to update the priority list of new future sidewalks. This new priority listing would take into account community needs based on pedestrian traffic, schools, economic factors and other important changes that have taken place since the original priority list was approved. The City of Hickory could qualify for \$40,000 to \$60,000 for a Pedestrian Plan based on the consultant fee for the study. The grant has a local match of 30 percent which would be between \$12,000 - \$18,000, depending on the fee charged by consultant and approval by NCDOT. Staff recommends Council's acceptance and approval to apply for a North Carolina Department of Transportation Bicycle and Pedestrian Planning Grant Initiative which portion is pedestrian focused.

RESOLUTION NO. 17-36

A RESOLUTION BY HICKORY CITY COUNCIL APPLYING FOR THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION (NCDOT) BICYCLE AND PEDESTRIAN GRANT FUNDS 2018

WHEREAS, THE North Carolina Department of Transportation has authorized the making of grants to aid government units in the cost of a Bicycle and Pedestrian Grant Initiative Pedestrian Plan will be the focus.

WHEREAS, the North Carolina Department of Transportation has offered a grant in the amount of \$40,000 to \$60,000 for a Pedestrian Plan update study to the City of Hickory's current pedestrian Plan.

WHEREAS, the City of Hickory intends update current plan in accordance with the approved criteria and specifications,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY, THAT:

The City of Hickory does hereby accept the Bicycle and Pedestrian Grant Initiative in the amount of \$40,000 to \$60,000 with a local match of \$12,000 to \$18,000.

That the City of Hickory does hereby give assurance to the North Carolina Department of Transportation that all items specified in the Grant will be administered according to the guidelines.

That the City Manager, Warren Wood, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the City of Hickory has substantially complied or will substantially comply with all Federal, State and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

- E. Approved on First Reading an Offer to Purchase 21 Acres of Land Adjacent to Henry Fork River Regional Park in the Amount of \$262,500.

Staff requests City Council's approval of an offer to purchase 21 acres of an approximate 41 acre tract owned by First Assembly of God Church. The 41 acre tract, including the subject 21 acres, is adjacent to Henry Fork River Regional Recreation Park on Sweet Bay Lane. This park was originally built as a regional project with participation from Hickory and Long View. The City now maintains the park in its entirety. Staff has expressed interest in purchasing the 21 acres from the First Assembly of God Church to expand the number of athletic fields and parking spaces at the park. The offer to purchase is \$12,500 per acre for a total purchase price of \$262,500. This is less than the assessed value of the parcel, which is roughly \$15,000 per acre. As with the park to the east, much of the land to be purchased is located in the floodplain. The presence of floodplain does not preclude the construction of athletic fields. A survey indicating the exact boundaries of the parcel to be purchased is currently underway. Staff recommends that City Council approve the offer to purchase 21 acres of land adjacent to the Henry Fork River Regional Recreation Park.

- F. Approved the Citizens' Advisory Committee Recommendations for Assistance through the City of Hickory's Housing Programs.

The following requests were considered by the Citizens' Advisory Committee at their regular meeting on December 7, 2017.

The following applicants are being recommended for approval for assistance under the City of Hickory's 2017 Urgent Repair Program. This program provides qualified low income citizens with assistance for emergency related repairs not to exceed \$8,000.

- Ray & Ursula Carpenter, 1411 7<sup>th</sup> Avenue SW, Hickory, not to exceed \$8,000
- Cozette Bean, 1365 4<sup>th</sup> Street NW, Hickory, not to exceed \$5,239

The Citizens' Advisory Committee recommends approval of the aforementioned requests for assistance through the City of Hickory's housing assistance programs.

- G. Approved on First Reading the Purchase of the Town of Hildebran's Sanitary Sewer Collection System in the Amount of \$500,000.

Staff requests Council's approve of a contract to purchase the Town of Hildebran's Sanitary Sewer Collection System in the amount of \$500,000. The Public Utilities Division has shared a longstanding relationship with the Town of Hildebran for the operation and maintenance of the sanitary system. Town of Hildebran staff and Public Utilities Division staff have worked diligently over the last decade to ensure proper service to the citizens of the Town of Hildebran could be met while remaining in compliance with the ever changing rules and regulations regarding environmental compliance. As regulations, funding and the complications of owning a utility are becoming more difficult, the Town of Hildebran decided to explore options for the only utility they owned. Public Utilities Division and Town of Hildebran staff decided to hire Martin-McGill to perform a study to determine the value of the sanitary sewer collection system and the cost benefit of Hickory Public Utilities Division purchasing the system. The Sewer System consists of approximately 650 customers and will be considered at the outside rate for payment. City staff has developed a seven year incrementally adjusting plan to get the customers to the outside rate by 2025. Hickory Public Utilities Division will start making a profit on this system after year eight and will have opportunities for expansions as well in the future. This purchase is being funded out of Public Utilities Fund Balance. Staff recommends Council's approval of the contract to purchase the Town of Hildebran's Sanitary Sewer Collection System in the amount of \$500,000.

- H. Approved a Resolution Authorizing the City to Enter into a Lease Amendment Agreement with Hickory Music Factory.

In April 2013, the City of Hickory entered into a lease agreement with Hickory Music Factory for their use of the former Parks and Recreation Department administration office building at Jaycee Park. In exchange for the office space and utilities provided to them, Hickory Music Factory is paying one dollar (\$1.00) annually and providing various music programs to City of Hickory residents at no charge. The initial lease is for a five year period beginning April 17, 2013 and continuing until April 16, 2018. Thereafter, the lease is scheduled to renew for one additional five year period beginning April 17, 2018 and continuing until April 16, 2023. The lease agreement allows Hickory Music Factory to make additions and improvements to the leased premises with the permission of the City of Hickory, with the additions and improvements being at the sole expense of Hickory Music Factory. Earlier this year, Hickory Music Factory made some significant improvements to the building with the consent of the City. In exchange for making the improvements, Hickory Music Factory has requested amending the term of the original lease agreement to a new ten-year term beginning in 2018. N.C.G.S. 160A-272 requires Council to adopt a resolution that authorizes the execution of a lease agreement having a term greater than one year upon 30 days' public notice. The notice must describe the property to be leased, list the annual lease payments, and announce the Council's intent to authorize the lease. Staff requests Council adopt the resolution authorizing the City to enter into a lease amendment agreement with Hickory Music Factory.

RESOLUTION 17-37  
RESOLUTION AUTHORIZING THE EXECUTION OF A FIRST AMENDMENT TO A  
LEASE AGREEMENT

WHEREAS, City Council of the City of Hickory desires to enter into a first amendment to a lease agreement with Hickory Music Factory, Inc.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL THAT:

1. The City of Hickory owns property located at:  
1515 12th Street Drive NW, Hickory, North Carolina
2. City Council has received a First Amendment to a Lease Agreement from

Hickory Music Factory, Inc. who desires to lease the property located at 1515 12th Street Drive NW, Hickory for non-profit use.

The lease term shall be for a period of ten (10) years beginning February 21, 2018 and ending February 20, 2028. In exchange for the use of the property Hickory Music Factory, Inc. will pay a lease fee of one dollar (\$1.00) per year, provide various music programs to City of Hickory residents at no charge, and make approved improvements to the facility.

- 3. City Council intends to approve the First Amendment to a Lease Agreement with Hickory Music Factory, Inc. at their City Council meeting scheduled for February 6, 2018 after due advertisement in The Hickory Daily Record.
- I. Accepted on First Reading Award of a Contract to Freese and Nichols, Inc. in the Amount of \$61,900 for the Evaluation and Design of the Lenoir-Rhyne University Area Waterline Improvements Project.

The Public Utilities Department annually identifies infrastructure that is in need of replacement or rehabilitation, as appropriate, as a component of the Department's sustainability programs. Infrastructure to be upgraded is identified by reviewing records of maintenance calls to the area, reviewing annual inspection records from staff, age of infrastructure and overall size of project that needs to be performed. This project is intended to evaluate the necessary interconnections in this area to maximize the available water in the "F Avenue Water Tank" and design those interconnections for construction at a future date. This area has traditionally experienced low water volumes during high flow events and this project will correct that by creating access to a one million gallon water tank in close proximity. The project consists of evaluation and design of waterline improvements necessary to improve flows and water availability in the Lenoir-Rhyne University area. This is necessary to maximize use of water tanks adjacent to the area and improve existing conditions. Public Utilities staff developed and disseminated a Request for Qualifications package and advertised on the City's website. Seven engineering firms responded to the solicitation and two firms were interviewed. Willis Engineers, Inc. was originally selected but could not fulfill obligations and complete the project. Freese and Nichols, Inc. was the next most responsive firm and have been selected to complete the task. The negotiated fee for services is within the acceptable range of Engineering Services used as a guide for placing a value on normal engineering projects. The funds for this project are budgeted in the Public Utilities Capital Budget. Staff recommends Council's acceptance and award of a contract to Freese and Nichols, Inc. in the amount of \$61,900.

- J. Approved the Certificate of Sufficiency and Preliminary Resolution Relative to Street Improvements for Curb and Gutter along the Property Located at 1440 8<sup>th</sup> Street NW, Hickory, Petition No. 17-01. (Authorize Public Hearing for January 16, 2018 at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).

RESOLUTION NO. 17- 38

PRELIMINARY RESOLUTION  
OF THE CITY COUNCIL OF THE CITY OF HICKORY  
(NO. 17-01)

WHEREAS, on the 29<sup>th</sup> day of November, 2017, property owner of 1440 8<sup>th</sup> Street NW, filed with the City Engineer of the City of Hickory a petition for improving said street by placing and constructing thereon curb and gutter according to plans and specifications on file in the Office of the City Engineer; and

WHEREAS, the City Clerk has certified to this Board that said petition is sufficient in all respects.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY:

- 1. That the above-mentioned petition is found to be sufficient in all respects.
- 2. That, that portion of 1440 8<sup>th</sup> Street NW be improved by placing and constructing thereon curb and gutter in accordance with plans and specifications on file in the Office of the City Engineer under and by virtue of Chapter 160A, Article 10 of the General Statutes of North Carolina, and that said improvements be done by the City of Hickory or by contract after due notice and advertisement for bids, as outlined by Chapter 143, Section 129 of the General Statutes of North Carolina.
- 3. That 50 percent of the total cost of the said improvements may be assessed against the property receiving the improvement for constructing curb and gutter -

\$24.75 per linear foot plus \$0.00 per linear foot for storm drain piping for a total of \$24.75 per linear foot excluding driveway cuts and \$49.75 per linear foot of driveway apron measured at its narrowest point plus \$0.00 per linear foot for storm drain piping for a total of \$49.75 per linear foot of driveway apron.

- 4. That the assessment herein provided for shall be payable in cash, or if the property owners shall so elect, in accordance with Chapter 160A, Sections 232 and 233 of the General Statutes of North Carolina, they shall have the option and privilege of paying the assessment in five (5) equal annual installments, to bear interest at the rate of 8 percent per annum.
- 5. That a public hearing on all matters covered by this resolution shall be held on January 16, 2018, at 7:00 p.m. in the Council Chamber of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.

Certificate of Sufficiency  
(No. 17-01)

I, Debbie D. Miller, City Clerk of the City of Hickory, North Carolina, do hereby certify that the annexed petition of property owners for the improvement of a portion of 1440 8th Street NW, Hickory was lodged with me on the 8th day of December, 2017, and that I have investigated the sufficiency of said petition; and that the results of my investigation are as follows:

The total number of owners of land abutting on the parts of said street proposed by said petition to be improved is one (1). The number of said owners who signed said petition is one (1), a majority.

The total number of lineal feet of said lands upon the parts of the street proposed by said petition to be improved is 155.00 feet. The number of said lineal feet represented by said owners who signed said petition is 155.00 feet, a majority.

For the purposes of said petition a majority in interest of owners of undivided interest in any piece of property have been deemed and treated by me as one person.

I find that the said petition is in all respects sufficient and in conformity with all requirements of Chapter 160 A, Article 10 of the General Statutes of North Carolina, as amended. I find also the parts of said street proposed by said petition to be improved have been definitely laid out, and that the boundaries of same have been definitely fixed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory, this the 8th day of December, 2017.

/s/ Debbie D. Miller, City Clerk

- K. Approved a Cemetery Deed Transfer from George Snow, Widowed, to Rick Barns and wife, Candy Barns, Oakwood Cemetery, Plot L, Lot Nos. 9-10, Section 57. (Prepared by Susannah L. Brown, Anthony & Brown, PLLC.
- L. Confirmed the City of Hickory as the "Host" City for Park 1764.
- IX. Items Removed from Consent Agenda
- X. Informational Item
- XI. New Business:
  - A. Public Hearings
  - B. Departmental Reports:
    - 1. City of Hickory Economic Growth Strategic Plan - Presentation by City Manager Warren Wood.

Presentation of the proposed Economic Growth Strategic Plan that will enable the City of Hickory to achieve its vision of establishing a diversified and sustainable economy through growth of business opportunities, jobs, tax base and population, as well as improving the quality of life for Hickory's citizens.

City Manager Warren Wood presented a PowerPoint presentation. In August of this year City Council directed Staff to move forward with the development of an economic growth strategic plan. Since that time Staff had been working with a consulting firm, WR Martin to put that together. He gave a broad overview. What the City is trying to do is get back on the state and national scene. This year alone

the City had been recognized in three different areas as the Kiplinger letter rated Hickory the "Best Place in America to Retire". Another organization rated Hickory the 9<sup>th</sup> "Best Place in North Carolina to Raise a Family". The most recent one, the "Best Place in America for Holiday Lovers". If you like Christmas and the holidays then Hickory is the place for you. Hickory beat out Eugene, Oregon which was number two. That was from Realtors.com. Those were some good accolades that have been coming our way just in the last few months alone. In putting this plan together they were looking for a plan to put into action. Not an academic exercise that is going to sit on a shelf. When they did this in August they discussed three elements to putting this together: develop a plan; align the organization to implement the plan, which is what Staff had been working on and will have that ready to go January 1<sup>st</sup>; and then move forward with execution of the plan. Staff had presented results of this to the Business Development Committee (BDC) and they had been involved multiple times in putting this information together. They had given it their seal of approval as well. In getting started they talked about what they wanted to achieve. There was a broad consensus; job growth, population growth, and property tax base growth. In Catawba County right now there are approximately 3,500 jobs that we don't have a workforce for. It is important that we grow our population, so we can grow our workforce and grow our tax base. That is how all of these things work together. Creating a quality of life here in Hickory that is going to attract a growing population is vital to these other elements.

City Manager Warren Wood discussed Hickory understanding who we are. Hickory is a hub of a metro area of over 350,000 people. We have a regional economy. You could also argue in some cases we have international and national economy, but we are absolutely regionally based as far as our economy goes. We also have a diversified economy. We are still heavy in manufacturing but when you look at all of the others, retail, health services, financial services, etc., we are a much diversified economy. But still disproportionate, heavy on the manufacturing side given our history. We need to think as if we are a population of 100,000 not 40,000 because that is what we are in essence during the day. Given that we are the regional hub and we attract a lot of folks here during the day, when you look at our business and cultural assets they are extremely advanced for a city our size. That is who we are. In putting this plan together we need to think bigger. Our citizens were already thinking big when they approved the bond referendum and we need, as Staff, as an organization, we need to catch up. In putting the plan together the foundation was already laid by the Hickory by Choice 2030 Plan. That was a citizen based plan that had a variety of different elements outlined in it that were identified by the citizenry in areas that the City needs to focus on. That was the foundation that had already been laid in putting this plan together.

City Manager Warren Wood discussed projects which the City was working on that currently have momentum and then they would see why it was important that he go over this. He showed three slides of fairly major initiatives that are underway that somehow relate to economic development. Obviously the \$40 million dollar bond program which was approved by the voters including the City Walk, Riverwalk, Gateways and Streetscapes, and the Class "A" business park. We are very focused on those and are working hard to get a shovel in the ground. That is a top priority for us. In addition to that we have another \$15.5 million dollars in grant funding, that is \$55.5 million dollars' worth of public infrastructure projects. In addition to that we are pursuing almost a \$10 million dollar TIGER grant which is a Federal grant that we have applied for and we should hear in the February or March timeframe. That could be a \$65 million dollar program for all of the projects that we could potentially get funded for. That would include Book Walk, which would be a north south connection across the City Walk from Patrick Beaver to Ridgeview Library; downtown parking deck; pedestrian bridge improvements, we are going to take over what is currently the northbound bridge on 321 when NCDOT does their project, and that will be turned into a pedestrian bridge and we would be using money from the TIGER grant to make that transition; and additional funds for Old Lenoir Road streetscaping and Lenoir-Rhynne Boulevard streetscaping. In addition to that we have a quarter of a billion dollars in transportation improvement projects programmed for Hickory over the next five years. That is a tremendous opportunity to create some economic development activity through that work. One of the gaps which was identified in this plan was transportation planning. Having that expertise on Staff to be able to understand how these projects are going to impact us either positively or negatively and how we might leverage some of that and create some opportunities that wouldn't happen otherwise. That is a huge investment over the next five years. Also the Lackey family is going to donate a large sum of money for the creation of a new venue at Bud Geitner Park. Staff is working on that with the Lackey family. That was a generous donation. The downtown parcel analysis is underway to identify the highest and best use of property in the downtown area, which will be coming forward. In addition to that we are wrapping up a downtown parking study as well. We are pursuing the potential development of the final parcels remaining at the

Fairgrove Business Park. We have multiple confidential economic development projects that we can't specifically outline, but just generically there are some downtown housing projects that are coming forward, some spec building possibilities and the sell and purchase of some land related to some economic development projects. Those are some things on the confidential side. The expansion of the Airport runway of 7000 feet will allow us to accommodate larger jets than what we can accommodate today, which is a great benefit. We are also working with partnering with Burke County, and Scott Millar with the EDC is helping us with pursuing some economic development opportunities around the airport on the Burke County side. We are in negotiations on the utility system expansion. He referenced the item on the agenda which was the purchase of the Hildebran Sewer System. There are others that have been discussed. The Tourism Development Authority Board is having conversations and have in essence approved moving forward with a study to do potentially a multimillion dollar expansion of the Convention Center. They are in the early stages on that. We are always working on marketing our brand. We are transitioning the ownership with Hickory Baseball from local ownership to the Texas Rangers and there are approximately a million dollars' worth of stadium improvements that are currently underway at the stadium. That contributes to our quality of life here in Hickory. On the development side, there is approximately 1,000 multifamily units in various stages of development coming forward through the pipeline in Hickory. Brian Frazier and Planning Staff are finalizing some Land Development Code recommendations that will be coming forward to City Council. A few months ago Council was presented with the Southside Area-wide Brownfield Study. He referenced the item on the agenda to pursue a \$300,000 grant to do a more specific, feeding off of the initial south side study of Brownfield Assessment for that south side area as well as properties along projects related to our bond projects. A lot of activity that is already in the pipeline. He commented that is the heavy hitting stuff. There was a lot more than that which he could put up there but that would give Council a feel of the activity that we have going on right now which is really good.

City Manager Warren Wood advised the plan talks about working where we have momentum. We have momentum to some degree in the previous items discussed. We are going to focus on those and we are going to focus on real opportunities that present themselves moving forward, but we have to be very focused and careful not to get overwhelmed with projects given all that is on our plate. We are going to focus where we have momentum. In addition to that we are going to expand our involvement in economic development based on the recommendation of the plan. He advised one of the things that Staff had heard from the community was we need more Staff commitment, more bandwidth organizationally to deal with the small to midsize business folks in the community. Scott Millar who was in attendance had helped Staff work on this plan. This isn't replacing anything that Mr. Millar does. Mr. Millar is still our heavy industrial and corporate headquarter recruiter and he works with the Department of Commerce. This is not replacing him, this is trying to help him be more successful for us in the work that they do. We are going to expand in that small to midsize business arena as well as in the transportation planning arena. He had talked about the quarter of a billion dollars' worth of projects, we need to be at the table and understand how those things impact us. Mr. Wood discussed shoring up critical gaps. One of the things they had discussed was lack of product, particularly on the industrial side. Mr. Millar said if he had the 25,000 square foot, up to 100,000 square foot industrial facility, filling those would not be as challenging as it has been in some years. We don't have that product right now. They had discussed some ways to fill that gap with spec buildings, incentivizing potentially some spec building construction in the community. That is a critical gap. Mr. Wood commented he thought we had done a great job with our brand. The coordinating, the marketing of that with the CVB, the Chamber, the County, the EDC and others, making sure that we are coordinating that more strategically would be another one. Actively collaborating with key partners and stakeholders. He advised that we try to do that and we need to do a better job of doing that, we need to be more methodical about doing that. Mrs. Yaidee Fox was going tomorrow to do a presentation at the Chamber Board meeting on the bond projects. We need to reach out to our partners in the community. He mentioned that he and Mayor Guess had met with Dr. Hinshaw and Mr. Bill McBrayer at CVCC about strengthening the City's partnership with them. We need to be deliberate about doing those sort of things. Working where there is momentum, expanding our involvement, shoring up gaps and actively collaborating, to some degree you are talking about building more organizational capacity to be able to reach out and do those things. That is internal. We need to build more organizational capacity and to some degree that is bringing Staff on board, acquiring needed skill sets. Back to the transportation plan, that is a skill set we need to get on board. Creating a pro-business culture within the organization. He thought that we have a pro-business culture, we can always make it better. He felt that Staff does a good job. Everything we do needs

to somehow relate back to growth and business, and at least at some level thinking of what we do and the decisions we make in that way and to be focused. We can't get derailed. We can't chase everybody's best idea. We have got to be focused and focus on those things that are going to have a good return on investment in terms of spending our time.

City Manager Warren Wood discussed the plan. This plan was presented to the Business Development Committee (BDC) for their feedback and review and got positive reviews. They were engaged a number of times. The plan is based on the Hickory by Choice 2030 Comprehensive Plan; a lot of the elements in there came out in this. The message of building on the momentum, and this is an action oriented document, it is not something that is going to sit on the shelf. Methodology. The consultant did a lot of engagement with both Staff, City Council, and strategic stakeholder groups that work in the economic development area or business owners in the community to really get feedback on where we are doing well, and what do we need to shore up. What do we need to get out of doing that we are doing now? In doing that creating a vision. They also looked at a lot of data on Hickory. Where we've been. Where we are. What those numbers look like. How does that play into the plan that we need to create? All that went into creating a vision and then the strategic action plan. The vision that came out from talking to the folks in the community was "to establish a diversified and sustainable economy through growth of business opportunities, jobs, tax base and population, and to improve the quality of life for its citizens". He didn't think there was anything there that was controversial. He thought everyone would agree that would be a good vision for Hickory. Vision for economic vitality would be that. In identifying strategy there were five key areas that the plan identified: 1) standout and differentiate. To a large degrees that means, how we market ourselves and how do we invest in ourselves. Quality of life. Improving our quality of life to make Hickory different than our competitors and make Hickory better than our competitors and then marketing that message more effectively than what we have done. In addition to that, they got this from the community loud and clear, 2) recruit and expand business. Mr. Scott Millar and his folks do that and they hit the larger organizations in the community. We need to also focus on that small to midsize company or companies as well in terms of helping them, retaining them, or helping them to expand or locate here. 3) Develop a marketable product. They talked about that specifically with the spec building. Lack of industrial buildings that we have currently in the community as an example. 4) Invest and improve, that would be a lot of redevelopment sorts of work in the downtown and key corridors. He referenced the University Mill District. 5) Ultimately organize, focus, and enable for success. That is what we are going to do internally in the organization to ramp up and get aligned with being able to carry out these things in an effective way. He advised that was the plan.

City Manager Warren Wood discussed strategic action number one, standout and differentiate. We need to do a better job of telling our story. He hears that all of the time. Hickory has got such a great story. We have been through a tough time, but we have so much more going for us. We need as a community to do a better job of telling that great story. That absolutely came out loud and clear from the community. Also identifying the target markets that we want to reach. There are multiple markets for different types of reasons. In marketing our brand doing a good job of targeting what those markets should look like. Invest in and support growth. We have got the \$40 million dollar bond program and \$250 million dollars in transportation projects coming forward as well as Park 1764. Those were absolutely the community is investing in itself and supporting growth. These goes back to providing a proactive engagement and support of regional workforce development partners such as K-64, CVCC, LRU and Hickory Public Schools. He advised that he and the Mayor had visited CVCC and what they are doing out there is unbelievable. He realized they are heavily involved in the workforce development and that is one of their core missions. They have an 83,000 square foot workforce solutions facility that they are working on. They toured the health and sciences facility. It is just unbelievable. He suggested when City Council does their retreat, probably in March, that they go to CVCC and have that tour and also get some other folks in the community that are involved in workforce development. One of the things that Council would not see in the plan was workforce development. We absolutely need to understand how that works and who is doing what, because we can help advocate for needs, if there are needs for some of those organizations that they are not getting and engaging those groups. We need to be at the table and understand what the gaps are in the community as far as workforce development. He commented LRU is the same way. Just the work that they have done in the last ten years and the programs that they have added are phenomenal. And really getting the City engaged in K-64 and they talked about that with Dr. Hinshaw as well. That is important. He discussed focus on tourism and visitation. We need to increase our tourism and tourism activities and really actively engage and support the work and strategies of the CVB, TDA and the

Chamber. We have representatives on some of those entities, but as an organization we need to be really at the table and understanding again how all of these things play together. One of the goals was to do a better job of coordinating with some of these groups in our marketing and really building relationships with these people so we can do that. Promoting our regional assets, tours, crafts, recreation, arts/culture, retirement, environment, etc. Focusing on tourism and visitation. He advised he is on the TDA Board and they have had a great year. They are talking about expanding the Convention Center. We have some debt rolling off and it would be an opportunity to roll that in to a new generation of the Convention Center and expand it. That is a great position to be in and keeping that momentum going is extremely important that we have got right now.

City Manager Warren Wood discussed strategic action number two; recruit and expand business. This came out loud and clear in the community. Recruit new and expand existing businesses in an effort to foster a diversified and sustainable economy. For example, today he had a visit from a local business owner who was approximately 35 years old. He owns the Carving Craft building beside Station 3 out in West Hickory, about a 16,000 square foot facility. He has a production company for events that he runs out of that facility. He was interested in expanding his business, but he also wanted to know about the City Walk. What kind of potential that was going to have for his area. The City Walk takes a northerly turn on 9<sup>th</sup> Avenue about a block before his business, but he was excited about the possibilities that could bring about through redevelopment efforts as well as down Old Lenoir Road. Scott Millar and his folks do a great job with the heavy hitters. These are the ones we have been missing to some degree. It is not multimillion dollar, it could be million dollars, but he was interested in zoning, fire code issues, issues related to grants that might be available, or might not be available, City plans and those sorts of things. Really having someone on Staff that could help shepherd that sort of business through the process and build those relationships. He could be adding 30-40 employees with what he has planned. That would be great for the community. Multiply that times 20 and you got a lot of momentum there. The interesting thing about something like this, that side of town really needs this sort of thing. If you think about the University Mill District, in essence that is really what happened there. You had that first investor that came forward willing to spend their money on their vision and on their dream and we were there side by side trying to make it happen. This is the same sort of thing and really having Staff available with the right skill sets, the capacity to be able to absorb and do this type of work and help them, and understanding that there are some things that may impact this particular person positively related to the 321 project and the interchange at 1<sup>st</sup> and 2<sup>nd</sup> Avenue SW. Having all of that information and being able to explain all of that in one setting is the kind of environment that we are trying to set up. We get those not infrequently. Then you start building a reputation and they say go to talk to the City, Staff will help you.

City Manager Warren Wood discussed strategic action number three; develop marketable product. He pointed out on the PowerPoint the conceptual drawing for Park 1794, the class "A" business park. The City stepping forward and has a great partnership with Catawba County. We are 50/50 on all of the expenses. We have approximately 170 acres currently under option and have purchased a portion of it. We are working on the design of that now. Alderman Lail is on the Park 1764 Board and Mayor Guess would be appointed tonight. Create that diversified and available product within the community. We are trying to assemble and develop marketable real estate that will be attractive to businesses and industries of varying sizes, not just the large ones but others. Develop and encourage partnerships with experienced developers. For whatever reason the development community is not building spec buildings, so the City needs to step forward and find out what it would talk to help facilitate or incentivize or motivate the developers to build spec buildings. Staff of course is working on that.

City Manager Warren Wood discussed strategic action number four; invest and improve. Transform downtown and other key corridors into captivating focal points for the City and the region. In essence revitalizing and redeveloping the downtown and key redevelopment corridors within the community. One of the things the City had done in the downtown area, which was wrapping up and would be presented to City Council, was to perform a highest and best use study for sites and parcels in the downtown area as well as a market analysis for parcels in the downtown to determine what the best use might be, or where is the most opportunity? Staff will be presenting that, it really relates to an economic development matter, so that may be something that is behind closed doors because it does identify specific sites. We need to replicate Old Lenoir Road, West Hickory, southwest Highway 70 and other parts of town. Over time doing that same sort of assessment to determine where there is the best potential for redevelopment with the idea that it spurs other redevelopment activities in the area. Just like with the gentleman that he had met with. We may need to look at and investigate an incentives policy and

procedures to support the desire and outcomes. Right now the incentive policy is focused on the larger projects, but do we need to think about something more granular with this small to midsize opportunity that comes forward. Establish downtown as a focal point. He had heard this from folks in the community. To some degree we might want to assess some of the special events that the City is currently hosting in the downtown area and determine if there is a return on the investment there. Are all of these events ones that need to be continued, or repurposed or otherwise changed? In addition to that, they hear this from the downtown folks all of the time, insure transportation safety and parking are sufficient to meet redevelopment. We want redevelopment to occur in the downtown area. If you don't have a parking problem to some degree in your downtown area then your downtown is not thriving. When he goes to good downtowns he expects to pay and he expects to walk. When we reach that point then we will know that we have a thriving downtown. We will find out more from the parking study as it comes out. The City is the largest property owner in the downtown area and we do provide all of the public parking. Another thing that came out was to develop to encourage folks to stay downtown once they are there. Also developing that clear vision for downtown and actually strategies that support that vision. Kevin Greer and Staff just did a great job of changing out all of the 100 year old infrastructure in the downtown, fortunately he won't have to do it for another 100 years. Mr. Greer knew why no one else had wanted to touch it in the last 100 years because it was a challenge. We did a really good job on the whole given what we were working with in that old infrastructure and replacing it. We need to be really sensitive when we move forward with City Walk and other projects to the impact on commerce in the downtown area. Staff will do that.

City Manager Warren Wood discussed strategic action number 5; organizing for success. Staff had talked about developing, and had, it will be up and running in January, the Office of Business Development. Staff had been putting elements of that together creating that office and really making it easier to do business with the City and make doing business with the City a more efficient way creating that environment. And being responsive to questions and issues in a quick manner and not letting things drag out. A lot of that relates to having an organizational capacity to be responsive. Dedicating City resources to serve as stakeholder group liaisons. That is getting plugged in to all of our partners out there in the community, whether they be a business association, the Chamber, the EDC, the All in Hickory Group, Friends of Hickory, whatever it is, be able to be at the table and be a partner with those groups in the community. We are moving forward. One of the things they had talked about in August was identifying the resources that would be needed to do that. Without asking Council for more money to do that, Staff felt like they had done that internally. Building the supporting planning structure, prioritizing projects that have momentum that increase the tax base and increase job opportunities. Additionally establishing key performance indicators that measure plan progress and results. Ultimately it comes down to population growth, job growth, and tax base growth, but you really need to start "peeling the onion back" on those sorts of things. Where are you growing? What is the demographic that is growing? What is not growing? What types of businesses are you adding? Where are we lacking? What types of tax base are being added? Where is it being added? Being able to fine tune that. One thing that Staff is doing through this reorganization is bringing the GIS person on staff. Interim Assistant City Manager Rick Beasley will be running that whole operation and leveraging the GIS person and the skill set that he brings and being able to "peel back the onion" on some of these measures that we are looking for.

City Manager Warren Wood summarized, Hickory has got a great message to tell when you look at all of the assets that we have. He noted this was just a sampling of them that we have: location, there is nowhere that he would rather be than in western North Carolina; our weather; transportation system that we have; the natural assets that we have; and the people. We are in a great place. A great place to raise a family, retire, and enjoy Christmas. A low cost of living. One of the reasons that we made some of those ranking was our low cost of living. That really came out when you look into the numbers on these things. Lake Hickory, our recreational amenities, the Airport, CVCC, Lenoir-Rhyne, we have a tremendous inventory of assets in the community and we need to do a better job of telling that story. He advised that is what the plan entails. He requested City Council, if they were in agreement, to accept this report.

Mayor Guess asked if there was any discussion.

Alderwoman Patton commented Staff had done a tremendous job of putting all of this together and Council had challenged them to get it done by the end of the year and they had done it. She was pleased with it.

Alderman Lail questioned if the Office of Business Development would be located in City Hall.

City Manager Warren Wood responded yes, it was going to be where the Planning area is now. Right now you have the Development Assistant Center, which will be the entry point. All of the Staff will be collocated to get the synergy and the information flowing between one another. Staff had already relocated everybody together. This was all the way from Dana Kaminske and her Staff in communication, to the transportation person who will be moved to Planning, and all the others will be assembled there.

Alderman Lail commented if he was a small business owner and he is coming to the Office of Business Development, he kind of doesn't want it to look like City Hall. He just doesn't want it to look just plain old municipal. He thought it needed to have a little bit of a snappier look, a nicer sort of vibe, hey we are here to help you as opposed to typical municipal stuff. It sets their mind up when people visit. That is something for Staff to consider as they set that up. He knew for a fact because he had dealt with it personally. Our Staff that are involved in Code Enforcement either at the fire level, or zoning level, they integrate really well with the County. That is going on really well, but in a lot of new development and redevelopment he thought it would be helpful to make sure that the City had good buy-in from the Catawba County side of the equation because that is critical. People don't understand that the County does the City's building inspections, but we do our own fire inspections. So people get frustrated or have the potential to be frustrated. That was another piece. No doubt in his mind, he knew that the County would be all about this. They strive for excellent customer service.

City Manager Warren Wood advised Staff had talked about having a County building inspector located in Hickory particularly with a lot of the downtown type of work that we have going on that is so specialized. That was something they could pursue with the County.

Alderman Lail thought that was great.

Mayor Guess commented these are all exciting projects and Council had been discussing them for a longtime and certainly heard about them before tonight. This was not the first that they had heard about them and talked about them. For him the most interesting and the best thing that we have going now is to have the business development team internally and they are working on all aspects of this. He thought that was really good.

City Manager Warren Wood thanked Scott Millar and his Staff. They really helped Staff in putting this together. This is a partnership and if anything the City's relationship with the EDC is going to strengthen, it is not going to diminish through this process.

Mayor Guess asked if Council was in agreement to accept the plan.

Alderman Lail moved, seconded by Alderwoman Patton to accept the plan. The motion carried unanimously.

2. Brownfield Program Status Report – Presentation by Planning Director Brian Frazier.

The City recently applied for another \$300,000 US EPA Brownfield Assessment Grant. Notification of any award will be in May 2018. Whereas, the City has previously formulated a "whole community" approach, Planning staff intends to next focus on areas contiguous to the Bond Program's Streetscapes (Old Lenoir Road specifically), the City Walk and those previously identified catalyst sites within the Southside Area-Wide Plan completed in July 2018. The grant will focus on the assessment, cleanup and reuse of those known or suspect sites and would recommend appropriate strategies to spur economic revitalization in these areas. The future assessment grant, as those awarded since 2007, would include strategies for both short and long term recommendations aimed at spurring redevelopment in the Southside Study Area and those areas along our defined City Walk and Streetscapes. As to-date, the Brownfield Program has helped leverage nearly 600 new jobs and over \$60,000,000 in private investment. Staff requests Council's review and recommendation of the proposed strategies.

City Manager Warren Wood advised the City did the initial Brownfield assessment in the southwest. This was a follow up to apply for a \$300,000 grant for additional Brownfield work on specific properties as well as properties along our bond program. He was impressed with the work that Brian Frazier and his Staff had done through the Brownfield program. Over the years we have leveraged 600 new

jobs and over \$6 million dollars in private investment. This program works. He asked the City's Planning Director Brian Frazier to the podium.

Planning Director Brian Frazier presented a PowerPoint presentation regarding the Brownfield project update. He gave a brief history of the EPA Grant awards. Since 2007 the City had received a total of one million dollars, \$800,000 for assessment grants communitywide throughout the City and a \$200,000 planning grant on the south side study. He showed before and after pictures of some previous projects: Piedmont Wagon, Hollar Mill, Moretz Mill, and Lyerly Mill, which was (TI) Transportation Insight. He advised what Staff had done so far with the \$800,000 was helped leverage nearly \$60 million dollars in private investment and between 600-700 new jobs just within the City, 10 years of the Brownfield stimulus. The focus areas in the past since the inception were communitywide, it was citywide. They focused primarily within a very short distance of the railroad corridor. Historically that is where the manufacturing industry was whether it be furniture, textile, warehouse, etc. The City submitted a \$300,000 Brownfields Assessment Grant application to the Feds on November 16<sup>th</sup>. Congress knocked that grant down from \$400,000 to \$300,000 maximum. We should know sometime by mid to late May of next year whether we will be awarded the additional funding to continue with another assessment grant. This time the focus area is much more specific. They intend to focus the next grant in the following areas: the south side Brownfield study area, he pointed out I-40, 321 to the west, the Highway 70 corridor, as well as 7<sup>th</sup> Avenue SW. That was basically the northern boundaries. This was the study area and they have catalyst sites that they identified in that two year planning study from 2015-2017. He advised in the south side area, the study which Council had accepted several months ago, the area included the former Pet Dairy building. He advised they had met with all of these property owners to discuss this with them. Also included in the area was the former Midland Plaza Dry Cleaner on the east end of the old Midland Plaza; Sky City which had been redeveloped in recent years; the former A-1 Superette gas station; the Lingle properties, which both are currently vacant; and the former Cranford Woodcarving business. He pointed out Carolina Mill in the background just to the south. In continuing with the focus areas they are also beyond the south side Brownfield study area. They are looking at catalyst sites, those important known or suspect sites along the City Walk and our areas of streetscapes as identified by the bond initiative. He advised this was just a sampling this was not totally inclusive. He pointed out A-1 Termite and Pest Control Inc., to the north of Transportation Insight near the railroad trestle; the former gas station on 1<sup>st</sup> Avenue SW at the intersection with 9th. The next area was on Old Lenoir Road: which was a bit different than the current University Mill District, but it does have some chance for repurposing as well. He showed the vacant site, the demolished concrete pad for the former concrete machinery facility; the former Winn's Express gas station; former Shop and Save; former Exxon gas station; former garage; North Hickory Furniture Company; and Old Lenoir Road. He advised this is under continuous monitoring from DEQ. The groundwater there was contaminated. He showed the former Ellis Hosiery building, and the former Boyles Furniture building. There had been some recent interest in the redevelopment and repurposing of that site. He mentioned if you go into the front of that facility it goes on and on, and there are many levels and sublevels of that. There is a lot for Staff to look at and again they are trying to tie this in with the planning and economic development perspective on the study which had already been completed. They have already gone through Federal funding and hopefully new Federal funding that we can leverage our bond initiative money along with future Brownfield, TIGER grant, and other monies that we have acquired over the past few couple of years. He asked Council if they had any questions.

City Manager Warren Wood asked Mr. Frazier to discuss what they would be looking for specifically and what they would be accessing.

Mr. Frazier explained if we are fortunate enough to receive the grant it will be for assessment purposes. We are looking to identify those sites and prioritize those sites. We need a ready willing and able seller, or ready willing and able buyer, that is the first couple of things we need to look at. We need to conduct a phase one which is who, what, when, where, or how. Who has owned it? What has it been used for? What is it currently used for? Has it ever been used for chemical storage? Has it been used for a manufacturer? Was there a dry cleaner there, a gas station, a trucking company? Was there storage of any toxic chemical or carcinogenic materials? They will conduct the phase one study and then if there are any red flags then they will do a phase two. They will do groundwater sampling, air quality monitoring, vapor intrusion which is those toxic, nasty, cancer causing fumes that comes up from the ground through a concrete slab, through a floor, through a foundation that can cause illness. You have heard of sick building. A lot of times a sick building is those vapor intrusions. They will also check for soil contamination. We were very fortunate with our large extensive underground

infrastructure, especially water. We don't have much of any in the way of water wells for public consumption, which helps us significantly. They will do phase two and then look at the redevelopment potential. That gives the owner information. They might say, "Hey, I have a no further action letter, I have a very clean site that I can market". We have been extremely fortunate in the past ten years. A lot of our sites could have been much, much worse and require much more intensive redevelopment and remediation than what they did. The remediation, in the grand scheme of things, is a very small percentage usually of the budget with the whole redevelopment effort. The City's partnership with DEQ had been wonderful and with the EPA fantastic. The City takes a look at working with those buyers and those potential sellers and matches them together and helps leverage private funds for reinvestment for remediation. Our grant pays for assessment but we have also done master planning and redevelopment planning. They had worked with local business owners to remove those above ground storage tanks or UST's, those underground storage tanks. They had worked with LRU on that. They removed five tanks with assistance from the City's program and a local company located in northeast Hickory for their PA building across the street from the principle campus of the University on Main Avenue. This money goes a long, long way. It provides certainty for the seller, and provides certainty for the potential buyer that they know that they are not going to be the responsible polluting party (RPP). It really gives them, literally figuratively, "insurance" that the State and Federal government isn't going to come after them because they have got nasties underground. What is not remediated in terms of being physically removed from the site can be monitored through monitoring groundwater wells. There could be clay barriers, vapor barriers, and parking lots. A parking lot is basically a vapor barrier as an encapsulation of the contaminated soil and groundwater that makes it safe. They will work with the State like they have done with numerous projects such as Hollar Hosierey, as well as Lowes Home Improvement on Highway 127 North in Viewmont where there is a Brownfield Agreement. There are conditions, deed restrictions, and legal binding covenants on the property. Where you can have a parking lot, a street, a business, but we don't want you having a school, a house of worship, or a playground. He joked if you don't want kids eating dirt that is pretty much what it boils down to. It is an extremely valuable program and they are hoping and praying that they get funding this year to help leverage money. When he talked to EPA last in Atlanta, a couple of months ago, they asked what kind of leveraging the City was looking for. Mr. Frazier advised them beyond just our \$40 million dollar bond initiative and maybe a \$10 million dollar TIGER grant and another \$15 to \$20 million in funds, their eyes literally lit up. They are cautiously hopeful and optimistic that we will be funded because there is still numerous sites out there that can work.

City Manager Warren Wood asked if the City was awarded the grant what the timetable would be on getting through the process of the assessment.

Mr. Frazier responded if the City is funded they would hear by Memorial Day 2018 at the latest. Funding would commence at the start of the Federal fiscal year, October 1, 2018. From that point we sign a contract, the Mayor would sign it in the Manager's office and we would have three years to complete the contract. They would go out with a request for qualifications (RFQ) for a firm to conduct the assessments. His planning Staff, over the past several years as well as two different consulting firms, have assessed the sites and prioritized the sites. They had talked to the owners of everything, or more than he had showed Council. Phase one could take anywhere from two to four weeks depending on how large the site is, what they are dealing with, the weather. If it requires a phase two they are looking from four, to six, to possibly eight weeks to get the phase two done with those results. Everything is federally funded with taxpayer's dollars. It is 100 percent federally funded no local match is required. Once the person or company has that phase one and/or phase two record then they can make that decision. They will have that piece of paper and then they will know what they need to do. They will jumpstart that development. That is a three year grant cycle. They have to complete it within those three years. Mr. Frazier had met with leaders from the south side study area, several Reverends, the NAACP business leaders in that area and they are looking at working with them and the Feds on possibly some job creation grants that train local members of the community that may not have the advantages that everyone does to actually train in that Brownfield remediation work. That is something that they are looking for down the line as well.

Mayor Guess commented that it was his understanding from talking with these folks that Mr. Frazier's department, and the way they had handled these grants had been the example for other people to follow and they had done a tremendous job with it.

Mr. Frazier thanked Mayor Guess.

Mayor Guess asked if there were any further discussion or questions from Council. He confirmed that this was just for informational purposes for Council and no vote was necessary.

3. Appointments to Boards and Commissions

**COMMUNITY APPEARANCE COMMISSION**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
 Ward 2 (Tarlton Appoints) VACANT  
 Ward 4 (Williams Appoints) VACANT

**COMMUNITY RELATIONS COUNCIL**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
 Other Minority (Council Appoints) VACANT  
 Other Minority (Council Appoints) VACANT  
 Other Minority (Council Appoints) VACANT

**HICKORY REGIONAL PLANNING COMMISSION**

(Terms Expiring 6-30; 3-Year Terms With Unlimited Appointments)  
 (Appointed by City Council)  
 Burke County (Mayor Appoints) VACANT  
 Catawba County (Mayor Appoints) VACANT

Mayor Guess appointed William Pekman as the Catawba County Representative on the Hickory Regional Planning Commission.

**HISTORIC PRESERVATION COMMISSION**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
 Building Trades Profession (Council Appoints) VACANT

**INTERNATIONAL COUNCIL**

(Appointed by Mayor with the Concurrence of City Council)  
 (2) Positions VACANT

**LIBRARY ADVISORY BOARD**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
 At-Large (2) (Mayor Appoints) VACANT

**PARKS AND RECREATION COMMISSION**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
 At-Large Minority (1) (Council Appoints) VACANT  
 (David Williams no longer eligible)

**PUBLIC ART COMMISSION**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
 Ward 4 (Williams Appoints) VACANT

**PUBLIC HOUSING AUTHORITY**

(Terms Expiring 6-30; 5-Year Terms) (Appointed by the Mayor)  
 Position 1 Grover Lineberger  
 (Eligible for Reappointment)  
 Position 9 VACANT

**RECYCLING ADVISORY BOARD**

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
 Ward 4 (Williams Appoints) VACANT

**YOUTH COUNCIL**

(Terms Expiring 6-30; 1-Year Terms) (Appointed by City Council)  
 Challenger High School Representative VACANT  
 Homeschool Representative VACANT  
 St. Stephens High School Representative VACANT

**PARK 1764**

Appoint Mayor Guess to Serve as a City of Hickory Representative

Alderman Lail nominated Mayor Guess to serve as a City of Hickory Representative on the Park 1764 Board.

**WESTERN PIEDMONT COUNCIL OF GOVERNMENTS POLICY BOARD DELEGATE**

Nominate Delegate and Alternate

Alderwoman Patton is current Delegate

Alderman Tarlton is current Alternate

Mayor Guess asked Alderwoman Patton if she was interested in continuing to serve as the delegate on the Western Piedmont Council of Government's Policy Board.

Alderwoman Patton agreed to continue to serve.

Mayor Guess nominated Alderwoman Patton to serve as the Delegate on the Western Piedmont Council of Governments Policy Board.

Alderwoman Patton nominated Alderman Tarlton to serve as the Alternate on the Western Piedmont Council of Governments Policy Board.

Alderman Lail moved seconded by Alderman Williams approval of the above nominations. The motion carried unanimously.

C. Presentation of Petitions and Requests

XII. Matters Not on Agenda (requires majority vote of Council to consider)

XIII. General Comments by Members of Council, City Manager or City Attorney of a Non-Business Nature

Mayor Guess gave an update regarding Alderman Seaver's health status. Alderman Seaver had suffered a heart attack and spent several days in intensive care. Mayor Guess had visited him prior to the meeting and he had been moved to a general room. Alderman Seaver was doing much better and would be making some decisions in the next six weeks or so concerning what would be done. He was actually hoping to be released from the hospital today so he could attend the Council meeting but they told him that he probably needed to spend another night.

Mayor Guess mentioned the death of the former Director of Public Works Cecil Clark who had served the City for 28 years. He advised his funeral was tonight and requested that everyone remember his family in their thoughts and prayers.

Alderman Lail wished everyone a Merry Christmas and wishes for a prosperous New Year. Alderwoman Patton seconded that.

XIV. There being no further business, the meeting adjourned at 8:11 p.m.

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Mayor

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City Clerk