

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 20, 2018 at 7:00 p.m., with the following members present:

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

A quorum was present.

Also present were: City Manager Warren Wood, 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.
- II. Invocation by Alderman Seaver
- III. Pledge of Allegiance
- IV. Special Presentations
  - A. Presentation by Community Groups Requesting Appropriations from the City Council during the Next Fiscal Year Beginning July 1, 2018. **(Exhibit IV.A.)**

The Council will not take action tonight. Action will be taken when the Council considers the City's annual budget in May or June. These presentations are made so Council Members can ask questions or make comments about the requests. Presenters will be allotted no more than five (5) minutes to make their presentations to Council.

Organization	Presentation By	Amount Requested
Catawba County Economic Development Corporation	Scott Millar	\$160,783
Catawba Science Center	Alan Barnhardt	\$20,000
Habitat for Humanity of Catawba Valley	Mitzi Gellman	\$9,735
Hickory Community Theatre	John Rambo	\$71,400
Hickory Downtown Development Association	Ernest Sills	\$50,000
Hickory Metro Convention & Visitors Bureau	Mandy Pitts Hildebrand and Bruce Eckard	\$25,000
SALT Block Foundation	Michael Thomas	\$100,000
United Arts Council of Catawba County	Ken Wilkinson	\$40,567

Mayor Guess advised there would be several presentations from different community groups that were requesting appropriations from Hickory City Council for the year beginning July 1, 2018. Council would not be taking any action on these request. He asked that the presenters keep their presentation to five minutes. Time would be kept by staff. He asked that everyone be respectful of the time as there were eight or ten presentations. He asked Mr. Scott Millar, from the Catawba County Economic Development Corporation to the podium.

Catawba County Economic Development Corporation, President Scott Millar addressed City Council. He advised that this had been an interesting and fruitful year for the City of Hickory. Quite a few expansions had taken place. The year started out with a nice expansion at Corning and the facility on McDonald Parkway with a \$30 million dollar expansion there, 105 jobs that were created there early on in the year. That followed up quickly by US Conec on Sweetwater Road in a new facility there; a nice \$20 million dollar project creating 43 really high tech jobs. He advised Council would find that facility real interesting. Shurtape and Klingspor both were doing substantial investments in equipment and new facilities. He thought Council would like those as well. He commented that is really not what they were looking at, he wanted to look at the future and what is going on. He mentioned that City Manager Warren Wood and City Council had agreed to do economic development as a chief priority for the coming years, and the organizational structuring that Council had done with City staff, Rick Beasley was certainly a great addition to compliment what the City's economic development staff was performing. There had been some question marks out in the community regarding economic development and changes to that. People automatically say "What, Hickory is doing things". He stood behind the changes that the City tried to do before and he thought they were leading to phenomenal results. He was excited about where the City is going. Their budget request for this year was 3.3 percent greater than last year, about \$5,000. The total was \$160,783. He asked Council for any questions.

Mayor Guess asked Alan Barnhardt with the Catawba Science Center to the podium.

Catawba Science Center, Alan Barnhardt presented Council with a PowerPoint presentation. He thanked Council for the opportunity to speak to them. He advised that Council had a copy of his PowerPoint. He thanked City Council for their support of the

Catawba Science Center as they are bring STEM education, which stands for Science, Technology, Engineering and Mathematics, to the community. They do a lot of programming and are seeing 130,000 people a year, including approximately 53,000 children. He discussed how unique the Catawba Science Center was. They had a volunteer on their staff look at other communities the size of Hickory, 360,000 and more across the nation. They looked at the ten which were the closest. They did that and then asked the question did they have a Science Center? They found that only half of them did. Then they asked the question on how they funded themselves, because that is always the challenge of how they fund themselves with all of the kids they are serving. They found of those, four of the five had significant amounts of government money. He noted that Catawba Science Center was around three percent of their total support, which was State money actually. It had been dropping over the last decade from \$147,000 to now \$44,000. It is a grant. The Putnam Museum was an unusual one, they were getting most of their money from a foundation, so they are endowed. He discussed what the Science Center does. They bring science to life for these kids. Every day you would see a kid amazed. Catawba Science Center knows how to get these kids involved, and that is what they do really well and how they complement other groups. They also are not only engaged in hard science but soft science. He referenced the PowerPoint slide, a mother with a child, they were learning to communicate. They learn to talk about discussions, decisions, what they are doing here, and those are skills that all of our businesses need, those soft communication skills. He advised that Catawba Science Center brings people to the area. They have lots of programs, not only school kids, but they are doing things like the "BoBfest" which was for amateur astronomers. That program brought in approximately 300 people from Florida to Virginia, all the way out from Tennessee. Brought them into our hotels, "heads in beds". They are bringing people in and bringing recognition to this community. They are looking to bring in young professionals, and Catawba Science Center is one of the differentiators in that. He discussed how kids learn about science. They do it. It is the best way for them to remember. If you want to talk about centrifugal force, go get into the spin device and you will feel it, otherwise it is really hard. If you don't understand the physics of that, come over they will talk about it. You can talk about touching stingrays. You can get that feeling and you don't get it other places. They are also connected into the local businesses in lots of ways. They do engineering time activities where they bring people in the community to Catawba Science Center. They talk about their careers, and then they help them work out an activity so the kids are involved in that with their family members. They do exhibits like the "Furniture. Well Crafted." event. They actually went around and interviewed many of the local businesses and asked them what they needed and then they created activities around that to bring their businesses to light and to dispel a lot of the myths that are out there. He discussed hands on science and education experts. They have some really great people out there that know how to connect. He referred to Mr. Bruce Beerbower, most everyone knows him, he is a legend, and he had been at the Science Center over 30 years. He is a friend to everybody around here. He loves science and he shares that with people. He referenced a photo of a family that were learning the engineering of how to take minimal materials and build a bridge. They make science fun, and that is what Catawba Science Center is really good about. They are also working with school groups and they complement what the school does. They are in the academic business, that is what their teachers are trained for, the Science Center is the tactical hands on business and that is what they are really good at. You put them together and you got some really important stuff going on. Mr. Barnhardt discussed maker's spaces. They had been on the front edge of this for a longtime. Maker's spaces was brand new, like the word STEM. They had been doing science technology, engineering, and mathematics for a longtime. It is not new to them. He commented let's invest in the places where they can do it really well. He showed a map of North Carolina and advised all of the dots were some of the counties which had used the facility. Come to Catawba Science Center and you will see the buses in the parking lot any day from, McDowell County, Wilkes County, Mecklenburg County, they are coming from all over. He advised they need the City's help. He requested \$20,000 and appreciated what City Council could do to help them with education programs.

Mayor Guess asked Mitzi Gellman from Habitat for Humanity of Catawba Valley to the podium.

Habitat for Humanity of Catawba Valley, Mitzi Gellman addressed City Council. She requested funds for sewer and water taps. Because they are working in North Stone Subdivision off of Falling Creek Road, the sewer and waterlines are already there, they were requesting funding for the capacity fees. This year they estimate they will probably have approximately five houses that will need the capacity fees waived or paid for through the grant. The total amount requested was \$9,735. She showed a video which was produced by staff on their construction side. It gave insight to a future homeowner, "Billy", who would be moving into a home in the next 60 days or so. She advised that his story was so similar to other people that they are working with right now. They find that with the new energy features that they are using in their homes, that are above and beyond of what they have been building for the past ten years are so, these houses are net zero ready which means with solar panels they could be completely off the grid. They add money for panels and their families will be saving even more money. One of their families, plus Billy's family,

also has power bills around \$300 - \$400 dollars, which is classic when you are living in a trailer that was built in 1970. The best way to move people out of poverty is to give them more money. The way they do that is to cut their power bills. They are up around \$250 to \$300 per month typically. With the power bill that they have on their houses it is around \$60 to \$80 per month. With Council's help it all comes together and they are able to put people like Billy into a home. They are all about "heads and beds" and that is what Habitat does 365 days per year. She thanked Council.

Mayor Guess asked John Rambo with the Hickory Community Theatre to the podium.

Hickory Community Theatre, John Rambo moved a stool in front of the podium. He advised since 1948 when a City employee named Kay Johnson worked for the City Recreation Department they formed what was then known as the Hickory Little Theatre under the auspice of the City Recreation Department, the City and the Hickory Community Theatre had a very close partnership. They had always performed in the auditorium of the City Hall building. In 1988, the City partnered with the Theatre on doing some renovations to that auditorium and then gave use of the entire building over to the Theatre on a long term low cost lease. In 1991, they partnered again together to restore the awnings to the front of the building and get the National Historic Registered designation for what is known as the former Hickory Municipal Building. Since 2013, they had been partnering together to do more extensive renovations to the building. The City had helped them restore and renovate the seats in the auditorium. Renovate the bathrooms on the main floor, and on the lower floor. They put in a three-story elevator to grant disabled access to most of the building for their patrons and volunteers. They were very grateful for that support and the continued support they provide by letting them stay in that building on a low cost lease. He asked for City Council to invest in one more piece of the building. That was what used to be the firemen's dormitory, which is now their rehearsal hall. There is a post in the center of that which they have to work around. He referenced the stool he had placed in front of the podium. He wanted Council to visualize, that runs all the way up to the ceiling and you have to conduct your business around it. It is right in the center of the room. He actually had seen in the dance rehearsal for Chicago there were four guys who was carrying Velma on their shoulders and they are paying attention to their steps, and one guy ran smack right into it. Didn't drop her, which was good. In that room there are two restrooms, a men's and women's which are completely nonfunctional and require more extensive repairs than they can do. There is stuff way down in there that is wrong. They want to get rid of the post in there, and take those two restrooms into one unisex accessible restroom. He advised that City Manager Warren Wood had seen it. They also want to do some work repairing the windows around the sides of the building to make them energy efficient. This would be an investment, if Council appropriates the funds, out of the building fund. It is the City's building. The structural support will require a new beam being put in. Their architect estimated those costs at \$71,400, which was the investment he was requesting Council to make. He removed the stool from in front of the podium and asked Council for questions.

Mayor Guess asked Ernie Sills from the Downtown Development Association to the podium.

Hickory Downtown Development Association, Ernest Sills addressed City Council. He presented a PowerPoint presentation. He spoke on behalf of the Board of Directors and the general membership of Hickory Downtown Development Association (HDDA). He thanked Council for their continued support. The mission of HDDA was to champion the stakeholders by gathering ideas, facilitating resources, and implementing initiatives to improve downtown Hickory. He found it interesting that they had their planning meeting this morning, so it was all tying together. He discussed their vision statement, and what they want Hickory to look like. The vision statement for 2022 was supporting the City's "Life. Well Crafted." Downtown Hickory serves as a gathering center for varied recreational and entertainment activities. Downtown is the hub of owner/operated local businesses, corporate headquarters and urban living. They are trying to boost that element. Downtown Hickory is recognized for its historical rehabilitation of the former Lyerly Full Fashioned Hosiery Mill, which had been a great success. Infrastructure improvements, they are championing that. Wayfinding signage is a big issue and they are working with the City and their wayfinding signage. One of the jobs that Ms. Connie Kincaid had this year was keeping the businesses downtown informed of the construction schedule that had been a great blessing in the long run, but a pain in the neck in the short run. He thought everybody would agree with that. They had hosted several events and festivals. It is not just for fun, these events and festivals generate money for HDDA, but they also, according to COG, generated \$7.5 million dollars in the area by people being there. During FY 2017 the downtown district experienced 22 new business openings. They lost three but that was a net gain of 19. That is a huge jump. Ms. Kincaid spends a lot of her time working with realtors and people interested in finding places. They have an inventory in the HDDA office of vacant buildings and she spends a lot of time working on that. Their existing businesses are expanding with additional personnel, equipment and increased inventory. They estimated that to more than three million dollars, which comes from the owners. The Main Street Program, which Council had heard about earlier, was an economic development strategy that has a great proven track record. Downtown Hickory is part of that track

record. Their main focus was to create an environment conducive to prosperous business activity, and that is what we all are interested in, having successful businesses. One of their initiatives this year was trying to get stores to stay open later, maybe even to 9:00 p.m. To do that they have to generate traffic, so it is a give and take. On behalf of the Board of Directors and the general membership of Hickory Downtown Development Association he respectfully requested their annual allocation of \$50,000 for FY 2018/2019. They value the partnership. He thought this year they may be becoming more intertwined in how they do things. He asked Council for questions.

Mayor Guess asked Mandy Pitts Hildebrand and Bruce Eckard from the Hickory Metro Convention & Visitors Bureau to the podium.

Hickory Metro Convention & Visitors Bureau, Chairman of the Hickory-Conover Tourism Development Authority (TDA) Bruce Eckard talked about the Convention and Visitors Bureau (CVB) side of the organization. Hickory's partnership helps them with marketing and promoting the area. He advised that funds are not used for operations, building or maintenance for the convention center, all that comes from occupancy tax. He mentioned the previous groups talking about "heads in beds", they put "heads in beds". They had a record year. Each month over last year's month for the last 13 – 14 months the revenues have increased. People are coming. He advised that staff does such a wonder job. He wanted Council to know what they do and how are they work, and how long they work. This is not a 9 to 5 job. Last month the McDonald's organization was in town. Two nights the hotels in Conover, Hickory, Morganton, and Lincolnton were booked. You couldn't find a room. Mrs. Mandy Hildebrand and her sales people were there until after 12:30 a.m. working. They were there the next day at 5:00 a.m. They are spending money to enhance their presence across the State and Country and it is working. They were somewhere else and they are going to come back next year. They loved it. We did a great job. It is paying off. We are getting positive stories in State and Regional publications, accolades from national publications like the National Geographic Traveler's Best Small Cities category as being "Hipster Friendly", and they are continuing to build strong relationships with tourism and media partners. He asked Mandy Pitts Hildebrand to the podium.

Mandy Pitts Hildebrand presented a PowerPoint presentation. She commented we are making some noise here in Hickory and Catawba County. She referenced information from Visit NC. She discussed domestic tourism. People are spending money when they come to our county and it is remarkable. Referencing the slide, she advised out of 100 counties in North Carolina, Catawba County ranked 16 in economic visitor impact. That is a pretty big deal. We don't have the Atlantic Ocean and we don't have Grandfather Mountain, but we have furniture, events that happen here, conventions, and it is exciting. A big difference had been made between 1990 when the State of North Carolina, Visit NC started keeping records. Visitor's expenditures were approximately \$102 million dollars, now 26 years later we are at \$264 million dollars. That is a win, win, win for our community, restaurants, hotels, Science Center, Arts Museum, the list goes on and on. Hickory is in three counties city limit wise, and in the Alexander County ETJ. She referenced the impact there as well. It continued to increase and go up, which was the point she wanted to let Council know about, visitor impact. When people say we don't have visitors it is the most untrue thing you have ever heard, we have visitors. She advised they had really built the Hickory Metro Tourism Partner Group, and many of the people present were in the photo she showed on the PowerPoint slide of the hospitality professionals from the hoteliers, to the attractions like the Crowdads, and the Hickory Motor Speedway. Hickory government was also a part of it because of a lot of events happening downtown, the list goes on and on. All of us are working together more, like Lenoir-Rhyne University, to put us on the map. She discussed where the money went. The money helps them fund the Regional Visitors Center. That is not a State funded place. A lot of people think they are one of the State Welcome Centers. No, they are actually a locally funded Visitors Center. They have thousands of people who come in there every year from different countries and it is exciting to hear their stories and why they came here. Many of them want to relocate, so they work on that as well. Mrs. Hildebrand advised they are working on a new Destination Guide, partnering a lot with the City's marketing group as well to help them build this destination guide that hasn't been redone in about ten years. She showed a photo, a sneak peak of the Destination Guide for 2018. That should be coming out by their "31 Days of May" when they celebrate tourism. They are going to focus on their history as well too. She thanked the City for helping them with that. She noted the City's money also goes towards advertisements. They are not inexpensive. All of the City's funding had helped them with the "Our State Magazine", and other history publications. She referenced one on the slides which focuses on things to do in our area as well. She referenced another publication which would be out in April. She mentioned that Hickory was brewing beer before it was cool, Olde Hickory Brewery in the early 90's, and now it is something that everybody is doing, but we have been doing it for a longtime and we want to let people know. There is a distillery in Conover that is really important as well. We are getting our message out there. Working and partnering also with the EDC, Mr. Scott Millar and his staff, Catawba County, and of course, "Life. Well Crafted." City of Hickory, and the Hart Square Festival which is obviously growing and continues to get better. They partnered with a restaurant and also Hart Square with that in an "Our State" publication. She

referenced some other messaging where they are focusing as well pointing out a picture of downtown Hickory under the sails. She discussed digital marketing. They are trying to spend more money with digital marketing because it is very important. They partnered with the Hickory Furniture Mart for the NC Travel Guide. It is a very popular guide. They mail out 500,000 a year and have over seven million hits on their website. She advised the City is a sports destination, thanks to Mr. Mack McLeod, his staff, and a lot of others. We have a lot of soccer fields that are used by soccer players from different States and our gyms are full of basketball players from different States and areas, swimming too. The City's money helps them promote that as well. Mrs. Hildebrand discussed building stronger relationships. Their Chairman Bruce Eckard had mentioned previously, this year for the first time in eleven years they entertained the NC Welcome Center Managers. They wanted to know about furniture, beer, arts and science, and more culture. They had a great two days with them and they want to come back. They also had a tour with media writers. They have built a strong relationship with the movie industry in North Carolina and are trying to get them more involved and they foresee having a movie in Hart Square eventually one day. She referenced a photo of Dr. Hart talking with some of the media writers. They had Visit NC with them and some other publications as well. She thanked the City for the funds which they give them towards marketing, it helps them fund the Regional Visitors Center, more advertising, marketing materials like the Destination Guide. She mentioned we have never been on the radar screen to host the Visit NC conference. Those are the North Carolina Tourism Professionals. It is a really big deal. Hickory is starting to be looked at. They would like to come to Hickory. This year they are going to be in Winston-Salem in March, and next year they are going to Wilmington. Mrs. Hildebrand was confident. She didn't want to come back next year and say she was wrong, because she is not going to be wrong, she hopes in 2020 to have the North Carolina Visit Tourism in Hickory. It is a really, really big deal. That is why she asked for an additional \$5,000 because they have to host a luncheon in Wilmington, because she knows they are going to get it. Next fiscal year they have got to. They have already talked to the Visit NC Executive Director and he wants to be here. Hickory would be a host to help them have a luncheon in Wilmington to invite them to come back to Hickory. She asked Council for any questions.

Mayor Guess asked Michael Thomas with the SALT Block Foundation to the podium.

SALT Block Foundation, Michael Thomas addressed City Council. He advised he is the incoming President of the Salt Block Foundation. He introduced Frank Young who is the Building and Grounds Chair, Kimberly George who is currently the President and Tara Bland who is the Executive Director. He thanked Council for their past support of the organization and for the time they had invested in touring the facility in the last few months and getting reacquainted with everything that is going on, on the Block. He advised the mission of the SALT Block Foundation is to pay for the costs of the physical facilities for the nongovernmental institutions that are housed on the block; the Catawba Science Center, the Hickory Museum of Art, Western Piedmont Symphony, the Hickory Choral Society, and the United Arts Council. In all there are three buildings on the block which they maintain, the Arts and Science Center, the Aquarium and Planetarium, and the West Wing building. It is an expensive proposition. All of the buildings are historic, meaning that they are old, and that means that they require constant updating and maintenance. However, that investment pays dividends. These SALT Block organizations are a major economic and cultural asset to our community. He expected if Mrs. Mandy Hildebrand gets to host that event in 2020 the SALT Block will be one of the first places that she brings people when she brings them to Hickory. Every year over 300,000 people visit the Block including students from Hickory and the public schools. If you count the people that come to the Patrick Beaver Memorial Library there is over a half of a million visits to the SALT Block every year. He thought that City Manager Warren Wood, Assistant City Manager Rick Beasley, and EDC President Scott Millar would tell you that the SALT Block is a vital component of economic development and attracting businesses and people to Hickory. Since 1986, when the Arts and Science Center opened the City has been a tremendous partner in all that they do. They appreciate not only the financial contribution, which he was asking for, but the other ways which they assist them in-kind with maintenance and security. The County had also been a wonderful partner for the past 30 years providing annual operating funds and they continue to go to the County and ask for an equivalent request that they were making to the City. Fortunately for their Foundation and our community they have the support of their endowment and private citizens who have given generously over the years to support the building so they can pay for a lot of what they do out of their endowment fund. They are continuing to work on fundraising efforts, both through annual drives and through planned giving. Their planned giving process is being successful, but fortunately for their planned donors it takes some time for those planned gifts to come to fruition. They had added the "Derby Day" event on the Block as a fundraiser to build awareness of the SALT Block Foundation and what they do for the Block. They are averaging approximately 300 people per year for the derby depending on the weather. Although, he was very proud of the folks that powered through last year when it was cold and windy, but they still had a great turnout. Because of this partnership they are able to provide something that is unique for a community of our size. He mentioned that Mr. Barhardt had highlighted that in his presentation on the Science Center but it is

also true for the other resident organizations. The City's continued support makes that possible. In the last year they had finalized full ADA compliance around the Block with the addition of a connector ramp on the west side of the property. Council had seen that in their tour. They obviously have a number of building projects on the slate for the coming year, HVAC's are a constant issue for them. They are starting to work on a program to make that expense more predictable and even over time. They had a big investment a few years back and they are going to turn that over soon. The bottom line is the City's investment in the SALT Block is paying off. The City's capital replacement funds are enabling them to keep the three buildings on the SALT Block in good shape and make improvements. It is an ongoing process but one they believe will keep the SALT Block strong and attractive for hundreds of thousands of visitors each year as well as attract new businesses and citizens. He thanked Council for their continued support and asked for any questions.

Mayor Guess asked Ken Wilkinson with the United Arts Council of Catawba County to the podium.

United Arts Council of Catawba County, Ken Wilkinson addressed City Council. He advised he was the President of the Board of Directors of the United Arts Council of Catawba County. He commented he had the pleasure of working very closely with Kathy Greathouse who is a real pillar in our community in growing the arts in our community and helping our community thrive in so many ways. He thanked Council on behalf of the Arts Council, Kathy Greathouse, and himself, for their continued support over the years of one dollar per capita. The City's continued support had been vital in the arts. He requested the funding again this year in the amount of \$40,567. He advised that is what the census tells them, what the capita is, and that is what they asked for. Last year it was approximately \$40,200, just a few hundred more. He advised he was a business owner and a true believer in the arts. He believes the arts attracts new businesses to our community, young professionals and their families to our community. He is a big believer in the arts and all that they do, all the Arts Council does. He asked if there was anywhere else you could go, park in one spot and go to five or six different, wonderful venues, between the museum, which is beautiful, the Science Center which is educational for people of all ages, the Hickory Choral Society. He wished Don Coleman was present because he deserves a standing ovation. He is phenomenal. He mentioned there was going to be a celebration, because they are celebrating 40 years this year. Don Coleman had the idea 40 years ago and had been the leader, guide and director. He has given 40 years of his life to give Hickory a wonderful, quality choral society adding to the arts. We have a wonderful Aquarium and Planetarium there on the SALT Block which is so phenomenal. The Western Piedmont Symphony, the Choral Society, the Museum and the Arts Council are located there. But in addition in Hickory we have a phenomenal Community Theatre, which Mr. John Rambo had talked about. He mentioned he was just in New York and he advised that they compete highly with Broadway. There is not much difference and it is right here in this little City that we live in. Not so little anymore, it is growing quickly. When he talks to people about it they are always excited to hear that. They say "Wow, all of that is happening in the City of Hickory. I didn't know that. I thought that was a sleepy town in the foothills". He responds to them, "No, Baby, we are on the ball, we got it going. We are moving, we got these things happening". They were excited to share with Council the economic impact study that they did. It took them a year and they did over 880 interviews or polls in over 25 different venues. They felt they got a fair breathe of what is happening in our area. He advised the number of how the arts impact the economy in our area, to the tune of \$49.2 million dollars. That is a lot of money that the arts are bringing in. These organizations that he was talking about, they are bringing in, \$49.2 million dollars into this economy. That included transportation costs, lodging, dining costs, and babysitter costs. They did not include the cost of a ticket. That \$49.2 million dollars completely eliminates the cost of a ticket. It averaged about \$41.56 per person. They had Americans for the Arts of the Carolinas do this for them. They did the gathering and the Americans for the Arts did all the analysis, computations, and compilations and returned it to them in a booklet. It was a wonderful asset and the Board was excited to be able to do that and fund that so that they have something in writing on paper so that we all understand the importance of the arts. He reiterated they were asking for \$40,567. They want to be the best stewards of the City's money that they possibly can. He wanted to thank Council for it. When the City grants them money they go out and they look for a grant to match that money from the State. Whatever they get from the local government that get it from the State government. They double it there. Then when they grant it out to one of their organizations or affiliates, eight organizations basically affiliated with them, they ask that they also find matching dollars. They match it dollar for dollar. The City's \$40,000 turns into \$160,000 in this community and impacts the arts greatly. He didn't know if that had ever been explained to Council. They work really hard to make that happen. In 2016/2017 their project, operating, and individual grants totaled over \$306,000. This year they expect that to be higher. He reiterated they were asking for one dollar per capita which was approximately \$40,567. He thanked Council for their continued support, they appreciate them immensely and they appreciate that Council appreciates how important the arts are. There is a lot here that is an attraction for the City of Hickory. He thought the arts was huge because when they did this economic impact study; looking at the study, where they bring in \$49

million dollars to our economy, the closest thing to it in our size brought in a little less than \$30 million dollars. They are bringing in about 60 percent more money to our economy. He firmly believes it is because of the quality of the arts that they offer, and the variety of the arts and having the Museum and the Science Center, the theaters and the landmark, all the great things that we have. He was super excited to be a part of this. He thanked Council and asked for questions.

Mayor Guess thanked everyone for their presentations. It was great to hear the enthusiasm and Council certainly thinks that each of these organizations complement each other and they are all an asset to our community.

V. Persons Requesting to Be Heard

Mayor Guess called on Ms. Christina Kliesch who had requested to be heard on Aids Awareness. She was not present to speak.

VI. Approval of Minutes

A. Regular Meeting of February 6, 2018

Alderman Seaver moved, seconded by Alderman Zagaroli that the Minutes of February 6, 2018 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 Patton moved, seconded by Alderman Seaver that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

A. Consideration of a Lease Amendment Agreement with Hickory Music Factory for their Use of the Former Parks and Recreation Department Administration Office Building Located at Jaycee Park. (First Reading Vote: Unanimous)

B. Approval of a Proposal with Loudoun Communications, Inc. in the Amount of \$522,728.50 for Hardware and Software Radio System Update. (First Reading Vote: Unanimous)

C. Budget Revision Number 14. (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 Lail moved, seconded by Alderman Patton approval of the Consent Agenda. The motion carried unanimously.

A. Approved the Special Events Activities Application, Hickory Hops, Connie Kincaid, Executive Director for Hickory Downtown Development Association, Government Avenue and 2<sup>nd</sup> Street SW. Set-up Begins at 7:00 a.m. and Clean-up will end at 11:00 p.m. Event Time 1:00 p.m. to 7:00 p.m. on April 21, 2018.

B. Approved the Special Events Activities Application, Downtown Hickory Art Crawls, Connie Kincaid, Executive Director for Hickory Downtown Development Association, Union Square, 3<sup>rd</sup> Street NW, 2<sup>nd</sup> Street NW, 1<sup>st</sup> Avenue NW, 1<sup>st</sup> Avenue SW, and 2<sup>nd</sup> Street SW, May 17, 2018, September 20, 2018 and October 31, 2018, Set-up Begins at 4:00 p.m. and Clean-up will end at 9:00 p.m. Event Time 1:00 p.m. to 7:00 p.m.

C. Approved the Special Events Activities Application, Hickory Oktoberfest 2018, Connie Kincaid, Executive Director for Hickory Downtown Development Association, Blocks within Boundaries of 3<sup>rd</sup> Street NW (W), Government Avenue SW (S), October 12, 13, and 14, 2018, Set-up Begins October 11 at 2:00 p.m. and Clean-up will end October 14, 2018 at 11:00 p.m. Event Time: October 12 – 12:00 p.m. to 11:00 p.m.; October 13 – 10:00 a.m. to 11:00 p.m.; October 14 – 12:00 p.m. to 5:00 p.m.

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

The following request was considered by the Citizens' Advisory Committee at their regular meeting on February 1, 2018.

The following applicant is 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.

- Judy Price, 116 4<sup>th</sup> Street SE, Hickory, not to exceed \$8,000

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

- E. Approved a Resolution to Declare Library Materials as Surplus and Donate the Materials to the Friends of the Library.

Staff requests approval of a Resolution to declare surplus 5,088 discarded library materials. These materials will be donated to the Friends of the Library to be sold at the Friends "Corner Book Store" at Patrick Beaver Memorial Library and/or at the October 2018 book sale. The sale of the donated and discarded books is the primary fundraising activity of the Friends of the Library, and discarded library materials comprise a significant portion of their inventory. The sale of these items ultimately benefits the library and is an appropriate means of disposing of unneeded materials. Public notice was advertised in the Hickory Daily Record on February 9, 2018. Staff recommends Council's approval of the Resolution to declare the library materials as surplus and donate the materials to the Friends of the Library for their use at the annual October book sale and/or the "Corner Book Store".

RESOLUTION NO. 18-04  
A RESOLUTION OF THE HICKORY CITY COUNCIL  
DECLARING SURPLUS LIBRARY BOOKS AND  
AUTHORIZING DONATION TO THE FRIENDS OF THE LIBRARY

WHEREAS, the Hickory Public Library declares a list of 5,088 discarded library materials which are out of date, in poor condition, or no longer needed to meet the collection development goals of the library; and

WHEREAS, the Library wishes to dispose of said property to The Friends of the Library. Books will be sold at the Friends "Corner Book Store" at Patrick Beaver Memorial Library and/or at the October 2018 book sale.

WHEREAS, G.S. 160A-280 allows the city to donate to another governmental unit within the United States, or a nonprofit organization incorporated after advertising and Council approval.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hickory, North Carolina:

SECTION 1. That authorization is given to the Hickory Public Library to dispose of the declared surplus in a manner serving the best interest of the City.

SECTION 2. This Resolution shall become effective upon adoption.

- F. Approved a Resolution to Donate Reserve Engine 13, a 1989 Emergency One (E-One) Fire Truck to Western Piedmont Community College.

Hickory Fire Department requests approval to donate surplus Reserve Engine 13, asset number 53000588, a 1989 Emergency One (E-One), (VIN 46JBAA80K1002765) to Western Piedmont Community College for their Emergency Services Training Center. This apparatus will be utilized by Hickory Fire Department during training sessions that personnel attend along with the training of recruit firefighters enrolled in the community college programs. This engine served at Fire Station 6 on North Center Street as a front-line pumper up until 2004/2005, when it was moved to Fire Station 5 on Sweetwater Road and designated as a reserve unit. At the beginning of 2017, the apparatus' engine was found to have internal problems that would be cost prohibitive to continue to utilize the vehicle as a reserve apparatus. In March 2017, the apparatus was removed from any further use as a response apparatus and all salvageable equipment has since been removed from the apparatus. This apparatus was approved by Council as surplus on June 20, 2017. The 1989 Emergency One apparatus has met its life expectancy within the department and has no value as a front-line apparatus. The community college is aware that the apparatus has not received its annual maintenance or service test since the apparatus was taken out of service. Public notice was advertised in the Hickory Daily Record on February 12, 2018. Fire department staff recommends approval of the Resolution authorizing the donation of Reserve Engine 13, 1989 Emergency One (E-One) to Western Piedmont Community College.

RESOLUTION NO. 18-05  
A RESOLUTION OF THE HICKORY CITY COUNCIL  
DECLARING SURPLUS EQUIPMENT  
PHOENIX RESCUE EQUIPMENT

WHEREAS, the Hickory Fire Department declared as surplus one (1) Reserve Engine 13, which is a 1989 Emergency One fire apparatus; and

WHEREAS, the Hickory Fire Department wishes to donate the 1989 Emergency One fire apparatus to the Western Piedmont Community College.

WHEREAS, G.S. 160A-280 allows the city to donate to another governmental unit within the United States, or a nonprofit organization incorporated after advertising and Council approval.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hickory, North Carolina:

SECTION 1. That authorization is given to the Hickory Fire Department to dispose of the declared surplus in a manner serving the best interest of the City.

SECTION 2. This Resolution shall become effective upon adoption.

- G. Approved a Proclamation for Arbor Day, April 21, 2018.
- H. Approved on First Reading a Five Year Master Contract with Talbert, Bright & Ellington for Professional Engineering and Planning Services.

Staff requests City Council's approval of a five year Master Contract with Talbert, Bright & Ellington (TBE) for engineering, planning and related services for the Hickory Regional Airport (HRA). The Hickory Regional Airport has used TBE since 2002 and finds their engineering services to be professional, thorough and in the best interest of the City. Entering into a new Master Contract with TBE will ensure continued professional engineering services for the future development of the airport. The engineering services will include, but not be limited to, the design and construction phases of runway extensions, runway safety areas, airfield pavement overlays, taxiways, aircraft aprons, airfield lighting, NAVAIID's, instrument landing systems, fueling systems, hangars, terminal site work and other projects determined by the City of Hickory. Services may also include, assisting with land acquisition, master planning, feasibility studies, miscellaneous planning and other planning and environmental projects as determined by the City of Hickory. Services to include subcontracted special services such as surveying, geotechnical, environmental and quality assurance testing. The contract also includes the securing of federal monies for Airport Improvement Program projects, and other major improvements related to the HRA. Also included is project development, design-bidding and construction phases along with preparation of grant filing. The method of payment and the amount for specified services will be detailed in a Work Authorization for Council's approval. Said contract contains the option to extend for an additional five (5) years. The Hickory Regional Airport advertised in the Hickory Daily Record and on the City's website a Request for Qualifications for professional airport engineering and planning services. City Engineer Patton opened bid packages and found TBE's statement of qualifications qualified them to continue to provide engineering services to the HRA. Staff recommends Council's approval to enter five year Master Contract with Talbert, Bright & Ellington for professional engineering and planning services.

- I. Approved on First Reading the Work Authorization with Talbert, Bright & Ellington, Inc. Regarding Grant 36244.33.12.1 in the Amount of \$79,843.89.

Staff requests City Council's approval of Talbert, Bright & Ellington, Inc.'s Work Authorization in the amount not to exceed \$79,843.89 regarding NCDOT-DOA Grant 36244.33.12.1 for the design and bidding phase of Runway 6-24 Obstruction Removal Project. This Work Authorization will provide basic and special professional services for the design-bidding phase that includes an obstruction survey. The obstruction removal along the end of Runway 6 is based upon a previous ANA/LPV survey that identified the tallest trees in the approach and the weeding out of other adjacent trees that penetrate the approach surface. A new obstruction survey is needed to determine all of the obstruction to the approach to Runway 6. These obstructions are impacting the existing approach procedure to Runway 6 and have resulted in nighttime restrictions to the approach procedure. This project will also include preparation of separate plans for trees penetrating Runway 6 approach surfaces, preparation of separate plans for trees penetrating Runway 24 approach surfaces, and conducting two separate bids for the Runway 6 Obstruction Removal and for the Runway 24 Obstruction projects. Authorization is in the amount of \$79,843.89 and will be paid out of 36244.33.12.1 Grant funds. The State share will be \$71,859, 90 percent, and the local share will be \$7,984.89, 10 percent. The NCDOT-DOA has approved grant 36244.33.12.1 in the amount of \$79,843.89. Staff recommends City Council's approval of Talbert, Bright & Ellington, Inc.'s Work Authorization regarding Grant 36244.33.12.1 in the amount of \$79,843.89.

- J. Approved on First Reading Budget Revision Number 15.

ORDINANCE NO. 18-06  
BUDGET REVISION NO. 15

BE IT ORDAINED by the Governing Board of the City of Hickory that, pursuant to N.C. General Statutes 159.15 and 159.13.2, the following revision be made to the annual budget ordinance for the fiscal year ending June 30, 2018.

SECTION 1. To amend the General Fund within the FY 2017-18 Budget Ordinance, the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Culture and Recreation	2,000	-
TOTAL	2,000	-

To provide funding for the above, the General Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Sales and Services	2,000	-
TOTAL	2,000	-

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

IX. Items Removed from Consent Agenda – None

X. Informational Item

XI. New Business:

A. Public Hearings

B. Departmental Reports:

1. Approved the Revisions to the Vacant Building Revitalization Forgivable Loan and Demolition Grant Program – Presentation by Business Services Manager Dave Leonetti.

Staff requests approval of revisions to the Vacant Building Revitalization Forgivable Loan and Demolition Grant Program. When City Council made the decision to pause the Vacant Building Revitalization program in 2017, staff conducted a review of the program to ensure that it was functioning as intended. Minor clarifications and adjustments that clarify the program guidelines and purpose of the program were made. The following list highlights the changes.

1. An introductory paragraph makes reference to the Community Development statute, which will now serve as the statutory authority for the grant. This statute better fits the purpose of the grant and also does not require a public hearing. City Council will still be the authority to approve applications.
2. The funds for the revitalization grant have been treated as a forgivable loan for the past approximately 8 years. The updated guidelines emphasize this change by calling the revitalization portion of the program a forgivable loan as opposed to a grant.
3. Some redundant sections of text were deleted.
4. The "Features of the Program" section was re-ordered to have a general section, a section for the revitalization forgivable loan, and the demolition grant. It had previously been one long bulleted section. Staff feels that this makes the eligibility criteria and program features easier to understand.
5. A provision was added to ensure that a continuing zoning violation was considered a breach of the forgivable loan standards.

Staff recommends Council's approval of the proposed revisions to the Vacant Building Revitalization Forgivable Loan and Demolition Grant Program.

City Manager Warren Wood advised the departmental report was approval of revisions to the Vacant Building Revitalization Forgivable Loan and Demolition Grant Program, also known as the Vacant Building Grant Program. He asked the City's Business Services Manager Dave Leonetti to the podium to present. He mentioned the City had suspended this program until we had time to review it and make some changes and some improvements which Mr. Leonetti would present to Council.

Business Services Manager Dave Leonetti presented a PowerPoint presentation. He advised the revisions were mainly "housekeeping" revisions to the Vacant

Building Revitalization Grant Program. As City Manager Warren Wood had said the City had suspended the program last year temporarily to evaluate it and make sure that we were targeting it the best way we could and looking at the statutory references and some of those things. He discussed the background of the overall program which allows for forgivable loans for vacant buildings for the revitalization of those buildings of 15 percent of eligible project costs up to a maximum of \$20,000 per building. The eligible improvements included interior and exterior real property improvements. The program also allows for grants for demolition, those can be up to \$15,000 or 35 percent of eligible project costs for the demolition and site restoration of eligible buildings. He showed a map of the urban revitalization area. He pointed out the general eligibility area for the program. It was eligible for buildings over 10,000 square feet which are contained in this area. He pointed out the Long View city limits on the west side. Generally you have the Highway 70 Southwest corridor, the rail corridor out to the intersection of Highland Avenue and Springs Road, and Old Lenoir Road to the northwest, the northern boundary in the northwest section was Clement Boulevard. Buildings which are outside of that area can also be eligible if they are either a suspect Brownfield site, they may have some real or perceived environmental contamination, or also a former industrial facility can be eligible regardless of the location. The program had awarded \$323,142 since 2012. The program began in 2008 but we did a significant revision to the guidelines in 2012, which was where the record keeping started. Those funds had leveraged over \$33 million dollars and 13 completed projects. Notable recipients included the Hollar Hosiery Mill, Moretz Mill, Piedmont Wagon, Lyerly Mill, and a number of smaller projects as well, the former Ferguson Plumbing building on 1<sup>st</sup> Avenue across the street from CCM received a grant. The property where John Eller's Extreme Machines on South Center Street had also received a vacant building grant as well. He discussed the program updates, a lot of it was "housekeeping" in terms of moving things around. They updated the statutory reference. The program now list the statutory authority as community development criteria. Staff felt that better fit the revitalization nature of the program as opposed to the economic development statute. They also clarified the forgivable loan criteria. The program had been treated as a forgivable loan in practice for the last six plus years. The revisions to the program no longer calls the forgivable loan a grant it calls it a forgivable loan in all those cases. In practice there is no difference in the way this was treated in the contract, but it was a clarification that they wanted to make to make sure people realize what they are getting into. In terms of the forgivable loan portion, when the funds are paid out, they pay out the \$20,000, or however much the project is eligible for, and then the program requires that you keep a use that is eligible for funding within that building for three years. A third of the balance is forgiven each year that the building remains occupied and in compliance with City codes and all those types of things. There was some redundant sections of text that were deleted. He advised it was highlighted in the agenda packet. The features of the program section were reordered, now it has a general section, a section for the revitalization portion of the program and also for the demolition grant. In working with Deputy City Attorney Arnita Dula on these they felt that worked a little better and was a little bit clearer for citizens. The other thing that they added was the fact that a continuing zoning violation would now be considered as a breach of the forgivable loan standards. We could go back and any project, if a zoning violation exists for more than 90 days, would be considered a breach of the forgivable loan contract. The Business Development Committee had looked at this and recommended approval. He asked Council for questions.

Alderman Lail commented in looking at the actual document, the demolition grant was still listed as item "c", but we are not doing grants, it is a demolition forgivable loan, or is it a grant.

Mr. Leonetti explained the demolition grant is still a grant because once the project is finished when the building is demolished and site is restored so they left that as a grant, because that is how that one was basically treated in practice, there was not really anything to follow up on those.

Alderman Lail understood.

Mr. Leonetti advised they did not tie them to future revitalization of the site.

Mayor Guess asked if there was an active list of folks that were interested or if there was a list leftover.

Mr. Leonetti replied they have two projects that are currently outstanding. He talks to people every month or so, and he will get calls. You never know how many of those will actually turn into an actual application. They maintain pretty active conversations with a lot of folks in the downtown and central city area.

Mayor Guess asked if there was any further discussion or questions from Council. He asked for a motion.

Alderman Seaver moved seconded by Alderman Zagaroli approval of the revisions to the Vacant Building Revitalization Forgivable Loan and Demolition Grant Program. The motion carried unanimously.

2. Appointments to Boards and Commissions

**BOND IMPLEMENTATION COMMISSION**

(Terms Expiring 2-1; 3 Year Terms) (Appointed by City Council)

Alderman Ward 2 Appoints

Jennifer Beane expires 2-1-18 eligible for reappointment

Kay Schmucker expires 2-1-18 eligible for reappointment

(Note: The representatives for Ward 2 will continue serving until such time as the Ward 2 Alderman appoints or reappoints these positions.)

***Ex-Officio Members to Bond Implementation Commission  
(Appointed by Boards and Commissions)***

Business Development Committee

**Dana Chambers Not Eligible**

Catawba County Chamber of Commerce

**Will Locke Not Eligible**

Citizens Advisory Committee Reappointed Cliff Moone

Community Appearance Commission

**Charlie Hayes Not Eligible**

Parks and Recreation Commission Appointed Jim Rogers

Recycling Advisory Board Appointed Robert "Bob" Warmuth

Youth Council Appointed Emma Lail

**COMMUNITY APPEARANCE COMMISSION**

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

Ward 2 (Alderman Ward 2 Appoints)

VACANT

**COMMUNITY RELATIONS COUNCIL**

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

Caucasian (Council Appoints) Eddie Beard Resigned 2-12-18

VACANT

Other Minority (Council Appoints)

VACANT

Other Minority (Council Appoints)

VACANT

Other Minority (Council Appoints)

VACANT

Alderman Zagaroli Appointed Mandy Pitts Hildebrand as a Caucasian Representative on the Community Relations Council

**HICKORY REGIONAL PLANNING COMMISSION**

(Terms Expiring 6-30; 3-Year Terms With Unlimited Appointments)

(Appointed by City Council)

Burke County (Mayor Appoints)

VACANT

**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)

(1) Positions

VACANT

**LIBRARY ADVISORY BOARD**

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

At-Large (2) (Mayor Appoints)

VACANT

Mayor Guess Appointed Whitney Coble as At-Large (2) Representative on the Library Advisory Board

**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 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

Mayor Guess moved seconded by Alderwoman Patton 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
- XIV. Closed Session Per NC General Statutes 143-318.11(a)(1)(3)(4) to consult with the attorneys regarding the following: (Action on these items, if any, will occur in Open Session)

Alderwoman Patton moved that Council go into closed session to consult with the attorneys to discuss the items below seconded by Alderman Williams. The motion carried unanimously.

- 1. Approval of Closed Session Minutes of February 6, 2018 - NCGS §143-318.11(a)(1)
- 2. Discussion of Potential Litigation - NCGS §143-318.11(a)(3)
- 3. Discussion of Potential Economic Development - NCGS §143-318.11(a)(4)

City Council convened to closed session at approximately 8:00 p.m.

City Council reconvened to open session at 9:05 p.m. No action was taken upon return to open session.

- XV. There being no further business, the meeting adjourned at 9:05 p.m.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk