

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, February 2, 2016 at 7:00 p.m., with the following members present:

Brad Lail	Rudy Wright	Hank Guess
Vernon Tarlton	Aldermen	David P. Zagaroli
Danny Seaver		Jill Patton

A quorum was present.

Also present were: City Manager Mick Berry, Assistant City Manager Rodney Miller, Assistant City Manager Andrea Surratt, Deputy City Attorney Arnita Dula, City Attorney John W. Crone, III, Governmental Affairs Manager Yaidee Fox, and City Clerk Debbie D. Miller

- I. Mayor Wright called the meeting to order. All Council members were present.
- II. Invocation by Rev. Bob Thompson, Pastor, Corinth Reformed Church
- III. Pledge of Allegiance
- IV. Special Presentations
- V. Persons Requesting to Be Heard

Mayor Wright explained the procedure for persons requesting to be heard. He advised of the suggested three minute time limit, no cheering, and no jeering. He commented that it is the citizen's opportunity to speak in public before City Council.

- A. Ms. Darbah Skaf, Executive Director of Statesville Housing Authority presented Council a PowerPoint presentation. She gave an overview of Statesville Housing Authority's stock which included ownership of 536 public housing units, management of 704 Section 8 vouchers, ownership of 80 new construction units for elderly and disabled, 34 new construction multifamily units, and 51 open market units through their non-profit. She showed a photo of their Resident Services Team, which was duly elected by the residents of Statesville. They have an operating budget of approximately \$10,000 a year. The residents should be empowered to do what their resident's members require them to do. She showed a photo of some of the activities that their resident's team were involved in. They try to encourage residents, staff, and community partnerships. She discussed their apprenticeship program, in which they hire people from within the community. With their partnership they are paid approximately \$10 per hour while they go through job training. They are then placed with employers that seek those skills. She discussed the PCC group (Program Coordinating Committee) which is a community group, by community leaders that advocate on behalf of the residents from a community point of view, and they hold the Resident Services Team accountable for those activities that are in regulation from HUD. They also have a successful program in which they have partnered with Mitchell Community College. The program offers CNA classes and GED classes on site. They invested over \$748,000 to develop a community center where their community members and residents can go in and learn an education and move forward. Last year they had a partnership with a dental facility and had 50 children and 3 adults treated. She discussed back to school events. They encouraged partnerships to deal with the children within the neighborhood. Resident Services provides 360 meals per month for seniors, which includes lunch and dinner. The summer feeding program for the children provides breakfast and lunch in the summer. She showed a photo which depicted the 115 corridor 5 years ago. They filed a non-profit and became a community developer within the city area. They brought in a Dollar General. They leveraged some of the non-profit resources and they partnered with the Dollar General to only hire people that were below the 50 percent median income. She showed a photo of what the community looks like now. Each house was built and developed by their nonprofit organization using home funds. The average mortgage was approximately \$535. They have some that pay as little as \$12 per month on their section 8 vouchers transference. She showed a photo of the nursing facility and the children's room. She discussed their financial capability. Statesville Housing Authority has just over \$10 million dollars in revenue, 17 percent of their revenue is generated from income from tenants paying their own rent. The total agency debt, which included their instrumentality, was right over three million dollars. However, their instrumentality has over \$10 million dollars in assets. She discussed capital improvements that they had done to the public housing authority and the surrounding areas. In the last five years they did four million dollars to their public housing authority, and the non-public housing authority which is community properties. They work with landlords within the county to get the houses repaired. They do not change the rents for those tenants because they believe that people that have their full ability to live in affordable housing should have the right to live where they can afford rents, but they should not be mediocre. They have contributed over \$70,000 in credits by bringing a Gaston Family Medical Facility within Statesville. They lease a building to them to generate some income. The income is then reinvested with the Resident Council group for education for their residents. They also contributed \$10,000 in credits to the Legacy Credit Union. They had a \$62,000 annual contract with the police department, and just received a grant for \$300,000 per year for three additional police officers. She summarized that her purpose for speaking to Council was to show the strength of their entity and to offer them management assistance.

They can provide serious and competent management oversight. They can provide performance measurements, get the accounting and financial system where it needs to be, and provide the self-sufficiency that the residents need to do to move forward. In the last five years they had contributed over a million dollars to the Hickory economy from over 100 homes that they developed for tax business within the County. They currently are building a veterans house. They had introduced \$310,000 to bring forward. Their goal is not only providing housing authority assistance but they believe in providing resident services for the entire community at large, and to create the partnership that now only housing brings to us, a particular entity, but to how you grow the entire community and have people that are self-sufficient for the County and for the city at large. She thanked City Council for having her.

- B. Ms. Jeannette Jamison, 638 South Center Street, addressed City Council regarding Community Development Block Grant (CDBG). She asked if they had ever considered putting eligible houses in Ward 4 on the historical list in the Ridgeview area. She used as an example, 638 South Center Street, the house she was raised in which was a Craftsman house. It was built in the 1920's. She advised that she was 71 years old and the house was there before she was born. She stated that some of the older homes need PVC upgrade, revitalization, if necessary replace older roofing if needed. On August 22, 1974, President Gerald R. Ford signed a law creating one of HUD's Hallmark Programs the Community Development Block Grant program. The program rolled seven individual competitive grants into a block grant providing local communities the flexibility to decide for themselves how best to meet their community development needs. She asked what the overall mission of the Community Development Block Grant was. She stated that the Community Development Block Grant authorized by Title 1 of the Housing and Community Development Act of 1974 provided annual grants to Cities, Counties, and States to develop strong communities by providing descent housing, a suitable living environment and expanding economic opportunities for participants in low and moderate income persons. The Community Development Grant's eligible activities initiated and developed at the State and local level based upon the community's needs, priorities and benefits. She asked what the requirements were for the use of the Community Development Block Grant funds. These guarantee, those that receive Community Development Block Grant funds, are free to determine what activities it will fund as long as certain requirements are met. Including that each activity is eligible and meets one of the following national objectives: benefit persons of low and moderate income, aids in the prevention of eliminating slums, blight and meets an urgent development which is defined as posing a serious and immediate threat to the health and welfare of the community in the past 18 months. She discussed the Federal requirements which included: environmental, labor standards, fair housing, and non-discrimination. As a lifelong citizen living primarily in the Ridgeview community she wanted Council to address how the funds are shared across the board, but especially with the Ridgeview community. She thanked Council.

Mayor Wright asked if anyone else wanted to address Council. No one else appeared. He recognized boy scouts, Spears Culpepper working on a community badge and Ryan Henson, from St. Luke's Troop 250, which Ryan was George Henson's grandson. He recognized a number of Youth Council present. Mayor Wright was impressed with a young lady from the Youth Council who was present to hear about the Bond Commission. He advised that she would be the Youth Council representative on the Bond Commission next year. He commented that is what you call getting ahead of the game.

VI. Approval of Minutes

- A. Regular Meeting of January 19, 2016

Alderman Seaver moved, seconded by Alderwoman Patton that the Minutes of the Regular Meeting of January 19, 2016 be approved. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderman Seaver seconded by Alderwoman Patton and the motion carried unanimously.

- B. Special Meeting of January 19, 2016

Alderman Seaver moved, seconded by Alderman Zagaroli that the Minutes of the Special Meeting of January 19, 2016 be approved. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderman Seaver seconded by Alderman Zagaroli and 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.

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

Mayor Wright announced that the motion was made by Alderwoman Patton seconded by Alderman Lail and the motion carried unanimously.

- A. Approval of the Contract with Wilkie Construction in the Amount of \$290,800 to Construct Phase II of the Planned Improvements to Hickory Optimist Park. (First Reading Vote: Unanimous)
- B. Approval of the Purchase of a Front Loader Unit from Carolina Environmental Systems, Inc. in the Amount of \$248,478. (First Reading Vote: Unanimous)
- C. Budget Ordinance Amendment Number 15. (First Reading Vote: Unanimous)
- D. Grant Project Ordinance Amendment Number 5. (First Reading Vote: Unanimous)
- E. Consideration of Closing the Southern Portion of the Alley beside Community One Bank for the Friends of Hickory Park. (First Reading Vote: Unanimous)
- F. Approval of Grant/Construction Easement Agreement for the Friends of Hickory Downtown Park Project. (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.

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

Mayor Wright announced that the motion was made by Alderman Tarlton seconded by Alderman Zagaroli and the motion carried unanimously.

- A. Approved Special Events Activities Application for Hike for Hope +5K, Leslie W. Cothren, Board of Director's President, ALFA (AIDS Leadership Foothills Alliance), April 9, 2016 from 6:00 a.m. to 12:30 p.m., Union Square Under the Sails.
- B. Approved Special Events Activities Application for Catawba County Younlife Glow 5K Run, Stephanie C. Bost, Younlife Race Coordinator, Catawba County Younlife, May 7, 2016 from 6:00 p.m. to 10:00 p.m. at Hickory Regional Airport, 3101 9th Avenue Drive NW.
- C. Approved the National Naval Aviation Museum Certification of Loaned Government Property.

The City of Hickory/Hickory Regional Airport has on loan from the National Naval Aviation Museum (NNAM) certain retired aircraft and artifacts located at the Hickory Regional Airport and on display by the Hickory Aviation Museum. The Hickory Regional Airport has participated in and has had on loan property from the National Naval Aviation Museum for over fifteen (15) years. The Loan Agreement with NNAM requires biennial re-certification of the loaned property, which covers the period of 2016 – 2018. The loaned property is assigned to the City of Hickory while the Hickory Aviation Museum holds full responsibility for the maintenance and exterior upkeep of said loaned property including any associated costs. Hickory Aviation Museum Director, Jeff Wofford has completed inventory of the loaned property, taken the required photos and completed the certification document. Staff recommends execution of the National Naval Aviation Museum Certification of Loaned Government Property document.

- D. Approved the Request from Hickory Police Department to Award Police Badge and Service Weapon to Retiring MPO David Leeper.

By authority of NC General Statute §20-187.2, City Council may award the service weapon and police badge to retiring MPO David Leeper upon his retirement from Hickory Police Department on March 1, 2016 after completing 30 years of qualifying service with Hickory Police Department. Upon approval from City Council, the police badge and service weapon will be declared surplus and removed from the City's fixed asset inventory.

- E. Approved the Transfer of a Cemetery Deed from the City of Hickory to Jackie W. Robinson, Southside Cemetery, Plot 4F, Lot Numbers 2 and 3, Section 4. (Prepared by Deputy City Attorney Arnita M. Dula)
- F. Approved the Transfer of a Cemetery Deed from Claude Shuford Abernethy, III, and wife, Jayne Osborne Abernethy; Anne Abernethy Wepner, and husband Timothy J. Wepner; and Martha Abernethy Sowers and husband, Michael William Sowers to Claude Shuford Abernethy, III, and wife Jayne Osborne Abernethy, Oakwood Cemetery, Section 36, Block A, Lot 2, containing Four Gravesites labeled Number 005, 006, 007, and 008. (Prepared by Attorney John G. Fuller)

- G. Approved on First Reading the Purchase of a 2016 Rosenbauer ARFF (Aircraft Rescue and Firefighting) Truck in the Amount of \$328,892 in Accordance with North Carolina Department of Transportation – Division of Aviation (NCDOT- DOA) Grant Process.

The Fire Department, in cooperation with Airport management, has been monitoring the condition of the Airport's current 1990 GMC Topkick ARFF Truck that is stationed on the airport grounds. In the past ten years the truck's operational ability has declined considerably. The truck is over 26 years old, and most of the equipment has become outdated in relation to today's standards. ARFF personnel have noticed a decrease in the truck's ability to flow water to the standards it was initially built. In December 2015, the truck's fire pump was tested by a third party vendor and deemed inefficient for maintaining its manufactured flow rates. Replacing the pump would cost almost eight times the value of the truck, which is not an economical solution. Quote for repairs executing almost \$100,000. The few used trucks that were available to purchase were as outdated as our current truck and would potentially cost just as much to make functional for the airport response. The purchase will be through the Houston-Galveston Area Cooperative (HGAC) of which the City of Hickory is a current member. This membership negates the need for a formal bid. The purchase of the ARFF truck is critical to the continued fire service to our based, transient and charter service customers; and any future commercial air service at the Hickory Regional Airport in addition to being in compliance per CFR Part 139. Both Fire and Airport Staff recommends Council's approval for the purchase of the Rosenbauer ARFF truck in the amount of \$328,892. Funds are available through existing grants provided by NCDOT-DOA for 90 percent of the purchase price. The 10 percent local share of approximately \$33,000 will come from the Airport fund. A budget amendment is included for your approval under Item J (Exhibit VIII.J).

- H. Approved Acceptance of a Grant from North Carolina Governor's Crime Commission in the Amount of \$9,796.24 on Behalf of Lenoir-Rhyne University.

Hickory Police Department requests permission to accept a grant from NC Governor's Crime Commission in the amount of \$9,796.24 on behalf of Lenoir-Rhyne University. NC Governor's Crime Commission suggested that the university partner with Hickory Police Department to complete the necessary paperwork and manage the grant. Lenoir-Rhyne University cannot reach direct funds from the Governor's Crime Commission because it is not a non-profit organization. Hickory Police Department works very closely with the Security Services at Lenoir-Rhyne University and recognizes the overall benefit to assist with their funding needs to enhance their ability to provide security to their students, staff and visitors of the campus. Any equipment obtained by the NC Governor's Crime Commission grant funds will be the property of the City of Hickory and would be on loan to Lenoir-Rhyne University. A Memorandum of Agreement between the University and the City of Hickory will be in place to ensure proper accountability and asset retention for the property. Hickory Police Department requests approval to accept a NC Governor's Crime Commission grant in the amount of \$9,796.24 on behalf of Lenoir-Rhyne University and authorize the City Manager to appropriate funds to be spent in the Hickory Police Department for security of the educational institution.

- I. Approved on First Reading Grant Project Ordinance Number 5.

ORDINANCE 16-05
GRANT PROJECT ORDINANCE NUMBER 5

BE IT ORDAINED by the Governing Board of the City of Hickory that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, that the following grant project ordinance is hereby adopted for the duration of this project.

SECTION 1. To amend the Transportation Capital Projects Fund, expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Transportation Capital Projects	330,000	-
TOTAL	330,000	-

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	33,000	-
Restricted Governmental Revenue	297,000	-
TOTAL	330,000	-

SECTION 2. Copies of the grant project ordinance shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

- J. Approved on First Reading Budget Ordinance Amendment Number 16.

ORDINANCE NO. 16-06
BUDGET ORDINANCE AMENDMENT NO. 16

BE IT ORDAINED by the Governing Board of the City of Hickory, that pursuant to Section 15 of Chapter 159 of the General Statutes of North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2016.

SECTION 1. To amend the General Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Economic & Community Development	50	-
Public Safety	3,684	-
TOTAL	3,734	-

SECTION 2. To Amend the General Fund revenues for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Miscellaneous Revenues	3,734	-
TOTAL	3,734	-

SECTION 3. To amend the Transportation Fund the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Uses	33,000	-
TOTAL	33,000	-

SECTION 4. To amend the Transportation Fund, the revenues are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	33,000	-
TOTAL	33,000	-

- IX. Items Removed from Consent Agenda – None

- X. Informational Item

- XI. New Business:

- A. Public Hearings

- 1. Approved on First Reading Consideration of the Bond Commission's Recommendation Combined Option "A" for Riverwalk, City Walk, Streetscapes and Gateways

This public hearing was advertised in a newspaper having general circulation in the Hickory area on January 22, 2016.

City Manager Mick Berry asked Mr. Mike Wayts from Freese Nichols to the podium to present Council with the Bond Commission recommendation that Council heard at their last Council meeting.

Mr. Mike Wayts commented that on behalf of the company and himself it had been a privilege to work with Council, Staff, and the Bond Commission on this project. He advised that an in-depth presentation had been done at Council's last workshop in which they discussed the history, the work that had been done with the Bond Commission, and had a few of the Bond Commissioners present Council with a recommendation for the Bond Program. He presented a PowerPoint presentation. He explained the process over the last eight months, breaking it down into four different steps. He considered these the major milestones of the project. The first one started as soon as the project was kicked off with the City.

They asked the City's Staff what the wish list was for projects that they wanted to be considered for this bond program. They got input from Council, Staff, Subcommittees, Bond Commission and the public as a whole. This was a very iterative process. They presented, asked for feedback, modified what was presented and went to several different groups. As they finalized step one, they had a really defined, fairly lengthy list of projects to be considered for the bond program. They moved into step two. At this point they were trying to define the projects. They were trying to take planning level concepts of, let's do a streetscape on this project. They were trying to define a starting and stopping point. They met with regulatory agencies to flesh out all of the different permitting requirements and challenges for those. They did field visits. Looked at aerial typography and aerial maps. They put together GIS information, researched utilities, coordinated with City Staff on other adjacent projects. They looked at regional plans for information like bike trails, bike paths that may be part of some of these projects. They did all of this in concert with Council, Staff, Subcommittees, and Bond Commission to fully flush out the projects. Where they start? Where they stop? What does the cross section of that look like? He discussed the third step. Once they had that scope worked out along with the cost and the schedules, they could start more of the fun stuff. The first two steps were somewhat boring, but prioritizing the project, working with the Subcommittees, Staff and Council again, and asking which of these project were their favorite projects. Out of all of these streetscapes listed what is the ranked order that you would prefer to do them in. The same thing with the gateways. Flushing out which Riverwalk options people preferred the most. City walk amenities, flushing those projects out. That led into the best part of the project which is trying to then package all of these different projects. Priorities from the different Subcommittees, into bond program options. How can we pull in different projects and keep within the budget? What are the options that we have? He recognized the Bond Commission at that point. For the first three steps they were mostly worked with the Subcommittees. They had their individual preferences. They had the City Walk Subcommittee, the Riverwalk Subcommittee and the Streetscape and Gateway Subcommittee. They pulled them in all together as a Bond Commission for the fourth step. They asked them to put their Subcommittee hat at the door on the way in. They all did a great job of voicing their individual preferences, but he also felt they did a great job of putting those preferences in the backseat and as a group they looked for what is the best approach, best program for the City of Hickory. He advised there was 23 meetings in 32 weeks with the Bond Commission. There was a lot of work, a lot of elbow grease on this piece.

Mr. Wayts expanded on step four of that process. He advised that in December they did a Bond Commission workshop meeting where they flushed out six different options for the bond program. Coming to Council as a workshop later in December he presented those six options. They asked for feedback from the Bond Commission when they did it. They also got some public comment on it. They had also asked Council to select their choices and to provide them with feedback on it. They took all that feedback and narrowed it down to two options which was brought back to the Bond Commission in January. They charged the Bond Commission at that meeting to have a recommendation for Council. They stepped up, 81.25 percent of them came back with a recommendation on one of those two options which was brought to Council at their January workshop meeting. He advised that Council was given some in-depth history on the bond program and walked them through it.

Mr. Wayts refreshed Council on what combined Option "A" was. He referenced a map and pointed out all the projects. The ones that had solid fill were included in the program, combined Option "A". The ones that were outlined did not make the particular option. He pointed out the summary box. The theme of combined Option "A", which was the recommended option, was connectivity. Starting in the northwest quadrant of the City there is the Lackey project, Riverwalk Option 2 connects into the Lackey project and goes to the 321 bridge. From the 321 bridge there was three different streetscape projects along the Old Lenoir Road alignment that connect the Riverwalk project to the beginning of the city walk project. This option included the city walk spine which is approximately a block west of Union Square all the way to Lenoir-Rhyne University. In addition along city walk there are several different amenities that were included: an iconic pedestrian bridge where city walk would cross 127; at Main and 2nd Avenue there is a project called the Main Avenue 2nd northeast realignment, which essentially is a roundabout for traffic and pedestrian safety at that location; you also have Main Avenue 1st to 3rd improvements which adds some connectivity to the south side of the tracks near where Transportation Insight is located. There is a sidewalk on that side that brings that part up to the city walk. There is also Union Square improvements along city walk. As you get to the end of city walk there is a section of Lenoir-Rhyne Boulevard that has already been improved, had a streetscape project to it. Where that project stops Lenoir-Rhyne Boulevard streetscape project is included in this, which takes you all the way past 40 to 70. This option also

includes three of the gateway projects, the three highest ranked ones: Lenoir-Rhyne and 40, 70 and 321, and 321 and Clement which is near the baseball stadium entrance. He advised at the bottom of the map there were also three additional projects. This was put on there to help facilitate compromise amongst the Bond Commission, but it was also put in there, if we get more funding than what is available currently, either project come in under budget over time as we start implementing this program, or we get additional grants or private investment. The three projects listed were: NC127 streetscape project; city walk depot station area, which was the parking deck near Union Square; and Riverwalk Option 1. He had received several questions having Riverwalk Option 1 as an additional project. He referenced a table which contained the same information that was on the map. The total was \$35.5 million dollars. All the projects above the total were included in the total, itemized out to the side. The bottom showed the additional projects. He had one question at the Bond Commission before they voted for the recommendation which was if additional funding became available at some point in the future, would they automatically move those projects up into the base, without talking to the Bond Commission or Council, or Staff. He answered that no. This is the plan, these are the three, as of today are the highest priority from the feedback that they had received. But if we get more money they will bring that back to Council, the Bond Commission and Staff and make sure that everybody is still on the same page that this is the best way to move forward. The second question that had come up was, what it means having Riverwalk Option 1 as an additional project. Would you build Riverwalk Option 2 and 1? He advised that the answer to that one is two parts. Part of it is timing. The farther down the road we get designing, and even to the point that we are constructing Option 2, it becomes very hard to turn and go back and do Riverwalk Option 1. The second answer to that question is the most relevant. He didn't want Council, Staff, the Bond Commission or the public to think that they have designed this, it is done, we have got the vision and it is going to be constructed tomorrow. That is not the case. They started at the very beginning of this project eight months ago at 100,000 foot level. They had a line on the map, really zoomed out, the width of that line could take up (he exaggerated) a half mile corridor of where Riverwalk could be. They weren't sure where it was going to start or stop. He thought they had done a great job of asking for feedback from all of the different groups. Painting a vision. Identifying it is going to start here and stop here. Here is different alternatives of the way you can do it. Here is what a section could look like. They even had created some renderings. Moving forward, once this is approved, that doesn't mean that Riverwalk 1 is done or 2 is done. We are hiring a designer. They are going to go out and get field survey and geotechnical borings. They will give them all the data that they had collected and all the feedback that they had collected on this project. They are going to hit the ground running going through their due diligence, and further doing design. Then they have at least two public meetings identified for the Riverwalk project where Council, Bond Commission, everybody can give input and further flush out what this means. If we do get additional money, let's just say we get a couple additional million, or a million here, that money can be added and altered and further flushed out in design with public feedback. He asked Council if they had any questions.

Mayor Wright advised that Council had considerable time to digest what had been presented. He commented that it didn't indicate either a lack of interest, or that Council never had any questions, it just meant that most of them had been taken care of. He asked if anyone had any questions that they would like to address. Mayor Wright explained there was nothing that required that Council have a public hearing on this, but Council felt that it would be good to give the citizenry an opportunity to speak about anything they would like to address related to this project before they vote. He explained the rules/guidelines for conducting the public hearing. He declared the public hearing open and asked if there was anyone present to speak in opposition to the proposal.

Mr. James Thomas Shell, 2442 23rd Street Drive NE, advised Council that he wasn't for or against this proposal. He advised that it wasn't about speaking for or against this proposal because he wasn't really for or against the proposal. He asked how a vote that was \$25 million dollars for City infrastructure and \$15 million dollars for a Business Park become \$35 million dollars for City infrastructure and \$5 million dollars for a Business Park. He commented that when Council spoke they said that it had to be very specific. All of a sudden \$10 million dollars get switched around, and then a shell (he knows all about shell games), but that was a question that begged to be asked.

Mayor Wright advised that as soon as the public hearing was over he would answer that question. He asked if there was anyone else who wanted to speak against the proposal. No one else appeared. He asked if there was anyone present to speak in favor of the proposal.

Ms. Meg Jenkins Locke thanked Council for the opportunity. She commented that she had lived here almost 20 years and this was the fruition that they had talked about from land development, land choice, to create the kind of community that we all deserve and want. She was very proud of all of the efforts. She encouraged everyone to make sure that we tell our story. Once we build this, as we are doing it, that we are regionally reaching out to tell the efforts, like Greenville, Rock Hill, Chattanooga and all those had done. We have a lot to talk about. She was not sure about anyone saying anything against this project or what we are doing. She commented that we are doing the right thing, and she was proud of the City of Hickory and proud of all of Council.

Mayor Wright asked if there was anyone else who would like to speak for the proposal. No one else appeared. He offered Mr. Shell rebuttal.

Mr. Shell declined rebuttal commenting he just wanted his question answered.

Mayor Wright declared the public hearing closed and asked for a motion or discussion. Mayor Wright started the discussion by addressing Mr. Shell's question. Council asked the voters to approve a \$40 million dollar bond issue. It was not divided \$35 million for infrastructure and \$5 million for the Business Park. Both of the bond referendum initiative languages had infrastructure in them. All along the amount of money that had always been talked about on the Business Park was a maximum of \$5 million dollars. When they had the bond referendum they did not know. You can't afford to spend \$3 million dollars on design and planning projects if you can't pass the referendum to do them. They were making a lot of guesses, but they were telling the people that they were dividing it 25 and 15. They believe that the expenditures that they are making fall within the legal framework of those two initiatives. They do not know how much they are reserving because there are large contingencies in here. As it is planned, some monies will move around, some things will come in cheaper than they were expected. He assured that not many are going to come in more than they expected, because they are not going to run out of money before they run out of projects. Things are going to change as we go down the road. They are doing things legally. They think the \$5 million for the Business Park is there. It is going to be preserved. They do not feel there are any inconsistency between the language of the bond referendum and what the Bond Commission had proposed.

Alderman Lail gave his opinion. He felt that not only was it legally consistent, it was consistent with the spirit with which the folks that advocated for the bonds talked. There are some things, particularly with regards to infrastructure, a street can clearly be for economic development. He used as an example Catawba Valley Boulevard, or you could consider that transportation. It clearly fits in both things. The Business Park is important to us, but he added that even with regards to these projects one thing that they will be looking for from Freese Nichols is the inventory of unutilized parcels along the city walk. Where are the economic opportunities there? They will be providing information on that. We can make some real strong economic development decisions. It is about being competitive with other cities, which is an economic development issue across the board. In large measure the whole bond is associated with economic development.

Mayor Wright commented that from the first day they had said that the objective here is to make our wonderful city, that we love to live in, more compelling as an attraction to young people and the companies that employ them. He concurred with Alderman Lail, if that is not economic development he didn't know what is.

Alderman Seaver commented as other public/private partnerships come on board things could be moved around a little more too. We would have extra money because someone is contributing to what is going on in the plans for this area.

Mayor Wright advised that these things are going to change. The only thing that he committed to that was not going to change, was we are not going to run out of money before we run out of designated projects.

Alderwoman Patton commented that she would like to see, if more monies come in early on in the project, that Riverwalk 1 would move up. She felt that they were missing an opportunity.

Mayor Wright explained that Riverwalk 2 is going to be a beautiful greenway and waterway along the lake between the 321 bridge and Geitner Park. There were two proposals that were considered. One was to have that walkway strictly along the river, and that has a lot of merit to it. High visibility from 321. The other proposal was to take it partway along the river and then up through the woods and dale, and down again to the river. That has some merit because you get a variety of views that you don't get just along the Riverwalk. Some people actually preferred the aesthetics and charm of Option 2 that takes you up into the hills.

Many people said that it just wasn't worth the additional \$4 million dollars. Every dollar spent on one project is taking away from other potential projects. The decision was made to save the \$4 million dollars and go with what is presently estimated at approximately \$8.5 million, rather than the other route which would be \$12.5 million. He agreed with Alderwoman Patton that the best of both worlds would be to spend about \$16.5 million and have it going through hill, and dale, and around the water both, and that would accomplish a lot more.

Alderwoman Patton commented better accessible for everyone.

Mayor Wright moved to accept the recommendation of the esteemed Bond Commission. He requested that the Bond Commission members in attendance stand up to be recognized. He commented that this is a tremendous cross section of people that have been here forever, people that have moved here recently, and people who have moved here some time ago and have chosen to stay here. It runs the gamut of ages. He commented there is Charlie Dixon, who is 65 or so, and the young lady who was 16. He reiterated the motion to accept the recommendation. Alderman Zagaroli seconded the motion. The motion carried unanimously.

Mayor Wright announced that he moved, seconded by Alderman Zagaroli and the motion carried unanimously. He thanked the Bond Commission and the citizens for agreeing to access themselves so the City could do this. He believes that five years from now, sooner than that of course, we will look back and talk about what a turning point this was in Hickory's history.

Alderman Lail requested a brief discussion, with Staff's guidance, on moving forward, what the next steps are. What we can expect from here?

City Manager Mick Berry advised that Staff was in the process of working on the next phase which was figuring out which projects to design when. That process will include an RFQ. It will be put out to the public stating this is the project, this is the budget, come and show us your qualifications. The Bond Commission will be involved in that. City Council will select designers for each of these projects. You can't design and build all of them simultaneously. Freese Nichols is already doing some work with Staff to try to start figuring out the phasing of each of those. Mr. Wayts had discussed the regulatory piece. All of these projects have significant approvals that we will need from regulatory bodies. As Mr. Wayts mentioned we have already done some preliminary work. In the design process we will also have to be doing the permitting process. That is over another year's worth of work, not to say that dirt can't start turning on some of them before a year, but we have another solid year's worth of work to get to the point where you permitted your design, and as Mr. Wayts mentioned that is going to be an iterative process as well. The Bond Commission's work has really only just begun. They have done a great job, but there is a lot more work to do. It will then come back to Council to hire the designers, appropriate the budgets. Then we have the issue of when do we need to go borrow the money. Rodney Miller, Andrea Surratt and he are doing some work with Freese Nichols to find out the timing, the cash flow of these projects, a significant amount of design will have to go in. You can't actually go to borrow the funds from the Local Government Commission until you have bids in hand. You can't have bids in hand until you have designs, and permits, and everything done. There is quite a bit of work and cost to incur up front. Staff will have to figure out how to cash flow that before the City borrows the debt. He advised that was the big broad brush. In terms of immediately, in the next two months, Staff will be coming back to City Council with Phase 2 of the contract with Freese Nichols which is to do the program management for all of those design pieces that he just talked about and then they would start the process of the RFQ on a couple of the projects to hire designers. They will start phasing it from there.

Alderman Lail felt that momentum was important. It may be we don't have discussions or presentations for the next several Council meetings, but that doesn't mean work has stopped. He would like for the Bond Commission to let Council know what they could do to support them in their work, and how they could be helpful to them. He wanted the Bond Commission to let Council understand what kind of scheduling they are under. Freese Nichols had done a great job in eight months getting us to where we are now. He felt at the next step that they put in some timeframes. He didn't want this to drag on and on. He didn't feel that was anybody's intention, but he felt that they had to be intentional. We have got to keep our foot on the gas.

Mayor Wright commented is there one of us that doesn't work better with a deadline. Ninety percent of the work gets done within ten percent of the time allowed.

Mr. Berry advised that in the next coming months, both the Bond Commission and City Council will have a project plan that lays out all of these steps for the next several months and all of them have deadlines. He commented that part of the beauty in working with an engineering firm was they are so drilled in on how much time everything takes, and where the critical path is, and how to keep all of that moving forward. He commented that Council has seven years to borrow the money, so the clock is always ticking. We think we could get a three year extension, but we don't want to. We want to have borrowed the funds, and been well into construction and completion on these projects in that seven year timeframe. Mr. Berry advised that we are six years now, we are already a year in.

Mayor Wright commented that in the meantime we have to do a good job of taking care of our normal operations. The Local Government Commission will have to look at each bond issue as it goes out. They will be looking to see if we have been taking care of business as well as what we are proposing to spend the money on. He was proud of Staff for agreeing to step up and work so hard to add all of this work to their plates.

Mr. Berry commented it is an exciting time.

Alderman Seaver commented that another exciting thing, fresh dirt had been turned at the splash pad.

Mayor Wright teased that they had kind of cheated on that. He had saw the pictures and they had dumped dirt, and then the guys and gals messed with the stuff. He commented that we are going to have a beautiful splash pad through a public/private partnership with Kiwanis. He had seen the rendering, and it would be like nothing around this area. He commented that virtually everyone would be over there at some point with children, grandchildren, nieces and nephews, and that they would probably get wet as well. It is going to be great. They are shooting for the end of May.

B. Departmental Reports:

1. Appeal of a Decision of the Community Appearance Commission for the Request for a Community Appearance Grant in the Amount of \$3,897.50 to Rahe Bryce LLC for Property Located at 200 2nd Street NW.

At the Community Appearance Commission meeting held on January 25, 2016 the Commission heard a request for a Community Appearance Grant in the amount of \$3,897.50, requested by Rahe Bryce, LLC. The requested grant garnered a total of 15 points, which falls into the medium overall scoring category. The current operating guidelines for the Community Appearance Grant program gives the Community Appearance Commission 90 days to make a decision regarding the grant proposal. After discussion, the Community Appearance Commission felt the request had some merit, but wanted some additional time to consider the request. A motion was made, and seconded, to table the request until its next meeting for further consideration, and was approved by a 4-1-1 vote (one person abstained from the vote). After the vote was taken, the applicant's agent, Mr. Jim Mitchell, requested a vote made at this meeting to approve or deny the request. Receiving this request from the applicant, the Community Appearance Commission moved, and seconded, to rescind its vote to table the request, which was approved by a 6-0 vote. After a brief discussion a motioned was requested to approve or deny the request. A motion was made, and seconded, to deny the request, and was approved on a 6-0 vote. Mr. Jim Mitchell contacted the City Clerk's office on January 26th an emailed a written request to appeal the decision to City Council which is allowed in the grant application process.

City Manager Mick Berry asked the City's Planning Manager Cal Overby to the podium to present Council with an appeal of a decision from the Community Appearance Commission. Mr. Overby is the liaison for that Commission.

Mr. Cal Overby presented a PowerPoint presentation. He advised that the request was from Mr. Jim Mitchell, agent for Rahe Bryce LLC, for an appeal to a decision by the Community Appearance Commission regarding a Community Appearance Grant. He advised that Rahe Bryce LLC, in which Mr. Mitchell was a member of, requested a Community Appearance Grant for property located at 200 2nd Street NW, in the amount of \$3,897.50. The request was to install new stonework around the lower perimeter of an existing commercial building. As required with all of the grant contracts and applications two estimates were provided. The amount of the estimates were \$7,795 and \$17,100. He showed the location of the property on a map, and pointed out Bank of America, BB&T, and Wells Fargo in the downtown area. He showed a photograph of the building that was provided with the grant application. He noted that the photograph showed a hand drawing which indicated the area to install new stonework around the perimeter of this existing

commercial building. He showed examples of buildings with the stonework on the perimeter of the buildings. The grant request went to the Community Appearance Commission, which provides oversight of the grant programs for Community Appearance and Landscape Incentive Grants. The Community Appearance Commission considered this matter on January 25, 2016 at their regular meeting. The Community Appearance Commission utilized the scoring categories and criteria that was adopted by Council in 2015. They scored the grant request in the medium category 14-19 points. He advised there are low, medium, and high categories. He advised that Council had a copy of the scoring sheet in their agenda packet. After the Community Appearance Commission reviewed the grant and scored it in the medium category, 14-19 points, they had a brief discussion. He advised that the operating guidelines gives the Community Appearance Commission 90 days to make a recommendation or decision regarding a grant application. Upon discussion the Community Appearance Commission moved and passed the motion to table the item until its next meeting to think about it some more, and to see if some other grant applications came in. The applicant, at the meeting, requested that the Commission take a vote at that meeting of whether to approve it or deny it. The Community Appearance Commission rescinded their previous vote to table the item. At that point they had another brief discussion and moved to deny the application. That motion passed with a 6-0 vote, which was unanimous. At that point the applicant contacted the City Clerk's office and requested an appeal. Appeals to decisions from the Community Appearance Commission are taken to City Council. He asked Council if they had any questions.

Mayor Wright asked approximately how many grants were approved each year.

Mr. Overby advised approximately a dozen in the two categories.

Mayor Wright asked if they averaged about this amount.

Mr. Overby advised that the ceiling for the Community Appearance Grant was \$5,000. He had seen them as low as a few hundred dollars, up to \$5,000. In some instances where they had a project that "knocked it out of the park" additional grant funds had been provided.

Mayor Wright asked Mr. Overby if he thought that the Commission voted this way on the bases of the number of points that it gathered compared to other projects that are being approved.

Mr. Overby replied yes sir. That is how the Commission had operated since the revised operating guidelines and the scoring criteria that was presented and approved by the Council. That was made a part of the way the Commission did business.

Alderman Lail asked during the appeal would Council hear from the appellant, or would that be all that Council would hear.

Mr. Overby stated that the applicant was in attendance. He advised that if Council would like to hear from him, he felt sure he would like to present his case.

Alderman Guess asked if he knew specifically why they denied it, other than the points. Is that unknown?

Mr. Overby advised that the Commission went through the criteria and scored it. A lot of their reasoning for tabling it initially was it didn't score into the high category.

Alderman Lail commented that if you read through the notes and the write-up from the Chair, if they get a medium scoring they like to table it for a month in case something bigger comes in. And it scored in the medium. He didn't feel that it was lack of support from the Community Appearance Commission. He felt that it was clear in reading the minutes that they struggled in assigning the points as it relates to visibility.

Alderman Tarlton asked if that would have put them over the top.

Alderman Lail commented that it would have put them close.

Alderwoman Patton responded that they changed that criteria in the last year, going to a scoring so it was a more consistent approach of approval or non-approval of projects.

Alderman Lail confirmed that was correct.

Alderwoman Patton commented to table it for a month was really what they wanted to do to see if anything else came along.

Alderman Lail advised that is what he understood from the minutes. The applicant wanted a decision on it. He moved to hear; since it was an appeal, Council needed to hear more than Staff's prospective, they had backups; he moved to hear from Mr. Mitchell if he wanted to be heard. Alderman Guess seconded the motion. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderman Lail seconded by Alderman Guess and the motion carried unanimously.

Mr. Jim Mitchell stated that everything Mr. Overby had said was correct on the situation. He advised that he was on the Appearance Commission many years ago, and he didn't want to knock Andrew Straw as he was volunteering for an organization. He questioned that the point system was quite subjective. He used as an example you get 15-16 points, then they will delay it, or table it. Which means the project could be tabled for 90 days. That was his point, that two points, the point weighing is very subjective. He would have scored it more, but of course he was biased on the situation. The other point once it is tabled it can be tabled for 90 days. During that period of time, they have to move on with projects. That was his point and the point of why he wanted them to vote on it. He commented that he pressed the point and they denied it, and that was their prerogative on the situation. His point was that the point system was subjective, but he did not have an opportunity at the meeting to argue the point system. Once it is tabled, it would be tabled for 90 days. He really doesn't have time to wait on projects, what if, to wait 90 days when you're talking with prospective tenants and plans. He thanked Council.

Mayor Wright commented that he couldn't imagine how Council could come up with a system to judge that is not subjective. Unless there was vindictiveness of some kind, he hadn't heard anything like that, his opinion was that they have to stay with the Community Appearance Commission and let them work through this.

Alderwoman Patton stated that Mr. Straw was present.

Alderman Lail commented that Council should hear from Mr. Straw.

Mr. Andrew Straw advised that he was in his second year as the Chair of the Commission, and the first full year that they had used the scoring guidelines. They are subjective, it is a subjective process. The guidelines were enacted because they were trying to get the biggest impact they could from a small budget. They want to try and align what the Community Appearance Commission does with the other initiatives going on in the City to make sure we are all marching in the same direction, and give them some consistency and a structured approach from application to application for doing their evaluations. Do they get everyone right? Define right. Are there two perspectives on every decision? Of course there are. He commented that maybe there was a misunderstanding, they had never tabled an application for more than one meeting, for more than 30 days. They asked to put that provision in the guidelines specifically, because during the first month of the fiscal year there is a long line of grant applications in the very first month of the new budget. With the old guideline they had 60 days, which meant more or less they had to act at that meeting. If they went one meeting without a quorum they would exceed their timeline. They bought themselves another month so they could table for 30 days, so the members after hearing the verbal presentation from the applicant could drive by the property, reconsider, and so on. The intent was to table for 30 days not for 90. At this point in the fiscal year the applicants get 90 days to execute the project. The fiscal year ends in June, so that means by March you really want to have all the grants acted upon. Once the Commission makes a recommendation it has to go to Council. When they get to February and March they look at how much money is left, and what are the opportunities to award it. They are more likely to award a grant in February or March, a medium grant, than they would in July or August. He apologized for that misunderstanding if there was one about the 90 days, meaning Mr. Mitchell would have to wait for three months. The intent was they would pick it up and make a decision at the February meeting. He thanked Council for their indulgence. He commented that the appeal was new territory for them. He thanked them for their support.

Alderman Guess asked how much money was left in their budget.

Mr. Straw advised about \$10,000

Mayor Wright questioned how much had been spent out already.

Mr. Straw advised approximately \$30,000.

Mayor Wright commented we have spent \$30,000 and we have \$10,000 left, and we are half way through the fiscal year.

Mr. Straw commented that they were not going to spend it in the last quarter of the fiscal year because of the time it takes to execute it. They are more than half through the "award window".

Alderman Lail questioned if there were provisions if there was a project of big impact that the Community Appearance Commission approved with Council approval. He asked if that was correct, a project of significant impact.

Mr. Straw advised that they had done that twice. The Piedmont Wagon building was an example where they recommended to go above the single grant limit of \$5,000, they did in that one occasion recommend going to \$10,000.

Mayor Wright stated that it has been denied. He asked when it could be brought back, or if it could never be brought back.

Mr. Straw replied that would be new territory for them too. They have never had the same application brought back after they had recommended disapproval. They had been tabled and reconsidered the following month.

Alderman Lail commented that he was very appreciative of the work that Mr. Straw had done. Mr. Straw had worked to do the criteria system when he came on, and that was a big part of what was done and was really helpful for the Commission to make decision. He advised that this was not necessarily a criticism of the criteria system, but he felt that Council needed to understand it. He commented that the viability piece says if you have a property that has been vacant, it is not going to score a lot of points. He felt that was counter intuitive to him. He used for example Tim Cline received an Appearance Grant for Union Square for buildings that are presumably occupied. He scored a maximum in that category of high, six points for those awnings on Union Square. Whereas, here we got this building that has been vacant for a number of years, it is on a major corridor and it scored one point for viability because it had been vacant. He thought that there was some policy there that is about lifting up some of our properties that are vacant. He understood why it was in there because he read the history. It was in there because a grant was approved one time, and somebody went bankrupt. In this case, it is improvements to the real property. That stonework is not going to go anywhere once it is done. You might have tenants go in and come out, but it remains a more attractive piece of real estate.

Alderman Zagaroli commented it would improve the appearance.

Alderman Lail replied there is no doubt about that, regardless of who is there. He asked Mr. Straw if he was on target with that.

Mr. Straw responded he was, and there were two perspectives on that. The one is, it is a chicken or egg. It is vacant because it doesn't look good, if you make it look good will it not be vacant anymore. But you could also maybe throw money at a building that is going to be demolished in several years because it doesn't really have the viability. How do you know? None of us have a crystal ball. He thought that the Commission, a couple of years ago, felt burned that they scored a project for a business venture that did not materialize. On the other hand, when you compare it to the Cline property the presentation of the Cline property there is a downtown building that was vacant, the lower levels leased to businesses, or two-thirds leased, but they are repurposing the upper floors from offices to apartments. There is a larger investment going on in that building that says we are just not trying to pretty it up as is to leave it be vacant, we are doing other things to make the whole property package more attractive and to change with the times, and so on.

Alderman Lail confirmed that he understood what Mr. Straw was saying.

Mr. Straw commented that they had discussed that in the meeting, and used the same analogy chicken or egg. It is a hard call. Build it and they will come, spruce it up and they will get tenants. Should we support it for that reason? Or it has been vacant for three years does that mean we would be putting good public money after bad. It is a hard call.

Alderman Patton questioned if they could apply again for the next meeting.

City Attorney John Crone advised this is unchartered territory because he didn't see anything in the code that specifically said it. Council could approve it, deny it, or remand it back to the Committee for reconsideration.

Alderman Lail commented that there is nothing to indicate that there was any question, there is no new information that had been developed as a result of the appeal. If it goes back to the Commission presumably it is going to be the same result.

Alderwoman Patton replied the Mr. Straw had mentioned that they would have time to go by and look at the building, to give them time is what they originally wanted. Their hand was forced.

Alderman Guess commented that it appeared to him that it was denied because it was asked for action, they didn't have time to think about it.

Alderwoman Patton commented that they were not denied over that.

Mr. Straw commented that the other piece that comes into play, the closer you get toward the end of the fiscal year the more inclined the Commission should be to support medium category projects. You should be less inclined in the first meeting of the fiscal year with a new budget to support medium projects, but as you get toward the end, and you say here is appearance money that may go un-awarded.

Alderwoman Patton commented especially if nothing else comes up that would score much higher.

Mr. Straw thought that even if nothing else changed for that reason alone, the original vote of the Commission was to table until the next meeting. The one thing that would change, if nothing else changed between January and February is we are a month closer to end of fiscal year.

Alderman Lail appreciated the Commission's work. He didn't feel that it should have gotten a one with regards to viability. He felt that was a policy decision that perhaps the Community Appearance Commission had made in how they were scoring. He felt that it was worthy of Council's consideration. He commented that he remembered Alderman Fox being on Council and working on "Operation No Vacancy" which was all about giving grants to buildings that are vacant. Not buildings that are occupied. This is an intentional effort to make a building better to become occupied. He was sure that there would be other investments within the building, like other investments in Cline's building for apartments, if and when it becomes rented just like other buildings.

Alderwoman Patton moved Council remand it back to the Community Appearance Commission and let them make that decision. It is a month.

Mayor Wright questioned if Council could remand it back to them with the understanding that Council did not want to hear another appeal. Mayor Wright explained that the point he was making was, they say no to people all the time, and they want to appeal. They listen. This time they say they are going to put them back through the process. Most of the time when people appeal a decision that Council has made the answer doesn't change, 98 percent of the time. He wasn't talking about official appeals. He was talking about backroom politics. It doesn't change. He said that he would go along and take the risk that it comes back to Council again. He did not want the Commission to think that what Council was doing put any additional pressure on them to change their decision process or make a decision that they were not comfortable with. He didn't feel that was right.

Alderwoman Patton felt that Council should support the Commission having instituted this point system and the reasoning behind it. They don't always have to agree with every bit of it, but she saw Mr. Straw's point on chicken and egg. She felt like this was to support their initiative of using a point system and some guidelines, and looking at budget overall. Is there a better project that might come before them? If not, then they could make that decision in a month.

Alderman Lail stated that he was going to vote no. He wanted to go on the record as to why. He believed that it should have been scored high with regards to visibility, it is on 2nd Avenue NW, which carries tens of thousands of cars a day. It couldn't be any more of a major thoroughfare. He knew that the Community Appearance Commission discussed that, and it should have been at least medium or high on viability because it is a piece of property that is certainly viable for occupancy and has been vacant. There was no doubt about that in his mind. It is not, one means it is a property that is risky long term viability. That property is not risky long term viability. He voted no.

City Attorney John Crone asked if there was a second on Alderwoman Patton's motion. He asked Council if anyone wanted to second the motion so they could continue the discussion. Alderman Seaver seconded the motion.

Mayor Wright asked Mr. Overby how many applicants were turned down every year.

Mr. Overby responded perhaps one. Over the course of the past 12-18 months the Commission had denied one grant and had tabled two to a following meeting for further consideration. Those grants were later approved.

Mayor Wright confirmed that one was turned down.

Mr. Overby stated yes, this past year.

Mayor Wright asked was it a worthless project.

Mr. Overby commented that he didn't think that it was worthless, it didn't have the merit that the Commission was looking for that particular project. He didn't have the specifics for that particular project and didn't want to go into it without the details regarding it.

Mayor Wright stated that he was going to vote to remand it, but Council could not have every decision coming back through City Council because every one of them is subjective. There are very few no brainers. This is not a no brainer. If there is not vindictiveness...

Mr. Crone interjected that this was probably a message for Staff to look at that ordinance and may make some changes to that. Unless Council disagreed he thought that was a legitimate request.

Alderman Zagaroli agreed with Alderman Lail.

Mayor Wright questioned a legitimate request to?

Mr. Crone commented to amend the ordinance so there is not right of appeal to Council. He advised they had their due process rights in front of the Commission.

Mayor Wright commented that he could think of all of the times that people have come to him and would say they need a different decision on that. He couldn't think of a time that he has come back and said that they were going to make a different decision on that. Because you just can't do it.

Mr. Crone advised that is why years ago Council changed a lot of appeal processes for certain things. The City has the Board of Adjustment and the various committees and commissions that Council has appointed. Maybe this was an oversight, but he felt it was worth looking into. He advised that Deputy City Attorney Arnita Dula and he would do that.

Mayor Wright requested that Staff look at every one of them to see if they have the right of appeal, and if so, does Council think that is good to continue. He commented in general he believes in letting people have their say and have an appeal. Mayor Wright asked if there was any other discussion. He advised that the motion was to remand it to the Commission for their February meeting, which was the 22nd. He asked for a show of hands of who was in favor of remanding. Ayes: Mayor Wright, Alderman Seaver, Alderman Guess, Alderman Zagaroli, and Alderwoman Patton. Nays: Alderman Lail and Alderman Tarlton. The motion carried with a 5-2 vote.

Alderman Lail suggested that Council provide the Appearance Commission with some insight as to what Council's policy is with regards to the business of viability. Granting money to buildings that have been vacant a long time versus buildings that are occupied. He asked if anyone had any interest in opening that up for discussion.

Mayor Wright commented isn't every question subjective to some extent. Is there anything that is absolutely not subjective?

Alderman Tarlton commented isn't that why they have the right to appeal right now.

Mayor Wright advised that they have the right to appeal because it is in the ordinance, and there is nothing wrong with the right to appeal. They have exercised their right to appeal and it has been remanded to the Commission. He commented that you could ask for a vote of Council, or ask the Staff to look at their criteria for loans to repair household, or a lot of other things.

Mr. Berry commented that Deputy City Attorney Dula had advised him that this is unique because this particularly had been appealed to Council, generally they don't. The other boards and commissions don't. This one was also just revised and updated.

Mayor Wright asked if there was an appeal was it usually to the City Manager or do they just not have an appeal.

Mr. Berry didn't think there had been an appeal at all. He commented that you have to put this in the context of what you are doing. You are not restricting anybody's right to use their property. This is a grant. So you are actually giving public dollars to somebody in the hopes that it is going to accomplish this public good so it is almost like can you appeal that. You are not telling somebody you can't do something, that obviously needs to have an appeal, whether it is the Planning Commission or whatever, but this is asking for funds through a process that had been adopted by Council, through a Commission that Council has appointed the members to. That is generally why you don't have appeals in the other processes because it is a request for funding.

Alderman Zagaroli commented that they were not saying that he couldn't do it. We are just saying that we are not going to fund it.

Mr. Berry replied we are not going to fund. We are not going to fund all of it, we are going to fund a portion of it, whatever the Commission decides. Council had these new guidelines for approximately a year now and they had been operating under them.

Mayor Wright commented that in these kinds of things it is very good to keep it as far as you can from the political body to be honest. They appoint the people and give them the authority and responsibility and let them carry on.

Alderman Seaver commented that he thought some of the discussion was over whether the building was occupied or not. He asked if that building was vacant.

Alderwoman Patton advised it was.

Alderman Seaver asked if there was funding under the "Operation No Vacancy" program.

Alderman Lail commented that it wouldn't qualify inside of the zone.

Mr. Berry advised it was outside of the zone.

2. Approved on First Reading Consideration of an Ordinance to Demolish an Abandoned Structure at 747 Main Avenue SW.

Hickory Police Department's Code Enforcement Unit has addressed both nuisance and minimum housing issues at 747 Main Avenue SW, Hickory (PIN#3702-05-29-3468) owned by Arlene K. Kye. On September 16, 2011, a nuisance case began because of tall vegetation, and junk and debris on the property. The first minimum housing case began on December 1, 2011 because of vagrancy. The property owner abated the first nuisance and minimum housing cases by removing the junk and debris and boarding up the structure. Six additional nuisance cases occurred over a period of two years, all being abated by the property owner. A second minimum housing case began on October 9, 2014. The structure quickly fell into disrepair. The windows were broken, power panel and wiring was stripped from the residence and the boarding of entrances were removed. Vagrancy started at the property and complaints escalated. Violation notices were sent to the owner, the owner's attorney and mortgagee's bank because a foreclosure process had begun. After a period of time the vagrancy continued which left little option but to proceed with a third minimum housing case on the property. Upon inspection on September 18, 2015, Code Enforcement Supervisor Bobby Baker determined the structure to be dilapidated, meaning the cost to repair exceeds 50 percent of the tax value. He also determined the structure posed an imminent threat to health and human safety. The violation protocols for notification of the owner and interested parties were followed with no action or response from those parties. The Deputy City Attorney reviewed the case and concurs that the proper procedures have been followed. The cost for demolition will be approximately \$8,500 not including any asbestos or lead based paint remediation and testing. Hickory Police Code Enforcement has a budget line item to cover the demolition. Staff recommends Council adopt an ordinance ordering the demolition of the structure located at 747 Main Avenue SW.

City Manager Mick Berry called on the City's Code Enforcement Supervisor Bobby Baker to come to the podium to present Council with an Ordinance to demolish an abandoned dilapidated structure at 747 Main Avenue SW.

Code Enforcement Supervisor Bobby Baker presented Council with a PowerPoint presentation. He commented that demolitions are essential for revitalization as well as public safety. He discussed background information in regards to Code Enforcement. Code Enforcement had 245 demolitions ranging from small residential buildings to the Southern Desk building. That averages to be one demolition ever eleven calendar days. That is pretty prolific when it comes to that. Out of the 245 demolitions 240 had been owner abated. It is rare that they run out of options and avenues to get owner abatement. But in this particular case they had to go to Council to abate this issue. The property in question was located at 747 Main Avenue SW. He requested for Council to adopt an Ordinance to demolish the abandoned structure which is unfit for human habitation, constitutes a fire safety hazard and contributes to blight and vagrancy. He showed a photo of the subject property. He advised that it was an apartment building on a main thoroughfare in the City, Main Avenue, it is highly visible. Mr. Baker advised that they actually started the process on this piece of property at the end of 2011. They received a call from one of the police officers concerning vagrancy and other minimum housing issues. At that point in time the owner was involved in the property somewhat. A family member remediated the violation that they put on it. That was satisfied for a little bit of time, but through 2011-2013 they had several nuisance violations at that property. They would do a violation letter, and someone in the family would come in and abate the nuisance. They never had to do any type of citation. In 2014 they did a second minimum housing violation letter to the owner because of extreme vagrancy and a lot of other violations. At this point in time the structure had become extremely unsafe. They were getting a lot of complaints from the surrounding businesses, and people in general that were driving by and saw the vagrancy going on. At this point also, the owner was starting to experience a tremendous amount of financial difficulty and legal issues with herself personally and this property. Along with that there was foreclosure default on the property. She filed bankruptcy. One of the banks that was the mortgagee at the time actually had financial difficulty and sold their assets to another bank, so they had to start over again. Everything that could go wrong with this property went wrong in a very timely manner. They had a great deal of problems with this individual piece of property. In 2013 through 2015 again the vagrancy, the deterioration and the complaints were continual, but with all of the issues that they were facing trying to remediate the problem they just had one road block after another to be successful at it. They met with City management and legal to discuss some of the properties that they were dealing with. This seemed to be one of the properties that had the highest visibility. It was a life safety issue and something that they needed to address and bring some finality to the issue.

Mr. Baker discussed the analysis. The property went from deteriorated to dilapidate. The definition of that was it would take greater than 50 percent of the tax value to bring it up to minimum standards. At that point Code Enforcement can require demolition through General Statute 160A 431, which is the language that gives them the authority to bring it to Council to ask for them to adopt an Ordinance for the demolition of that structure. The violations that were included were under several General Statutes, starting at 160A-425, 426, and 428. Those are the basic General Statutes that address properties. It was also in violation of virtually all of 15-32, 33, and 37 of Hickory City Codes. He reiterated that it presented numerous life safety issues, is a definite blight on the community, attracts vagrancy, and it is detrimental to the community as a whole. He advised that there were several properties in that area that are trying to revitalize and they are addressing several other properties, not from a demolition standpoint, but repair remodels. All of the procedures that they follow are protocols for notification for due process and they had been followed, and all of the information was correct.

Mr. Baker advised that the cost of the demolition would be approximately \$8,500. In a structure like this that is older, and you have siding coverage it is very difficult to determine what you are going to face when you get into that. You do have asbestos issues at times, and you also have lead based paint issues. When that is demolished commercially or through a government agency you have to address those issues. He advised that there was a budget line item to cover the demolition cost, virtually from the minimum aspect to the maximum that it can be. He showed photos of the interior of the property. He commented that it looked like a frat house on a Sunday morning in most cases. A tremendous amount of alcoholic beverages are being consumed there. It presents a danger with that many people that they have seen in there. Safe and sanitary maintenance are one of the codes that it was in violation of as well as being unsecure. He pointed out the electrical feed panels on top of possible leaking gas mains, which could be an absolute disaster. The windows are broken out, unsecure, and open. He pointed out that

there was no hardware on the door. The flooring is so dilapidated even if a first responder had to go in and try to address a situation that occurred there it would be hazardous for a first responder as well. Vagrancy got so crowded at times that they even had bedding underneath the crawlspace of the front porch. They were sleeping anywhere that they could get to. He pointed out a bicycle in a photo and advised that was as of last month, so vagrancy continues at that location. He showed a photo of the surrounding properties. The property on the right was a rental unit, and the property on the left was Lindy Furniture. He commented that they maintained their properties very well, as well as the Wagon Factory right down the road and some of the other properties they Code Enforcement is trying to address. Staff recommended Council adopt an Ordinance ordering them to demolish the structure according to Hickory City Code 15-66 and North Carolina General Statute 168-441.

Alderwoman Patton asked how quickly it would go down once this is done.

Mr. Baker advised that he was not sure. Last time Council did a second reading. After approval from Council and they receive the Ordinance they would start on it. Right now they have nine demolitions that they are working on in some process. This will be handled by the City demolition contractor. He is involved in at least two of the demolitions that they are doing. He felt that this would really take priority over what they are doing. He wanted to get started within a couple of weeks after the Ordinance was approved by Council if they did so.

Mayor Wright asked if there would be any residual value to the lot.

Mr. Baker believed that with the revitalization that was going on in the City, this was a fairly nice size lot. The tax value was approximately \$6,000. If the structure is gone, there is no basement to it, it is a crawl space, so they will not have any issues remaining on the lot. He believed the value on the lot would be higher than the \$6,000 tax value.

Alderman Tarlton asked who owned it now.

Mr. Baker advised it was owned by Arlene Kye. Ms. Kye lived in the ETJ of the City. She doesn't own any other property within the City limits so they can't attach any liens against any other properties except on this one.

Mr. Tarlton asked if she didn't lose the house in the foreclosure that he had mentioned.

Mr. Baker advised that the bank started a foreclosure process and they saw how detrimental that it was and they decided to keep the value on their books rather than do a foreclosure so they stopped the procedure.

Mayor Wright moved, seconded by Alderman Seaver approval of Staff's recommendation to approve the Ordinance to demolish the structure located at 747 Main Avenue SW. The motion carried unanimously.

Mayor Wright announced that he moved seconded by Alderman Seaver and the motion carried unanimously.

ORDINANCE NO. 16-07

ORDINANCE DECLARING PROPERTY TO BE UNFIT FOR HUMAN OCCUPATION, INJURIOUS TO THE HEALTH, SAFETY AND MORALS OF THE PEOPLE OF HICKORY, AND AUTHORIZING CITY MANAGER TO OBTAIN THE REMOVAL OR DEMOLITION OF STRUCTURE, INCLUDING COMMENCEMENT OF ACTION IN THE COURTS OF THE STATE OF NORTH CAROLINA BY THE DEPUTY CITY ATTORNEY

WHEREAS, N.C.G.S. Section 160A-441 authorizes the City Council, upon a determination that a dwelling within the corporate limits of the City is unfit for human habitation and is dangerous and injurious to the health, safety and morals of the people of a community; and

WHEREAS, efforts put forth by the staff of the City of Hickory to obtain compliance with the Minimum Housing Code of this state on the property described herein have been unsuccessful; and

WHEREAS, the anticipated costs of repair of the structure exceed fifty percent (50%) of the tax value of the property, and it is in the best interest of the people of the City of Hickory to have the structure involved herein removed or demolished,

NOW, THEREFORE BE IT ORDAINED by the City Council of the City of Hickory as follows:

1. The real property involved herein is described as a single family dwelling, as further reflected on the document found in the Office of the Registrar of Deeds for Catawba County, North Carolina in Book 2719 at Page 1199 and having a street address of 747 Main Ave SW, Hickory, NC. The property has a PIN of 3702-05-29-3468. Such property is located within the corporate limits of the City of Hickory and Catawba County, North Carolina.
 2. The property involved in this action is owned by Arlene K. Kye, who has a mailing address of 3255 44th Ave Dr NE, Hickory, NC, 28601. Notice of these proceedings and all prior proceedings related hereto have been properly given as by law required.
 3. The property described above is found to be in violation of the Minimum Housing Codes of the State of North Carolina and the City of Hickory in the following respects: Hickory City Code Section 15-32, Structural Condition (All). Section 15-33, Basic equipment and facilities (All), Section 15-36, Safe and Sanitary maintenance (All), Section 15-37, Control of insects, rodents and infestations (All). N.C.G.S. Section 160A-425, Defects in buildings to be corrected, N.C.G.S. Section 160A-426, Unsafe buildings condemned in localities, and N.C.G.S. Section 160A-428, Action in event of failure to take corrective action.
 4. Representatives of the City of Hickory have attempted to contact the record owner(s) of the property and obtain compliance with the Minimum Housing Codes. Such efforts have been unsuccessful and the structure continues to be unfit for human habitation.
 5. Continued existence of the structure on the described property, without repair, is inimical to the welfare and dangerous and injurious to the health, safety and morals of the people of the City of Hickory.
 6. The anticipated cost of repair of the structure exceeds fifty percent (50%) of the tax value of the property, making it economically unfeasible to repair the structure.
 7. A public necessity exists for the removal or demolition of the structure(s) located on this property.
 8. The City Manager, through the appropriate staff members, is directed to obtain the removal or demolition of the structure(s) located on the property so that the same complies with the Minimum Housing Codes of the City of Hickory and the State of North Carolina.
 9. Notice of this Resolution shall be given to all interested parties as by law required. Additionally, the City Manager is directed to see that appropriate placards are placed on the building indicating that the structure is unfit for human habitation and that the use or occupation of the same for that purpose is prohibited and unlawful.
 10. All costs of these proceedings, after verification by the Finance Director of the City of Hickory as accurate, shall be assessed against the property as a lien against the real property. The City Manager, through appropriate staff members, is authorized to take such action as necessary to file the lien with the office of the County Tax Collector or such other County or State officials as may be appropriate, to seek the collection in the same manner as a lien for special assessments as described in Article 10 of Chapter 160A of the North Carolina General Statutes, and for the foreclosure and collection of said lien through any other process allowed by law.
 11. If in the opinion of the City Manager litigation is necessary to insure compliance with this Resolution, the Deputy City Attorney is authorized to commence appropriate legal action in the Courts of the State of North Carolina to insure that such structures are vacant and otherwise obtain compliance with such Codes.
 12. The City Manager and Deputy City Attorney are granted such authority as is necessary to insure that the directives contained herein are carried out, whether expressly stated or implied within this resolution.
3. Appointments to Boards and Commissions

BOND IMPLEMENTATION COMMISSION

Ex Officio Representatives:

Per Ordinance 15-01 representatives appointed by the boards, commissions, and the Chamber shall serve for a term of one year and may be reappointed for up to two additional one year terms with the exception of the Youth Council representative. (Terms Expiring 2/1/2017)

Hickory International Council	Hani Nassar
Library Advisory Board	Carolyn Sinclair
Recycling Advisory Board	Norm Meres
University City Commission	Dr. Ralph Griffith

COMMUNITY RELATIONS COUNCIL

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Other Minority	VACANT
Other Minority	VACANT

HICKORY REGIONAL PLANNING COMMISSION

(Terms Expiring 6-30; 3-Year Terms With Unlimited Appointments)
(Appointed by City Council)

Burke County (Mayor to Nominate)	VACANT Since 8-6-2008
Brookford (Mayor to Nominate)	VACANT Since 6-2006

INTERNATIONAL COUNCIL

(Appointed by Mayor with the Concurrence of City Council)

(8) Positions VACANT

Mayor Wright appointed Gretchen Oetting to the International Council

PARKS AND RECREATION COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

At-Large Minority VACANT

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 3 VACANT

RECYCLING ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)

Ward 3 VACANT

YOUTH COUNCIL

(Terms Expiring 6-30; 1-Year Terms) (Appointed by City Council)

Hickory Career Arts Magnet VACANT

TRANSPORTATION ADVISORY COMMITTEE FOR THE GREATER HICKORY METROPOLITAN PLANNING ORGANIZATION

Delegate to replace former Alderman Meisner

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

Mayor Wright announced that the motion was made by Alderwoman Patton seconded by Alderman Lail and 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

City Attorney John Crone recognized, congratulated, commended and embarrassed Deputy City Attorney Arnita Dula who was the recipient of the North Carolina Bar Associations Citizen Lawyer Award. It is a very prestigious award which is given to a handful of lawyers in the State of North Carolina. It recognizes not only her abilities as an attorney, but exemplary public service to her community. She never brags on herself, but she does a lot for boards and commissions that she doesn't want to get a pat on the back for. The audience applauded Ms. Dula.

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Mayor Wright commented that he thought that was great and he was glad that Mr. Crone had mentioned it because he didn't know about it. He asked for that to be put in the paper. He had noticed that Ms. Dula's name appears on a lot of non-profit stationary and lists of board members around the community.

XIV. There being no further business, the meeting adjourned at 8:41 p.m.

Mayor

City Clerk